

**Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 24-0288.03 Pierce Lively x2059

**HOUSE BILL 24-1313**

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**HOUSE SPONSORSHIP**

**Woodrow and Jodeh,**

**SENATE SPONSORSHIP**

**Hansen and Winter F.,**

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**House Committees**

Transportation, Housing & Local Government  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING MEASURES TO INCREASE THE AFFORDABILITY OF**  
102            **HOUSING IN TRANSIT-ORIENTED COMMUNITIES, AND, IN**  
103            **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

**Section 1** of the bill establishes a category of local government: A transit-oriented community. As defined in the bill, a transit-oriented community is either a local government that:

- Is entirely within a metropolitan planning organization;
- Has a population of 4,000 or more; and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

HOUSE  
Amended 2nd Reading  
April 12, 2024

- Contains at least 75 acres of certain transit-related areas; or

If the local government is a county, contains either a part of:

- A transit station area that is both in an unincorporated part of the county and within one-half mile of a station that serves a commuter rail service or light rail service; or
- A transit corridor area that both is in an unincorporated part of the county and is fully encompassed by one or more municipalities.

The bill requires a transit-oriented community to meet its housing opportunity goal and relatedly requires the department to:

- On or before July 31, 2024, publish a map that designates transit areas that transit-oriented communities shall use in calculating their housing opportunity goal; and
- On or before December 31, 2024, publish models and guidance to assist a transit-oriented community in meeting its housing opportunity goal.

A housing opportunity goal is a zoning capacity goal determined based on an average zoned housing density and the amount of transit-related areas within a transit-oriented community. The bill requires a transit-oriented community to meet its housing opportunity goal by ensuring that enough areas in the transit-oriented community qualify as transit centers. In order to qualify as a transit center, an area must:

- Be composed of zoning districts that uniformly allow a net housing density of at least 15 units per acre;
- Identify the net housing density allowed by law;
- Meet a housing density established by the transit-oriented community;
- Not include any area where local law exclusively restricts housing occupancy based on age or other factors;
- Have an administrative approval process for multifamily residential property development on parcels that are 5 acres or less in size;
- Be composed of contiguous parcels, if located partially outside of a transit area; and
- Be located wholly within a transit area and not extend more than one-quarter mile from the edge of a transit area, unless the department allows otherwise.

A transit-oriented community is required to demonstrate that it has met its housing opportunity goal by submitting a housing opportunity goal report to the department of local affairs (department). A housing opportunity goal report must include:

- The housing opportunity goal calculation that the transit-oriented community used in determining its housing opportunity goal;
- Evidence that the transit-oriented community has met its

- housing opportunity goal;
- A map that identifies the boundaries of any transit centers within the transit-oriented community;
- If relevant, a plan to address potential insufficient water supplies for meeting the transit-oriented community's housing opportunity goal;
- Affordability strategies that the transit-oriented community will implement in meeting its housing opportunity goal. The transit-oriented community shall select some of these strategies from the standard and long-term affordability strategies menus in the bill, and the transit-oriented community shall include an implementation plan describing how it will implement these strategies.
- Any displacement mitigation strategies that the transit-oriented community has or will adopt from the displacement mitigation strategies menu in the bill and an implementation plan describing how it will implement these strategies.

Additionally, the bill requires a transit-oriented community to submit a progress report to the department every 3 years.

After receiving a transit-oriented community's housing opportunity goal report, the department shall either approve the report or provide direction to the transit-oriented community for amending and resubmitting the report and require the transit-oriented community to resubmit the report. If a transit-oriented community does not submit a housing opportunity goal report to the department on or before December 31, 2026, or if the department does not approve a transit-oriented community's housing opportunity goal report, the department will designate the transit-oriented community as a nonqualified transit-oriented community. Similarly, if a transit-oriented community does not submit a progress report to the department every 3 years, or if the department does not approve a transit-oriented community's progress report, the department will designate the transit-oriented community as a nonqualified transit-oriented community.

The state treasurer shall transfer any money that a nonqualified transit-oriented community would have otherwise been allocated from the highway users tax fund instead to the transit-oriented communities highway users tax account (account). The department shall not use any money in the account that is attributable to a specific nonqualified transit-oriented community until 180 days after the transit-oriented community became a nonqualified transit-oriented community. If a nonqualified transit-oriented community no longer qualifies as a nonqualified transit-oriented community during that 180-day period, the treasurer shall issue a warrant to the transit-oriented community for the amount of money that was diverted from the transit-oriented community

to the account.

If the department does not approve a transit-oriented community's housing opportunity goal report on or before December 31, 2027, the department may seek an injunction requiring the transit-oriented community to comply with the requirements of the bill.

In addition to designating an area as a transit center for purposes of meeting a housing opportunity goal, the bill allows local governments to designate an area as a neighborhood center so long as the local government ensures that the area:

- Has an average zoned housing density sufficient to increase public transit ridership;
- Has an administrative approval process for multifamily residential property development on parcels that are no larger than a size determined by the department;
- Has a mixed-use walkable neighborhood; and
- Satisfies any other criteria required by the department.

The bill also creates the transit-oriented communities infrastructure fund grant program (grant program) within the department. The purpose of the grant program is to assist local governments in upgrading infrastructure within transit centers and neighborhood centers. In administering the grant program, the department shall prioritize grant applicants based on the information in the reports described in the bill. Grants from the grant program are awarded from money in the transit-oriented communities infrastructure fund (fund). The fund consists of gifts, grants, and donations along with money that the general assembly may appropriate or transfer to the fund and money in the account described in the bill. The fund is continuously appropriated. On July 1, 2024, the state treasurer shall transfer \$35 million from the general fund to the fund.

**Section 2** prohibits a planned unit development resolution or ordinance for a planned unit development that is adopted on or after the effective date of the bill and that applies within a transit-oriented center or neighborhood center from restricting the development of housing more than the local law that applies to that transit-oriented center or neighborhood center.

**Section 3** states that any restriction by a unit owners' association within a transit-oriented center or neighborhood center on the development of housing that is adopted on or after the effective date of the bill and is beyond the local law that applies to that transit-oriented center or neighborhood center is void as a matter of public policy.

**Sections 4 and 5** require the Colorado housing and financing authority to allocate tax credits under the state affordable housing tax credit to qualified housing developments within transit centers.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 35 to title  
3 29 as follows:

4 **ARTICLE 35**

5 **State Land Use Criteria For Strategic Growth**

6 **PART 1**

7 **DEFINITIONS**

8 **29-35-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 35 IS  
9 THE "STATE LAND USE CRITERIA FOR STRATEGIC GROWTH ACT".

10 **29-35-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY  
11 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

12 (a) SINCE THE "LOCAL GOVERNMENT LAND USE CONTROL  
13 ENABLING ACT OF 1974", ARTICLE 20 OF TITLE 29, WAS ADOPTED,  
14 COLORADO'S POPULATION HAS MORE THAN DOUBLED, WITH THE STATE  
15 GROWING AT TWICE THE NATIONAL RATE BETWEEN 2010 AND 2020;

16 (b) THE COLORADO STATE DEMOGRAPHY OFFICE ESTIMATES THAT  
17 COLORADO WILL ADD ONE MILLION SEVEN HUNDRED THOUSAND TWO  
18 HUNDRED PEOPLE BY 2050, BRINGING COLORADO'S POPULATION TO  
19 NEARLY SEVEN MILLION FIVE HUNDRED THOUSAND. THE NEED FOR  
20 HOUSING FOR THE GROWING POPULATION IS AN ISSUE THAT AFFECTS ALL  
21 COLORADO COMMUNITIES REGARDLESS OF REGION OR SIZE. IN A  
22 BIPARTISAN POLL CONDUCTED BY THE COLORADO POLLING INSTITUTE IN  
23 NOVEMBER 2023, COLORADO VOTERS LISTED HOUSING AFFORDABILITY AS  
24 ONE OF THEIR TOP FIVE ISSUES FOR THE COLORADO STATE GOVERNMENT  
25 TO ADDRESS. THEREFORE, IT IS CRITICAL TO ADDRESS THE COST AND  
26 AVAILABILITY OF HOUSING ACROSS THE STATE TO ADDRESS HISTORIC  
27 POPULATION GROWTH.

1 (c) IN EXPERIENCING SIGNIFICANT POPULATION GROWTH AT A TIME  
2 OF INCREASED VEHICLE OWNERSHIP AND COMMUTE TIMES, THE SUPPLY  
3 AND AFFORDABILITY OF HOUSING IN ONE COMMUNITY AFFECTS THE  
4 RESOURCES OF NEIGHBORING COMMUNITIES. COLORADO'S NEED FOR  
5 HOUSING IMPACTS THE STATE'S TRANSIT, TRANSPORTATION, EMPLOYMENT,  
6 ECONOMY, ENERGY, WATER, AND INFRASTRUCTURE AND REQUIRES  
7 INNOVATIVE, COLLABORATIVE SOLUTIONS.

8 (d) COLORADO'S HOUSING SUPPLY HAS NOT KEPT PACE WITH  
9 POPULATION GROWTH IN THE STATE. BETWEEN 2010 AND 2020,  
10 COLORADO ADDED ONE HUNDRED TWENTY-SIX THOUSAND FEWER  
11 HOUSING UNITS THAN IN THE PRIOR DECADE, DESPITE COLORADO'S  
12 POPULATION INCREASING BY A SIMILAR AMOUNT IN EACH DECADE. THE  
13 STATE DEMOGRAPHER ESTIMATES THAT BETWEEN APPROXIMATELY  
14 SIXTY-FIVE THOUSAND AND NINETY THOUSAND HOUSING UNITS ARE  
15 NEEDED TO KEEP PACE WITH COLORADO'S CURRENT POPULATION GROWTH.

16 (e) ACROSS THE STATE, COLORADO NEEDS MORE HOUSING  
17 URGENTLY TO SUPPORT OUR GROWING WORKFORCE, AND HOUSING  
18 OPPORTUNITIES ARE NEEDED ACROSS ALL INCOME LEVELS. ADDRESSING  
19 THE CRITICAL ISSUE OF COST AND AVAILABILITY OF HOUSING REQUIRES  
20 MAINTAINING AND EXPANDING ACCESS TO AFFORDABLE AND ATTAINABLE  
21 HOUSING BY REMOVING BARRIERS TO AND EXPEDITING NEW HOUSING  
22 OPPORTUNITIES FOR EVERY COMMUNITY, ESPECIALLY NEAR TRANSIT. AS  
23 HOUSING RENTS AND PRICES HAVE INCREASED FASTER THAN WAGES  
24 ACROSS THE STATE, INDIVIDUAL HOUSEHOLDS ARE EXPERIENCING  
25 DISPLACEMENT FROM HOMES THEY COULD ONCE AFFORD AND HAVING TO  
26 LIVE FARTHER FROM WORK WITH INCREASED COMMUTE TIMES. AS STATE  
27 AND LOCAL GOVERNMENTS SEEK TO INCREASE HOUSING OPTIONS AND

1 ADDRESS AFFORDABILITY FOR RESIDENTS, IT IS ESSENTIAL TO PROVIDE  
2 SOLUTIONS THAT INCORPORATE TRANSIT NEEDS AS WELL.

3 (f) BETWEEN 2010 AND 2021, THE PERCENTAGE OF COLORADANS  
4 MAKING LESS THAN SEVENTY-FIVE THOUSAND DOLLARS A YEAR WHO  
5 WERE HOUSING COST-BURDENED, MEANING THEY SPEND MORE THAN  
6 THIRTY PERCENT OF THEIR INCOME ON HOUSING NEEDS, INCREASED FROM  
7 FIFTY-FOUR PERCENT TO SIXTY-ONE PERCENT, AND, FOR RENTERS MAKING  
8 LESS THAN SEVENTY-FIVE THOUSAND DOLLARS A YEAR, THAT  
9 PERCENTAGE INCREASED FROM FIFTY-NINE PERCENT TO SEVENTY-THREE  
10 PERCENT, ACCORDING TO THE AMERICAN COMMUNITY SURVEY;

11 (g) NATIONALLY, CITIES WITH THE HIGHEST HOUSING COSTS AND  
12 LOWEST VACANCY RATES EXPERIENCE THE HIGHEST RATES OF  
13 HOMELESSNESS, ACCORDING TO A REPORT BY THE URBAN INSTITUTE,  
14 "UNSHeltered HOMELESSNESS: TRENDS, CHARACTERISTICS, AND  
15 HOMELESS HISTORIES". THESE INDICATORS EXPLAIN A GREATER PORTION  
16 OF THE VARIATION IN REGIONAL RATES OF HOMELESSNESS THAN OTHER  
17 COMMONLY ASSUMED FACTORS, SUCH AS POVERTY RATE, SUBSTANCE USE,  
18 OR MENTAL ILLNESS, ACCORDING TO A STUDY IN THE EUROPEAN JOURNAL  
19 OF HOUSING POLICY, "THE ECONOMICS OF HOMELESSNESS: THE  
20 EVIDENCE FROM NORTH AMERICA".

21 (h) HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING  
22 SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A  
23 METROPOLITAN REGION, ACCORDING TO STUDIES SUCH AS THE NATIONAL  
24 BUREAU OF ECONOMIC RESEARCH WORKING PAPERS "REGULATION AND  
25 HOUSING SUPPLY" AND "THE IMPACT OF ZONING ON HOUSING  
26 AFFORDABILITY". INCREASING HOUSING SUPPLY MODERATES PRICE  
27 INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL

1 INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC  
2 IMPLICATIONS OF HOUSING SUPPLY", IN THE JOURNAL OF ECONOMIC  
3 PERSPECTIVES, AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND  
4 AFFORDABILITY", IN THE JOURNAL HOUSING POLICY DEBATE.

5 (i) RESEARCHERS HAVE FOUND SUBSTANTIAL EVIDENCE THAT NEW  
6 HOUSING CONSTRUCTION ENABLES HOUSEHOLDS TO MOVE WITHIN A  
7 REGION, OPENS UP HOUSING OPTIONS FOR MORE DIVERSE INCOME LEVELS,  
8 AND PROMOTES COMPETITION THAT LIMITS HOUSING COST INCREASES,  
9 ACCORDING TO THE NEW YORK UNIVERSITY LAW AND ECONOMICS  
10 RESEARCH PAPER "SUPPLY SKEPTICISM REVISITED". WHILE NEW HOUSING  
11 SUPPLY CAN RARELY MEET THE NEEDS OF THE LOWEST INCOME  
12 HOUSEHOLDS, ENABLING NEW HOUSING SUPPLY CAN MODERATE PRICE  
13 INCREASES AND REDUCE THE NUMBER OF HOUSEHOLDS THAT NEED  
14 SUBSIDIES TO AFFORD HOUSING. RESIDENT OPPOSITION FREQUENTLY  
15 LIMITS NEW HOUSING DEVELOPMENT IN EXISTING COMMUNITIES AND  
16 EITHER LEADS TO LESS HOUSING PRODUCTION AND INCREASED HOUSING  
17 COSTS OR PUSHES HOUSING DEVELOPMENT TO GREENFIELD AREAS WHERE  
18 THERE ARE FEWER NEIGHBORS BUT GREATER ENVIRONMENTAL AND FISCAL  
19 COSTS.

20 **29-35-103. Definitions.** AS USED IN THIS ARTICLE 35, UNLESS THE  
21 CONTEXT OTHERWISE REQUIRES:

22 (1) "ACCESSIBLE UNIT" MEANS A HOUSING UNIT THAT:

23 (a) SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR HOUSING  
24 ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED;

25 (b) INCORPORATES UNIVERSAL DESIGN; OR

26 (c) IS A TYPE A DWELLING UNIT, AS DEFINED IN SECTION 9-5-101  
27 (10); A TYPE A MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION



1 9-5-101 (11); A TYPE B DWELLING UNITY, AS DEFINED IN SECTION 9-5-101  
2 (12); OR A TYPE B MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION  
3 9-5-101 (13).

4 (2) (a) "ADMINISTRATIVE APPROVAL PROCESS" MEANS A PROCESS  
5 IN WHICH:

6 (I) A DEVELOPMENT PROPOSAL FOR A SPECIFIED PROJECT IS  
7 APPROVED, APPROVED WITH CONDITIONS, OR DENIED BY LOCAL  
8 GOVERNMENT ADMINISTRATIVE STAFF BASED SOLELY ON ITS COMPLIANCE  
9 WITH OBJECTIVE STANDARDS SET FORTH IN LOCAL LAWS; AND

10 (II) DOES NOT REQUIRE, AND CANNOT BE ELEVATED TO REQUIRE,  
11 A PUBLIC HEARING, A RECOMMENDATION, OR A DECISION BY AN ELECTED  
12 OR APPOINTED PUBLIC BODY OR A HEARING OFFICER.

13 (b) NOTWITHSTANDING SUBSECTION (2)(a) OF THIS SECTION, AN  
14 ADMINISTRATIVE APPROVAL PROCESS MAY REQUIRE AN APPOINTED  
15 HISTORIC PRESERVATION COMMISSION TO MAKE A DECISION, OR TO MAKE  
16 A RECOMMENDATION TO LOCAL GOVERNMENT ADMINISTRATIVE STAFF,  
17 REGARDING A DEVELOPMENT APPLICATION INVOLVING A PROPERTY THAT  
18 THE LOCAL GOVERNMENT HAS DESIGNATED AS A HISTORIC PROPERTY,  
19 PROVIDED THAT:

20 (I) THE STATE HISTORIC PRESERVATION OFFICE WITHIN HISTORY  
21 COLORADO HAS DESIGNATED THE LOCAL GOVERNMENT AS A CERTIFIED  
22 LOCAL GOVERNMENT; AND

23 (II) THE APPOINTED HISTORIC PRESERVATION COMMISSION'S  
24 DECISION OR RECOMMENDATION IS BASED ON STANDARDS EITHER SET  
25 FORTH IN LOCAL LAW OR ESTABLISHED BY THE SECRETARY OF THE  
26 INTERIOR OF THE UNITED STATES.

