

CHAPTER 168

GOVERNMENT - LOCAL

HOUSE BILL 24-1313

BY REPRESENTATIVE(S) Woodrow and Jodeh, Bacon, Boesenecker, deGruy Kennedy, Epps, Froelich, Garcia, Hernandez, Herod, Kipp, Lindsay, Lindstedt, Mabrey, McCormick, Parenti, Rutinel, Sirota, Story, Valdez, Vigil, McCluskie, English, Ortiz, Titone, Weissman, Willford;
also SENATOR(S) Hansen and Winter F., Cutter, Hinrichsen, Priola.

AN ACT

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

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

SECTION 1. In Colorado Revised Statutes, **add** article 37 to title 29 as follows:

ARTICLE 37
State Land Use Criteria For Strategic Growth

PART 1
DEFINITIONS

29-37-101. Short title. THE SHORT TITLE OF THIS ARTICLE 37 IS THE "STATE LAND USE CRITERIA FOR STRATEGIC GROWTH ACT".

29-37-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

(b) THE COLORADO STATE DEMOGRAPHY OFFICE ESTIMATES THAT COLORADO WILL ADD ONE MILLION SEVEN HUNDRED THOUSAND TWO HUNDRED PEOPLE BY 2050, BRINGING COLORADO'S POPULATION TO NEARLY SEVEN MILLION FIVE

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

HUNDRED THOUSAND. THE NEED FOR HOUSING FOR THE GROWING POPULATION IS AN ISSUE THAT AFFECTS ALL COLORADO COMMUNITIES REGARDLESS OF REGION OR SIZE. IN A BIPARTISAN POLL CONDUCTED BY THE COLORADO POLLING INSTITUTE IN NOVEMBER 2023, COLORADO VOTERS LISTED HOUSING AFFORDABILITY AS ONE OF THEIR TOP FIVE ISSUES FOR THE COLORADO STATE GOVERNMENT TO ADDRESS. THEREFORE, IT IS CRITICAL TO ADDRESS THE COST AND AVAILABILITY OF HOUSING ACROSS THE STATE TO ADDRESS HISTORIC POPULATION GROWTH.

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

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

(e) ACROSS THE STATE, COLORADO NEEDS MORE HOUSING URGENTLY TO SUPPORT OUR GROWING WORKFORCE, AND HOUSING OPPORTUNITIES ARE NEEDED ACROSS ALL INCOME LEVELS. ADDRESSING THE CRITICAL ISSUE OF COST AND AVAILABILITY OF HOUSING REQUIRES MAINTAINING AND EXPANDING ACCESS TO AFFORDABLE AND ATTAINABLE HOUSING BY REMOVING BARRIERS TO AND EXPEDITING NEW HOUSING OPPORTUNITIES FOR EVERY COMMUNITY, ESPECIALLY NEAR TRANSIT. AS HOUSING RENTS AND PRICES HAVE INCREASED FASTER THAN WAGES ACROSS THE STATE, INDIVIDUAL HOUSEHOLDS ARE EXPERIENCING DISPLACEMENT FROM HOMES THEY COULD ONCE AFFORD AND HAVING TO LIVE FARTHER FROM WORK WITH INCREASED COMMUTE TIMES. AS STATE AND LOCAL GOVERNMENTS SEEK TO INCREASE HOUSING OPTIONS AND ADDRESS AFFORDABILITY FOR RESIDENTS, IT IS ESSENTIAL TO PROVIDE SOLUTIONS THAT INCORPORATE TRANSIT NEEDS AS WELL.

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

(g) NATIONALLY, CITIES WITH THE HIGHEST HOUSING COSTS AND LOWEST VACANCY RATES EXPERIENCE THE HIGHEST RATES OF HOMELESSNESS, ACCORDING TO A REPORT BY THE URBAN INSTITUTE, "UNSHeltered HOMELESSNESS: TRENDS, CHARACTERISTICS, AND HOMELESS HISTORIES". THESE INDICATORS EXPLAIN A GREATER PORTION OF THE VARIATION IN REGIONAL RATES OF HOMELESSNESS THAN OTHER COMMONLY ASSUMED FACTORS, SUCH AS POVERTY RATE, SUBSTANCE USE, OR MENTAL ILLNESS, ACCORDING TO A STUDY IN THE EUROPEAN JOURNAL OF

HOUSING POLICY, "THE ECONOMICS OF HOMELESSNESS: THE EVIDENCE FROM NORTH AMERICA".

(h) HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A METROPOLITAN REGION, ACCORDING TO STUDIES SUCH AS THE NATIONAL BUREAU OF ECONOMIC RESEARCH WORKING PAPERS "REGULATION AND HOUSING SUPPLY" AND "THE IMPACT OF ZONING ON HOUSING AFFORDABILITY". INCREASING HOUSING SUPPLY MODERATES PRICE INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC IMPLICATIONS OF HOUSING SUPPLY", IN THE JOURNAL OF ECONOMIC PERSPECTIVES, AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND AFFORDABILITY", IN THE JOURNAL HOUSING POLICY DEBATE.

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

29-37-103. Definitions. AS USED IN THIS ARTICLE 37, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

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

(b) INCORPORATES UNIVERSAL DESIGN; OR

(c) IS A TYPE A DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (10); A TYPE A MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (11); A TYPE B DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (12); OR A TYPE B MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (13).

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

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

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

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

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

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

(3) "APPLICABLE TRANSIT PLAN" MEANS A PLAN OF A TRANSIT AGENCY WHOSE SERVICE TERRITORY IS WITHIN A METROPOLITAN PLANNING ORGANIZATION, INCLUDING A SYSTEM OPTIMIZATION PLAN OR A TRANSIT MASTER PLAN THAT:

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

(b) IDENTIFIES THE PLANNED FREQUENCY AND SPAN OF SERVICE FOR TRANSIT SERVICE OR SPECIFIC TRANSIT ROUTES; AND

(c) IDENTIFIES SPECIFIC TRANSIT ROUTES FOR SHORT-TERM IMPLEMENTATION ACCORDING TO THAT PLAN, OR IMPLEMENTATION BEFORE JANUARY 1, 2030.

(4) "BUS RAPID TRANSIT SERVICE" MEANS A TRANSIT SERVICE:

(a) THAT IS IDENTIFIED AS BUS RAPID TRANSIT BY A TRANSIT AGENCY, IN A METROPOLITAN PLANNING ORGANIZATION'S FISCALLY CONSTRAINED LONG RANGE TRANSPORTATION PLAN OR IN AN APPLICABLE TRANSIT PLAN; AND

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

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

(II) DEDICATED LANES OR BUSWAYS;

(III) TRAFFIC SIGNAL PRIORITY;

(IV) OFF-BOARD FARE COLLECTION;

(V) ELEVATED PLATFORMS; OR

(VI) ENHANCED STATIONS.

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

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

(7) "COUNTY" MEANS A COUNTY INCLUDING A HOME RULE COUNTY, BUT EXCLUDING A CITY AND COUNTY.

(8) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

(9) "DISPLACEMENT" MEANS:

(a) THE INVOLUNTARY RELOCATION OF RESIDENTS, PARTICULARLY LOW-INCOME RESIDENTS, OR LOCALLY-OWNED COMMUNITY-SERVING BUSINESSES AND INSTITUTIONS DUE TO:

(I) INCREASED REAL ESTATE PRICES, RENTS, PROPERTY REHABILITATION, REDEVELOPMENT, DEMOLITION, OR OTHER ECONOMIC FACTORS;

(II) PHYSICAL CONDITIONS RESULTING FROM NEGLECT AND UNDERINVESTMENT THAT RENDER A RESIDENCE UNINHABITABLE; OR

(III) PHYSICAL DISPLACEMENT WHEREIN EXISTING HOUSING UNITS AND COMMERCIAL SPACES ARE LOST DUE TO PROPERTY REHABILITATION, REDEVELOPMENT, OR DEMOLITION;

(b) INDIRECT DISPLACEMENT RESULTING FROM CHANGES IN NEIGHBORHOOD POPULATION, IF, WHEN LOW-INCOME HOUSEHOLDS MOVE OUT OF HOUSING UNITS, THOSE SAME HOUSING UNITS DO NOT REMAIN AFFORDABLE TO OTHER LOW-INCOME HOUSEHOLDS IN THE NEIGHBORHOOD, OR DEMOGRAPHIC CHANGES THAT REFLECT THE RELOCATION OF EXISTING RESIDENTS FOLLOWING WIDESPREAD RELOCATION OF THEIR COMMUNITY AND COMMUNITY-SERVING ENTITIES.

