

**2026 Legislative Priority Proposal**  
**Updated: 9/15/25**

<b>Proposition 123 Corrections</b>	
<b>Jefferson County (Commissioner Rachel Zenzinger)</b>	
Preferred Contact:	rzenzing@jeffco.us
Co-Sponsoring Counties/Commissioners:	Andy Kerr, Lesley Dahlkemper.
Who is your subject matter expert?	Kat Douglas, Housing, Economic, & Employment Services Director & Human Services Department, 720-289-4719 : kdouglas@jeffco.us
Has this proposal been approved by your BoCC?	Yes.
Have you reviewed the CCI Instructional Memo?	Yes.
Describe the problem your proposal will solve.	Correct elements in Proposition 123, primarily unit credit for counties and AMI issues.
Areas of Impact:	Day-to-day operations of the county; Functionality of county programs or services.
What is the ultimate source of this problem?	<p>Proposition 123, as written, does not provide incentive for municipalities to coordinate the unit counts with counties. Counties often support development in both unincorporated areas and incorporated areas, however as written, any development financially (or otherwise) supported by counties in municipalities would not add to the county unit count. Counties and cities are required to enter an MOU to coordinate unit counts, however cities do not have to enter into these agreements. Proposition 123 currently does not fully acknowledge the development process or investments made by counties in critical housing efforts within municipalities. Counties invest with gap financing, bond cap, and tax credits. Municipalities have the ability to give tax exemptions, but that is directly impacting the counties, and as written, the counties would not receive any unit count for the property.</p> <p>The AMIs identified in Proposition 123 are also problematic and leaving some communities unable to count units they have invested in supporting critical community members with affordable housing options but not fully meeting the defined AMI per Proposition 123.</p>
What is your initial proposal to solve this problem?	Both counties and Municipalities should get full credit for the unit count of affordable housing preservation and new development when contributing to the project.

	AMI language should be adjusted to support communities that are developing to support urgent community needs. This mainly impacts rural and resort communities.
Please provide sample language for this solution.	Unknown at this time.
Are there any solutions that do not require state-level legislation? Has your county explored these alternatives?	MOUs between counties and cities are possible per DOLA, however it is up to each party to agree and there is no incentive for cities to agree to coordinate counts. The MOUs would only be to coordinate and share the count but would not allow for both municipality and county to get full credit for the units.
Has CCI or any other organizations sought a solution to this problem before?	No.
What possible organization(s) would <b>support</b> your proposed solution?	Counties, Housing Authorities, Non-Profit and For-Profit affordable housing developers.
What possible organization(s) would <b>oppose</b> your proposed solution?	Municipalities.
Have you spoken with any legislators about your proposed solution? If so, what was their response?	No.
What are the financial implications of this <b>problem</b> to your county?  Are there any financial implications to this <b>solution</b> either?	Counties often provide funding for affordable housing and housing authorities.
What are the financial implications of this <b>problem</b> to any other impacted parties?	If Municipalities have to share unit counts, and they don't meet their municipal counts, they potentially risk losing out on one year of Prop 123 funding eligibility.

<p>What are the financial implications of this <b>solution</b> to any other impacted parties?</p> <p><i>Please consider any relevant Colorado State Departments.</i></p>	
Staff Feedback	