27 (3) "BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID TRANSIT

1 SERVICE:

2 (a) AS IDENTIFIED IN A METROPOLITAN PLANNING ORGANIZATION'S  
3 FISCALLY CONSTRAINED LONG RANGE TRANSPORTATION PLAN OR A  
4 TRANSIT AGENCY'S MASTER PLAN; AND

5 (b) THAT TYPICALLY INCLUDES ANY NUMBER OF THE FOLLOWING:

6 (I) SERVICE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES  
7 OR LESS DURING THE HIGHEST FREQUENCY SERVICE HOURS;

8 (II) DEDICATED LANES OR BUSWAYS;

9 (III) TRAFFIC SIGNAL PRIORITY;

10 (IV) OFF-BOARD FARE COLLECTION;

11 (V) ELEVATED PLATFORMS; OR

12 (VI) ENHANCED STATIONS.

13 (4) "COMMUTER BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID  
14 TRANSIT SERVICE THAT OPERATES FOR A MAJORITY OF ITS ROUTE ON A  
15 FREEWAY WITH ACCESS THAT IS LIMITED TO GRADE-SEPARATED  
16 INTERCHANGES.

17 (5) "COMMUTER RAIL" MEANS A PASSENGER RAIL TRANSIT SERVICE  
18 BETWEEN AND WITHIN METROPOLITAN AND SUBURBAN AREAS.

19 (6) "COUNTY" MEANS A COUNTY INCLUDING A HOME RULE  
20 COUNTY, BUT EXCLUDING A CITY AND COUNTY.

21 (7) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

22 (8) "DISPLACEMENT" MEANS:

23 (a) THE INVOLUNTARY RELOCATION, DUE TO INCREASED REAL  
24 ESTATE PRICES, RENTS, PROPERTY REHABILITATION, REDEVELOPMENT,  
25 DEMOLITION, OR OTHER ECONOMIC FACTORS, OF LOW-INCOME RESIDENTS  
26 OR LOCALLY-OWNED COMMUNITY-SERVICE BUSINESSES AND INSTITUTIONS  
27 IN LOW-INCOME AREAS; AND

1 (b) INDIRECT DISPLACEMENT RESULTING FROM CHANGES IN  
2 NEIGHBORHOOD POPULATION, IF, WHEN LOW-INCOME HOUSEHOLDS MOVE  
3 OUT OF HOUSING UNITS, THOSE SAME HOUSING UNITS DO NOT REMAIN  
4 AFFORDABLE TO OTHER LOW-INCOME HOUSEHOLDS.

5 (9) "LIGHT RAIL" MEANS A PASSENGER RAIL TRANSIT SERVICE  
6 THAT USES ELECTRICALLY POWERED RAIL-BORNE CARS.

7 (10) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, COUNTY, OR  
8 TRIBAL NATION WITH JURISDICTION IN COLORADO.

9 (11) "LOCAL LAW" MEANS ANY CODE, LAW, ORDINANCE, POLICY,  
10 REGULATION, OR RULE ENACTED BY A LOCAL GOVERNMENT THAT  
11 GOVERNS THE DEVELOPMENT AND USE OF LAND, INCLUDING BUT NOT  
12 LIMITED TO LAND USE CODES, ZONING CODES, AND SUBDIVISION CODES.

13 (12) "METROPOLITAN PLANNING ORGANIZATION" MEANS A  
14 METROPOLITAN PLANNING ORGANIZATION UNDER THE "FEDERAL TRANSIT  
15 ACT OF 1998", 49 U.S.C. SEC. 5301 ET SEQ., AS AMENDED.

16 (13) "MUNICIPALITY" MEANS A HOME RULE OR STATUTORY CITY  
17 OR TOWN, TERRITORIAL CHARTER CITY OR TOWN, OR CITY AND COUNTY.

18 (14) "OBJECTIVE STANDARD" MEANS A STANDARD THAT:

19 (a) IS A DEFINED BENCHMARK OR CRITERION THAT ALLOWS FOR  
20 DETERMINATIONS OF COMPLIANCE TO BE CONSISTENTLY DECIDED  
21 REGARDLESS OF THE DECISION MAKER; AND

22 (b) DOES NOT REQUIRE A SUBJECTIVE DETERMINATION  
23 CONCERNING A DEVELOPMENT PROPOSAL, INCLUDING BUT NOT LIMITED TO  
24 WHETHER THE APPLICATION FOR THE DEVELOPMENT PROPOSAL IS:

25 (I) CONSISTENT WITH MASTER PLANS, OR OTHER DEVELOPMENT  
26 PLANS;

27 (II) COMPATIBLE WITH THE LAND USE OR DEVELOPMENT OF THE

1 AREA SURROUNDING THE AREA DESCRIBED IN THE APPLICATION; OR

2 (III) CONSISTENT WITH PUBLIC WELFARE, COMMUNITY  
3 CHARACTER, OR NEIGHBORHOOD CHARACTER.

4 (15) "UNIVERSAL DESIGN" MEANS ANY DWELLING UNIT DESIGNED  
5 AND CONSTRUCTED TO BE SAFE AND ACCESSIBLE FOR ANY INDIVIDUAL  
6 REGARDLESS OF AGE OR ABILITIES.

7 (16) "URBAN BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID  
8 TRANSIT SERVICE THAT OPERATES ON A SURFACE STREET FOR THE  
9 MAJORITY OF ITS ROUTE.

10 (17) "VISITABLE UNIT" MEANS A DWELLING UNIT THAT A PERSON  
11 WITH A DISABILITY CAN ENTER, MOVE AROUND THE PRIMARY ENTRANCE  
12 FLOOR OF, AND USE THE BATHROOM IN.

13 PART 2

14 TRANSIT-ORIENTED COMMUNITIES

15 **29-35-201. Legislative declaration.** (1) THE GENERAL ASSEMBLY  
16 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

17 (a) MULTIFAMILY HOUSING IS TYPICALLY MORE AFFORDABLE THAN  
18 SINGLE-UNIT DWELLINGS. ACCORDING TO THE AMERICAN COMMUNITY  
19 SURVEY, COLORADO MULTIFAMILY UNITS COST BETWEEN FOURTEEN AND  
20 FORTY-THREE PERCENT LESS TO RENT IN 2019, DEPENDING ON THE SIZE OF  
21 THE BUILDING, COMPARED TO SINGLE-UNIT DETACHED DWELLINGS.

22 (b) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT IS  
23 IMPORTANT FOR THE COST EFFECTIVENESS AND AVAILABILITY OF  
24 AFFORDABLE HOUSING. AN ANALYSIS OF OVER SIXTY AFFORDABLE  
25 HOUSING PROJECTS FUNDED BY THE U.S. DEPARTMENT OF HOUSING AND  
26 URBAN DEVELOPMENT IN TRANSIT-ORIENTED AREAS IN COLORADO SINCE  
27 2010 FOUND THAT HALF WERE DEVELOPED AT OVER FIFTY UNITS PER ACRE,

1 AND TWENTY PERCENT WERE OVER ONE HUNDRED UNITS PER ACRE.

2 (c) THROUGHOUT COLORADO, LESS THAN HALF OF AVAILABLE  
3 ZONING CAPACITY IS TYPICALLY UTILIZED, AND GREATER UTILIZATION OF  
4 ZONING CAPACITY IS NECESSARY TO MEET ANTICIPATED HOUSING NEEDS.  
5 NUMEROUS FACTORS CURRENTLY PREVENT DEVELOPMENT FROM FULLY  
6 UTILIZING AVAILABLE ZONING CAPACITY AND ALLOWED DENSITIES,  
7 INCLUDING SITE LEVEL CONSTRAINTS, FINANCIAL FEASIBILITY AND  
8 DEMAND, AND LANDOWNERS' WILLINGNESS TO SELL OR REDEVELOP.

9 (d) COLORADO HAS INVESTED SIGNIFICANTLY IN PUBLIC TRANSIT  
10 IN THE LAST SEVERAL DECADES, FUNDING OVER SIX BILLION DOLLARS  
11 ACROSS EIGHTY-FIVE MILES OF NEW RAIL LINES. THE INVESTMENTS WILL  
12 CONTINUE IN THE COMING YEARS WITH NEW BUS RAPID TRANSIT AND RAIL  
13 SYSTEMS ALONG THE FRONT RANGE. DESPITE THESE INVESTMENTS,  
14 TRANSIT RIDERSHIP LAGS BEHIND PEER AGENCIES AROUND THE COUNTRY,  
15 DUE AT LEAST IN PART TO A LACK OF DENSITY NEAR THESE TRANSIT LINES.  
16 BEFORE THE COVID-19 PANDEMIC, THE REGIONAL TRANSPORTATION  
17 DISTRICT HAD TWO AND THREE-TENTHS RIDES PER VEHICLE REVENUE MILE  
18 ON THEIR RAIL SYSTEM, COMPARED TO OVER FOUR RIDES PER VEHICLE  
19 REVENUE MILE FOR AGENCIES IN MINNEAPOLIS AND PORTLAND AND OVER  
20 EIGHT RIDES PER VEHICLE REVENUE MILE IN SEATTLE, ACCORDING TO  
21 DATA FROM THE FEDERAL TRANSIT ADMINISTRATION'S NATIONAL TRANSIT  
22 DATABASE.

23 (e) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT NEAR  
24 TRANSIT IS IMPORTANT FOR INCREASING TRANSIT RIDERSHIP AND  
25 IMPROVING THE COST EFFECTIVENESS OF TRANSIT SERVICES.  
26 RESEARCHERS HAVE FOUND THAT HIGHER BUILT GROSS DENSITIES  
27 CITYWIDE INCREASE COST-EFFECTIVENESS FOR LIGHT RAIL AND BUS RAPID

1 TRANSIT SERVICES, AS DESCRIBED IN THE ARTICLE, "COST OF A RIDE: THE  
2 EFFECTS OF DENSITIES ON FIXED-GUIDEWAY TRANSIT RIDERSHIP AND  
3 COSTS" BY ERICK GUERRA AND ROBERT CERVERO.

4 (f) MOST LIGHT AND COMMUTER RAIL STATIONS AND FREQUENT  
5 BUS CORRIDORS IN COLORADO HAVE LOWER HOUSING UNIT DENSITY THAN  
6 IS NECESSARY TO SUPPORT FREQUENT TRANSIT. BASED ON 2020 CENSUS  
7 BLOCK HOUSING UNIT DATA, OVER NINETY PERCENT OF RAIL STATIONS  
8 AND EIGHTY-FOUR PERCENT OF BUS RAPID TRANSIT AND FREQUENT BUS  
9 CORRIDORS IN COLORADO HAVE LESS THAN FIFTEEN HOUSING UNITS PER  
10 ACRE ON AVERAGE WITHIN WALKING DISTANCE. RESEARCHERS HAVE  
11 GENERALLY FOUND A MINIMUM OF FIFTEEN HOUSING UNITS PER ACRE OF  
12 BUILT DENSITY IS NEEDED TO SUPPORT FREQUENT TRANSIT.

13 (g) LIVING NEAR TRANSIT, JOBS, AND SERVICES ENABLES  
14 HOUSEHOLDS TO ALSO SAVE ON TRANSPORTATION COSTS BY OWNING  
15 FEWER VEHICLES AND REDUCING FUEL CONSUMPTION. COLORADANS  
16 COMMUTE OVER FIFTY MINUTES TO AND FROM WORK ON AVERAGE,  
17 ACCORDING TO THE LATEST AMERICAN COMMUNITY SURVEY'S FIVE YEAR  
18 ESTIMATES. ANALYSES OF TRANSIT-ORIENTED COMMUNITIES HAVE FOUND  
19 THAT RESIDENTS TAKE AN AVERAGE OF FORTY-FOUR PERCENT FEWER  
20 VEHICLE TRIPS, ACCORDING TO THE ARTICLE "VEHICLE TRIP REDUCTION  
21 IMPACTS OF TRANSIT-ORIENTED HOUSING" IN THE JOURNAL OF PUBLIC  
22 TRANSPORTATION.

23 (h) IN COLORADO, HOUSEHOLDS IN MORE DENSE AREAS, WHICH  
24 ARE DEFINED AS CENSUS TRACTS WITH MORE THAN FOUR THOUSAND UNITS  
25 PER SQUARE MILE OR ABOUT FIFTEEN UNITS PER ACRE, DRIVE TWENTY  
26 PERCENT LESS THAN THE STATE AVERAGE, AND HIGHER DENSITY AREAS,  
27 CENSUS TRACTS WITH MORE THAN TEN THOUSAND UNITS PER SQUARE MILE

1 OR ABOUT FORTY UNITS PER ACRE, DRIVE FORTY PERCENT LESS THAN THE  
2 STATE AVERAGE, ACCORDING TO DATA FROM THE 2017 NATIONAL  
3 HOUSEHOLD TRAVEL SURVEY;

4 (i) HIGH TRANSPORTATION COSTS IMPACT LOW-INCOME  
5 HOUSEHOLDS IN PARTICULAR. HOUSEHOLDS MAKING LESS THAN FORTY  
6 THOUSAND DOLLARS PER YEAR IN THE WESTERN UNITED STATES ARE  
7 SPENDING OVER TWENTY-FOUR PERCENT OF THEIR INCOME ON  
8 TRANSPORTATION, WHEN SPENDING MORE THAN FIFTEEN PERCENT OF  
9 INCOME ON TRANSPORTATION IS CONSIDERED COST BURDENED,  
10 ACCORDING TO DATA FROM THE BUREAU OF LABOR STATISTICS CONSUMER  
11 EXPENDITURE SURVEYS.

12 (j) IN ADDITION TO SAVING ON TRANSPORTATION COSTS BY LIVING  
13 NEAR TRANSIT, OWNING FEWER VEHICLES AND TRAVELING TO WORK AND  
14 ACCESSING SERVICES WITHOUT DRIVING OR DRIVING LESS REDUCES  
15 GREENHOUSE GAS EMISSIONS AND AIR POLLUTION, WHICH IMPACTS AIR  
16 QUALITY NOT JUST IN TRANSIT-ORIENTED COMMUNITIES BUT IN GREATER  
17 REGIONS ACROSS THE STATE;

18 (k) IN COLORADO, HOUSEHOLD ENERGY DEMAND ON AVERAGE IS  
19 SEVENTY PERCENT LESS FOR MULTIFAMILY HOUSING COMPARED TO  
20 SINGLE-UNIT DETACHED DWELLINGS, ACCORDING TO THE NATIONAL  
21 RENEWABLE ENERGY LABORATORY RESTOCK ANALYSIS TOOL;

22 (l) SCENARIOS ANALYZED FOR THE "COLORADO WATER AND  
23 GROWTH DIALOGUE FINAL REPORT" WITH HIGHER PERCENTAGE OF  
24 FUTURE HOUSING SHIFTING TO HIGHER DENSITIES WERE ESTIMATED TO  
25 ACHIEVE A TOTAL DECREASE IN WATER DEMAND BETWEEN FOUR AND  
26 EIGHT TENTHS PERCENT AND NINETEEN AND FOUR TENTHS PERCENT;

27 (m) NATIONAL STUDIES, SUCH AS THE ARTICLE "RELATIONSHIPS

1 BETWEEN DENSITY AND PER CAPITA MUNICIPAL SPENDING IN THE UNITED  
2 STATES", PUBLISHED IN URBAN SCIENCE, HAVE FOUND THAT LOWER  
3 DENSITY COMMUNITIES HAVE HIGHER GOVERNMENT CAPITAL AND  
4 MAINTENANCE COSTS FOR WATER, SEWER, AND TRANSPORTATION  
5 INFRASTRUCTURE AND LOWER PROPERTY AND SALES TAX REVENUE. THESE  
6 INCREASED COSTS ARE OFTEN BORNE BY BOTH STATE AND LOCAL  
7 GOVERNMENTS.

8 (n) A STUDY FOR A MUNICIPALITY IN COLORADO FOUND THAT  
9 DOUBLING THE AVERAGE RESIDENTIAL DENSITY FOR FUTURE GROWTH  
10 WOULD SAVE THIRTY-ONE PERCENT IN CAPITAL AND MAINTENANCE COSTS  
11 OVER TWENTY YEARS;

12 (o) ACCORDING TO A 2022 ARTICLE TITLED "DOES DISCRETION  
13 DELAY DEVELOPMENT?" IN THE JOURNAL OF THE AMERICAN PLANNING  
14 ASSOCIATION, RESIDENTIAL PROJECTS USING ADMINISTRATIVE APPROVAL  
15 PROCESSES ARE APPROVED TWENTY-EIGHT PERCENT FASTER THAN THOSE  
16 USING DISCRETIONARY APPROVAL PROCESSES, AND FASTER APPROVAL  
17 TIMES REDUCE DEVELOPER COSTS AND THEREFORE HOUSING COSTS.  
18 STUDIES HAVE SHOWN THAT HOMEBUILDERS, INCLUDING AFFORDABLE  
19 HOUSING DEVELOPERS, WILL AVOID PARCELS THAT NEED TO GO THROUGH  
20 A DISCRETIONARY PROCESS.

21 (p) COMMUNITY OPPOSITION TO SPECIFIC AFFORDABLE HOUSING  
22 DEVELOPMENTS FREQUENTLY CAUSES DELAYS, INCREASES COSTS,  
23 REDUCES THE NUMBER OF HOUSING UNITS DELIVERED, PUSHES SITING OF  
24 AFFORDABLE HOUSING TO LESS OPPORTUNITY-RICH AREAS, AND PREVENTS  
25 DEVELOPMENTS FROM OCCURRING ALTOGETHER, ACCORDING TO STUDIES  
26 SUCH AS "DEMOCRACY IN ACTION? NIMBY AS IMPEDIMENT TO  
27 EQUITABLE AFFORDABLE HOUSING SITING" IN THE JOURNAL HOUSING



1 STUDIES;

2 (q) RESEARCHERS HAVE FOUND THAT UPWARD MOBILITY IS  
3 SIGNIFICANTLY GREATER IN MORE COMPACT DEVELOPMENT AREAS THAN  
4 IN LOW-DENSITY AREAS, PRIMARILY DUE TO BETTER JOB ACCESSIBILITY BY  
5 MULTIPLE TRANSPORTATION MODES, ACCORDING TO THE STUDY "DOES  
6 URBAN SPRAWL HOLD DOWN UPWARD MOBILITY?", PUBLISHED IN THE  
7 JOURNAL OF LANDSCAPE AND URBAN PLANNING;

8 (r) TRANSIT-ORIENTED DEVELOPMENT, INCLUDING CONNECTING  
9 HOUSING OPPORTUNITIES AND SERVICES WITH SAFE MULTIMODAL  
10 INFRASTRUCTURE AND PUBLIC TRANSIT, IMPROVES THE ACCESSIBILITY OF  
11 CITIES FOR PEOPLE WITH DISABILITIES AND THOSE WITH LIMITED MOBILITY.  
12 PEOPLE WITH DISABILITIES ARE MORE LIKELY TO LIVE IN HOUSEHOLDS  
13 WITH ZERO CARS, ARE LESS LIKELY TO DRIVE, AND ARE MORE LIKELY TO  
14 RELY ON PUBLIC TRANSIT OR PARATRANSIT, ACCORDING TO THE 2017  
15 "NATIONAL HOUSEHOLD TRAVEL SURVEY";

16 (s) ACCORDING TO THE GREENHOUSE GAS POLLUTION REDUCTION  
17 ROADMAP PUBLISHED BY THE COLORADO ENERGY OFFICE, DATED  
18 JANUARY 14, 2021, THE TRANSPORTATION SECTOR IS THE SINGLE LARGEST  
19 SOURCE OF GREENHOUSE GAS POLLUTION IN COLORADO. NEARLY SIXTY  
20 PERCENT OF THE GREENHOUSE GAS EMISSIONS FROM THE  
21 TRANSPORTATION SECTOR COME FROM LIGHT-DUTY VEHICLES, WHICH ARE  
22 THE MAJORITY OF CARS AND TRUCKS THAT COLORADANS DRIVE EVERY  
23 DAY.