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

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

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

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

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

(15) "OBJECTIVE STANDARD" MEANS A STANDARD THAT:

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

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

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

(II) COMPATIBLE WITH THE LAND USE OR DEVELOPMENT OF THE AREA SURROUNDING THE AREA DESCRIBED IN THE APPLICATION; OR

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

(16) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE HOUSING THAT:

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

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

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

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

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

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

PART 2
TRANSIT-ORIENTED COMMUNITIES

29-37-201. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

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

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

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

(e) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT NEAR TRANSIT IS IMPORTANT FOR INCREASING TRANSIT RIDERSHIP AND IMPROVING THE COST EFFECTIVENESS OF TRANSIT SERVICES. RESEARCHERS HAVE FOUND THAT HIGHER BUILT GROSS DENSITIES CITYWIDE INCREASE COST-EFFECTIVENESS FOR LIGHT RAIL AND BUS RAPID TRANSIT SERVICES, AS DESCRIBED IN THE ARTICLE, "COST OF A RIDE: THE EFFECTS OF DENSITIES ON FIXED-GUIDEWAY TRANSIT RIDERSHIP AND COSTS" BY ERICK GUERRA AND ROBERT CERVERO.

(f) MOST LIGHT AND COMMUTER RAIL STATIONS AND FREQUENT BUS CORRIDORS IN COLORADO HAVE LOWER HOUSING UNIT DENSITY THAN IS NECESSARY TO SUPPORT

FREQUENT TRANSIT. BASED ON 2020 CENSUS BLOCK HOUSING UNIT DATA, OVER NINETY PERCENT OF RAIL STATIONS AND EIGHTY-FOUR PERCENT OF BUS RAPID TRANSIT AND FREQUENT BUS CORRIDORS IN COLORADO HAVE LESS THAN FIFTEEN HOUSING UNITS PER ACRE ON AVERAGE WITHIN WALKING DISTANCE. RESEARCHERS HAVE GENERALLY FOUND A MINIMUM OF FIFTEEN HOUSING UNITS PER ACRE OF BUILT DENSITY IS NEEDED TO SUPPORT FREQUENT TRANSIT.

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

(h) IN COLORADO, HOUSEHOLDS IN MORE DENSE AREAS, WHICH ARE DEFINED AS CENSUS TRACTS WITH MORE THAN FOUR THOUSAND UNITS PER SQUARE MILE OR ABOUT FIFTEEN UNITS PER ACRE, DRIVE TWENTY PERCENT LESS THAN THE STATE AVERAGE, AND HIGHER DENSITY AREAS, CENSUS TRACTS WITH MORE THAN TEN THOUSAND UNITS PER SQUARE MILE OR ABOUT FORTY UNITS PER ACRE, DRIVE FORTY PERCENT LESS THAN THE STATE AVERAGE, ACCORDING TO DATA FROM THE 2017 NATIONAL HOUSEHOLD TRAVEL SURVEY;

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

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

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

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

(m) NATIONAL STUDIES, SUCH AS THE ARTICLE "RELATIONSHIPS BETWEEN DENSITY AND PER CAPITA MUNICIPAL SPENDING IN THE UNITED STATES",

PUBLISHED IN URBAN SCIENCE, HAVE FOUND THAT LOWER DENSITY COMMUNITIES HAVE HIGHER GOVERNMENT CAPITAL AND MAINTENANCE COSTS FOR WATER, SEWER, AND TRANSPORTATION INFRASTRUCTURE AND LOWER PROPERTY AND SALES TAX REVENUE. THESE INCREASED COSTS ARE OFTEN BORNE BY BOTH STATE AND LOCAL GOVERNMENTS.

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

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

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

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

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

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

(t) MOTOR VEHICLE POLLUTION, INCLUDING GREENHOUSE GAS EMISSIONS, DOES

NOT STAY WITHIN THE GEOGRAPHIC BOUNDARIES OF THE LOCAL GOVERNMENT WHERE IT IS EMITTED;

(u) THE GREENHOUSE GAS TRANSPORTATION PLANNING STANDARD ADOPTED BY THE TRANSPORTATION COMMISSION OF COLORADO IN 2021 SET A STATEWIDE TARGET TO REDUCE TRANSPORTATION GREENHOUSE GAS EMISSIONS THROUGH THE TRANSPORTATION PLANNING PROCESS BY ONE MILLION FIVE HUNDRED THOUSAND TONS BY 2030; AND

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

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

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

(b) THERE IS AN EXTRATERRITORIAL IMPACT WHEN LOCAL GOVERNMENTS RESTRICT HOUSING DEVELOPMENT WITHIN THEIR JURISDICTIONS. THE CALL FOR JOB GROWTH IN ONE COMMUNITY THAT DOES NOT ALSO ADDRESS THE NEED FOR ADDITIONAL HOUSING AFFECTS THE DEMAND OF HOUSING DEVELOPMENT IN NEIGHBORING JURISDICTIONS. IN COLORADO, THE NUMBER OF JOBS WITHIN LARGE MUNICIPALITIES IS GENERALLY CORRELATED TO THE MUNICIPALITY'S TRANSIT SERVICE, AND RESEARCH HAS SHOWN THAT REGIONAL IMBALANCES BETWEEN JOBS AND HOUSING HAVE A SIGNIFICANT IMPACT ON VEHICLE MILES TRAVELED AND COMMUTE TIMES ACROSS JURISDICTIONS, ACCORDING TO STUDIES SUCH AS "WHICH REDUCES VEHICLE TRAVEL MORE: JOBS-HOUSING BALANCE OR RETAIL-HOUSING MIXING?", PUBLISHED IN THE JOURNAL OF THE AMERICAN PLANNING ASSOCIATION. WHEN PEOPLE ARE UNABLE TO LIVE NEAR WHERE THEY WORK, WORKERS HAVE NO OPTIONS BUT TO SPEND MORE HOURS ON THE ROAD COMMUTING TO AND FROM WORK. THE LONGER COMMUTE INCREASES VEHICLE TRAFFIC AND PUTS ADDITIONAL STRAIN ON COLORADO'S ROADS AND INCREASES POLLUTION.

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

(1) PROVIDE FUNDING FOR INFRASTRUCTURE AND AFFORDABLE HOUSING TO SUPPORT LOCAL GOVERNMENTS WHOSE ZONING DOES MEET THE GOALS OF THIS PART 2, AND TO ENCOURAGE MORE DENSE MULTIFAMILY HOUSING DEVELOPMENT PROJECTS THAT CAN ADDRESS THE STATE'S HOUSING SHORTAGE FOR ALL PARTS OF

THE INCOME SPECTRUM, AND SUPPORT MORE FISCALLY AND ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT PATTERNS;

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

(III) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE QUALITY AND QUANTITY OF HOUSING FOR COLORADANS; AND

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

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

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

29-37-202. Definitions. AS USED IN THIS PART 2, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "CERTIFIED TRANSIT-ORIENTED COMMUNITY" MEANS A TRANSIT-ORIENTED COMMUNITY THAT HAS MET THE REQUIREMENTS OF SECTION 29-37-204 (4).

