

SB213_L.132

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Transportation, Housing & Local Government.

SB23-213 be amended as follows:

1 Amend proposed committee amendment (SB213_L.111), page 10 after
2 line 13 insert:

3 "Page 11 of the reengrossed bill, strike lines 19 through 27.

4 Page 12 of the bill, strike lines 1 through 19 and substitute:

5 "(9) "DISPLACEMENT" MEANS THE INVOLUNTARY RELOCATION OF
6 LOW-INCOME RESIDENTS DUE TO:

7 (a) INCREASED RENTS OR NEW DEVELOPMENT RESULTING IN A
8 HIGHER AREA MEDIAN INCOME THAN THE CURRENT NEIGHBORHOOD;

9 (b) DISCRIMINATORY POLICIES OR ACTIONS, SUCH AS BANNING
10 TENANTS WITH HOUSING VOUCHERS, ELIMINATING UNITS LARGE ENOUGH
11 FOR HOUSEHOLDS WITH CHILDREN, OR LAND USE OR ZONING THAT FOSTERS
12 A CHANGE IN THE AVERAGE AREA MEDIAN INCOME OF AN AREA;

13 (c) WIDESPREAD DECREASE IN SOCIAL AND CULTURAL
14 COMMUNITY-SERVING BUSINESSES AND ENTITIES;

15 (d) DETERIORATION OF PHYSICAL CONDITIONS THAT RENDER
16 RESIDENCES UNINHABITABLE; OR

17 (e) INCREASED REAL ESTATE PRICES, RENTS, PROPERTY TAXES,
18 NEW DEVELOPMENT INCLUDING AMENITIES, AND OTHER ECONOMIC
19 FACTORS."."

20 Page 14 of the amendment, strike lines 6 through 32.

21 Strike pages 15 through 17 of the amendment.

22 Page 18 of the amendment, strike lines 1 through 15 and substitute:

23 "Page 37 of the bill, strike lines 2 through 27.

24 Strike pages 38 through 45 of the bill.

25 Page 46 of the bill, strike lines 1 and 2 and substitute:

26 **"29-33-107. Displacement risk assessment and mitigation**
27 **strategies. (1) Displacement risk assessment and mitigation**
28 **strategies guidelines. (a) NO LATER THAN DECEMBER 31, 2024, THE**
29 **EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL**
30 **DEVELOP GUIDANCE FOR MUNICIPALITIES TO CONDUCT A DISPLACEMENT**

1 RISK ASSESSMENT AND IMPLEMENT DISPLACEMENT MITIGATION
2 STRATEGIES AND SHALL PROVIDE GUIDANCE REGARDING THE NUMBER OF
3 STRATEGIES THAT MUST BE SELECTED, BASED ON THE RESULTS OF THE
4 DISPLACEMENT RISK ASSESSMENT, TO SUPPORT URBAN MUNICIPALITIES
5 AND RURAL RESORT JOB CENTER MUNICIPALITIES IN PREVENTING
6 DISPLACEMENT AS PART OF THE REQUIRED HOUSING NEEDS PLAN
7 PURSUANT TO SECTION 29-33-105.

8 (b) THE DISPLACEMENT RISK ASSESSMENT, DISPLACEMENT
9 MITIGATION STRATEGIES, AND NUMBER OF DISPLACEMENT MITIGATION
10 STRATEGIES MUST PROVIDE ADEQUATE GUIDANCE AND TOOLS FOR
11 MUNICIPALITIES TO PREVENT DISPLACEMENT OF LOW-INCOME
12 HOUSEHOLDS FROM AREAS AT HIGH RISK FOR DISPLACEMENT. IN
13 DEVELOPING THIS GUIDANCE, THE EXECUTIVE DIRECTOR OF THE
14 DEPARTMENT OF LOCAL AFFAIRS SHALL CONSULT WITH THE
15 MULTI-AGENCY ADVISORY COMMITTEE AND PROVIDE A METHOD TO
16 RECEIVE INPUT FROM THE LEGISLATIVE OVERSIGHT COMMITTEE CREATED
17 IN 29-32-117. THE GUIDANCE MUST INCLUDE HOW RURAL RESORT JOB
18 CENTERS SHOULD INCORPORATE REGIONAL WORKFORCE AND COMMUTING
19 PATTERN CONSIDERATIONS IN THEIR DISPLACEMENT RISK ASSESSMENT
20 AND IMPLEMENTATION OF DISPLACEMENT MITIGATION MEASURES.