24 (t) MOTOR VEHICLE POLLUTION, INCLUDING GREENHOUSE GAS  
25 EMISSIONS, DOES NOT STAY WITHIN THE GEOGRAPHIC BOUNDARIES OF THE  
26 LOCAL GOVERNMENT WHERE IT IS EMITTED;

27 (u) THE GREENHOUSE GAS TRANSPORTATION PLANNING STANDARD

1 ADOPTED BY THE TRANSPORTATION COMMISSION OF COLORADO IN 2021  
2 SET A STATEWIDE TARGET TO REDUCE TRANSPORTATION GREENHOUSE GAS  
3 EMISSIONS THROUGH THE TRANSPORTATION PLANNING PROCESS BY ONE  
4 MILLION FIVE HUNDRED THOUSAND TONS BY 2030; AND

5 (v) THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
6 HAS CLASSIFIED THE DENVER METRO AND NORTH FRONT RANGE AREA AS  
7 BEING IN SEVERE NON-ATTAINMENT FOR OZONE AND GROUND LEVEL  
8 OZONE, WHICH HAS SERIOUS IMPACTS ON HUMAN HEALTH, PARTICULARLY  
9 FOR VULNERABLE POPULATIONS.

10 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

11 (a) THE CONSEQUENCES OF COMMUNITY OPPOSITION AND LOCAL  
12 LAND USE POLICIES THAT LIMIT HOUSING SUPPLY IN TRANSIT-ORIENTED  
13 COMMUNITIES IMPACT HOUSING OPTIONS FOR COLORADANS OF LOW AND  
14 MODERATE INCOMES AND WORKFORCE HOUSING TO SUPPORT  
15 EMPLOYMENT GROWTH. INCREASING HIGHER-DENSITY HOUSING IN  
16 TRANSIT-ORIENTED COMMUNITIES ENSURES STABLE QUANTITY AND  
17 QUALITY OF HOUSING FOR EVERYONE AND CORRECTS POLICIES THAT  
18 PERPETUATE SEGREGATED AND UNEQUAL COMMUNITIES, REDUCED  
19 MOBILITY AND LONG COMMUTES, REDUCED OPTIONS FOR OLDER ADULTS  
20 TO AGE IN THEIR COMMUNITY OF CHOICE, LOSS OF OPEN SPACE AND  
21 AGRICULTURAL LAND, HIGH WATER USAGE, AND INCREASED GREENHOUSE  
22 GAS AND AIR POLLUTION.

23 (b) THERE IS AN EXTRATERRITORIAL IMPACT WHEN LOCAL  
24 GOVERNMENTS RESTRICT HOUSING DEVELOPMENT WITHIN THEIR  
25 JURISDICTIONS. THE CALL FOR JOB GROWTH IN ONE COMMUNITY THAT  
26 DOES NOT ALSO ADDRESS THE NEED FOR ADDITIONAL HOUSING AFFECTS  
27 THE DEMAND OF HOUSING DEVELOPMENT IN NEIGHBORING JURISDICTIONS.

1 IN COLORADO, THE NUMBER OF JOBS WITHIN LARGE MUNICIPALITIES IS  
2 GENERALLY CORRELATED TO THE MUNICIPALITY'S TRANSIT SERVICE, AND  
3 RESEARCH HAS SHOWN THAT REGIONAL IMBALANCES BETWEEN JOBS AND  
4 HOUSING HAVE A SIGNIFICANT IMPACT ON VEHICLE MILES TRAVELED AND  
5 COMMUTE TIMES ACROSS JURISDICTIONS, ACCORDING TO STUDIES SUCH AS  
6 "WHICH REDUCES VEHICLE TRAVEL MORE: JOBS-HOUSING BALANCE OR  
7 RETAIL-HOUSING MIXING?", PUBLISHED IN THE JOURNAL OF THE  
8 AMERICAN PLANNING ASSOCIATION. WHEN PEOPLE ARE UNABLE TO LIVE  
9 NEAR WHERE THEY WORK, WORKERS HAVE NO OPTIONS BUT TO SPEND  
10 MORE HOURS ON THE ROAD COMMUTING TO AND FROM WORK. THE  
11 LONGER COMMUTE INCREASES VEHICLE TRAFFIC AND PUTS ADDITIONAL  
12 STRAIN ON COLORADO'S ROADS AND INCREASES POLLUTION.

13 (c) THE AVAILABILITY OF AFFORDABLE HOUSING IS A MATTER OF  
14 MIXED STATEWIDE AND LOCAL CONCERN. THEREFORE, IT IS THE INTENT OF  
15 THE GENERAL ASSEMBLY IN ENACTING THIS PART 2 TO:

16 (I) PROVIDE FUNDING FOR INFRASTRUCTURE AND AFFORDABLE  
17 HOUSING TO SUPPORT LOCAL GOVERNMENTS WHOSE ZONING DOES MEET  
18 THE GOALS OF THIS PART 2, AND TO ENCOURAGE MORE DENSE  
19 MULTIFAMILY HOUSING DEVELOPMENT PROJECTS THAT CAN ADDRESS THE  
20 STATE'S HOUSING SHORTAGE FOR ALL PARTS OF THE INCOME SPECTRUM,  
21 AND SUPPORT MORE FISCALLY AND ENVIRONMENTALLY SUSTAINABLE  
22 DEVELOPMENT PATTERNS;

23 (II) IMPROVE REGIONAL COLLABORATION AND OUTCOMES BY  
24 REDUCING THE ABILITY OF INDIVIDUAL LOCAL GOVERNMENTS' LAND USE  
25 RESTRICTIONS TO NEGATIVELY INFLUENCE REGIONAL CONCERNS SUCH AS  
26 HOUSING AFFORDABILITY, OPEN SPACE, TRAFFIC, AND AIR POLLUTION; AND

27 (III) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING

1 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE  
2 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS; AND

3 (d) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING  
4 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE  
5 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS AS THIS IS AMONG  
6 THE MOST PRESSING PROBLEMS CURRENTLY FACING COMMUNITIES  
7 THROUGHOUT COLORADO.

8 (3) THEREFORE, THE GENERAL ASSEMBLY FINDS, DETERMINES, AND  
9 DECLARES THAT THE LACK OF HOUSING SUPPLY AND UNSUSTAINABLE  
10 DEVELOPMENT PATTERNS REQUIRE A STATEWIDE SOLUTION THAT  
11 ADDRESSES LOCAL GOVERNMENT POLICIES THAT EFFECTIVELY LIMIT THE  
12 CONSTRUCTION OF A DIVERSE RANGE OF HOUSING TYPES IN AREAS  
13 ALREADY SERVED BY INFRASTRUCTURE OR IN CLOSE PROXIMITY TO JOBS  
14 AND PUBLIC TRANSIT, ALONG WITH A LACK OF FUNDING FOR  
15 INFRASTRUCTURE AND AFFORDABLE HOUSING NEAR TRANSIT-ORIENTED  
16 COMMUNITIES.

17 (4) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT  
18 INCREASING HOUSING IN TRANSIT-ORIENTED COMMUNITIES IS A MATTER  
19 OF MIXED STATEWIDE AND LOCAL CONCERN.

20 **29-35-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE  
21 CONTEXT OTHERWISE REQUIRES:

22 ■ ■

23 (1) "EXEMPT PARCEL" MEANS:

24 (a) A PARCEL THAT, AS OF JANUARY 1, 2024, IS NOT SERVED BY A  
25 DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN  
26 SECTION 24-65.1-104 (5), AND NOT SERVED BY A WELL WITH A PERMIT  
27 THAT CAN SUPPLY AN ADDITIONAL DWELLING UNIT;

1 (b) A PARCEL THAT, AS OF JANUARY 1, 2024, IS IN AN  
2 AGRICULTURAL, FORESTRY, NATURAL RESOURCE PRESERVATION, OR OPEN  
3 SPACE ZONING DISTRICT;

4 (c) A PARCEL THAT, AS OF JANUARY 1, 2024, IS ZONED OR USED  
5 PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS  
6 SUBSECTION (1)(c), MEANS A BUSINESS USE OR ACTIVITY AT A SCALE  
7 GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING,  
8 FABRICATION, ASSEMBLY, WAREHOUSING, OR STORAGE;

9 (d) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS IN A  
10 FLOODWAY OR IN A ONE HUNDRED-YEAR FLOODPLAIN, AS IDENTIFIED BY  
11 THE FEDERAL EMERGENCY MANAGEMENT AGENCY;

12 (e) A PARCEL THAT, AS OF JANUARY 1, 2024, IS USED AS A  
13 CEMETERY, AS DEFINED IN SECTION 31-25-701 (2);

14 (f) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS  
15 SUBJECT TO A CONSERVATION EASEMENT;

16 (g) A PARCEL OR EASEMENT THAT, AS OF JANUARY 1, 2024, IS  
17 OWNED BY, USED AS, OR OPERATED BY AN AIRPORT;

18 (h) A PUBLIC OR RAILROAD RIGHT-OF-WAY THAT EXISTS AS OF  
19 JANUARY 1, 2024;

20 (i) A PARCEL THAT, AS OF JANUARY 1, 2024, IS USED AS A MOBILE  
21 HOME PARK, AS DEFINED IN SECTION 38-12-201.5 (6);

22 (j) A PARCEL THAT, AS OF JANUARY 1, 2024, IS FEDERAL OR STATE  
23 OWNED PROPERTY; OR

24 (k) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024,  
25 INCLUDES LAND THAT IS PARK AND OPEN SPACE, AS DEFINED IN SECTION  
26 29-7.5-103 (2).

27 (2) "HOUSING OPPORTUNITY GOAL" MEANS A GOAL FOR THE

1 ZONING CAPACITY FOR RESIDENTIAL UNITS IN A TRANSIT-ORIENTED  
2 COMMUNITY. A LOCAL GOVERNMENT SHALL CALCULATE ITS HOUSING  
3 OPPORTUNITY GOAL PURSUANT TO SECTION 29-35-204 (2).

4 (3) "MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOOD" MEANS  
5 AN AREA THAT INTEGRATES LAND USE TYPES THAT INCLUDE RESIDENTIAL  
6 AND NONRESIDENTIAL USES WITHIN A WALKABLE NEIGHBORHOOD.

7 (4) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT BOTH MEETS  
8 THE REQUIREMENTS OF SECTION 29-35-207 AND IS DESIGNATED AS A  
9 NEIGHBORHOOD CENTER BY A LOCAL GOVERNMENT IN A METROPOLITAN  
10 PLANNING ORGANIZATION.

11 (5) "NET HOUSING DENSITY" MEANS THE NUMBER OF RESIDENTIAL  
12 UNITS ALLOWED PER ACRE OF LAND ON PARCELS THAT ALLOW FOR  
13 RESIDENTIAL DEVELOPMENT. IN CALCULATING NET HOUSING DENSITY FOR  
14 AN AREA, A LOCAL GOVERNMENT SHALL INCORPORATE ANY DIMENSIONAL  
15 OR OTHER RESTRICTIONS IN LOCAL LAWS USED TO REGULATE ALLOWED  
16 DENSITY IN THE AREA, INCLUDING BUT NOT LIMITED TO RESTRICTIONS  
17 RELATED TO UNITS PER ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE  
18 LEVEL OPEN SPACE REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS,  
19 MINIMUM PARKING REQUIREMENTS, AND MAXIMUM HEIGHT.

20 (6) (a) "NONQUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS  
21 A TRANSIT-ORIENTED COMMUNITY THAT HAS NOT, AS OF DECEMBER 31,  
22 2026, MET ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION  
23 29-35-204 (4).

24 (b) WHEN A TRANSIT-ORIENTED COMMUNITY MEETS ITS HOUSING  
25 OPPORTUNITY GOAL PURSUANT TO SECTION 29-35-204 (4), A  
26 TRANSIT-ORIENTED COMMUNITY IS A "QUALIFIED TRANSIT-ORIENTED  
27 COMMUNITY".

1 (7) "QUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS A  
2 TRANSIT-ORIENTED COMMUNITY THAT HAS BOTH MET ITS HOUSING  
3 OPPORTUNITY GOAL AND HAD THE DEPARTMENT APPROVE EITHER THE  
4 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL  
5 PURSUANT TO SECTION 29-35-204 (8), OR THE TRANSIT-ORIENTED  
6 COMMUNITY'S PROGRESS REPORT PURSUANT TO SECTION 29-35-204 (9).

7 (8) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE  
8 HOUSING THAT:

9 (a) HAS RECEIVED LOANS, GRANTS, EQUITY, BONDS, OR TAX  
10 CREDITS FROM ANY SOURCE TO SUPPORT THE CREATION, PRESERVATION,  
11 OR REHABILITATION OF AFFORDABLE HOUSING THAT, AS A CONDITION OF  
12 FUNDING, ENCUMBERS THE PROPERTY WITH A RESTRICTED USE COVENANT  
13 OR SIMILAR RECORDED AGREEMENT TO ENSURE AFFORDABILITY, OR HAS  
14 BEEN INCOME-RESTRICTED UNDER A LOCAL INCLUSIONARY ZONING  
15 ORDINANCE OR OTHER REGULATION OR PROGRAM;

16 (b) RESTRICTS OR LIMITS MAXIMUM RENTAL OR SALE PRICE FOR  
17 HOUSEHOLDS OF A GIVEN SIZE AT A GIVEN AREA MEDIAN INCOME, AS  
18 ESTABLISHED ANNUALLY BY THE UNITED STATES DEPARTMENT OF  
19 HOUSING AND URBAN DEVELOPMENT; AND

20 (c) ENSURES OCCUPANCY BY LOW- TO MODERATE-INCOME  
21 HOUSEHOLDS FOR A SPECIFIED PERIOD DETAILED IN A RESTRICTIVE USE  
22 COVENANT OR SIMILAR RECORDED AGREEMENT.

23 (9) "TRANSIT AREA" MEANS BOTH A TRANSIT STATION AREA, AS  
24 DEFINED IN SUBSECTION (13) OF THIS SECTION, OR A TRANSIT CORRIDOR  
25 AREA, AS DEFINED IN SUBSECTION (11) OF THIS SECTION.

26 (10) "TRANSIT CENTER" MEANS AN AREA THAT BOTH MEETS THE  
27 REQUIREMENTS OF SECTION 29-35-206 AND IS DESIGNATED AS A TRANSIT

1 CENTER BY A TRANSIT-ORIENTED COMMUNITY.

2 (11) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA,  
3 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS  
4 WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AND THAT EITHER:

5 (a) HAS A SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR LESS  
6 DURING THE HIGHEST FREQUENCY SERVICE HOURS; OR

7 (b) IS AN URBAN BUS RAPID TRANSIT SERVICE.

8 (12) "TRANSIT-ORIENTED COMMUNITY" MEANS A LOCAL  
9 GOVERNMENT THAT:

10 (a) IS EITHER ENTIRELY OR PARTIALLY WITHIN A METROPOLITAN  
11 PLANNING ORGANIZATION;

12 (b) HAS A POPULATION OF FOUR THOUSAND OR MORE ACCORDING  
13 TO THE MOST RECENT DATA FROM THE STATE DEMOGRAPHY OFFICE;

14 (c) CONTAINS AT LEAST SEVENTY-FIVE ACRES OF TRANSIT AREA;  
15 AND

16 (d) IF THE LOCAL GOVERNMENT IS A COUNTY, CONTAINS EITHER:

17 (I) A PART OF A TRANSIT STATION AREA THAT IS BOTH IN AN  
18 UNINCORPORATED PART OF THE COUNTY AND WITHIN ONE-HALF MILE OF  
19 A TRANSIT STATION THAT SERVES ONE OR BOTH OF A COMMUTER RAIL OR  
20 A LIGHT RAIL SERVICE; OR

21 (II) A PART OF A TRANSIT CORRIDOR AREA THAT IS BOTH IN AN  
22 UNINCORPORATED PART OF THE COUNTY AND FULLY SURROUNDED BY ONE  
23 OR MORE MUNICIPALITIES.

24 (13) "TRANSIT STATION AREA" MEANS THE TOTAL AREA,  
25 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS  
26 WITHIN ONE-HALF MILE OF A STATION THAT SERVES ONE OR MORE OF THE  
27 FOLLOWING:



- 1 (a) COMMUTER BUS RAPID TRANSIT SERVICE;
- 2 (b) COMMUTER RAIL;
- 3 (c) LIGHT RAIL; OR
- 4 (d) A PUBLIC BUS ROUTE THAT HAS A SCHEDULED FREQUENCY OF
- 5 FIFTEEN MINUTES OR LESS DURING THE HIGHEST FREQUENCY SERVICE
- 6 HOURS AND OPERATES PRIMARILY ON AN INTERSTATE HIGHWAY.

7 (14) "ZONING CAPACITY" MEANS THE TOTAL NUMBER OF HOUSING  
8 UNITS ALLOWED IN AN AREA, AS LIMITED BY THE RESTRICTIONS IN LOCAL  
9 LAW THAT REGULATE DENSITY IN THAT AREA, INCLUDING BUT NOT  
10 LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA PER  
11 UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR  
12 AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND  
13 MAXIMUM HEIGHT.