(2) "EXEMPT PARCEL" MEANS:

(a) ANY PARCEL THAT A TRANSIT-ORIENTED COMMUNITY HAS APPLIED TO THE DEPARTMENT FOR QUALIFICATION AS AN EXEMPT PARCEL BECAUSE THE TRANSIT-ORIENTED COMMUNITY BELIEVES THE PARCEL CANNOT BE DEVELOPED FOR REASONS INCLUDING HEALTH AND SAFETY, TOPOGRAPHY, OR PRACTICAL LIMITATIONS AND FOR WHICH THE DEPARTMENT HAS APPROVED THE TRANSIT-ORIENTED COMMUNITY'S APPLICATION ACCORDING TO A PROCESS ESTABLISHED BY POLICIES AND PROCEDURES DEVELOPED BY THE DEPARTMENT;

(b) A PARCEL THAT, AS OF JANUARY 1, 2024, IS NOT SERVED BY A DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN SECTION 24-65.1-104 (5), IS SERVED BY A WELL THAT IS NOT CONNECTED TO A WATER DISTRIBUTION SYSTEM, AS DEFINED IN SECTION 25-9-102 (6), OR IS SERVED BY A SEPTIC TANK, AS DEFINED IN SECTION 25-10-103 (18);

(c) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS LOCATED WITHIN AN UNINCORPORATED AREA AS DEFINED IN SECTION 29-37-202 (12)(d)(II), AND IS SERVED BY A DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN SECTION 24-65.1-104 (5), THAT IS OWNED BY A MUNICIPALITY;

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

(e) A PARCEL THAT, AS OF JANUARY 1, 2024, IS ZONED OR USED PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS SUBSECTION (1)(d), MEANS A BUSINESS USE OR ACTIVITY AT A SCALE GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING, FABRICATION, MINERAL OR GRAVEL EXTRACTION, ASSEMBLY, WAREHOUSING, OR STORAGE, AND PARCELS THAT ARE IDENTIFIED WITHIN THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY'S TOXIC RELEASE INVENTORY;

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

(g) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS SUBJECT TO AN EASEMENT FOR A MAJOR ELECTRIC OR NATURAL GAS FACILITY, AS DEFINED IN SECTION 29-20-108 (3);

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

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

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

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

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

(m) A PARCEL THAT IS:

(I) WITHIN A TRANSIT STATION AREA;

(II) SEPARATED BY A STATE-OWNED LIMITED-ACCESS HIGHWAY OR RAILROAD TRACK FROM ALL EXITS TO THE TRANSIT STATION THAT IS USED TO ESTABLISH THE TRANSIT STATION AREA REFERENCED IN SUBSECTION (1)(j)(I) OF THIS SECTION; AND

(III) WHOLLY BEYOND AN AREA THAT IS REACHABLE BY A PERSON WALKING A DISTANCE OF NO MORE THAN ONE-HALF MILE FROM THE TRANSIT STATION REFERENCED IN SUBSECTION (1)(j)(II) OF THIS SECTION, AS DESIGNATED BY THE WALKSHED MAP PUBLISHED BY THE DEPARTMENT PURSUANT TO SECTION 29-35-207 (1)(e);

(n) A PARCEL THAT, AS OF JANUARY 1, 2024, IS OWNED BY A FEDERAL, STATE, OR LOCAL GOVERNMENT ENTITY;

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

(p) A PARCEL THAT AS OF JANUARY 1, 2024, IS OWNED BY A SCHOOL DISTRICT, AS DEFINED IN SECTION 22-30-103 (13); OR

(q) ANY PART OF A PARCEL'S ZONING CAPACITY WHERE RESIDENTIAL USE IS PREVENTED OR LIMITED TO LESS THAN FORTY DWELLING UNITS PER ACRE BY STATE REGULATION, FEDERAL REGULATION, OR DEED RESTRICTION PURSUANT TO EITHER:

(I) FEDERAL AVIATION ADMINISTRATION RESTRICTIONS PURSUANT TO 14 CFR PART 77;

(II) AN ENVIRONMENTAL COVENANT PURSUANT TO SECTION 25-15-318 TO SECTION 25-15-323; OR

(III) RESTRICTIONS WITHIN A FLAMMABLE GAS OVERLAY ZONING DISTRICT.

(3) "HOUSING OPPORTUNITY GOAL" MEANS A GOAL FOR THE ZONING CAPACITY FOR RESIDENTIAL UNITS IN A TRANSIT-ORIENTED COMMUNITY. A LOCAL GOVERNMENT SHALL CALCULATE ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION 29-37-204 (2).

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

(5) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT BOTH MEETS THE REQUIREMENTS OF SECTION 29-37-206 AND IS DESIGNATED AS A NEIGHBORHOOD CENTER BY A LOCAL GOVERNMENT.

(6) "NET HOUSING DENSITY" MEANS THE NUMBER OF RESIDENTIAL UNITS ALLOWED PER ACRE OF LAND ON PARCELS THAT ALLOW FOR RESIDENTIAL DEVELOPMENT. IN CALCULATING NET HOUSING DENSITY FOR AN AREA, A LOCAL GOVERNMENT SHALL INCORPORATE ANY DIMENSIONAL OR OTHER RESTRICTIONS IN LOCAL LAWS USED TO REGULATE ALLOWED DENSITY IN THE AREA, INCLUDING BUT NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND MAXIMUM HEIGHT. NOTHING IN THIS SUBSECTION (5) MEANS THAT, IN CALCULATING NET HOUSING DENSITY FOR AN AREA, A LOCAL GOVERNMENT SHALL INCLUDE AN AREA OF AN INDIVIDUAL PARCEL REQUIRED FOR STORMWATER DRAINAGE OR A UTILITY EASEMENT.

(7) "OPTIONAL TRANSIT AREA" MEANS THE TOTAL AREA, MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE OR BUS RAPID TRANSIT CORRIDOR AS IDENTIFIED IN THE CRITERIA IN SUBSECTION 29-37-207 (4).

(8) "TRANSIT AREA" MEANS BOTH A TRANSIT STATION AREA, AS DEFINED IN SUBSECTION (12) OF THIS SECTION, OR A TRANSIT CORRIDOR AREA, AS DEFINED IN SUBSECTION (10) OF THIS SECTION.

(9) "TRANSIT CENTER" MEANS AN AREA THAT BOTH MEETS THE REQUIREMENTS OF SECTION 29-37-205 AND IS DESIGNATED AS A TRANSIT CENTER BY A TRANSIT-ORIENTED COMMUNITY.

(10) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA, MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AS IDENTIFIED IN THE CRITERIA IN SECTION 29-37-207 (3).

(11) "TRANSIT-ORIENTED COMMUNITY" MEANS A LOCAL GOVERNMENT THAT:

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

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

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

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

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

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

(12) "TRANSIT STATION AREA" MEANS THE TOTAL AREA, MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS WITHIN ONE-HALF MILE OF A STATION, AS IDENTIFIED IN THE CRITERIA IN SECTION 29-37-207 (2).

(13) "ZONING CAPACITY" MEANS THE TOTAL NUMBER OF HOUSING UNITS ALLOWED IN AN AREA, AS LIMITED BY THE RESTRICTIONS IN LOCAL LAW THAT REGULATE DENSITY IN THAT AREA, AND AS CALCULATED BY TOTALING THE NET HOUSING DENSITY OF ALL PARCELS WITHIN THE AREA.

(14) "ZONING CAPACITY BUFFER" MEANS THE RATIO OF THE NUMBER OF HOUSING UNITS ANTICIPATED TO BE CONSTRUCTED IN AN AREA TO THE ZONING CAPACITY OF THE AREA.

29-37-203. Department of local affairs collaboration - goals - transit-oriented community authority. (1) AS DETERMINED TO BE APPROPRIATE BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, THE DEPARTMENT SHALL COLLABORATE WITH THE DEPARTMENT OF TRANSPORTATION AND THE COLORADO ENERGY OFFICE IN FULFILLING THE REQUIREMENTS AND GOALS OF THIS PART 2.

(2) THE GOALS OF THIS PART 2 ARE TO:

(a) INCREASE OPPORTUNITIES TO CONSTRUCT HOUSING NEAR TRANSIT IN ORDER TO PROVIDE BENEFITS INCLUDING REGULATED AFFORDABLE HOUSING, ACCESSIBLE HOUSING, REGIONAL EQUITY THROUGH A BALANCE OF JOBS AND HOUSING, IMPROVED AND EXPANDED TRANSIT SERVICE, AND MULTIMODAL ACCESS TO DAILY NEEDS WITHIN MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOODS; AND

(b) INCREASE OPPORTUNITIES FOR HOUSING PRODUCTION BY PROVIDING APPROPRIATE ZONING CAPACITY BUFFERS.