21 (2) **Displacement risk assessment.** (a) A DISPLACEMENT RISK
22 ASSESSMENT MUST CONSIDER:

23 (I) GEOGRAPHY AS DETERMINED WITH FEEDBACK GATHERED FROM
24 THE RESIDENTS OF THE COMMUNITY IN ADDITION TO DATA ANALYZED AT
25 THE CENSUS TRACT LEVEL OR SIMILAR GEOGRAPHIC SCALE FOR WHICH
26 THERE IS DATA AVAILABLE;

27 (II) INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY WARNING
28 AND RESPONSE SYSTEMS THAT CAN HELP MUNICIPALITIES AND
29 COMMUNITY ADVOCATES ANTICIPATE FUTURE DISPLACEMENT DUE TO
30 RISING HOUSING COSTS;

31 (III) BASELINE CENSUS DATA AND OTHER DATA POINTS THAT ARE
32 UPDATED ON A FREQUENT BASIS;

33 (IV) QUALITATIVE AND QUANTITATIVE INDICATORS OF:

34 (A) NEIGHBORHOOD CHANGE INCLUDING DEMOGRAPHIC AND
35 ECONOMIC CHANGE RELATED TO RESIDENTS AND BUSINESSES IN THE
36 NEIGHBORHOOD; AND

37 (B) GENTRIFICATION, WHICH REFERS TO INCREASED ECONOMIC
38 ACTIVITY OR VALUE IN A NEIGHBORHOOD, OFTEN DRIVEN BY PUBLIC AND
39 PRIVATE INVESTMENT IN INFRASTRUCTURE AND AMENITIES, THAT LEADS
40 TO AN INCREASE IN THE NEIGHBORHOOD AREA MEDIAN INCOME AND
41 PROPERTY VALUES THAT IS OFTEN ACCOMPANIED BY A DISPLACEMENT OF
42 LOW-INCOME RESIDENTS AND COMMUNITY SERVICING BUSINESSES AND
43 INSTITUTIONS; AND

1 (V) DISPLACEMENT, AS DEFINED IN SECTION 29-33-102 (9).
2 DISPLACEMENT IS DISTINCT FROM RESIDENTIAL MOBILITY, WHICH
3 INCLUDES VOLUNTARY HOUSEHOLD MOVEMENT.

4 (b) THE GUIDANCE FOR A DISPLACEMENT RISK ASSESSMENT MAY
5 INCLUDE THE FOLLOWING QUANTITATIVE FACTORS THAT CAN BE USED TO
6 IDENTIFY RISKS FOR DISPLACEMENT AT THE CENSUS TRACT OR OTHER
7 SIMILAR GEOGRAPHIC SCALE FOR WHICH DATA IS AVAILABLE:

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

11 (II) THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS;

12 (III) THE PERCENTAGE OF COST-BURDENED HOUSEHOLDS DEFINED
13 AS SPENDING MORE THAN THIRTY PERCENT OF THE RESIDENT'S INCOME ON
14 HOUSING NEEDS;

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

18 (V) THE PERCENTAGE OF HOUSEHOLDS IN WHICH THE PRIMARY
19 LANGUAGE THAT IS SPOKEN IS A LANGUAGE OTHER THAN ENGLISH;