14 **29-35-203. Department of local affairs collaboration.** AS  
15 DETERMINED TO BE APPROPRIATE BY THE EXECUTIVE DIRECTOR OF THE  
16 DEPARTMENT, THE DEPARTMENT SHALL COLLABORATE WITH THE  
17 DEPARTMENT OF TRANSPORTATION AND THE COLORADO ENERGY OFFICE  
18 IN FULFILLING THE REQUIREMENTS OF THIS PART 2.

19 **29-35-204. Transit-oriented community housing opportunity**  
20 **goal calculation - preliminary transit-oriented community assessment**  
21 **report - housing opportunity goal compliance - insufficient water**  
22 **supplies for meeting a housing opportunity goal - affordability and**  
23 **displacement mitigation strategies - housing opportunity goal report**  
24 **- legislative declaration. (1) Legislative declaration.** THE GENERAL  
25 ASSEMBLY HEREBY FINDS AND DECLARES THAT:

- 26 (a) TRANSIT RIDERSHIP, LAND USE DEVELOPMENT PATTERNS,
- 27 AFFORDABILITY AND AVAILABILITY OF HOUSING, ROADS, AND

1 GREENHOUSE GAS EMISSIONS FROM THE TRANSPORTATION SECTOR ARE  
2 INTERCONNECTED ISSUES THAT HAVE IMPACTS AND CONCERNS WELL  
3 BEYOND THE BORDERS OF A SINGLE LOCAL COMMUNITY;

4 (b) COLORADO HAS AN INTEREST IN ENSURING A STABLE QUANTITY  
5 AND QUALITY OF HOUSING IN ALIGNMENT WITH POPULATION GROWTH AND  
6 ENSURING THAT SHARED RESOURCES, INVESTMENTS, AND GOALS SUCH AS  
7 ROADS, INFRASTRUCTURE, TRANSIT, AIR QUALITY, WATER, AND  
8 GREENHOUSE GAS MITIGATION, ARE PROTECTED IN THE PROCESS; AND

9 (c) INCREASING HOUSING DENSITY IN TRANSIT-ORIENTED  
10 COMMUNITIES IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN  
11 THAT REQUIRES STATEWIDE COOPERATION.

12 (2) **Housing opportunity goal calculation.** [REDACTED] A  
13 TRANSIT-ORIENTED COMMUNITY SHALL CALCULATE ITS HOUSING  
14 OPPORTUNITY GOAL BY MULTIPLYING THE TOTAL AREA OF THE TRANSIT  
15 AREAS WITHIN THE LOCAL GOVERNMENT'S JURISDICTION, EXCLUSIVE OF  
16 THE EXEMPT PARCELS IN THOSE TRANSIT AREAS, BY [REDACTED] FORTY UNITS PER  
17 ACRE. [REDACTED]

18 (3) **Preliminary transit-oriented community assessment report.**

19 (a) ON OR BEFORE APRIL 30, 2025, A TRANSIT-ORIENTED COMMUNITY  
20 SHALL, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT,  
21 SUBMIT A PRELIMINARY TRANSIT-ORIENTED COMMUNITY ASSESSMENT  
22 REPORT THAT INCLUDES:

23 (I) THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY  
24 GOAL AND THE DATA AND METHOD THE TRANSIT-ORIENTED COMMUNITY  
25 USED TO CALCULATE ITS HOUSING OPPORTUNITY GOAL; AND

26 (II) A MAP OF EXISTING ZONING DISTRICTS WITHIN THE  
27 TRANSIT-ORIENTED COMMUNITY THAT MAY QUALIFY AS TRANSIT CENTERS

1 AND PRELIMINARY EVIDENCE FOR THIS QUALIFICATION INCLUDING THE  
2 STANDARDS APPLICABLE TO THESE ZONING DISTRICTS.

3 (b) IF APPLICABLE, A TRANSIT-ORIENTED COMMUNITY MAY  
4 INCLUDE IN THE REPORT DESCRIBED IN SUBSECTION (3)(a) OF THIS SECTION  
5 ANY AFFORDABILITY OR DISPLACEMENT STRATEGIES THAT THE  
6 TRANSIT-ORIENTED COMMUNITY HAS IMPLEMENTED.

7 (c) THE DEPARTMENT SHALL REVIEW A PRELIMINARY  
8 TRANSIT-ORIENTED COMMUNITY ASSESSMENT REPORT SUBMITTED BY A  
9 TRANSIT-ORIENTED COMMUNITY PURSUANT TO THIS SUBSECTION (3) AND  
10 EITHER PROVIDE WRITTEN NOTICE APPROVING THE REPORT OR PROVIDE  
11 DIRECTION FOR AMENDING AND RESUBMITTING THE REPORT.

12 (4) **Housing opportunity goal compliance.** (a) IF A  
13 TRANSIT-ORIENTED COMMUNITY DOES NOT MEET ITS HOUSING  
14 OPPORTUNITY GOAL ON OR BEFORE DECEMBER 31, 2026, THE  
15 DEPARTMENT SHALL DESIGNATE THE TRANSIT-ORIENTED COMMUNITY AS  
16 A NONQUALIFIED TRANSIT-ORIENTED COMMUNITY.

17 (b) ON OR BEFORE DECEMBER 31, 2027, A TRANSIT-ORIENTED  
18 COMMUNITY SHALL MEET ITS HOUSING OPPORTUNITY GOAL.


19 (c) TO ENSURE THAT A TRANSIT-ORIENTED COMMUNITY MEETS ITS  
20 HOUSING OPPORTUNITY GOAL, A TRANSIT-ORIENTED COMMUNITY SHALL:


21 (I) DESIGNATE AREAS WITHIN THE TRANSIT-ORIENTED COMMUNITY  
22 AS TRANSIT CENTERS AND ENSURE THAT THOSE AREAS SATISFY THE  
23 REQUIREMENTS IN SECTION 29-35-206;

24 (II) ENSURE THAT THE TOTAL ZONING CAPACITY FOR ALL TRANSIT  
25 CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY IS GREATER THAN  
26 OR EQUAL TO THE TRANSIT-ORIENTED COMMUNITY'S HOUSING  
27 OPPORTUNITY GOAL; AND

1 (III) SUBMIT A HOUSING OPPORTUNITY GOAL REPORT AND HAVE  
2 THE REPORT APPROVED BY THE DEPARTMENT PURSUANT TO SUBSECTION  
3 (8) OF THIS SECTION.

4 (5) **Insufficient water supplies for meeting a housing**  
5 **opportunity goal.** (a) ON OR BEFORE DECEMBER 31, 2026, AND EVERY  
6 THREE YEARS THEREAFTER, A TRANSIT-ORIENTED COMMUNITY MAY  
7 NOTIFY THE DEPARTMENT, IN A FORM AND MANNER DETERMINED BY THE  
8 DEPARTMENT, THAT A WATER SUPPLY ENTITY, AS DEFINED IN SECTION  
9 29-20-302 (2), THAT SUPPLIES WATER TO AN AREA WITHIN THE  
10 TRANSIT-ORIENTED COMMUNITY HAS DETERMINED THAT THE WATER  
11 SUPPLY ENTITY DOES NOT HAVE SUFFICIENT AVAILABLE WATER SUPPLIES  
12 DURING THE MOST RECENT THREE-YEAR PERIOD TO PROVIDE THE  
13 DOMESTIC WATER SERVICE NECESSARY TO MEET THE TRANSIT-ORIENTED  
14 COMMUNITY'S HOUSING OPPORTUNITY GOAL IN THAT AREA. THE WATER  
15 SUPPLY ENTITY SHALL PROVIDE INFORMATION AND ASSISTANCE AS  
16 NECESSARY TO COMPLETE THE NOTICE ALLOWED BY THIS SUBSECTION (5).  
17 THE NOTICE ALLOWED BY THIS SUBSECTION (5) MUST INCLUDE, BUT IS NOT  
18 LIMITED TO:

19   
20 (I) AN ANALYSIS OF PROJECTED HOUSING AND POPULATION  
21 GROWTH FROM THE STATE DEMOGRAPHY OFFICE OR RELEVANT  
22 METROPOLITAN PLANNING ORGANIZATION IN THE AREA WITHIN THE  
23 TRANSIT-ORIENTED COMMUNITY THAT THE WATER SUPPLY ENTITY  
24 PROVIDES DOMESTIC WATER SERVICES TO;

25   
26 (II) ANY DATA, PROFESSIONAL OPINIONS, OR OTHER INFORMATION  
27 USED TO CREATE THE ANALYSIS IN THIS SUBSECTION (5)(a)(I);

1 (III) DOCUMENTATION DEMONSTRATING BOTH AN UP-TO-DATE  
2 WATER SUPPLY PLAN THAT COMPLIES WITH SECTION 29-20-304(3) AND AN  
3 UP-TO-DATE WATER EFFICIENCY PLAN THAT COMPLIES WITH SECTION  
4 37-60-126 (1) THROUGH (5); AND

5 (IV) A PROPOSAL THAT MAY INCLUDE:

6 (A) A REQUEST FOR AN AMOUNT OF ADDITIONAL TIME FOR THE  
7 TRANSIT-ORIENTED COMMUNITY TO MEET ITS HOUSING OPPORTUNITY  
8 GOAL IN A MANNER THAT WILL ALLOW THE WATER SUPPLY ENTITY TO  
9 PROVIDE THE NECESSARY DOMESTIC WATER SERVICES; AND

10 (B) AN ACTION PLAN BASED ON THE ANALYSES IN SUBSECTIONS  
11 (5)(a)(I) THROUGH (5)(a)(II) OF THIS SECTION.

12 (b) UPON RECEIVING THE NOTICE DESCRIBED IN SUBSECTION (5)(a)  
13 OF THIS SECTION, THE DEPARTMENT SHALL REVIEW THE NOTICE AND  
14 DETERMINE WHETHER TO ACCEPT, PROVIDE COMMENT ON, OR DENY THE  
15 PROPOSAL DESCRIBED IN SUBSECTION (5)(a)(II) OF THIS SECTION.

16 (6) **Affordability strategies.** (a) ON OR BEFORE DECEMBER 31,  
17 2026, A TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY  
18 STRATEGIES THAT IT WILL IMPLEMENT OR HAS ALREADY IMPLEMENTED  
19 WHILE MEETING ITS HOUSING OPPORTUNITY GOAL. IN SO DOING, THE  
20 TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY  
21 STRATEGIES BASED ON THE DEMONSTRATED HOUSING NEEDS WITHIN THE  
22 TRANSIT-ORIENTED COMMUNITY INCLUDING FOR-SALE AND RENTAL  
23 HOUSING NEEDS AND THE HOUSING NEEDS OF LOW-, MODERATE-, AND  
24 MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE UNITED STATES  
25 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

26 (b) (I) ON OR BEFORE DECEMBER 31, 2026, A TRANSIT-ORIENTED  
27 COMMUNITY SHALL INCLUDE THE FOLLOWING IN ITS HOUSING

1 OPPORTUNITY GOAL REPORT SUBMITTED PURSUANT TO SUBSECTION  
2 (8)(a)(IV) OF THIS SECTION:

3 (A) AT LEAST TWO STRATEGIES INCLUDED IN THE STANDARD  
4 AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-35-209 (1)  
5 THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO  
6 SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT;

7 (B) AT LEAST ONE STRATEGY INCLUDED IN THE LONG-TERM  
8 AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-35-209 (2)  
9 THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO  
10 SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT; AND

11 (C) AN IMPLEMENTATION PLAN DESCRIBING HOW THE  
12 TRANSIT-ORIENTED COMMUNITY HAS OR WILL IMPLEMENT THE  
13 AFFORDABILITY STRATEGIES IDENTIFIED PURSUANT TO SUBSECTIONS  
14 (6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION.

15 (II) FOR PURPOSES OF SATISFYING THE REQUIREMENTS OF THIS  
16 SUBSECTION (6)(b), A TRANSIT-ORIENTED COMMUNITY SHALL NOT:

17 (A) COUNT ONE OR BOTH OF THE STRATEGIES DESCRIBED IN  
18 SECTIONS 29-35-209 (1)(e) AND 29-35-209 (2)(c) TOWARDS SATISFYING  
19 THE REQUIREMENTS OF BOTH SUBSECTIONS (6)(b)(I)(A) AND (6)(b)(I)(B)  
20 OF THIS SECTION; OR

21 (B) COUNT ANY STRATEGY DESCRIBED IN SECTION 29-35-209 THAT  
22 IS OTHERWISE REQUIRED BY STATE LAW.

23 (7) **Displacement mitigation strategies.** ON OR BEFORE  
24 DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL INCLUDE  
25 THE FOLLOWING IN ITS HOUSING OPPORTUNITY GOAL REPORT, PURSUANT  
26 TO SUBSECTION (8)(a)(V) OF THIS SECTION:

27 (a) ANY DISPLACEMENT MITIGATION STRATEGIES THAT THE

1 TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE  
2 DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY THE  
3 DEPARTMENT PURSUANT TO SECTION 29-35-210 (3) TO MITIGATE  
4 DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL;  
5 AND

6 (b) AN IMPLEMENTATION PLAN DESCRIBING HOW THE  
7 TRANSIT-ORIENTED COMMUNITY WILL IMPLEMENT THE DISPLACEMENT  
8 MITIGATION STRATEGIES IT IDENTIFIES PURSUANT TO SUBSECTION (7)(a)  
9 OF THIS SECTION.

10 (8) **Housing opportunity goal report.** (a) ON OR BEFORE  
11 DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A  
12 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM  
13 AND MANNER DETERMINED BY THE DEPARTMENT. PURSUANT TO SECTION  
14 29-35-211 (5), UPON THE SUBMISSION AND APPROVAL BY THE  
15 DEPARTMENT OF THE REPORT, A TRANSIT-ORIENTED COMMUNITY BECOMES  
16 ELIGIBLE FOR THE AWARD OF A TRANSIT-ORIENTED COMMUNITIES  
17 INFRASTRUCTURE GRANT PROGRAM GRANT. THE REPORT MUST INCLUDE  
18 THE FOLLOWING, ALONG WITH ANY OTHER ELEMENTS IDENTIFIED BY THE  
19 DEPARTMENT:

20 (I) THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY  
21 GOAL;

22 (II) EVIDENCE THAT THE TRANSIT-ORIENTED COMMUNITY HAS MET  
23 ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SUBSECTION (4)(c) OF THIS  
24 SECTION;

25 (III) A MAP THAT IDENTIFIES THE BOUNDARIES OF ANY TRANSIT  
26 CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY AND EVIDENCE  
27 THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-35-206;

1 (IV) AFFORDABILITY STRATEGIES IDENTIFIED PURSUANT TO  
2 SUBSECTION (6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION AND THE  
3 IMPLEMENTATION PLAN DESCRIBED PURSUANT TO SUBSECTION (6)(b)(I)(C)  
4 OF THIS SECTION;

5 (V) DISPLACEMENT MITIGATION STRATEGIES IDENTIFIED  
6 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION AND THE  
7 IMPLEMENTATION PLAN DESCRIBED PURSUANT TO SUBSECTION (7)(b) OF  
8 THIS SECTION; [REDACTED]

9 (VI) A DESCRIPTION OF COMMUNITY ENGAGEMENT THAT THE  
10 TRANSIT-ORIENTED COMMUNITY CONDUCTED IN THE PROCESS OF MEETING  
11 ITS HOUSING OPPORTUNITY GOAL, IDENTIFYING AFFORDABILITY  
12 STRATEGIES PURSUANT TO SUBSECTION (6)(b)(I)(A) AND (6)(b)(I)(B) OF  
13 THIS SECTION AND IDENTIFYING DISPLACEMENT MITIGATION STRATEGIES  
14 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION; AND

15 (VII) IF APPLICABLE, AND IF THE TRANSIT-ORIENTED COMMUNITY  
16 SO CHOOSES, EVIDENCE THAT THE TRANSIT-ORIENTED COMMUNITY HAS  
17 SATISFIED THE REQUIREMENTS OF SUBSECTION (5) OF THIS SECTION.

18 (b) THE DEPARTMENT SHALL REVIEW A HOUSING OPPORTUNITY  
19 GOAL REPORT SUBMITTED BY A TRANSIT-ORIENTED COMMUNITY  
20 PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION AND PROVIDE WRITTEN  
21 NOTICE THAT EITHER:

22 (I) APPROVES THE REPORT AND AFFIRMS THAT THE  
23 TRANSIT-ORIENTED COMMUNITY HAS SATISFIED THE RELEVANT  
24 REQUIREMENTS OF THIS SECTION AND IS THEREFORE CONSIDERED A  
25 QUALIFIED TRANSIT-ORIENTED COMMUNITY; OR

26 (II) PROVIDES DIRECTION FOR AMENDING AND RESUBMITTING THE  
27 REPORT AND REQUIRES THAT THE TRANSIT-ORIENTED COMMUNITY



1 RESUBMIT THE REPORT WITHIN NINETY DAYS OF RECEIVING THE WRITTEN  
2 NOTICE.

3 (c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A  
4 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT PURSUANT TO  
5 SUBSECTION (8)(a) OF THIS SECTION OR FAILS TO SUBMIT AN AMENDED  
6 HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(b)(II)  
7 OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE THE  
8 TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE STATING THAT THE  
9 TRANSIT-ORIENTED COMMUNITY WILL BE DEEMED A NONQUALIFIED  
10 TRANSIT-ORIENTED COMMUNITY UNLESS THE TRANSIT-ORIENTED  
11 COMMUNITY SUBMITS A HOUSING OPPORTUNITY GOAL REPORT OR AN  
12 AMENDED HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT  
13 WITHIN NINETY DAYS OF RECEIVING THE NOTICE.

14 (II) IF A TRANSIT-ORIENTED COMMUNITY DOES NOT SUBMIT A  
15 HOUSING OPPORTUNITY GOAL REPORT OR AN AMENDED HOUSING  
16 OPPORTUNITY GOAL REPORT WITHIN NINETY DAYS OF RECEIVING THE  
17 WRITTEN NOTICE DESCRIBED IN SUBSECTION (8)(c)(I) OF THIS SECTION,  
18 THE DEPARTMENT SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY  
19 WRITTEN NOTICE THAT IT IS A NONQUALIFIED TRANSIT-ORIENTED  
20 COMMUNITY.