(3) NOTHING IN THIS PART 2 PREVENTS A TRANSIT-ORIENTED COMMUNITY, OR OTHER RELEVANT ENTITY, FROM:

(a) ENFORCING INFRASTRUCTURE STANDARDS IN LOCAL LAW THAT RESULT IN THE DENIAL OR CONDITIONING OF PERMITS OR APPROVALS FOR SPECIFIC HOUSING PROJECTS IN A TRANSIT CENTER, INCLUDING BUT NOT LIMITED TO UTILITIES, TRANSPORTATION, OR PUBLIC WORKS CODES OR STANDARDS;

(b) ADOPTING GENERALLY APPLICABLE REQUIREMENTS FOR THE PAYMENT OF IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES, IN ACCORDANCE WITH SECTION 29-20-104.5, OR THE MITIGATION OF IMPACTS IN ACCORDANCE WITH PART 2 OF ARTICLE 20 OF THIS TITLE 29;

(c) APPROVING A DEVELOPMENT APPLICATION AT A LOWER NET HOUSING DENSITY THAN THE MAXIMUM ALLOWED NET HOUSING DENSITY;

(d) ALLOWING A HIGH AMOUNT OF ZONING CAPACITY IN ONE TRANSIT AREA, WHILE ALLOWING A VERY LOW AMOUNT OF OR NO ZONING CAPACITY IN ANOTHER TRANSIT AREA;

(e) IMPLEMENTING DISCRETIONARY APPROVAL PROCESSES FOR SUBDIVISIONS, REZONINGS, VARIANCES, OR OTHER PROCESSES IN TRANSIT CENTERS OUTSIDE OF PROJECT-SPECIFIC ZONING STANDARDS;

(f) CREATING AN OPTIONAL DISCRETIONARY REVIEW PROCESS THAT MAY APPROVE GREATER DENSITY OR OTHER MORE PERMISSIVE STANDARDS THAN THE OBJECTIVE STANDARDS SUBJECT TO ADMINISTRATIVE APPROVAL IN A TRANSIT CENTER;

(g) CREATING A DISCRETIONARY REVIEW PROCESS IN TRANSIT CENTERS THAT IS AVAILABLE AT THE APPLICANT'S OPTION AND IS SUBJECT TO CRITERIA CONSISTENT WITH THE PURPOSES OF THIS PART 2 AS ESTABLISHED IN SUBSECTION (2) OF THIS SECTION, INCLUDING PROCESSES SUCH AS PLANNED UNIT DEVELOPMENTS;

(h) NOT PUBLICLY DISCLOSING ANY CONFIDENTIAL INFORMATION RELATED TO WATER SUPPLIES OR FACILITIES;

(i) ALLOWING COMMERCIAL USES, BUSINESS USES, OR MIXED-USE DEVELOPMENT ON A PARCEL IN A DESIGNATED TRANSIT CENTER; AND

(j) DENYING OR CONDITIONING DEVELOPMENT PROJECTS OR BUILDING PERMIT

APPROVALS FOR A FAILURE TO MEET THE REQUIREMENTS OF A TRAFFIC STUDY THAT IS CONDUCTED USING OBJECTIVE STANDARDS.

29-37-204. Transit-oriented community housing opportunity goal calculation - preliminary transit-oriented community assessment report - housing opportunity goal compliance - insufficient water supplies for meeting a housing opportunity goal - affordability and displacement mitigation strategies - housing opportunity goal report - legislative declaration. (1) Legislative declaration. THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) TRANSIT RIDERSHIP, LAND USE DEVELOPMENT PATTERNS, AFFORDABILITY AND AVAILABILITY OF HOUSING, ROADS, AND GREENHOUSE GAS EMISSIONS FROM THE TRANSPORTATION SECTOR ARE INTERCONNECTED ISSUES THAT HAVE IMPACTS AND CONCERNS WELL BEYOND THE BORDERS OF A SINGLE LOCAL COMMUNITY;

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

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

(2) Housing opportunity goal calculation. A TRANSIT-ORIENTED COMMUNITY SHALL CALCULATE ITS HOUSING OPPORTUNITY GOAL BY MULTIPLYING THE TOTAL AREA OF THE TRANSIT AREAS, AS DEFINED IN THE TRANSIT AREAS MAP CREATED PURSUANT TO SECTION 29-37-207 (1), WITHIN THE LOCAL GOVERNMENT'S JURISDICTION, EXCLUSIVE OF THE EXEMPT PARCELS IN THOSE TRANSIT AREAS, BY FORTY DWELLING UNITS PER ACRE.

(3) Preliminary transit-oriented community assessment report. (a) ON OR BEFORE JUNE 30, 2025, A TRANSIT-ORIENTED COMMUNITY SHALL, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, SUBMIT A PRELIMINARY TRANSIT-ORIENTED COMMUNITY ASSESSMENT REPORT THAT INCLUDES:

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

(II) A MAP OF EXISTING ZONING DISTRICTS WITHIN THE TRANSIT-ORIENTED COMMUNITY THAT MAY QUALIFY AS TRANSIT CENTERS AND PRELIMINARY EVIDENCE FOR THIS QUALIFICATION INCLUDING THE STANDARDS APPLICABLE TO THESE ZONING DISTRICTS.

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

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

(4) Housing opportunity goal compliance. ON OR BEFORE DECEMBER 31, 2027, A TRANSIT-ORIENTED COMMUNITY SHALL SATISFY THE FOLLOWING CRITERIA, WHICH MUST BE SATISFIED TO QUALIFY AS A CERTIFIED TRANSIT-ORIENTED COMMUNITY. A TRANSIT-ORIENTED COMMUNITY SHALL:

(a) DESIGNATE AREAS WITHIN THE TRANSIT-ORIENTED COMMUNITY AS TRANSIT CENTERS AND ENSURE THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-37-205;

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

(c) SUBMIT A HOUSING OPPORTUNITY GOAL REPORT AND HAVE THE REPORT APPROVED BY THE DEPARTMENT PURSUANT TO SUBSECTION (8) OF THIS SECTION; AND

(d) THREE YEARS AFTER A SUBMITTING A HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8) OF THIS SECTION, AND EVERY THREE YEARS THEREAFTER, SUBMIT A STATUS REPORT PURSUANT TO SUBSECTION (9) OF THIS SECTION THAT IS APPROVED BY THE DEPARTMENT.

(5) Insufficient water supplies for meeting a housing opportunity goal.

(a) ON OR BEFORE DECEMBER 31, 2026, AND EVERY THREE YEARS THEREAFTER, A TRANSIT-ORIENTED COMMUNITY MAY SUBMIT A NOTICE, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, THAT THE SUPPLY OF WATER FROM ALL WATER SUPPLY ENTITIES, AS DEFINED IN SECTION 29-20-302 (2), THAT SERVE THE TRANSIT-ORIENTED COMMUNITY IS INSUFFICIENT DURING THE NEXT THREE-YEAR PERIOD TO PROVIDE THE DOMESTIC WATER SERVICE NECESSARY TO MEET THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL. THE WATER SUPPLY ENTITIES SHALL PROVIDE INFORMATION AND ASSISTANCE AS NECESSARY TO COMPLETE THE NOTICE ALLOWED BY THIS SUBSECTION (5). THE NOTICE ALLOWED BY THIS SUBSECTION (5) MUST INCLUDE, BUT IS NOT LIMITED TO:

(I) AN ANALYSIS OF WATER DEMAND BASED ON:

(A) PROJECTED HOUSING AND POPULATION GROWTH, AS ESTIMATED BY THE STATE DEMOGRAPHY OFFICE OR A RELEVANT METROPOLITAN PLANNING ORGANIZATION; AND

(B) A REASONABLE ZONING CAPACITY BUFFER, AS ESTIMATED BASED ON RELEVANT LOCAL, REGIONAL, OR STATE DATA.

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

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

(IV) A PROPOSAL THAT MAY INCLUDE:

(A) EVIDENCE THAT THE WATER SUPPLY ENTITY LACKS ADEQUATE WATER SUPPLY TO PROVIDE THE AMOUNT OF WATER IDENTIFIED IN SUBSECTION (5)(a)(I) OF THIS SECTION; AND

(B) A REQUEST FOR A MODIFICATION OF THE HOUSING OPPORTUNITY GOAL DURING THE NEXT THREE YEAR PERIOD BASED ON THE ANALYSIS OF WATER DEMAND IDENTIFIED IN SUBSECTION (5)(a)(I) OF THIS SECTION.

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

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

(b) (I) ON OR BEFORE DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL INCLUDE THE FOLLOWING IN ITS HOUSING OPPORTUNITY GOAL REPORT SUBMITTED PURSUANT TO SUBSECTION (8)(a)(IV) OF THIS SECTION:

(A) AT LEAST TWO STRATEGIES INCLUDED IN THE STANDARD AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-37-208 (1) THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT;

(B) AT LEAST ONE STRATEGY INCLUDED IN THE LONG-TERM AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-37-208 (2) THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT; AND

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

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

(A) COUNT ONE OR BOTH OF THE STRATEGIES DESCRIBED IN SECTIONS 29-37-208

(1)(e) AND 29-37-208 (2)(c) TOWARDS SATISFYING THE REQUIREMENTS OF BOTH SUBSECTIONS (6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION; OR

(B) COUNT ANY STRATEGY DESCRIBED IN SECTION 29-37-208 THAT IS OTHERWISE REQUIRED BY STATE LAW.