20 (VI) THE PERCENTAGE OF RESIDENTS WHO WERE BORN OUTSIDE OF
21 THE UNITED STATES ACCORDING TO PUBLICLY AVAILABLE STATE AND
22 FEDERAL INFORMATION;

23 (VII) THE EMPLOYMENT RATE;

24 (VIII) THE PERCENTAGE OF WORKERS WHO LIVE WITHIN A
25 TEN-MILE RADIUS OF AN URBAN MUNICIPALITY OR A TWENTY-MILE RADIUS
26 OF A RURAL RESORT JOB CENTER;

27 (IX) THE PERCENTAGE OF HOUSEHOLDS THAT DO NOT HAVE
28 INTERNET ACCESS;

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

30 (XI) INSTITUTIONAL INVESTOR REAL ESTATE ACTIVITY IN THE
31 FOR-SALE MARKET WHERE THIS INFORMATION IS READILY AVAILABLE;

32 (XII) CHANGE IN LAND PRICES, RENTAL PRICES, PROPERTY VALUES,
33 AND OTHER REAL ESTATE AND HOUSING INDICATORS;

34 (XIII) THE NUMBER OF RENTERS WHO WERE LEGALLY EVICTED FOR
35 NONPAYMENT OF RENT IN THE PRIOR CALENDAR YEAR FOR ALL AREAS
36 WHERE THIS INFORMATION IS READILY AVAILABLE;

37 (XIV) THE NUMBER OF COLORADO-OWNED AND
38 COLORADO-OPERATED SMALL BUSINESSES WITH TEN EMPLOYEES OR
39 FEWER WHERE THIS INFORMATION IS READILY AVAILABLE; AND

40 (XV) THE CHANGE IN THE NUMBER OF COLORADO-OWNED AND
41 COLORADO-OPERATED SMALL BUSINESSES WITH TEN EMPLOYEES OR
42 FEWER OVER FIVE YEARS WHERE THIS INFORMATION IS READILY
43 AVAILABLE.

1 (c) IN DEVELOPING A DISPLACEMENT RISK ASSESSMENT, URBAN
2 MUNICIPALITIES AND RURAL RESORT JOB CENTER MUNICIPALITIES MUST
3 ALSO CONDUCT INCLUSIVE COMMUNITY ENGAGEMENT WITH RESIDENTS OF
4 AREAS IDENTIFIED AS BEING AT ELEVATED RISK FOR DISPLACEMENT TO
5 ADDRESS ADDITIONAL QUALITATIVE INDICATORS OF DISPLACEMENT.

6 (3) **Displacement mitigation strategies.** (a) THE GOALS OF
7 DISPLACEMENT MITIGATION STRATEGIES ARE TO ENSURE THAT:

8 (I) VULNERABLE HOMEOWNERS AND RENTERS IN NEIGHBORHOODS
9 EXPERIENCING GENTRIFICATION ARE NOT DISPLACED FROM THEIR CURRENT
10 HOMES AND NEIGHBORHOODS;

11 (II) THE EXISTING AFFORDABLE HOUSING STOCK, BOTH SUBSIDIZED
12 AND UNSUBSIDIZED, IN GENTRIFYING NEIGHBORHOODS IS PRESERVED SO
13 THAT DWELLING UNITS ARE IN GOOD CONDITION WHILE REMAINING
14 AFFORDABLE TO LOW TO MODERATE -INCOME RESIDENTS;

15 (III) CITY PLANNING AND LAND USE DECISIONS INCORPORATE
16 INCLUSIVE AND EQUITABLE DISPLACEMENT MITIGATION STRATEGIES, AND
17 LOW-INCOME PERSONS AND COMMUNITIES OF COLOR ARE EMPOWERED TO
18 PARTICIPATE EARLY AND MEANINGFULLY IN LAND USE DECISIONS THAT
19 SHAPE THEIR HOMES, NEIGHBORHOODS, AND COMMUNITIES;