21 (III) IF THE DEPARTMENT HAS NOT APPROVED A  
22 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT  
23 ON OR BEFORE DECEMBER 31, 2027, THE TRANSIT-ORIENTED COMMUNITY  
24 IS IN NON-COMPLIANCE WITH THIS PART 2, AND THE DEPARTMENT MAY  
25 SEEK AN INJUNCTION FROM A DISTRICT COURT REQUIRING THE  
26 TRANSIT-ORIENTED COMMUNITY TO COMPLY WITH THE REQUIREMENTS OF  
27 THIS PART 2.

1           **(9) Progress report.** (a) EVERY THREE YEARS AFTER SUBMITTING  
2 A HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(a)  
3 OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A  
4 PROGRESS REPORT TO THE DEPARTMENT IN A FORM AND MANNER  
5 DETERMINED BY THE DEPARTMENT THAT CONFIRMS THAT THE  
6 TRANSIT-ORIENTED COMMUNITY IS STILL MEETING THE REQUIRED  
7 ELEMENTS OF THE TRANSIT-ORIENTED COMMUNITY'S HOUSING  
8 OPPORTUNITY GOAL REPORT REQUIRED PURSUANT TO SUBSECTIONS  
9 (8)(a)(II) THROUGH (8)(a)(VI) OF THIS SECTION. ■■■

10           (b) THE DEPARTMENT SHALL REVIEW A PROGRESS REPORT  
11 SUBMITTED BY A TRANSIT-ORIENTED COMMUNITY PURSUANT TO  
12 SUBSECTION (9)(a) OF THIS SECTION AND PROVIDE WRITTEN NOTICE THAT  
13 EITHER:

14           (I) APPROVES THE REPORT AND AFFIRMS THAT THE  
15 TRANSIT-ORIENTED COMMUNITY HAS SATISFIED THE RELEVANT  
16 REQUIREMENTS OF THIS SECTION AND IS THEREFORE CONSIDERED A  
17 QUALIFIED TRANSIT-ORIENTED COMMUNITY; OR

18           (II) PROVIDES DIRECTION FOR AMENDING AND RESUBMITTING THE  
19 REPORT AND REQUIRES THAT THE TRANSIT-ORIENTED COMMUNITY  
20 RESUBMIT THE REPORT WITHIN NINETY DAYS OF RECEIVING THE WRITTEN  
21 NOTICE.

22           (c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A  
23 PROGRESS REPORT TO THE DEPARTMENT PURSUANT TO SUBSECTION (9)(a)  
24 OF THIS SECTION OR FAILS TO SUBMIT AN AMENDED PROGRESS REPORT  
25 PURSUANT TO SUBSECTION (9)(b)(II) OF THIS SECTION, THE DEPARTMENT  
26 SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE  
27 STATING THAT THE TRANSIT-ORIENTED COMMUNITY WILL BE DEEMED A

1 NONQUALIFIED TRANSIT-ORIENTED COMMUNITY UNLESS THE  
2 TRANSIT-ORIENTED COMMUNITY SUBMITS A PROGRESS REPORT OR AN  
3 AMENDED PROGRESS REPORT TO THE DEPARTMENT WITHIN NINETY DAYS  
4 OF RECEIVING THE NOTICE.

5 (II) IF A TRANSIT-ORIENTED COMMUNITY DOES NOT SUBMIT A  
6 PROGRESS REPORT OR AN AMENDED PROGRESS REPORT WITHIN NINETY  
7 DAYS OF RECEIVING THE WRITTEN NOTICE DESCRIBED IN SUBSECTION  
8 (9)(c)(I) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE THE  
9 TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE THAT IT IS A  
10 NONQUALIFIED TRANSIT-ORIENTED COMMUNITY.

11 **29-35-205. Nonqualified transit-oriented communities**  
12 **reporting - highway users tax fund allocation.** (1) ON OR AFTER  
13 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER DURING WHICH A  
14 LOCAL GOVERNMENT FIRST QUALIFIES AS EITHER A QUALIFIED  
15 TRANSIT-ORIENTED COMMUNITY OR A NONQUALIFIED TRANSIT-ORIENTED  
16 COMMUNITY, THE DEPARTMENT SHALL PROVIDE THE STATE TREASURER  
17 WITH A LIST OF LOCAL GOVERNMENTS THAT ARE NONQUALIFIED  
18 TRANSIT-ORIENTED COMMUNITIES.

19 (2) NOTWITHSTANDING ANY LAW TO THE CONTRARY, BEGINNING  
20 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER, THE STATE  
21 TREASURER SHALL TRANSFER TO THE TRANSIT-ORIENTED COMMUNITIES  
22 HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION 29-35-211 (8)(b),  
23 INSTEAD OF TO THE LOCAL GOVERNMENT ANY MONEY THAT A LOCAL  
24 GOVERNMENT THAT IS ON THE MOST RECENT LIST PROVIDED TO THE STATE  
25 TREASURER, PURSUANT TO SUBSECTION (1) OF THIS SECTION, WOULD  
26 OTHERWISE HAVE BEEN ALLOCATED FROM THE HIGHWAY USERS TAX FUND  
27 PURSUANT TO SECTIONS 43-4-205 AND 43-4-207 OR SECTIONS 43-4-205

1 AND 43-4-208.

2 (3) (a) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION, THE  
3 DEPARTMENT MAY NOT EXPEND MONEY FROM THE TRANSIT-ORIENTED  
4 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION  
5 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO A SPECIFIC NONQUALIFIED  
6 TRANSIT-ORIENTED COMMUNITY'S INCLUSION IN THE LIST DESCRIBED IN  
7 SUBSECTION (1) OF THIS SECTION UNTIL ONE HUNDRED EIGHTY DAYS  
8 AFTER THE NONQUALIFIED TRANSIT-ORIENTED COMMUNITY HAS FIRST  
9 APPEARED ON THE LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

10 (b) IF A LOCAL GOVERNMENT IS NO LONGER A NONQUALIFIED  
11 TRANSIT-ORIENTED COMMUNITY WITHIN ONE HUNDRED EIGHTY DAYS  
12 AFTER THE NONQUALIFIED LOCAL GOVERNMENT FIRST APPEARS ON THE  
13 LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE STATE  
14 TREASURER SHALL ISSUE A WARRANT TO THAT LOCAL GOVERNMENT  
15 EQUAL TO THE AMOUNT OF MONEY IN THE TRANSIT-ORIENTED  
16 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION  
17 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO THE LOCAL GOVERNMENT'S  
18 INCLUSION ON THE LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

19 **29-35-206. Criteria for qualification as a transit center -**  
20 **criteria for qualification as a transit center outside of a transit area.**

21 (1) TO DESIGNATE AN AREA AS A TRANSIT CENTER, A TRANSIT-ORIENTED  
22 COMMUNITY SHALL:

23 (a) ENSURE THAT THE AREA IS COMPOSED SOLELY OF ZONING  
24 DISTRICTS THAT UNIFORMLY ALLOW A NET HOUSING DENSITY OF AT LEAST  
25 FIFTEEN UNITS PER ACRE WITH NO PARCEL OR ZONING DISTRICT BEING  
26 COUNTED AS ALLOWING A NET HOUSING DENSITY OF MORE THAN FIVE  
27 HUNDRED UNITS PER ACRE;

1 (b) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR  
2 FOR SUBDISTRICTS WITHIN THE AREA. THE IDENTIFIED NET HOUSING  
3 DENSITY MUST:

4 (I) INCORPORATE ANY DIMENSIONAL OR OTHER RESTRICTIONS IN  
5 LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA, INCLUDING BUT  
6 NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA  
7 PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR  
8 AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND  
9 MAXIMUM HEIGHT;

10 (II) ASSUME MINIMUM PARKING REQUIREMENTS ARE MET WITH  
11 SURFACE PARKING; EXCEPT THAT SEVEN-TENTHS OF PARKING SPACES PER  
12 DWELLING UNIT MAY BE COUNTED AS STRUCTURED PARKING WITHIN THE  
13 BUILDING FOOTPRINT; AND

14 (III) ASSUME AN AVERAGE HOUSING UNIT SIZE, AS DETERMINED  
15 BASED ON EITHER THE TYPICAL SIZE OF A MULTIFAMILY HOUSING UNIT  
16 THAT WAS RECENTLY BUILT IN COLORADO AS ESTABLISHED IN THE  
17 CENSUS'S AMERICAN HOUSING SURVEY OR THE TYPICAL SIZE OF A  
18 MULTIFAMILY HOUSING UNIT IN THE TRANSIT-ORIENTED COMMUNITY  
19 ACCORDING TO LOCAL DATA;

20 (c) EXCLUDE ANY AREA WHERE LOCAL LAW EXCLUSIVELY  
21 RESTRICTS HOUSING OCCUPANCY BASED ON AGE OR OTHER FACTORS;

22 (d) ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR  
23 MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT  
24 ARE NO MORE THAN FIVE ACRES IN SIZE. FOR MULTIFAMILY RESIDENTIAL  
25 DEVELOPMENT APPLICATIONS ON PARCELS GREATER THAN FIVE ACRES IN  
26 SIZE, A TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY A TARGET NET  
27 HOUSING DENSITY FOR THE PARCELS TO COUNT THE PARCELS AS PART OF

1 THE TRANSIT CENTER THAT COVERS THE AREA. THIS SUBSECTION (1)(d)  
2 DOES NOT PREVENT THE ESTABLISHMENT OF DEVELOPER AGREEMENTS  
3 BETWEEN THE LOCAL GOVERNMENT AND DEVELOPERS.

4 (e) ENSURE THAT THE AREA IS LOCATED WHOLLY OR PARTIALLY  
5 WITHIN A TRANSIT AREA, AND THAT THE DESIGNATED TRANSIT CENTER IS  
6 COMPRISED OF PARCELS THAT ARE CONTIGUOUS AND DOES NOT EXTEND  
7 MORE THAN ONE-QUARTER MILE FROM THE EDGE OF THE TRANSIT AREA.

8 (2) NOTWITHSTANDING SUBSECTION (1)(e) OF THIS SECTION, A  
9 TRANSIT-ORIENTED COMMUNITY MAY DESIGNATE AN AREA AS A TRANSIT  
10 CENTER IN A LOCATION OTHER THAN WHAT IS ALLOWED PURSUANT TO  
11 SUBSECTION (1)(e) OF THIS SECTION, BY FILING A REQUEST FOR  
12 LOCATIONAL FLEXIBILITY WITH THE DEPARTMENT, IN A FORM AND  
13 MANNER DETERMINED BY THE DEPARTMENT, DEMONSTRATING THAT:

14 (a) WITHIN THE TRANSIT AREAS IN THE TRANSIT-ORIENTED  
15 COMMUNITY, THE TRANSIT-ORIENTED COMMUNITY HAS:

16 (I) ADOPTED A PLAN TO ENCOURAGE AND SUPPORT FUTURE  
17 INVESTMENT AND EXPANSION OF INFRASTRUCTURE TO SERVE  
18 MULTIFAMILY HOUSING AND ESTABLISHED ZONING CAPACITY THAT IS AS  
19 HIGH AS PRACTICABLE TO PROVIDE OPPORTUNITIES FOR MULTIFAMILY  
20 HOUSING; AND

21 (II) REMOVED DIMENSIONAL AND OTHER RESTRICTIONS IN LOCAL  
22 LAWS IN ORDER TO MAXIMIZE FUTURE HOUSING PRODUCTION THAT IS  
23 REASONABLY EXPECTED TO OCCUR IN THE AREA; AND

24 (b) THE AREA THAT THE TRANSIT-ORIENTED COMMUNITY IS  
25 REQUESTING LOCATIONAL FLEXIBILITY TO DESIGNATE AS A TRANSIT  
26 CENTER:

27 (I) HAS A REASONABLE OPPORTUNITY FOR NEW MULTIFAMILY

1 HOUSING, INCLUDING PLANNED OR EXISTING INFRASTRUCTURE AND  
2 PLANNED OR EXISTING MULTIMODAL ACCESS TO A TRANSIT STATION; AND

3 (II) IF DESIGNATED AS A TRANSIT CENTER BY THE  
4 TRANSIT-ORIENTED COMMUNITY, WOULD PROVIDE BENEFITS CONSISTENT  
5 WITH THE PURPOSES OF THIS PART 2 THAT MAY INCLUDE REGULATED  
6 AFFORDABLE HOUSING, MULTIMODAL MOBILITY, TRANSIT-SUPPORTIVE  
7 DENSITY TO INCREASE OR EXPAND TRANSIT SERVICE, EXPANDED HOUSING  
8 ACCESS IN HIGH-OPPORTUNITY AREAS, IMPROVED BALANCE OF HOUSING  
9 AND JOBS IN THE AREA OR REGION, ACCESSIBLE HOUSING, AND ACCESS TO  
10 DAILY NEEDS WITHIN A MIXED-USE PEDESTRIAN-ORIENTED  
11 NEIGHBORHOOD.

12 (c) THE DEPARTMENT MAY REVIEW A TRANSIT-ORIENTED  
13 COMMUNITY'S REQUEST TO DESIGNATE AN AREA AS A TRANSIT CENTER  
14 PURSUANT TO THIS SUBSECTION (2) AND APPROVE OR DENY THE REQUEST  
15 BASED ON CONSISTENCY WITH THE GOALS IN SUBSECTION (2)(b)(II) OF  
16 THIS SECTION.

17 **29-35-207. Criteria for qualification as a neighborhood center.**

18 (1) (a) TO DESIGNATE AN AREA AS A NEIGHBORHOOD CENTER, A LOCAL  
19 GOVERNMENT IN A METROPOLITAN PLANNING ORGANIZATION SHALL, IN  
20 ACCORDANCE WITH POLICIES AND PROCEDURES ADOPTED BY THE  
21 DEPARTMENT:

22 (I) ENSURE THAT THE AREA ALLOWS A NET HOUSING DENSITY TO  
23 BE ESTABLISHED BY THE DEPARTMENT THAT SUPPORTS  
24 PEDESTRIAN-ORIENTED MIXED-USE NEIGHBORHOODS, THE DEVELOPMENT  
25 OF REGULATED AFFORDABLE HOUSING, AND INCREASED PUBLIC TRANSIT  
26 RIDERSHIP;

27 (II) ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR

1 MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT  
2 ARE NO LARGER THAN A SIZE DETERMINED BY THE DEPARTMENT;

3 (III) ENSURE THAT THE AREA HAS A MIXED-USE  
4 PEDESTRIAN-ORIENTED NEIGHBORHOOD, AS DETERMINED BY CRITERIA  
5 ESTABLISHED BY THE DEPARTMENT; AND

6 (IV) SATISFY ANY OTHER CRITERIA, AS DETERMINED BY THE  
7 DEPARTMENT, AND AS MAY VARY BY REGIONAL CONTEXT, FOR THE  
8 QUALIFICATION OF AN AREA AS A NEIGHBORHOOD CENTER.

9 (b) NOTWITHSTANDING THE REQUIREMENTS FOR A LOCAL  
10 GOVERNMENT DESIGNATING AN AREA AS A NEIGHBORHOOD CENTER  
11 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT  
12 SHALL ESTABLISH SEPARATE REQUIREMENTS FOR LOCAL GOVERNMENTS  
13 DESIGNATING AREAS WITHIN OPTIONAL TRANSIT AREAS IDENTIFIED BY THE  
14 DEPARTMENT PURSUANT TO SECTION 29-35-208 (1)(c).

15 (2) IF A LOCAL GOVERNMENT DESIGNATES AN AREA AS A  
16 NEIGHBORHOOD CENTER PURSUANT TO SUBSECTION (1) OF THIS SECTION,  
17 THE LOCAL GOVERNMENT SHALL SUBMIT A NEIGHBORHOOD CENTER  
18 REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY  
19 THE DEPARTMENT.

20 **29-35-208. Transit areas map - housing opportunity goals,**  
21 **models, and guidance. (1) Transit areas map. (a)** ON OR BEFORE JULY  
22 31, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN  
23 PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE  
24 WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A MAP  
25 THAT DESIGNATES TRANSIT AREAS TO BE USED BY TRANSIT-ORIENTED  
26 COMMUNITIES IN CALCULATING HOUSING OPPORTUNITY GOALS.

27 (b) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF



1 THIS SECTION, THE DEPARTMENT SHALL DESIGNATE TRANSIT AREAS BASED  
2 ON:

3 (I) AN URBAN BUS RAPID TRANSIT SERVICE OR COMMUTER BUS  
4 RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN:

5 (A) A METROPOLITAN PLANNING ORGANIZATION'S  
6 FISCALLY-CONSTRAINED LONG RANGE TRANSPORTATION PLAN ADOPTED  
7 PRIOR TO JANUARY 1, 2024, AND PLANNED FOR IMPLEMENTATION,  
8 ACCORDING TO THAT PLAN, PRIOR TO JANUARY 1, 2030; OR

9 (B) THE TRANSIT MASTER PLAN OF A TRANSIT AGENCY PLANNED  
10 FOR SHORT-TERM IMPLEMENTATION, ACCORDING TO THAT PLAN;".

11 (II) A PLAN FOR TRANSIT SERVICE THAT:

12 (A) HAS BEEN APPROVED BY THE GOVERNING BODY OF A TRANSIT  
13 AGENCY AFTER JANUARY 1, 2019, AND ON OR BEFORE JANUARY 1, 2024;

14 (B) IDENTIFIES THE FREQUENCY OF TRANSIT SERVICE ON SPECIFIC  
15 TRANSIT ROUTES; AND

16 (C) IDENTIFIES ROUTES IN SUBSECTION (1)(b)(II)(B) OF THIS  
17 SECTION FOR SHORT-TERM IMPLEMENTATION OR IMPLEMENTATION BEFORE  
18 JANUARY 1, 2030; OR

19 (III) IF THE INFORMATION IN SUBSECTIONS (1)(b)(I) AND (1)(b)(II)  
20 OF THIS SECTION IS NOT AVAILABLE TO THE DEPARTMENT, EXISTING  
21 TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024.