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

(a) TWO DISPLACEMENT MITIGATION STRATEGIES THAT THE TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE LONG-TERM DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY THE DEPARTMENT PURSUANT TO SECTION 29-37-209 (3) TO MITIGATE DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL; AND

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

(8) **Housing opportunity goal report.** (a) ON OR BEFORE DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT. IF A TRANSIT-ORIENTED COMMUNITY CANNOT INCLUDE ANY OF THE FOLLOWING ITEMS IN ITS HOUSING OPPORTUNITY GOAL REPORT ON OR BEFORE DECEMBER 31, 2026, THE TRANSIT-ORIENTED COMMUNITY SHALL INDICATE WHY IT CANNOT DO SO AND ITS PROGRESS TOWARDS BEING ABLE TO INCLUDE THOSE ITEMS IN ITS HOUSING OPPORTUNITY GOAL REPORT. THE REPORT MUST INCLUDE THE FOLLOWING, ALONG WITH ANY OTHER ELEMENTS IDENTIFIED BY THE DEPARTMENT:

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

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

(III) A MAP THAT IDENTIFIES THE BOUNDARIES OF ANY TRANSIT CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY AND EVIDENCE THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-37-205;

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

(V) DISPLACEMENT MITIGATION STRATEGIES IDENTIFIED PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION AND THE IMPLEMENTATION PLAN DESCRIBED PURSUANT TO SUBSECTION (7)(b) OF THIS SECTION;

(VI) A DESCRIPTION OF COMMUNITY ENGAGEMENT THAT THE TRANSIT-ORIENTED COMMUNITY CONDUCTED IN THE PROCESS OF MEETING ITS HOUSING OPPORTUNITY GOAL, IDENTIFYING AFFORDABILITY STRATEGIES PURSUANT TO SUBSECTION

(6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION AND IDENTIFYING DISPLACEMENT MITIGATION STRATEGIES PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION; AND

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

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

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

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

(c) IF THE DEPARTMENT HAS NOT APPROVED A TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT ON OR BEFORE DECEMBER 31, 2027, THE DEPARTMENT SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE THAT THE TRANSIT-ORIENTED COMMUNITY IS IN NON-COMPLIANCE WITH THIS PART 2 AND IS NOT A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

(d) (I) THE DEPARTMENT SHALL IDENTIFY CERTIFIED TRANSIT-ORIENTED COMMUNITIES FOR THE PURPOSE OF ESTABLISHING ELIGIBILITY FOR STATE GRANT AND INCENTIVE PROGRAMS.

(II) PURSUANT TO SECTION 29-37-210 (6), A CERTIFIED TRANSIT-ORIENTED COMMUNITY IS ELIGIBLE FOR THE AWARD OF A TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE GRANT PROGRAM GRANT.

(III) THE DEPARTMENT SHALL IDENTIFY CERTIFIED TRANSIT-ORIENTED COMMUNITIES, INCLUDING COMPLIANCE WITH THE REQUIREMENTS FOR AFFORDABILITY STRATEGIES IN SUBSECTION (8)(a)(IV) OF THIS SECTION AND DISPLACEMENT MITIGATION STRATEGIES IN SUBSECTION (8)(a)(V) OF THIS SECTION, FOR THE PURPOSES OF ESTABLISHING ELIGIBILITY FOR THE COLORADO AFFORDABLE HOUSING IN TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT IN PART 54 OF ARTICLE 22 OF TITLE 39.

(9) **Status report.** (a) EVERY THREE YEARS AFTER SUBMITTING A HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A STATUS REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT THAT CONFIRMS THAT THE TRANSIT-ORIENTED COMMUNITY IS STILL A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

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

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

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

(c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A STATUS REPORT TO THE DEPARTMENT PURSUANT TO SUBSECTION (9)(a) OF THIS SECTION OR FAILS TO SUBMIT AN AMENDED STATUS REPORT PURSUANT TO SUBSECTION (9)(b)(II) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE STATING THAT THE TRANSIT-ORIENTED COMMUNITY WILL NOT BE DEEMED A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

29-37-205. Criteria for qualification as a transit center - criteria for qualification as a transit center outside of a transit area. (1) TO DESIGNATE AN AREA AS A TRANSIT CENTER, A TRANSIT-ORIENTED COMMUNITY SHALL:

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

(b) (I) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR FOR SUBDISTRICTS WITHIN THE AREA. AS PART OF THE GUIDANCE THE DEPARTMENT DEVELOPS PURSUANT TO SECTION 29-37-207 (7), THE DEPARTMENT SHALL PROVIDE LOCAL GOVERNMENTS WITH SIMPLE AND EFFECTIVE METHODS OF CALCULATING NET HOUSING DENSITY. THE IDENTIFIED NET HOUSING DENSITY MUST:

(A) REFLECT ANY SIGNIFICANT DIMENSIONAL OR OTHER RESTRICTIONS IN LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA, INCLUDING BUT NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND MAXIMUM HEIGHT. WHERE A DIMENSIONAL RESTRICTION HAS MULTIPLE POTENTIAL OUTCOMES WITHIN THE SAME ZONING DISTRICT OR WITHIN RELATED ZONING DISTRICTS, THE AVERAGE OUTCOME OF THE DIMENSIONAL RESTRICTION MAY BE UTILIZED BY THE TRANSIT-ORIENTED COMMUNITY TO MEASURE NET HOUSING DENSITY.

(B) ASSUME MINIMUM PARKING REQUIREMENTS ARE MET WITH SURFACE PARKING; EXCEPT THAT THREE-FOURTHS OF A PARKING SPACE PER DWELLING UNIT MAY BE COUNTED AS STRUCTURED PARKING WITHIN THE BUILDING FOOTPRINT;

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

(II) NOTHING IN THIS SUBSECTION (1)(b) REQUIRES A LOCAL GOVERNMENT TO INCLUDE AREAS OF INDIVIDUAL PARCELS REQUIRED FOR STORMWATER DRAINAGE OR UTILITY EASEMENTS IN CALCULATING NET HOUSING DENSITY; AND

(III) IF A PARCEL'S EXISTING RESIDENTIAL USES HAVE A HIGHER NET HOUSING DENSITY THAN THE NET HOUSING DENSITY ALLOWED FOR THE PARCEL BY CURRENT RESTRICTIONS IN LOCAL LAW, THE NET HOUSING DENSITY OF THE EXISTING RESIDENTIAL USE MAY BE COUNTED;

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

(d) ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT ARE NO MORE THAN FIVE ACRES IN SIZE. FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT APPLICATIONS ON PARCELS GREATER THAN FIVE ACRES IN SIZE, A TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY A TARGET NET HOUSING DENSITY FOR THE PARCELS TO COUNT THE PARCELS AS PART OF THE TRANSIT CENTER THAT COVERS THE AREA. THIS SUBSECTION (1)(d) DOES NOT PREVENT THE ESTABLISHMENT OF DEVELOPER AGREEMENTS BETWEEN THE LOCAL GOVERNMENT AND DEVELOPERS.

(e) ENSURE THAT THE AREA OF A TRANSIT CENTER IS COMPOSED OF PARCELS THAT ARE LOCATED WHOLLY OR PARTIALLY WITHIN EITHER:

(I) A TRANSIT AREA OR OPTIONAL TRANSIT AREA; OR

(II) ONE-QUARTER MILE FROM THE BOUNDARY OF A TRANSIT AREA OR OPTIONAL TRANSIT AREA.

(2) (a) NOTWITHSTANDING SUBSECTION (1)(e) OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY MAY ONLY DESIGNATE AN AREA AS A TRANSIT CENTER WITHIN AN OPTIONAL TRANSIT AREA AS DESCRIBED IN SECTION 29-37-207 (4), IF THE TRANSIT-ORIENTED COMMUNITY HAS PROVIDED REASONABLE EVIDENCE IN THE HOUSING OPPORTUNITY GOAL REPORT SUBMITTED PURSUANT TO SECTION 29-37-204 (8) THAT:

(I) TO THE MAXIMUM EXTENT FEASIBLE, AN AVERAGE NET HOUSING DENSITY OF AT LEAST FORTY DWELLING UNITS PER ACRE IS ALLOWED ON ALL PARCELS WITHIN THE TRANSIT AREA THAT ARE BOTH ONE-HALF ACRE OR MORE IN SIZE AND NOT EXEMPT PARCELS; AND

(II) AREAS WITHIN THE OPTIONAL TRANSIT AREA HAVE FEWER BARRIERS TO HOUSING DEVELOPMENT THAN AREAS WITHIN THE TRANSIT AREA.