20 (IV) NEW AFFORDABLE HOUSING OPTIONS ARE CREATED TO SERVE
21 CURRENT AND FUTURE VULNERABLE HOUSEHOLDS IN NEIGHBORHOODS
22 EXPERIENCING GENTRIFICATION;

23 (V) VULNERABLE RESIDENTS ARE ABLE TO REMAIN OR RETURN
24 TO THEIR COMMUNITIES BY ACCESSING THE NEW AFFORDABLE HOUSING
25 OPPORTUNITIES IN THEIR NEIGHBORHOODS; AND

26 (VI) AN EQUAL OR GREATER AMOUNT OF AFFORDABLE HOUSING
27 IS PROVIDED IN AREAS IDENTIFIED AS AT-RISK OF DISPLACEMENT BASED ON
28 THE DISPLACEMENT RISK ASSESSMENT.

29 (b) EACH OF THE DISPLACEMENT MITIGATION STRATEGIES MUST BE
30 ABLE TO BE INCORPORATED BY URBAN MUNICIPALITIES AND RURAL
31 RESORT JOB CENTER MUNICIPALITIES INTO THE MUNICIPALITY'S HOUSING
32 NEEDS PLAN AS REQUIRED BY SECTION 29-33-105. THIS MENU OF
33 DISPLACEMENT MITIGATION STRATEGIES MUST INCLUDE:

34 (I) GUIDANCE AND RECOMMENDATIONS FOR HOW A LOCAL
35 GOVERNMENT SHALL INCORPORATE THE DISPLACEMENT RISK ASSESSMENT
36 REQUIRED PURSUANT TO SUBSECTION (1) OF THIS SECTION INTO A HOUSING
37 NEEDS PLAN;

38 (II) LONG-TERM DISPLACEMENT MITIGATION MEASURES FROM
39 WHICH MUNICIPALITIES MUST CHOOSE TO ADDRESS AREAS IDENTIFIED IN
40 THE DISPLACEMENT RISK ASSESSMENT REQUIRED BY SUBSECTION (2) OF
41 THIS SECTION, WHICH MAY INCLUDE:

42 (A) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE
43 AND FINANCIAL SUPPORT FOR COMMUNITY ORGANIZATIONS TO DEVELOP