22 (c) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF  
23 THIS SECTION, THE DEPARTMENT SHALL DESIGNATE THE FOLLOWING  
24 OPTIONAL TRANSIT AREAS FOR PLANNING OF FUTURE TRANSIT SERVICE:

25 (I) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT  
26 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S  
27 FISCALLY-CONSTRAINED LONG-RANGE TRANSPORTATION PLAN ADOPTED

1 PRIOR TO JANUARY 1, 2024, AND INTENDED FOR IMPLEMENTATION AFTER  
2 JANUARY 1, 2030, AND BEFORE DECEMBER 31, 2050;

3 (II) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT  
4 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S  
5 LONG-RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1,  
6 2024, THAT ARE INTENDED FOR IMPLEMENTATION BEFORE JANUARY 1,  
7 2030, AND THAT ARE WITHIN A TRANSIT-ORIENTED COMMUNITY THAT HAS  
8 DESIGNATED TWENTY PERCENT OR MORE OF ITS AREA AS MANUFACTURED  
9 HOME ZONING DISTRICTS AS OF JANUARY 1, 2024; AND

10 (III) OTHER AREAS AS DETERMINED BY THE DEPARTMENT  
11 THROUGH REGULAR UPDATES.

12 (d) IN IDENTIFYING THE BOUNDARIES OF TRANSIT AREAS AND  
13 OPTIONAL TRANSIT AREAS, THE DEPARTMENT SHALL USE:

14 (I) GEOSPATIAL DATA FROM RELEVANT TRANSIT AGENCIES AND  
15 METROPOLITAN PLANNING ORGANIZATIONS; AND

16 (II) ROADWAY LOCATIONS BASED UPON THE CENTERLINE OF THE  
17 ROADWAY.

18 (2) **Housing opportunity goals, models, and guidance.** ON OR  
19 BEFORE DECEMBER 1, 2024, THE DEPARTMENT SHALL PUBLISH MODELS  
20 AND GUIDANCE TO ASSIST LOCAL GOVERNMENTS IN MEETING THEIR  
21 HOUSING OPPORTUNITY GOALS AND IN CALCULATING THE DENSITY AND  
22 DIMENSIONAL STANDARDS ESTABLISHED IN SECTION 29-35-206 (1)(b),  
23 INCLUDING MODELS AND GUIDANCE FOR LOCAL GOVERNMENTS WITH  
24 FORM-BASED CODES.

25 **29-35-209. Standard affordability strategies menu - long-term**  
26 **affordability strategies menu - alternative affordability strategies -**  
27 **impact fees.** (1) **Standard affordability strategies menu.** ON OR

1 BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A STANDARD  
2 AFFORDABILITY STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES  
3 AND SHALL UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE:  
4 THE FOLLOWING STRATEGIES:

5 (a) IMPLEMENTING A LOCAL INCLUSIONARY ZONING ORDINANCE  
6 THAT ACCOUNTS FOR LOCAL HOUSING MARKET CONDITIONS, IS CRAFTED  
7 TO MAXIMIZE REGULATED AFFORDABLE HOUSING PRODUCTION BY  
8 LEVERAGING PUBLIC RESOURCES, AND COMPLIES WITH THE REQUIREMENTS  
9 OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7);

10 (b) ADOPTING A LOCAL LAW OR PLAN TO LEVERAGE PUBLICLY  
11 OWNED, SOLD, OR MANAGED LAND FOR REGULATED AFFORDABLE HOUSING  
12 DEVELOPMENT;

13 (c) CREATING OR SIGNIFICANTLY EXPANDING A PROGRAM TO  
14 SUBSIDIZE OR OTHERWISE REDUCE IMPACT FEES OR OTHER SIMILAR  
15 DEVELOPMENT CHARGES FOR REGULATED AFFORDABLE HOUSING  
16 DEVELOPMENT;

17 (d) ESTABLISHING A DENSITY BONUS PROGRAM FOR TRANSIT  
18 CENTERS THAT GRANTS INCREASED FLOOR AREA RATIO, DENSITY, OR  
19 HEIGHT FOR REGULATED AFFORDABLE HOUSING UNITS;

20 (e) CREATING A PROGRAM TO PRIORITIZE AND EXPEDITE  
21 DEVELOPMENT APPROVALS FOR REGULATED AFFORDABLE HOUSING  
22 DEVELOPMENT;

23 (f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED  
24 AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED  
25 AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED  
26 FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING  
27 SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE

1 FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.  
2 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT  
3 THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION  
4 (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS  
5 AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF  
6 29-35-204 (6)(b)(I)(A);

7 (g) ENACTING LOCAL LAWS THAT INCENTIVIZE THE CONSTRUCTION  
8 OF ACCESSIBLE AND VISITABLE REGULATED AFFORDABLE HOUSING UNITS;  
9 AND

10 (h) ANY OTHER STRATEGY DESIGNATED BY THE DEPARTMENT  
11 THAT OFFERS A COMPARABLE IMPACT ON LOCAL HOUSING AFFORDABILITY.

12 (2) **Long-term affordability strategies menu.** ON OR BEFORE  
13 JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A LONG-TERM  
14 AFFORDABILITY STRATEGIES MENU AND SHALL UPDATE THIS MENU AS  
15 NECESSARY. THE MENU MUST INCLUDE THE FOLLOWING STRATEGIES:

16 (a) ESTABLISHING A DEDICATED LOCAL REVENUE SOURCE FOR  
17 REGULATED AFFORDABLE HOUSING DEVELOPMENT, SUCH AS INSTITUTING  
18 A LINKAGE FEE ON MARKET RATE HOUSING DEVELOPMENT TO SUPPORT  
19 NEW REGULATED AFFORDABLE HOUSING DEVELOPMENTS;

20 (b) REGULATING SHORT-TERM RENTALS, SECOND HOMES, OR  
21 OTHER UNDERUTILIZED OR VACANT UNITS IN A WAY, SUCH AS VACANCY  
22 FEES FOR UNDERUTILIZED UNITS, THAT PROMOTES MAXIMIZING THE USE OF  
23 LOCAL HOUSING STOCK FOR LOCAL HOUSING NEEDS;

24 (c) MAKING A COMMITMENT TO AND REMAINING ELIGIBLE TO  
25 RECEIVE FUNDING PURSUANT TO ARTICLE 32 OF THIS TITLE 29;

26 (d) INCENTIVIZING OR CREATING A DEDICATED LOCAL PROGRAM  
27 THAT FACILITATES INVESTMENT IN LAND BANKING OR COMMUNITY LAND

1 TRUSTS;  
2 (e) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY  
3 SUCH AS:  
4 (I) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT  
5 HOUSING UNITS;  
6 (II) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE  
7 REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE  
8 HOME BUYERS;   
9 (III) ESTABLISHING AN AFFORDABLE RENT-TO-OWN PROGRAM; OR  
10 (IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;  
11 AND  
12 (f) ANY OTHER STRATEGY DESIGNATED BY THE DEPARTMENT THAT  
13 OFFERS A COMPARABLE IMPACT ON LOCAL HOUSING AFFORDABILITY.

14 (3) **Alternative affordability strategies.** A TRANSIT-ORIENTED  
15 COMMUNITY MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR  
16 PROGRAM, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO  
17 THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE  
18 ADOPTION OF THAT LOCAL LAW OR PROGRAM QUALIFIES AS AN  
19 AFFORDABILITY STRATEGY FOR PURPOSES OF SECTION 29-35-204 (6)(a)  
20 AND (6)(b), SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL  
21 OR GREATER OPPORTUNITY FOR REGULATED AFFORDABLE HOUSING AND  
22 ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1)  
23 AND (2) OF THIS SECTION.

24 (4) **Impact fees.** NOTHING IN THIS SECTION INTERFERES WITH A  
25 LOCAL GOVERNMENT'S AUTHORITY TO SET AND COLLECT IMPACT FEES.

26 **29-35-210. Displacement risk assessment - displacement**  
27 **mitigation strategies menu - displacement mitigation strategies menu**

1 **goals - alternative displacement mitigation strategies.** (1) ON OR  
2 BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL CONDUCT AN  
3 ASSESSMENT THAT INCLUDES RECOMMENDATIONS IDENTIFYING THE  
4 RESOURCES NECESSARY TO IMPLEMENT THE DISPLACEMENT MITIGATION  
5 STRATEGIES IN THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU  
6 DESCRIBED IN SUBSECTION (3) OF THIS SECTION. THE ASSESSMENT MUST  
7 IDENTIFY:

8 (a) APPROPRIATE LOCAL, REGIONAL, OR NONPROFIT ENTITIES TO  
9 ASSIST RESIDENTS AT ELEVATED RISK OF DISPLACEMENT, WITH A FOCUS ON  
10 RESIDENTS IN LOCAL GOVERNMENTS THAT HAVE A SMALLER POPULATION  
11 AND FEWER FINANCIAL RESOURCES THAN OTHER LOCAL GOVERNMENTS  
12 WITHIN THE SAME METROPOLITAN PLANNING ORGANIZATION; AND

13 (b) APPROPRIATE SOURCES OF FINANCIAL AND OTHER RESOURCES  
14 TO IMPLEMENT THE DISPLACEMENT MITIGATION STRATEGIES IN THE  
15 DISPLACEMENT RISK MITIGATION STRATEGIES MENU DESCRIBED IN  
16 SUBSECTION (3) OF THIS SECTION, WHILE TAKING INTO ACCOUNT REGIONAL  
17 DISPARITIES IN RESOURCES.

18 (2) (a) NO LATER THAN JUNE 30, 2025, THE DEPARTMENT SHALL  
19 DEVELOP GUIDANCE FOR TRANSIT-ORIENTED COMMUNITIES IN  
20 CONDUCTING A DISPLACEMENT RISK ASSESSMENT AND IMPLEMENTING  
21 DISPLACEMENT MITIGATION STRATEGIES. THE DEPARTMENT SHALL  
22 UPDATE THIS GUIDANCE AS NECESSARY.

23 (b) IN CREATING GUIDANCE FOR THE DISPLACEMENT RISK  
24 ASSESSMENT DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION, THE  
25 DEPARTMENT SHALL DEVELOP A METHODOLOGY, WITH VARIATIONS FOR  
26 DIFFERENT LOCAL CONTEXTS INCLUDING THE SIZE AND RESOURCE LEVELS  
27 OF LOCAL GOVERNMENTS, FOR TRANSIT-ORIENTED COMMUNITIES WITHIN

1 METROPOLITAN PLANNING ORGANIZATION BOUNDARIES TO USE TO:

2 (I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

3 (II) IDENTIFY INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY  
4 DISPLACEMENT WARNING AND RESPONSE SYSTEMS, OR IF THOSE SYSTEMS  
5 ARE UNAVAILABLE, IDENTIFY THE BEST AVAILABLE LOCAL, REGIONAL,  
6 STATE, OR FEDERAL DATA THAT CAN BE ANALYZED TO IDENTIFY  
7 RESIDENTS AT ELEVATED DISPLACEMENT RISK, WHICH MAY INCLUDE:

8 (A) THE PERCENTAGE OF HOUSEHOLDS THAT ARE EXTREMELY  
9 LOW-INCOME, VERY LOW-INCOME, AND LOW-INCOME, AS DESIGNATED BY  
10 THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN  
11 DEVELOPMENT;

12 (B) THE PERCENTAGE OF RESIDENTS WHO ARE HOUSEHOLDS;

13 (C) THE PERCENTAGE OF COST-BURDENED HOUSEHOLDS, DEFINED  
14 AS HOUSEHOLDS THAT SPEND MORE THAN THIRTY PERCENT OF THE  
15 HOUSEHOLD'S INCOME ON HOUSING NEEDS;

16 (D) THE NUMBER OF ADULTS WHO ARE TWENTY-FIVE YEARS OF  
17 AGE OR OLDER AND HAVE NOT EARNED AT LEAST A HIGH SCHOOL  
18 DIPLOMA;

19 (E) THE PERCENTAGE OF HOUSEHOLDS IN WHICH ENGLISH IS NOT  
20 THE PRIMARY SPOKEN LANGUAGE;

21 (F) THE PERCENTAGE OF HOUSING STOCK BUILT PRIOR TO 1970;

22 (G) THE LOCATION OF MANUFACTURED HOME PARKS;

23 (H) AREAS THAT QUALIFY AS DISADVANTAGED AS DETERMINED  
24 WITH THE CLIMATE AND ECONOMIC JUSTICE SCREENING TOOL DEVELOPED  
25 BY THE COUNCIL ON ENVIRONMENTAL QUALITY IN THE OFFICE OF THE  
26 PRESIDENT OF THE UNITED STATES; AND

27 (I) THE TRANSIT-ORIENTED COMMUNITIES WHERE INCREASES IN

1 ZONING CAPACITY WILL OCCUR AS A RESULT OF THE REQUIREMENTS OF  
2 THIS PART 2.

3 (3) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL  
4 DEVELOP A DISPLACEMENT RISK MITIGATION STRATEGIES MENU AND  
5 SHALL UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE THE  
6 FOLLOWING STRATEGIES:

7 (a) DESIGNATING TRANSIT CENTERS THAT INCLUDE HIGH INCOME  
8 CENSUS TRACTS IN THE TRANSIT-ORIENTED COMMUNITY;

9 (b) CREATING A LOCALLY FUNDED AND ADMINISTERED RENTAL  
10 AND MORTGAGE ASSISTANCE PROGRAM;

11 (c) CREATING AN EVICTION AND FORECLOSURE NO-COST LEGAL  
12 REPRESENTATION PROGRAM;

13 (d) ESTABLISHING A HOUSING COUNSELING AND NAVIGATION  
14 PROGRAM;

15 (e) CREATING A PROPERTY TAX AND DOWN PAYMENT ASSISTANCE  
16 PROGRAM;

17 (f) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE  
18 AND FINANCIAL SUPPORT FOR COMMUNITY ORGANIZATIONS TO DEVELOP  
19 INDEPENDENT COMMUNITY LAND TRUSTS;

20 (g) PRIORITIZING LOCAL MONEY TOWARD REGULATED  
21 AFFORDABLE HOUSING UNIT PRESERVATION OR IMPLEMENTING OR  
22 CONTINUING DEED RESTRICTIONS FOR AFFORDABLE HOUSING UNITS;

23 (h) IDENTIFYING PARTNERSHIPS WITH REGIONAL AND NON-PROFIT  
24 ENTITIES TO IMPLEMENT STRATEGIES; AND

25 (i) OTHER STRATEGIES IDENTIFIED BY THE DEPARTMENT THAT  
26 PROVIDE DISPLACEMENT MITIGATION EQUIVALENT TO THE OTHER  
27 STRATEGIES DESCRIBED IN THIS SUBSECTION (3).



1           (4) IN DEVELOPING THE DISPLACEMENT RISK MITIGATION  
2 STRATEGIES MENU DESCRIBED IN SUBSECTION (3). OF THIS SECTION, THE  
3 DEPARTMENT'S GOALS MUST BE TO SUPPORT:

4           (a) RESOURCES, SERVICES, AND INVESTMENTS THAT SERVE  
5 VULNERABLE HOMEOWNERS AND RENTERS WITH ELEVATED RISK OF  
6 DISPLACEMENT;

7           (b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING  
8 STOCK;

9           (c) LOCAL GOVERNMENT PLANNING AND LAND USE DECISIONS  
10 THAT INCORPORATE INCLUSIVE AND EQUITABLE DISPLACEMENT  
11 MITIGATION STRATEGIES, AND THE EMPOWERMENT OF LOW-INCOME  
12 PERSONS AND COMMUNITIES OF COLOR TO PARTICIPATE IN THOSE  
13 DECISIONS; AND

14           (d) THE ABILITY OF VULNERABLE RESIDENTS TO REMAIN IN OR  
15 RETURN TO THEIR NEIGHBORHOODS OR COMMUNITIES BY ACCESSING NEW  
16 AFFORDABLE HOUSING OPPORTUNITIES IN THEIR NEIGHBORHOODS OR  
17 COMMUNITIES.

18           **29-35-211. Transit-oriented communities infrastructure grant**  
19 **program - transit-oriented communities infrastructure fund -**  
20 **transit-oriented communities highway users tax account - definitions.**

21           (1) **Grant program created.** THE TRANSIT-ORIENTED COMMUNITIES  
22 INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE DEPARTMENT. THE  
23 PURPOSE OF THE GRANT PROGRAM IS TO ASSIST LOCAL GOVERNMENTS IN  
24 UPGRADING INFRASTRUCTURE AND SUPPORTING REGULATED AFFORDABLE  
25 HOUSING IN TRANSIT CENTERS AND NEIGHBORHOOD CENTERS.

26           (2) **Allowable purposes.** GRANT RECIPIENTS MAY USE MONEY  
27 RECEIVED THROUGH THE GRANT PROGRAM TO FUND:

1 (a) ON-SITE INFRASTRUCTURE FOR [REDACTED] AFFORDABLE HOUSING,  
2 INCLUDING REGULATED AFFORDABLE HOUSING, WITHIN A TRANSIT CENTER  
3 OR NEIGHBORHOOD CENTER;

4 (b) PUBLIC INFRASTRUCTURE PROJECTS THAT ARE WITHIN, OR THAT  
5 PRIMARILY BENEFIT, A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

6 (c) PUBLIC INFRASTRUCTURE PROJECTS THAT BENEFIT [REDACTED]  
7 AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, IN  
8 A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

9 (d) ACTIVITIES RELATED TO DETERMINING WHERE AND HOW BEST  
10 TO IMPROVE INFRASTRUCTURE TO SUPPORT A TRANSIT CENTER OR  
11 NEIGHBORHOOD CENTER; AND

12 (e) INFRASTRUCTURE PROJECT DELIVERY, PLANNING, AND  
13 COMMUNITY ENGAGEMENT.