(b) FOR PURPOSES OF SUBSECTION (2)(a)(II) OF THIS SECTION, BARRIERS TO HOUSING DEVELOPMENT MAY INCLUDE:

(I) AN ANTICIPATED LACK OF WATER SUPPLY, AFTER ACCOUNTING FOR A REASONABLE ZONING CAPACITY BUFFER;

(II) AN ANTICIPATED LACK OF SUFFICIENT FUTURE INFRASTRUCTURE CAPACITY, INCLUDING WATER TREATMENT PLANTS, WASTEWATER TREATMENT PLANTS, OR ELECTRICAL POWER NETWORKS IN THE AREA, AFTER ACCOUNTING FOR A REASONABLE ZONING CAPACITY BUFFER;

(III) UNIQUE SITE CHARACTERISTICS WHICH CONTRIBUTE TO A HIGH COST OF HOUSING DEVELOPMENT; OR

(IV) SITES THAT ARE INFEASIBLE FOR HOUSING DEVELOPMENT.

29-37-206. Criteria for qualification as a neighborhood center. (1) (a) To DESIGNATE AN AREA AS A NEIGHBORHOOD CENTER, A LOCAL GOVERNMENT SHALL, IN ACCORDANCE WITH POLICIES AND PROCEDURES ADOPTED BY THE DEPARTMENT THAT MAY INCLUDE DIFFERENT CRITERIA FOR VARYING REGIONAL AND LOCAL CONTEXTS, IDENTIFY AREAS THAT MEET THE FOLLOWING CRITERIA:

(I) ALLOW A NET HOUSING DENSITY THAT SUPPORTS MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOODS, THE DEVELOPMENT OF REGULATED AFFORDABLE HOUSING, AND INCREASED PUBLIC TRANSIT RIDERSHIP;

(II) WITHIN CENSUS URBANIZED AREAS, AS DEFINED IN THE LATEST FEDERAL DECENNIAL CENSUS, ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT ARE NO LARGER THAN A SIZE DETERMINED BY THE DEPARTMENT;

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

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

(b) NOTWITHSTANDING THE REQUIREMENTS FOR A LOCAL GOVERNMENT DESIGNATING AN AREA AS A NEIGHBORHOOD CENTER PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH SEPARATE REQUIREMENTS FOR LOCAL GOVERNMENTS DESIGNATING AREAS WITHIN POTENTIAL TRANSIT AREAS IDENTIFIED BY THE DEPARTMENT OF TRANSPORTATION PURSUANT TO SECTION 29-37-207 (5).

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

29-37-207. Transit areas map - transit station area criteria - transit corridor area criteria - housing opportunity goals, models, and guidance. (1) **Transit areas map.** (a) ON OR BEFORE SEPTEMBER 30, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A TRANSIT AREA MAP, OR TRANSIT AREA MAPS, BASED ON THE CRITERIA IN

SUBSECTIONS (2), (3), (4), (5) AND (6), OF THIS SECTION. ONLY TRANSIT AREAS THAT ARE IDENTIFIED PURSUANT TO SUBSECTIONS (2) AND (3) OF THIS SECTION AND IDENTIFIED ON A TRANSIT AREA MAP PURSUANT TO THIS SUBSECTION (1) MUST BE INCLUDED IN THE CALCULATION OF A HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION 29-37-204 (2).

(b) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT SHALL ALSO PUBLISH A WALKSHED MAP THAT IDENTIFIES THE AREAS THAT ARE REACHABLE BY A PERSON WALKING A DISTANCE OF NOT MORE THAN ONE-HALF MILE FROM A TRANSIT STATION WHERE PART OF THE TRANSIT STATION AREA BASED ON THAT TRANSIT STATION IS SEPARATED FROM ANY EXIT TO THE TRANSIT STATION BY A STATE-OWNED LIMITED-ACCESS HIGHWAY OR RAILROAD TRACK, USING SIMPLE AND EFFICIENT GEOSPATIAL ANALYSIS METHODS AND READILY AVAILABLE NETWORK DATA.

(2) **Transit station criteria.** THE DEPARTMENT SHALL DESIGNATE TRANSIT STATION AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, BASED ON ROUTES IDENTIFIED IN AN APPLICABLE TRANSIT PLAN FOR EXISTING STATIONS FOR:

- (a) COMMUTER BUS RAPID TRANSIT;
- (b) COMMUTER RAIL; AND
- (c) LIGHT RAIL.

(3) **Transit corridor area criteria.** (a) THE DEPARTMENT SHALL DESIGNATE TRANSIT CORRIDOR AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, BY IDENTIFYING TRANSIT ROUTES THAT MEET ONE OR MORE OF THE FOLLOWING CRITERIA:

(I) AN URBAN BUS RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN:

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

(B) AN APPLICABLE TRANSIT PLAN THAT HAS BEEN PLANNED FOR SHORT-TERM IMPLEMENTATION, ACCORDING TO THAT PLAN;

(II) A PUBLIC BUS ROUTE THAT:

(A) HAS A PLANNED FREQUENCY OR SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR MORE FREQUENT FOR EIGHT HOURS OR MORE ON WEEKDAYS; AND

(B) IS IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN FOR SHORT-TERM IMPLEMENTATION OR IMPLEMENTATION BEFORE JANUARY 1, 2030, ACCORDING TO THAT PLAN.

(b) FOR TRANSIT AGENCIES WITHIN METROPOLITAN PLANNING ORGANIZATIONS THAT DO NOT HAVE APPLICABLE TRANSIT PLANS, THE DEPARTMENT SHALL

DESIGNATE TRANSIT CORRIDOR AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, BY IDENTIFYING ANY PUBLIC BUS ROUTES WITH EXISTING TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024, WITH A SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR MORE FREQUENT FOR EIGHT HOURS OR MORE ON WEEKDAYS.

(c) NOTWITHSTANDING SUBSECTION (3)(a) AND (3)(b) OF THIS SECTION, THE DEPARTMENT SHALL NOT DESIGNATE TRANSIT CORRIDOR AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT HAS DESIGNATED TWENTY PERCENT OR MORE OF ITS AREA AS A MANUFACTURED HOME ZONING DISTRICT AS OF JANUARY 1, 2024.

(4) Optional transit area criteria. (a) THE DEPARTMENT SHALL DESIGNATE OPTIONAL TRANSIT AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, BASED ON THE FOLLOWING CRITERIA:

(I) A BUS RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S FISCALLY-CONSTRAINED, LONG-RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1, 2024, AND INTENDED FOR IMPLEMENTATION AFTER JANUARY 1, 2030, AND BEFORE DECEMBER 31, 2050;

(II) PUBLIC BUS ROUTES OTHER THAN THOSE IDENTIFIED IN SUBSECTION (3)(a)(II)(B) OF THIS SECTION THAT OPERATE AT A PLANNED OR SCHEDULED FREQUENCY OF THIRTY MINUTES OR MORE FREQUENT DURING THE HIGHEST FREQUENCY SERVICE HOURS AS IDENTIFIED BY:

(A) EXISTING SERVICE AS OF JANUARY 1, 2024; OR

(B) IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN; AND

(III) OTHER AREAS PLANNED AS MIXED-USE PEDESTRIAN ORIENTED NEIGHBORHOODS.

(b) FOR PURPOSES OF SUBSECTION (4)(a)(III) OF THIS SECTION, A TRANSIT ORIENTED COMMUNITY MAY REQUEST THAT THE DEPARTMENT DESIGNATE A MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOOD AS AN OPTIONAL TRANSIT AREA. THE DEPARTMENT SHALL REVIEW AND APPROVE OR REJECT SUCH A REQUEST BASED ON WHETHER THE MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOOD FULFILLS THE GOALS OF THIS PART 2 ESTABLISHED IN SECTION 29-37-203 (2).