14 (3) **Grant program administration.** THE DEPARTMENT SHALL  
15 ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE  
16 APPROPRIATIONS, AWARD GRANTS AS PROVIDED IN SUBSECTION (7) OF THIS  
17 SECTION AND PROVIDE TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS  
18 IN COMPLYING WITH THE REQUIREMENTS OF THIS PART 2. SUBJECT TO  
19 SECTION 18 OF ARTICLE X OF THE STATE CONSTITUTION, WHICH REQUIRES  
20 THE PROCEEDS OF MOTOR FUEL TAXES AND MOTOR VEHICLE LICENSING  
21 AND REGISTRATION FEES AND OTHER CHARGES TO BE USED EXCLUSIVELY  
22 FOR THE CONSTRUCTION, MAINTENANCE, AND SUPERVISION OF PUBLIC  
23 HIGHWAYS, GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES  
24 DESCRIBED IN SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION  
25 MAY BE PAID OUT OF THE FUND, INCLUDING OUT OF THE ACCOUNT.  
26 GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES DESCRIBED  
27 IN SUBSECTIONS (2)(a) AND (2)(b) OF THIS SECTION MAY BE PAID OUT OF

1 MONEY IN THE FUND AND NOT IN THE ACCOUNT AND SHALL NOT BE PAID  
2 OUT OF THE ACCOUNT.

3 (4) **Grant program policies and procedures.** THE DEPARTMENT  
4 SHALL IMPLEMENT THE GRANT PROGRAM IN ACCORDANCE WITH THIS  
5 SECTION. THE DEPARTMENT SHALL DEVELOP POLICIES AND PROCEDURES  
6 AS NECESSARY TO IMPLEMENT THE GRANT PROGRAM.

7 (5) **Grant application.** TO RECEIVE A GRANT, A LOCAL  
8 GOVERNMENT MUST SUBMIT AN APPLICATION TO THE DEPARTMENT IN  
9 ACCORDANCE WITH POLICIES AND PROCEDURES DEVELOPED BY THE  
10 DEPARTMENT. A TRANSIT-ORIENTED COMMUNITY MAY ONLY SUBMIT AN  
11 APPLICATION TO THE DEPARTMENT AFTER THE DEPARTMENT HAS  
12 APPROVED THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY  
13 GOAL REPORT PURSUANT TO SECTION 29-35-204 (8).

14 (6) **Grant program criteria.** THE DEPARTMENT SHALL REVIEW  
15 THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION. IN AWARDING  
16 GRANTS, THE DEPARTMENT SHALL CONSIDER THE FOLLOWING CRITERIA:

17 (a) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL  
18 GOVERNMENT WOULD FUND WITH A GRANT AWARD ON THE DEVELOPMENT  
19 OF REGULATED AFFORDABLE HOUSING, MIXED-USE DEVELOPMENT,  
20 ACCESSIBLE OR VISITABLE HOUSING UNITS, OR THE CREATION OR  
21 ENHANCEMENT OF HOME OWNERSHIP OPPORTUNITIES WITHIN A TRANSIT  
22 CENTER OR NEIGHBORHOOD CENTER;

23 (b) IN RESPONSE TO DEMONSTRATED NEEDS, THE EXTENT TO  
24 WHICH THE LOCAL GOVERNMENT HAS:

25 (I) INTEGRATED MIXED-USE DEVELOPMENT BY ALLOWING  
26 NEIGHBORHOOD COMMERCIAL USES THAT HAVE THE MAIN PURPOSE OF  
27 MEETING CONSUMER DEMANDS FOR GOODS AND SERVICES WITH AN

1 EMPHASIS ON SERVING THE SURROUNDING RESIDENTIAL NEIGHBORHOOD  
2 WITHIN ONE-QUARTER MILE OF A TRANSIT CENTER OR NEIGHBORHOOD  
3 CENTER;

4 (II) ADOPTED AFFORDABILITY STRATEGIES FROM THE  
5 AFFORDABILITY STRATEGIES MENUS IN SECTION 29-35-209 BASED ON THE  
6 LOCAL GOVERNMENT'S DEMONSTRATED HOUSING NEEDS, INCLUDING  
7 HOUSING NEEDS FOR RENTAL AND FOR-SALE HOUSING AND FOR LOW-,  
8 MODERATE-, AND MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE  
9 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,  
10 AND PERMANENT SUPPORTIVE HOUSING;

11 (III) ADOPTED DISPLACEMENT MITIGATION STRATEGIES FROM THE  
12 DISPLACEMENT MITIGATION STRATEGIES MENU IN SECTION 29-35-210; AND

13 (IV) DESIGNATED NEIGHBORHOOD CENTERS WITHIN OPTIONAL  
14 TRANSIT AREAS; AND

15 (c) INFORMATION CONTAINED IN THE REPORTS SUBMITTED BY A  
16 LOCAL GOVERNMENT PURSUANT TO SECTION 29-35-204 THAT PROVIDES  
17 EVIDENCE THAT THE LOCAL GOVERNMENT HAS MET THE REQUIREMENTS  
18 OF SECTION 29-35-204.

19 (7) **Grant awards.** SUBJECT TO AVAILABLE APPROPRIATIONS, THE  
20 DEPARTMENT SHALL AWARD GRANTS USING MONEY IN THE ACCOUNT AS  
21 PROVIDED IN THIS SECTION.

22 (8) **Transit-oriented communities infrastructure fund.**

23 (a) (I) THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE FUND IS  
24 CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY  
25 TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (8)(a)(III) OF THIS  
26 SECTION, GIFTS, GRANTS, AND DONATIONS, AND ANY OTHER MONEY THAT  
27 THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

1 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED  
2 FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE  
3 FUND.

4 (II) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
5 DEPARTMENT FOR THE PURPOSE OF IMPLEMENTING THE GRANT PROGRAM,  
6 AND THE DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY  
7 IN THE FUND, EXCLUSIVE OF MONEY IN THE ACCOUNT, FOR COSTS  
8 INCURRED BY THE DEPARTMENT IN ADMINISTERING THE GRANT PROGRAM.

9 (III) ON JULY 1, 2024, THE STATE TREASURER SHALL TRANSFER  
10 THIRTY-FIVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

11 (b) (I) THE TRANSIT-ORIENTED COMMUNITIES HIGHWAY USERS TAX  
12 ACCOUNT IS CREATED IN THE FUND. THE ACCOUNT CONSISTS OF GIFTS,  
13 GRANTS, AND DONATIONS, MONEY THAT THE STATE TREASURER  
14 TRANSFERS TO THE FUND PURSUANT TO SECTION 29-35-205 (2), AND ANY  
15 OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR  
16 TRANSFER TO THE ACCOUNT. THE STATE TREASURER SHALL CREDIT ALL  
17 INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF  
18 MONEY IN THE TRANSIT-ORIENTED COMMUNITIES HIGHWAY USERS TAX  
19 ACCOUNT TO THE TRANSIT-ORIENTED COMMUNITIES HIGHWAY USERS TAX  
20 ACCOUNT.

21 (II) MONEY IN THE ACCOUNT IS CONTINUOUSLY APPROPRIATED TO  
22 THE DEPARTMENT FOR AWARDED GRANTS FOR PURPOSES DESCRIBED IN  
23 SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION, AND THE  
24 DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY  
25 APPROPRIATED OR TRANSFERRED BY THE GENERAL ASSEMBLY TO THE  
26 ACCOUNT PURSUANT TO THIS SUBSECTION (8)(b) FOR THE  
27 ADMINISTRATIVE COSTS INCURRED BY THE DEPARTMENT IN AWARDED

1 GRANTS FOR SUCH PURPOSES.

2 (III) NOTWITHSTANDING SUBSECTION (8)(b)(II) OF THIS SECTION,  
3 THE DEPARTMENT SHALL COMPLY WITH THE REQUIREMENTS OF SECTION  
4 29-35-205 (3) IN EXPENDING MONEY IN THE ACCOUNT.

5 (9) **Reporting.** (a) ON OR BEFORE JANUARY 1, 2025, AND EACH  
6 JANUARY 1 THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM, THE  
7 DEPARTMENT SHALL SUBMIT A SUMMARIZED REPORT TO THE HOUSE OF  
8 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT  
9 COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING  
10 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, ON RELEVANT  
11 INFORMATION REGARDING THE GRANT PROGRAM.

12 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE  
13 REPORTING REQUIREMENTS SET FORTH IN THIS SECTION CONTINUE UNTIL  
14 ALL GRANT PROGRAM MONEY IS FULLY EXPENDED.

15 (10) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT  
16 OTHERWISE REQUIRES:

17 (a) "ACCOUNT" MEANS THE TRANSIT-ORIENTED COMMUNITIES  
18 HIGHWAY USERS TAX ACCOUNT CREATED WITHIN THE FUND IN SUBSECTION  
19 (8)(b) OF THIS SECTION.

20 (b) "FUND" MEANS THE TRANSIT-ORIENTED COMMUNITIES  
21 INFRASTRUCTURE FUND CREATED IN SUBSECTION (8)(a) OF THIS SECTION.

22 (c) "GRANT PROGRAM" MEANS THE TRANSIT-ORIENTED  
23 COMMUNITIES INFRASTRUCTURE GRANT PROGRAM CREATED IN THIS  
24 SECTION.

25 **SECTION 2.** In Colorado Revised Statutes, 24-67-105, **add** (5.5)  
26 as follows:

27 **24-67-105. Standards and conditions for planned unit**

1     **development - definitions. (5.5) (a)** ANY PLANNED UNIT DEVELOPMENT  
2 RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR  
3 NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL  
4 GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION  
5 (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER  
6 THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN  
7 AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A  
8 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

9           (b) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR  
10 ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD  
11 CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT  
12 BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) AND THAT  
13 RESTRICTS THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS  
14 INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A  
15 TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A  
16 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207:

17           (I) MUST NOT BE INTERPRETED OR ENFORCED TO RESTRICT THE  
18 DEVELOPMENT OF MULTIFAMILY RESIDENTIAL DWELLING UNITS SO THAT  
19 A TRANSIT-ORIENTED COMMUNITY COULD NOT DESIGNATE AN AREA AS A  
20 TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT WOULD OTHERWISE  
21 QUALIFY AS SUCH; AND

22           (II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW  
23 ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF  
24 A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A  
25 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

26           (c) NOTWITHSTANDING SUBSECTION (5.5)(b) OF THIS SECTION, A  
27 LOCAL GOVERNMENT MAY ADOPT CONFORMING AMENDMENTS TO ANY

1 SUCH PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE.

2 (d) AS USED IN THIS SUBSECTION (5.5), UNLESS THE CONTEXT  
3 OTHERWISE REQUIRES:

4 (I) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN  
5 SECTION 29-35-102 (11).

6 (II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET  
7 FORTH IN SECTION 29-35-202 (4)

8 (III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN  
9 SECTION 29-35-202 (10)

10 **SECTION 3.** In Colorado Revised Statutes, 38-33.3-106.5, **add**  
11 (3) as follows:

12 **38-33.3-106.5. Prohibitions contrary to public policy -**  
13 **patriotic, political, or religious expression - public rights-of-way - fire**  
14 **prevention - renewable energy generation devices - affordable**  
15 **housing - drought prevention measures - child care - definitions.**

16 (3) (a) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, AN  
17 ASSOCIATION SHALL NOT ADOPT A PROVISION OF A DECLARATION, BYLAW,  
18 OR RULE ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (3) THAT  
19 RESTRICTS THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW  
20 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,  
21 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES  
22 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

23 (b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO  
24 PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT  
25 IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (3) MAY  
26 RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW  
27 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,



1 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES  
2 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

3 (c) AS USED IN THIS SUBSECTION (3), UNLESS THE CONTEXT  
4 OTHERWISE REQUIRES:

5 (I) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN  
6 SECTION 29-35-102 (11).

7 (II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET  
8 FORTH IN SECTION 29-35-202 (4)

9 (III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN  
10 SECTION 29-35-202 (10)

11 **SECTION 4.** In Colorado Revised Statutes, 39-22-2102, **add**  
12 **(7)(a.7) and (7.5) as follows:**

13 **39-22-2102. Credit against tax - affordable housing**  
14 **developments - legislative declaration.** (7) During each calendar year  
15 of the period beginning January 1, 2015, and ending December 31, 2031,  
16 the authority may allocate a credit, the full amount of which may be  
17 claimed against the taxes imposed by this article 22 for each taxable year  
18 of the six-year credit period. The aggregate amount of all credits allocated  
19 by the authority in each calendar year of the period beginning January 1,  
20 2015, and ending December 31, 2031, shall not exceed the amount of:

21 (a.7) IN ADDITION TO THE AMOUNT DESCRIBED IN SUBSECTION  
22 (7)(A.5) OF THIS SECTION:

23 (I) EIGHT MILLION THREE HUNDRED THOUSAND DOLLARS FOR  
24 CREDITS ALLOCATED IN CALENDAR YEAR 2024, PURSUANT TO SUBSECTION  
25 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

26 (II) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR  
27 CREDITS ALLOCATED IN CALENDAR YEAR 2025, PURSUANT TO SUBSECTION

1 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

2 (III) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR  
3 CREDITS ALLOCATED IN CALENDAR YEAR 2026, PURSUANT TO SUBSECTION

4 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

5 (IV) FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS FOR  
6 CREDITS ALLOCATED IN CALENDAR YEAR 2027, PURSUANT TO SUBSECTION

7 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

8 (V) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN CALENDAR  
9 YEAR 2028, PURSUANT TO SUBSECTION (1) OF THIS SECTION AND SECTION  
10 39-22-2105 COMBINED;

11 (VI) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN  
12 CALENDAR YEAR 2029, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
13 AND SECTION 39-22-2105 COMBINED;

14 (VII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN  
15 CALENDAR YEAR 2030, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
16 AND SECTION 39-22-2105 COMBINED; AND

17 (VIII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN  
18 CALENDAR YEAR 2031, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
19 AND SECTION 39-22-2105 COMBINED;

20 (7.5) THE TAXPAYER SHALL NOT CLAIM A CREDIT ALLOCATED AS  
21 PART OF THE CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF  
22 THIS SECTION RATABLY OVER THE CREDIT PERIOD. INSTEAD, SUCH A  
23 CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT MUST BE CLAIMED  
24 AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER THE CREDIT  
25 PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

26 (a) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE  
27 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION

1 THAT A TAXPAYER CLAIMS IN THE FIRST YEAR OF THE CREDIT PERIOD MUST  
2 EQUAL SEVENTY PERCENT OF THE TOTAL AMOUNT OF THAT CREDIT THAT  
3 THE AUTHORITY ALLOCATES TO THE TAXPAYER; AND

4 (b) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE  
5 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION  
6 THAT A TAXPAYER CLAIMS IN THE SECOND YEAR THROUGH SIXTH YEAR OF  
7 THE CREDIT PERIOD MUST EACH YEAR EQUAL SIX PERCENT OF THE TOTAL  
8 AMOUNT OF THAT CREDIT THAT THE AUTHORITY ALLOCATES TO THE  
9 TAXPAYER;

10 SECTION 5. In Colorado Revised Statutes, add part 54 to article  
11 22 in title 39 as follows:

12 PART 54

13 COLORADO AFFORDABLE HOUSING IN

14 TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT

15 39-22-5401. Tax preference performance statement. (1) IN  
16 ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL  
17 THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE  
18 PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE  
19 DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE  
20 PURPOSE OF THE TAX CREDIT PROVIDED IN THIS SECTION IS TO INDUCE  
21 CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS BY SUPPORTING THE  
22 DEVELOPMENT OF AFFORDABLE HOUSING WITHIN TRANSIT-ORIENTED  
23 COMMUNITIES.

24 (2) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL  
25 MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE  
26 SPECIFIED IN SUBSECTION (1) OF THIS SECTION BASED ON THE NUMBER AND  
27 VALUE OF CREDITS ISSUED AND HOUSING UNITS BUILT.

1           **39-22-5402. Definitions.** AS USED IN THIS PART 54, UNLESS THE  
2 CONTEXT OTHERWISE REQUIRES:

3           (1) "ALLOCATION CERTIFICATE" MEANS A STATEMENT ISSUED BY  
4 THE AUTHORITY CERTIFYING THAT A GIVEN DEVELOPMENT QUALIFIES FOR  
5 THE CREDIT AND SPECIFYING THE AMOUNT OF THE CREDIT ALLOWED.

6           (2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED  
7 BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND  
8 PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO  
9 THIS PART 54.

10           (3) "AUTHORITY" MEANS THE COLORADO HOUSING AND FINANCE  
11 AUTHORITY CREATED PURSUANT TO SECTION 29-4-704.

12           (4) "COMPLIANCE PERIOD" MEANS THE PERIOD OF FIFTEEN YEARS  
13 BEGINNING WITH THE FIRST TAXABLE YEAR OF A CREDIT PERIOD.

14           (5) "CREDIT" MEANS THE COLORADO TRANSIT-ORIENTED  
15 COMMUNITY HOUSING INCOME TAX CREDIT ALLOWED PURSUANT TO THIS  
16 PART 54.

17           (6) "CREDIT PERIOD" MEANS THE PERIOD OF FIVE INCOME TAX  
18 YEARS BEGINNING WITH THE INCOME TAX YEAR IN WHICH A QUALIFIED  
19 DEVELOPMENT IS PLACED IN SERVICE. IF A QUALIFIED DEVELOPMENT IS  
20 COMPRISED OF MORE THAN ONE BUILDING, THE DEVELOPMENT IS DEEMED  
21 TO BE PLACED IN SERVICE IN THE INCOME TAX YEAR DURING WHICH THE  
22 LAST BUILDING OF THE QUALIFIED DEVELOPMENT IS PLACED IN SERVICE.

23           (7) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

24           (8) "DIVISION" MEANS THE DIVISION OF LOCAL GOVERNMENT OF  
25 THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-32-103.

26           (9) "FEDERAL TAX CREDIT" MEANS THE FEDERAL LOW-INCOME  
27 HOUSING TAX CREDIT PROVIDED BY SECTION 42 OF THE INTERNAL

1 REVENUE CODE.

2 (10) "METROPOLITAN PLANNING ORGANIZATION" HAS THE SAME  
3 MEANING AS SET FORTH IN SECTION 29-35-103 (12).

4 (11) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET  
5 FORTH IN SECTION 29-35-202 (5).

6 (12) "QUALIFIED BASIS" MEANS THE QUALIFIED BASIS OF THE  
7 DEVELOPMENT AS DETERMINED PURSUANT TO SECTION 42 OF THE  
8 INTERNAL REVENUE CODE.

9 (13) "QUALIFIED DEVELOPMENT" MEANS A "QUALIFIED  
10 LOW-INCOME HOUSING PROJECT", AS THAT TERM IS DEFINED IN SECTION 42  
11 OF THE INTERNAL REVENUE CODE, THAT IS:

12 (a) LOCATED IN COLORADO;

13 (b) DETERMINED BY THE AUTHORITY TO BE ELIGIBLE FOR A  
14 FEDERAL TAX CREDIT WHETHER OR NOT A FEDERAL TAX CREDIT IS  
15 ALLOCATED WITH RESPECT TO SAID DEVELOPMENT; AND

16 (c) LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED  
17 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN  
18 A METROPOLITAN PLANNING ORGANIZATION.

19 (14) "QUALIFIED TAXPAYER" MEANS AN INDIVIDUAL, A PERSON,  
20 FIRM, CORPORATION, OR OTHER ENTITY THAT OWNS AN INTEREST, DIRECT  
21 OR INDIRECT, IN A QUALIFIED DEVELOPMENT AND IS SUBJECT TO THE  
22 TAXES IMPOSED BY THIS ARTICLE 22.

23 (15) "QUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS:

24 (a) IN CALENDAR YEARS 2024, 2025, AND 2026, A  
25 TRANSIT-ORIENTED COMMUNITY AS DEFINED IN SECTION 29-35-202 (13);  
26 AND

27 (b) IN CALENDAR YEAR 2027 AND EACH SUBSEQUENT CALENDAR

1 YEAR, A TRANSIT-ORIENTED COMMUNITY, AS DEFINED IN SECTION  
2 29-35-202(13), THAT HAS BOTH SUBMITTED THE HOUSING OPPORTUNITY  
3 GOAL REPORT DESCRIBED IN SECTION 29-35-204 (10) TO THE DIVISION AND  
4 HAD THE DIVISION CONFIRM THAT THE TRANSIT-ORIENTED COMMUNITY  
5 HAS MET ITS HOUSING OPPORTUNITY GOAL.

6 (16) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN  
7 SECTION 29-35-202 (11).

8 **39-22-5403. Credit against tax - affordable housing located in**  
9 **a transit-oriented community.** (1) FOR INCOME TAX YEARS DURING THE  
10 CREDIT PERIOD, THERE IS ALLOWED TO ANY QUALIFIED TAXPAYER A  
11 CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE  
12 22 IN THE AMOUNT DETERMINED BY THE AUTHORITY PURSUANT TO THIS  
13 PART 54.

14 (2) THE AGGREGATE AMOUNT OF CREDITS ALLOCATED BY THE  
15 AUTHORITY IN EACH OF THE 2025 THROUGH 2029 CALENDAR YEARS, MUST  
16 NOT EXCEED THE AGGREGATE AMOUNT OF:

17 (a) CREDITS AUTHORIZED AS FOLLOWS:

18 (I) FOR THE 2025 CALENDAR YEAR, EIGHT MILLION SIX HUNDRED  
19 THOUSAND DOLLARS;

20 (II) FOR THE 2026 CALENDAR YEAR, SEVEN MILLION TWO  
21 HUNDRED THOUSAND DOLLARS;

22 (III) FOR THE 2027 CALENDAR YEAR, FIVE MILLION SIX HUNDRED  
23 THOUSAND DOLLARS;

24 (IV) FOR THE 2028 CALENDAR YEAR, FIVE MILLION DOLLARS; AND

25 (V) FOR THE 2029 CALENDAR YEAR, THREE MILLION SIX HUNDRED  
26 THOUSAND DOLLARS; PLUS

27 (b) UNALLOCATED CREDITS, IF ANY, FOR THE IMMEDIATELY

1 PRECEDING CALENDAR YEAR; AND

2 (c) ANY CREDIT RECAPTURED OR OTHERWISE RETURNED TO THE  
3 AUTHORITY IN THE CALENDAR YEAR.

4 (3) THE AUTHORITY MAY ALLOCATE A CREDIT TO AN OWNER OF A  
5 QUALIFIED DEVELOPMENT BY ISSUING TO THE OWNER AN ALLOCATION  
6 CERTIFICATE. THE AUTHORITY MAY DETERMINE THE TIME AT WHICH SUCH  
7 ALLOCATION CERTIFICATE IS ISSUED. THE CREDIT MUST BE IN AN AMOUNT  
8 DETERMINED BY THE AUTHORITY, SUBJECT TO THE FOLLOWING  
9 GUIDELINES:

10 (a) THE CREDIT MUST BE NECESSARY FOR THE FINANCIAL  
11 FEASIBILITY OF SUCH DEVELOPMENT;

12 (b) ALL ALLOCATIONS MUST BE MADE PURSUANT TO THE  
13 ALLOCATION PLAN; AND

14 (c) THE AGGREGATE SUM OF CREDITS ALLOCATED ANNUALLY  
15 MUST NOT EXCEED THE LIMITS SET FORTH IN SUBSECTION (2) OF THIS  
16 SECTION.

17 (4) (a) ON OR AFTER JANUARY 1, 2025, BUT PRIOR TO DECEMBER  
18 31, 2029, THE AUTHORITY MAY ALLOCATE A TOTAL AMOUNT OF THIRTY  
19 MILLION DOLLARS IN CREDITS.

20 (b) THE TAXPAYER SHALL NOT CLAIM THE CREDIT RATABLY OVER  
21 THE CREDIT PERIOD. INSTEAD, THE CREDIT MUST BE ACCELERATED AND  
22 THE FULL AMOUNT MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY  
23 THIS ARTICLE 22 OVER THE CREDIT PERIOD ACCORDING TO THE FOLLOWING  
24 SCHEDULE:

25 (I) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE  
26 FIRST YEAR OF THE CREDIT PERIOD MUST EQUAL SEVENTY PERCENT OF THE  
27 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE

1 TAXPAYER;

2 (II) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE  
3 SECOND YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF THE  
4 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
5 TAXPAYER;

6 (III) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN  
7 THE THIRD YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF  
8 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
9 TAXPAYER;

10 (IV) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN  
11 THE FOURTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF  
12 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
13 TAXPAYER; AND

14 (V) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE  
15 FIFTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF THE  
16 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
17 TAXPAYER.

18 (5) IF AN OWNER OF A QUALIFIED DEVELOPMENT RECEIVING AN  
19 ALLOCATION OF A CREDIT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY,  
20 S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE OWNER MAY  
21 ALLOCATE THE CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS,  
22 OR OTHER QUALIFIED TAXPAYERS IN ANY MANNER AGREED TO BY SUCH  
23 PERSONS REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A  
24 PARTNER FOR FEDERAL INCOME TAX PURPOSES. THE OWNER SHALL  
25 CERTIFY TO THE DEPARTMENT THE AMOUNT OF CREDIT ALLOCATED TO  
26 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER.  
27 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER



1 ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED  
2 TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX RETURN  
3 CLAIMING THE CREDIT IS ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO  
4 ANY RESTRICTIONS SET FORTH IN THIS PART 54.

5 (6) NO CREDIT SHALL BE ALLOCATED PURSUANT TO THIS PART 54  
6 UNLESS THE QUALIFIED DEVELOPMENT IS THE SUBJECT OF A RECORDED  
7 RESTRICTIVE COVENANT REQUIRING THE DEVELOPMENT TO BE  
8 MAINTAINED AND OPERATED AS A QUALIFIED DEVELOPMENT, AND IS IN  
9 ACCORDANCE WITH THE ACCESSIBILITY AND ADAPTABILITY  
10 REQUIREMENTS OF THE FEDERAL TAX CREDITS AND TITLE VIII OF THE  
11 "CIVIL RIGHTS ACT OF 1968", AS AMENDED BY THE "FAIR HOUSING  
12 AMENDMENTS ACT OF 1988", FOR A PERIOD OF FIFTEEN INCOME TAX  
13 YEARS, OR SUCH LONGER PERIOD AS MAY BE AGREED TO BETWEEN THE  
14 AUTHORITY AND THE OWNER, BEGINNING WITH THE FIRST TAXABLE YEAR  
15 OF THE CREDIT PERIOD UNLESS CORRECTED WITHIN THE TIME THAT IS  
16 APPLICABLE TO DEVELOPMENTS RECEIVING FEDERAL TAX CREDITS  
17 PURSUANT TO SECTION 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS  
18 APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (6).

19 (7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE  
20 TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE  
21 CREDIT PERIOD AS SET FORTH IN SUBSECTION (4) OF THIS SECTION. ANY  
22 AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX  
23 YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME  
24 TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE  
25 APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE  
26 CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

27 (8) UNLESS OTHERWISE PROVIDED IN THIS PART 54 OR THE

1 CONTEXT CLEARLY REQUIRES OTHERWISE, THE AUTHORITY SHALL  
2 DETERMINE ELIGIBILITY FOR A CREDIT AND ALLOCATE CREDITS IN  
3 ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET FORTH IN  
4 THE ALLOCATION PLAN; HOWEVER, THE AUTHORITY SHALL ADMINISTER  
5 THE CREDIT ALLOWED PURSUANT TO THIS PART 54 CONSISTENTLY WITH  
6 THE CREDIT PURSUANT TO PART 21 OF THIS ARTICLE 22 EXCEPT TO THE  
7 EXTENT THE ALLOCATION PLAN IS INCONSISTENT WITH PART 21 OF THIS  
8 ARTICLE 22, IN WHICH CASE THE ALLOCATION PLAN CONTROLS.  
9 NOTWITHSTANDING THE FOREGOING, ANY COMBINATION OF FEDERAL AND  
10 STATE CREDITS, OR STANDALONE AMOUNT OF STATE CREDITS, ALLOWED  
11 MUST BE THE LEAST AMOUNT NECESSARY TO ENSURE THE FINANCIAL  
12 FEASIBILITY OF A QUALIFIED DEVELOPMENT.

13 **39-22-5404. Recapture.** (1) AS OF THE LAST DAY OF ANY  
14 TAXABLE YEAR DURING THE COMPLIANCE PERIOD, IF THE AMOUNT OF THE  
15 QUALIFIED BASIS OF A QUALIFIED DEVELOPMENT WITH RESPECT TO A  
16 TAXPAYER IS LESS THAN THE AMOUNT OF THE QUALIFIED BASIS AS OF THE  
17 LAST DAY OF THE PRIOR TAXABLE YEAR, THEN THE AMOUNT OF THE  
18 TAXPAYER'S STATE INCOME TAX LIABILITY FOR THAT TAXABLE YEAR MUST  
19 BE INCREASED BY THE CREDIT RECAPTURE AMOUNT.

20 (2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE  
21 CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE  
22 DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS  
23 PART 54 FOR ALL PRIOR TAXABLE YEARS THAT WOULD HAVE RESULTED IF  
24 THE ACCELERATED PORTION OF THE CREDIT ALLOWABLE BY REASON OF  
25 THIS PART 54 WERE NOT ALLOWED FOR ALL PRIOR TAXABLE YEARS WITH  
26 RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS DESCRIBED IN  
27 SUBSECTION (1) OF THIS SECTION.

1 (3) FOR PURPOSES OF SUBSECTION (2) OF THIS SECTION, THE  
2 ACCELERATED PORTION OF THE CREDIT FOR THE PRIOR TAXABLE YEARS  
3 WITH RESPECT TO ANY AMOUNT OF QUALIFIED BASIS IS THE DIFFERENCE  
4 BETWEEN:

5 (a) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED PURSUANT  
6 TO THIS PART 54, NOTWITHSTANDING THIS SUBSECTION (3), FOR THE YEARS  
7 WITH RESPECT TO SUCH QUALIFIED BASIS; AND

8 (b) THE AGGREGATE AMOUNT OF THE CREDIT THAT WOULD BE  
9 ALLOWED PURSUANT TO THIS PART 54 FOR SUCH YEARS WITH RESPECT TO  
10 THE QUALIFIED BASIS IF THE AGGREGATE CREDIT THAT WOULD HAVE BEEN  
11 ALLOWABLE, BUT FOR THIS SUBSECTION (3), FOR THE ENTIRE COMPLIANCE  
12 PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

13 (4) IN THE EVENT THAT RECAPTURE OF ANY CREDIT IS REQUIRED  
14 IN ANY TAX YEAR, THE RETURN SUBMITTED FOR THAT TAX YEAR TO THE  
15 DEPARTMENT SHALL INCLUDE THE PROPORTION OF CREDIT REQUIRED TO  
16 BE RECAPTURED, THE IDENTITY OF EACH TAXPAYER SUBJECT TO THE  
17 RECAPTURE, AND THE AMOUNT OF CREDIT PREVIOUSLY ALLOCATED TO  
18 SUCH TAXPAYER.

19 (5) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, CREDITS  
20 ISSUED PURSUANT TO THIS PART 54 MUST NOT BE RECAPTURED IF A  
21 QUALIFIED DEVELOPMENT, AFTER THE INITIAL AWARD OF CREDITS, CEASES  
22 BEING LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED  
23 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN  
24 A METROPOLITAN PLANNING ORGANIZATION.

25 **39-22-5405. Filing requirements.** AN OWNER OF A QUALIFIED  
26 DEVELOPMENT TO WHICH A CREDIT HAS BEEN ALLOCATED AND EACH  
27 QUALIFIED TAXPAYER TO WHICH SUCH OWNER HAS ALLOCATED A PORTION

1 OF SAID CREDIT, IF ANY, SHALL FILE WITH THEIR STATE INCOME TAX  
2 RETURN A COPY OF THE ALLOCATION CERTIFICATE ISSUED BY THE  
3 AUTHORITY WITH RESPECT TO SUCH DEVELOPMENT AND A COPY OF THE  
4 OWNER'S CERTIFICATION TO THE DEPARTMENT AS TO THE ALLOCATION OF  
5 THE CREDIT AMONG THE QUALIFIED TAXPAYERS HAVING OWNERSHIP  
6 INTERESTS IN THE DEVELOPMENT.

7 **39-22-5406. Parallel credits - insurance premium taxes.**

8 (1) ANY TAXPAYER WHO IS SUBJECT TO THE TAX ON INSURANCE  
9 PREMIUMS ESTABLISHED BY SECTIONS 10-3-209, 10-5-111, AND 10-6-128  
10 AND THEREFORE EXEMPT FROM THE PAYMENT OF INCOME TAX AND WHO  
11 IS OTHERWISE ELIGIBLE TO CLAIM A CREDIT PURSUANT TO THIS PART 54  
12 MAY CLAIM SUCH CREDIT AND CARRY SUCH CREDIT FORWARD AGAINST  
13 SUCH INSURANCE PREMIUM TAX ON ITS CALENDAR QUARTER ESTIMATED  
14 TAX PAYMENTS MADE IN ACCORDANCE WITH SECTION 10-3-209 TO THE  
15 SAME EXTENT AS THE TAXPAYER WOULD HAVE BEEN ABLE TO CLAIM OR  
16 CARRY FORWARD SUCH CREDIT OR REFUND AGAINST INCOME TAX. ALL  
17 OTHER PROVISIONS OF THIS PART 54 WITH RESPECT TO THE CREDIT,  
18 INCLUDING THE AMOUNT, ALLOCATION, AND RECAPTURE OF THE CREDIT  
19 AND THE YEARS FOR WHICH THE CREDIT MAY BE CLAIMED, APPLY TO A  
20 CREDIT CLAIMED PURSUANT TO THIS SECTION.

21 (2) FOR PURPOSES OF ADMINISTERING THIS SECTION, ANY  
22 REFERENCE IN THIS ARTICLE 22 TO "INCOME TAX YEAR" MEANS CALENDAR  
23 YEAR.

24 **39-22-5407. Compliance monitoring.** THE AUTHORITY, IN  
25 CONSULTATION WITH THE DEPARTMENT, SHALL MONITOR AND OVERSEE  
26 COMPLIANCE WITH THIS PART 54 AND SHALL REPORT SPECIFIC  
27 OCCURRENCES OF NONCOMPLIANCE TO THE DEPARTMENT.

1           **39-22-5408. Repeal.** THIS PART 54 IS REPEALED, EFFECTIVE  
2           DECEMBER 31, 2049.

3           **SECTION 6.** In Colorado Revised Statutes, 39-26-123, **amend**  
4           (3)(b)(II)(B) and (3)(b)(II)(C); and **add** (3)(b)(II)(D) as follows:

5           **39-26-123. Receipts - disposition - transfers of general fund**  
6           **surplus - sales tax holding fund - creation - definitions.** (3) For any  
7           state fiscal year commencing on or after July 1, 2013, the state treasurer  
8           shall credit eighty-five percent of all net revenue collected under this  
9           article 26 to the old age pension fund created in section 1 of article XXIV  
10          of the state constitution. The state treasurer shall credit to the general fund  
11          the remaining fifteen percent of the net revenue, less:

12           (b) (II) The amount credited to the housing development grant  
13          fund created in section 24-32-721 (1) under subsection (3)(b)(I) of this  
14          section is reduced by the following amounts:

15           (B) Forty million three hundred twenty-three thousand one  
16          hundred fifty-eight dollars for the state fiscal year 2020-21; and

17           (C) Nine hundred eighty-five thousand three hundred thirty-five  
18          dollars for the state fiscal year YEARS 2021-22, and each state fiscal year  
19          thereafter 2022-23, AND 2023-24; AND

20           (D) THIRTY-FIVE MILLION NINE HUNDRE EIGHTY-FIVE THOUSAND  
21          THREE HUNDRED THIRTY-FIVE DOLLARS FOR THE STATE FISCAL YEAR  
22          2024-25 AND EACH STATE FISCAL YEAR THEREAFTER.

23          **SECTION 7. Appropriation.** (1) For the 2024-25 state fiscal  
24          year, \$183,138 is appropriated to the office of the governor for use by the  
25          Colorado energy office. This appropriation is from the general fund and  
26          is based on the assumption that the office will require an additional 0.8  
27          FTE. To implement this act, the office may use this appropriation for

1 program administration.

2 (2) For the 2024-25 state fiscal year, \$70,000 is appropriated to  
3 the office of the governor for use by the office of information technology.  
4 This appropriation is from reappropriated funds received from the  
5 department of local affairs from the transit-oriented communities  
6 infrastructure fund created in section 29-35-211 (8)(a)(I), C.R.S. To  
7 implement this act, the office may use this appropriation to provide  
8 information technology services for the department of local affairs.

9 **SECTION 8. Safety clause.** The general assembly finds,  
10 determines, and declares that this act is necessary for the immediate  
11 preservation of the public peace, health, or safety or for appropriations for  
12 the support and maintenance of the departments of the state and state  
13 institutions.