(5) Potential transit area criteria. (a) THE DEPARTMENT SHALL DESIGNATE AN AREA AS A POTENTIAL TRANSIT AREA, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, IF IT CONSISTS OF CORRIDORS, AS IDENTIFIED BY THE DEPARTMENT OF TRANSPORTATION THAT:

(I) INCLUDE MAJOR TRAVELSHEDS, AS DEFINED BY COMMON TRAVEL PATTERNS IN AN AREA, THAT IMPACT ANTICIPATED NEW OR MODIFIED INTERCHANGES ON STATE-OWNED HIGHWAYS; AND

(II) ARE OUTSIDE OF CENSUS URBANIZED AREAS, AS IDENTIFIED IN THE LATEST FEDERAL DECENNIAL CENSUS;

(b) IN DESIGNATING POTENTIAL TRANSIT AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL ATTEMPT TO IDENTIFY AREAS WHERE FUTURE TRANSIT SERVICE AND NEIGHBORHOOD CENTERS COULD POTENTIALLY ALIGN TO PROVIDE INFORMATION FOR STATE, REGIONAL, AND LOCAL PLANNING EFFORTS.

(c) IN UPDATING THE TRANSIT AREA MAP PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL IDENTIFY ANY NEIGHBORHOOD CENTERS THAT A LOCAL GOVERNMENT HAS DESIGNATED WITHIN A POTENTIAL TRANSIT AREA.

(6) IN IDENTIFYING THE BOUNDARIES OF TRANSIT AREAS AND OPTIONAL TRANSIT AREAS PURSUANT TO THIS SECTION, THE DEPARTMENT SHALL USE:

(a) GEOSPATIAL DATA FROM RELEVANT TRANSIT AGENCIES AND METROPOLITAN PLANNING ORGANIZATIONS; AND

(b) ROADWAY LOCATIONS BASED UPON THE CENTERLINE OF THE ROADWAY.

(7) **Housing opportunity goals, models, and guidance.** ON OR BEFORE FEBRUARY 28, 2025, THE DEPARTMENT SHALL PUBLISH MODELS AND GUIDANCE TO SATISFY THE GOALS OF THIS PART 2 AS ESTABLISHED IN SECTION 29-37-203 (2) AND INTERPRET THE DENSITY AND DIMENSIONAL STANDARDS ESTABLISHED IN SECTION 29-37-205 (1)(b) OF THIS SECTION WITH THE INTENT OF PROVIDING SIMPLE AND EFFICIENT METHODS FOR LOCAL GOVERNMENTS TO CALCULATE THE NET HOUSING DENSITY OF TRANSIT CENTERS IN ORDER TO MEET THEIR HOUSING OPPORTUNITY GOALS. IN PUBLISHING MODELS AND GUIDANCE, THE DEPARTMENT SHALL ESTABLISH MODELS, GUIDANCE, AND TYPICAL BUILDING TYPOLOGIES FOR LOCAL GOVERNMENTS WITH FORM-BASED CODES.

29-37-208. Standard affordability strategies menu - long-term affordability strategies menu - alternative affordability strategies - impact fees.

(1) **Standard affordability strategies menu.** ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES AND SHALL UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE THE FOLLOWING STRATEGIES:

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

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

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

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

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

(f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF 29-37-204 (6)(b)(I)(A);

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

(h) ENACTING LOCAL LAWS THAT SUPPORT HOUSING FOR FAMILIES, SUCH AS INCENTIVIZING CONSTRUCTION OF HOUSING UNITS WITH MULTIPLE BEDROOMS; AND

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

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

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

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

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

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

(e) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY SUCH AS:

(I) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT HOUSING UNITS;

(II) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE HOME BUYERS;

(III) ESTABLISHING AN AFFORDABLE RENT-TO-OWN PROGRAM; OR

(IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS; AND

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

(3) Alternative affordability strategies. A TRANSIT-ORIENTED COMMUNITY MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR PROGRAM, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE ADOPTION OF THAT LOCAL LAW OR PROGRAM QUALIFIES AS AN AFFORDABILITY STRATEGY FOR PURPOSES OF SECTION 29-37-204 (6)(a) AND (6)(b), SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL OR GREATER OPPORTUNITY FOR REGULATED AFFORDABLE HOUSING AND ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1) AND (2) OF THIS SECTION.

29-37-209. Displacement risk assessment - displacement mitigation strategies menu - displacement mitigation strategies menu goals - alternative displacement mitigation strategies. (1) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL CONDUCT AN ASSESSMENT THAT INCLUDES RECOMMENDATIONS IDENTIFYING THE RESOURCES NECESSARY TO IMPLEMENT THE DISPLACEMENT MITIGATION STRATEGIES IN THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU DESCRIBED IN SUBSECTION (3) OF THIS SECTION. THE ASSESSMENT MUST IDENTIFY:

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

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

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

(b) IN CREATING GUIDANCE FOR THE DISPLACEMENT RISK ASSESSMENT DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION, THE DEPARTMENT SHALL DEVELOP A METHODOLOGY, WITH VARIATIONS FOR DIFFERENT LOCAL CONTEXTS INCLUDING THE SIZE AND RESOURCE LEVELS OF LOCAL GOVERNMENTS, FOR TRANSIT-ORIENTED COMMUNITIES WITHIN METROPOLITAN PLANNING ORGANIZATION BOUNDARIES TO USE TO:

(I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

(II) IDENTIFY INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY DISPLACEMENT

WARNING AND RESPONSE SYSTEMS, OR IF THOSE SYSTEMS ARE UNAVAILABLE, IDENTIFY THE BEST AVAILABLE LOCAL, REGIONAL, STATE, OR FEDERAL DATA THAT CAN BE ANALYZED TO IDENTIFY RESIDENTS AT ELEVATED DISPLACEMENT RISK, WHICH MAY INCLUDE:

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

(B) THE PERCENTAGE OF HOUSEHOLDS THAT ARE RENTERS;

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

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

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

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

(G) THE LOCATION OF MANUFACTURED HOME PARKS;

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

(I) THE TRANSIT-ORIENTED COMMUNITIES WHERE INCREASES IN ZONING CAPACITY WILL OCCUR AS A RESULT OF THE REQUIREMENTS OF THIS PART 2.

(3) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A LONG-TERM DISPLACEMENT MITIGATION STRATEGIES MENU THAT INCLUDES THE FOLLOWING STRATEGIES:

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

(b) PRIORITIZING SPENDING ON REGULATED AFFORDABLE HOUSING UNIT PRESERVATION OR IMPLEMENTING OR CONTINUING DEED RESTRICTIONS FOR REGULATED AFFORDABLE HOUSING UNITS;

(c) PROVIDING HOMESTEAD TAX EXEMPTIONS FOR EITHER LONG-TIME HOMEOWNERS IN NEIGHBORHOODS THAT A DISPLACEMENT RISK ASSESSMENT IDENTIFIES AS VULNERABLE TO DISPLACEMENT OR LOW- TO MODERATE-INCOME HOMEOWNERS WITHIN, OR WITHIN ONE-HALF MILE OF, A DESIGNATED TRANSIT CENTER;

(d) REQUIRING MULTIFAMILY HOUSING DEVELOPERS TO CREATE A COMMUNITY BENEFITS AGREEMENT WITH AFFECTED POPULATIONS WITHIN ONE-QUARTER MILE OF A DEVELOPMENT BUILT IN AN AREA THAT IS VULNERABLE TO DISPLACEMENT;

(e) ENSURING NO NET LOSS WITHIN THE DESIGNATED AREA OF AFFORDABLE UNITS SUCH THAT AFFORDABILITY LEVELS ARE EQUAL OR GREATER THAN EXISTING LEVELS OF FAMILY SERVING UNITS THAT INCLUDE THREE OR MORE BEDROOMS;

(f) ESTABLISHING A PROGRAM TO PROVIDE COMMUNITY OR SMALL LOCAL BUSINESS INVESTMENT IN AN AREA THAT IS VULNERABLE TO DISPLACEMENT; AND

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

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

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

(b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING STOCK;

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

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

29-37-210. Transit-oriented communities infrastructure grant program - transit-oriented communities infrastructure fund - definitions. (1) Grant program created. THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE DEPARTMENT. THE PURPOSE OF THE GRANT PROGRAM IS TO ASSIST LOCAL GOVERNMENTS IN UPGRADING INFRASTRUCTURE AND SUPPORTING REGULATED AFFORDABLE HOUSING IN TRANSIT CENTERS AND NEIGHBORHOOD CENTERS.

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

(a) ON-SITE INFRASTRUCTURE FOR AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

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

(c) PUBLIC INFRASTRUCTURE PROJECTS THAT BENEFIT AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

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

(e) INFRASTRUCTURE PROJECT DELIVERY, PLANNING, AND COMMUNITY ENGAGEMENT; AND

(f) ACTIVITIES CONTRACTED BY AN AREA AGENCY ON AGING, AS DEFINED IN SECTION 26-11-201 (2), TO A TRANSIT-ORIENTED COMMUNITY TO PROVIDE SERVICES WITHIN, OR THAT BENEFIT, TRANSIT CENTERS AND NEIGHBORHOOD CENTERS, AND THAT FURTHER THE GOALS OF THIS PART 2.

(3) **Grant program administration.** THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE APPROPRIATIONS, AWARD GRANTS AS PROVIDED IN SUBSECTION (7) OF THIS SECTION AND PROVIDE TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS IN COMPLYING WITH THE REQUIREMENTS OF THIS PART 2.

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

(5) **Grant application.** TO RECEIVE A GRANT, A LOCAL GOVERNMENT MUST SUBMIT AN APPLICATION TO THE DEPARTMENT IN ACCORDANCE WITH POLICIES AND PROCEDURES DEVELOPED BY THE DEPARTMENT.

(6) **Grant program criteria.** THE DEPARTMENT SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION AND SHALL ONLY AWARD GRANTS TO CERTIFIED TRANSIT-ORIENTED COMMUNITIES. IN AWARDING GRANTS, THE DEPARTMENT SHALL CONSIDER THE FOLLOWING CRITERIA:

(a) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL GOVERNMENT WOULD FUND WITH A GRANT AWARD ON THE DEVELOPMENT OF REGULATED AFFORDABLE HOUSING, MIXED-USE DEVELOPMENT, ACCESSIBLE OR VISITABLE HOUSING UNITS, OR THE CREATION OR ENHANCEMENT OF HOME OWNERSHIP OPPORTUNITIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER. IF A PROJECT IS A LARGE-SCALE INFILL DEVELOPMENT PROJECT, SUBJECT TO A DISCRETIONARY APPROVAL PROCESS, AND ADJACENT TO AN ESTABLISHED NEIGHBORHOOD, THE DEPARTMENT SHALL GIVE PRIORITY TO SUCH A PROJECT IF A COMMUNITY BENEFITS AGREEMENT HAS BEEN ESTABLISHED IN CONNECTION WITH THE PROJECT.

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

(1) INTEGRATED MIXED-USE DEVELOPMENT BY ALLOWING NEIGHBORHOOD COMMERCIAL USES THAT HAVE THE MAIN PURPOSE OF MEETING CONSUMER DEMANDS FOR GOODS AND SERVICES WITH AN EMPHASIS ON SERVING THE

SURROUNDING RESIDENTIAL NEIGHBORHOOD WITHIN ONE-QUARTER MILE OF A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

(II) ADOPTED AFFORDABILITY STRATEGIES FROM THE AFFORDABILITY STRATEGIES MENUS IN SECTION 29-37-208 BASED ON THE LOCAL GOVERNMENT'S DEMONSTRATED HOUSING NEEDS, INCLUDING HOUSING NEEDS FOR RENTAL AND FOR-SALE HOUSING AND FOR LOW-, MODERATE-, AND MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND PERMANENT SUPPORTIVE HOUSING;

(III) ADOPTED DISPLACEMENT MITIGATION STRATEGIES FROM THE DISPLACEMENT MITIGATION STRATEGIES MENU IN SECTION 29-37-209; AND

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

(c) INFORMATION CONTAINED IN THE REPORTS SUBMITTED BY A LOCAL GOVERNMENT PURSUANT TO SECTION 29-37-204 THAT PROVIDES EVIDENCE THAT THE LOCAL GOVERNMENT HAS MET THE REQUIREMENTS OF SECTION 29-37-204.

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

(8) **Transit-oriented communities infrastructure fund.** (a) (I) THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (8)(a)(III) OF THIS SECTION, GIFTS, GRANTS, AND DONATIONS, AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

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

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

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

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

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

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

(b) "GRANT PROGRAM" MEANS THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE GRANT PROGRAM CREATED IN THIS SECTION.

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

24-67-105. Standards and conditions for planned unit development - definitions. (5.5) (a) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-37-205, OR AS A NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-37-206.

(b) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) AND THAT RESTRICTS THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-37-205, OR AS A NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-37-206:

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

(II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF A TRANSIT CENTER PURSUANT TO SECTION 29-37-205, OR AS A NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-37-206.

(c) NOTWITHSTANDING SUBSECTION (5.5)(b) OF THIS SECTION, A LOCAL GOVERNMENT MAY ADOPT CONFORMING AMENDMENTS TO ANY SUCH PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE.

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

(I) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-102 (12).

(II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (5).

(III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (10).

SECTION 3. In Colorado Revised Statutes, 29-20-203, **add** (1.5) as follows:

29-20-203. Conditions on land-use approvals. (1.5) WHEN REQUIRING AN OWNER OF PRIVATE PROPERTY TO DEDICATE REAL PROPERTY TO THE PUBLIC, IF THE SUBJECT PROPERTY DOES NOT MEET LOCAL GOVERNMENT STANDARDS FOR DEDICATION AS DETERMINED BY THE LOCAL GOVERNMENT, INCLUDING DEDICATION TO THE PARKS, TRAILS, OR OPEN SPACE SYSTEMS, A LOCAL GOVERNMENT SHALL PROVIDE THE PRIVATE PROPERTY OWNER THE OPTION OF PAYING A FEE IN LIEU OF DEDICATION.

SECTION 4. In Colorado Revised Statutes, 38-33.3-106.5, **add** (5) as follows:

38-33.3-106.5. Prohibitions contrary to public policy - patriotic, political, or religious expression - public rights-of-way - fire prevention - renewable energy generation devices - affordable housing - drought prevention measures - child care - definitions. (5) (a) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, AN ASSOCIATION SHALL NOT ADOPT A PROVISION OF A DECLARATION, BYLAW, OR RULE ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (5) THAT RESTRICTS THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER, AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

(b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5) MAY RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER, AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

(c) AS USED IN THIS SUBSECTION (5), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-102 (11).

(II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (5).

(III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (10).

SECTION 5. In Colorado Revised Statutes, 43-1-1103, **add** (5.5) as follows:

43-1-1103. Transportation planning. (5.5) THE DEPARTMENT OF TRANSPORTATION SHALL CONDUCT A STUDY THAT IDENTIFIES:

(a) POLICY BARRIERS AND OPPORTUNITIES WITHIN THE DEPARTMENT THAT INCLUDES AN EXAMINATION OF POLICIES WITHIN THE STATE ACCESS CODE,

ROADWAY DESIGN STANDARDS, AND THE TREATMENT OF PEDESTRIAN AND BICYCLE CROSSINGS. THE STUDY SHALL EXAMINE THE IMPACT OF THESE POLICIES ON NEIGHBORHOOD CENTERS AND TRANSIT CENTERS, INCLUDING THE IMPACT ON HOUSING PRODUCTION, THE IMPLEMENTATION OF CONTEXT-SENSITIVE DESIGN, COMPLETE STREETS, AND PEDESTRIAN-BICYCLE SAFETY MEASURES; AND

(b) THE PORTIONS OF STATE HIGHWAY THAT PASS THROUGH LOCALLY-IDENTIFIED TRANSIT CENTERS AND NEIGHBORHOOD CENTERS THAT ARE APPROPRIATE FOR CONTEXT-SENSITIVE DESIGN, COMPLETE STREETS AS DEFINED IN THE "INFRASTRUCTURE INVESTMENT AND JOBS ACT", PUB.L. 117-5, AND PEDESTRIAN-BICYCLE SAFETY MEASURES.

SECTION 6. Appropriation. (1) For the 2024-25 state fiscal year, \$183,138 is appropriated to the office of the governor for use by the Colorado energy office. This appropriation is from the general fund and is based on the assumption that the office will require an additional 0.8 FTE. To implement this act, the office may use this appropriation for program administration.

(2) For the 2024-25 state fiscal year, \$70,000 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs from the transit-oriented communities infrastructure fund created in section 29-37-210 (8)(a)(I), C.R.S. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.

SECTION 7. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: May 13, 2024