1 INDEPENDENT COMMUNITY LAND TRUSTS;
2 (B) LOCAL GOVERNMENT PLANNING FOR ACQUISITION AND
3 REHABILITATING OF NATURALLY OCCURRING AFFORDABLE RENTALS,
4 EITHER TO ENTER INTO A LAND TRUST OR TO INCLUDE AFFORDABILITY
5 DEED RESTRICTIONS;
6 (C) IMPLEMENTING LOCAL RIGHT OF FIRST REFUSAL FOR EXPIRING
7 REGULATED AFFORDABLE HOUSING UNITS, PRIORITIZE LOCAL FUNDS
8 TOWARD AFFORDABLE UNIT PRESERVATION, OR IMPLEMENTING OR
9 CONTINUING DEED RESTRICTED AFFORDABLE HOUSING UNITS.
10 (D) REQUIRING MULTIFAMILY DEVELOPERS WHO BUILD NEW
11 LARGE MULTIFAMILY DEVELOPMENTS IN AREAS AT RISK OF
12 DISPLACEMENT, AS IDENTIFIED BY THE DISPLACEMENT RISK ASSESSMENT,
13 TO CREATE A COMMUNITY BENEFITS AGREEMENT WITH AFFECTED
14 POPULATIONS IN CLOSE PROXIMITY TO THE DEVELOPMENT; AND
15 (E) PROVIDING A PRIORITIZATION POLICY FOR CURRENT
16 RESIDENTS IN NEW REGULATED AFFORDABLE HOUSING DEVELOPMENTS
17 FOR THE FIRST FEW MONTHS OF WHEN UNITS ARE LEASED AFTER
18 CONSTRUCTION;
19 (III) SHORT-TERM DISPLACEMENT MITIGATION MEASURES FROM
20 WHICH LOCAL GOVERNMENTS SHALL CHOOSE, WHICH MAY INCLUDE:
21 (A) THE CREATION OF A LOCALLY FUNDED AND ADMINISTERED
22 RENTAL AND MORTGAGE ASSISTANCE PROGRAM;
23 (B) THE CREATION OF AN EVICTION AND FORECLOSURE NO-COST
24 LEGAL REPRESENTATION PROGRAM;
25 (C) THE ESTABLISHMENT OF A HOUSING COUNSELING AND
26 NAVIGATION PROGRAM; AND
27 (D) THE CREATION OF A PROPERTY TAX AND DOWN PAYMENT
28 ASSISTANCE PROGRAM; AND
29 (E) ANY OTHER STRATEGIES PROPOSED BY A LOCAL GOVERNMENT
30 OR THE MULTI-AGENCY ADVISORY COMMITTEE THAT ARE APPROVED BY
31 THE DEPARTMENT OF LOCAL AFFAIRS AND THAT SUPPORT THE GOALS OF
32 THIS SECTION.
33 (c) MUNICIPALITIES SHALL ADOPT A MINIMUM NUMBER OF
34 SHORT-TERM AND LONG-TERM DISPLACEMENT MITIGATION STRATEGIES AS
35 DETERMINED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL
36 AFFAIRS. MUNICIPALITIES MAY NOT COUNT THE SAME STRATEGY
37 TOWARDS SATISFYING BOTH THE MINIMUM NUMBER OF REQUIRED
38 STRATEGIES PURSUANT TO THE MENU OF AFFORDABILITY STRATEGIES
39 REQUIRED BY SECTION 29-33-106 AND THIS SUBSECTION (3).
40 (4) **Assessment and strategies.** NO LATER THAN DECEMBER 31,
41 2025, AND EVERY SIX YEARS THEREAFTER, IN ACCORDANCE WITH THE
42 GUIDANCE FOR CREATING A DISPLACEMENT RISK ASSESSMENT AND THE
43 SELECTION OF DISPLACEMENT MITIGATION STRATEGIES, EVERY URBAN

1 MUNICIPALITY AND RURAL RESORT JOB CENTER MUNICIPALITY SHALL
2 DEVELOP, ADOPT, AND SUBMIT A DISPLACEMENT RISK ASSESSMENT AND A
3 DESCRIPTION OF THE EVIDENCE-BASED DISPLACEMENT MITIGATION
4 STRATEGIES IT SELECTED TO THE DEPARTMENT OF LOCAL AFFAIRS AS PART
5 OF A HOUSING NEEDS PLAN REQUIRED UNDER SECTION 29-33-105. THE
6 STRATEGIES THAT A MUNICIPALITY SELECTS MUST BE EVIDENCE-BASED
7 AND INFORMED BY ITS DISPLACEMENT RISK ASSESSMENT AND THE MEDIAN
8 INCOME OF AREAS IDENTIFIED AS AT RISK OF DISPLACEMENT. AN URBAN
9 MUNICIPALITY AND RURAL RESORT JOB CENTER MUNICIPALITY SHALL
10 PROVIDE SUPPORTING INFORMATION AND A NARRATIVE TO DEMONSTRATE
11 HOW THE STRATEGIES WILL MITIGATE DISPLACEMENT AS IDENTIFIED IN THE
12 DISPLACEMENT RISK ASSESSMENT. THE DEPARTMENT OF LOCAL AFFAIRS
13 SHALL POST THE SUBMITTED PLANS PUBLICLY ON ITS WEBSITE.

14 (5) **Public comment.** BEFORE ADOPTING AND SUBMITTING A FINAL
15 DISPLACEMENT RISK ASSESSMENT AND MAKING A FINAL SELECTION OF
16 DISPLACEMENT MITIGATION STRATEGIES, AN URBAN MUNICIPALITY AND
17 A RURAL RESORT JOB CENTER MUNICIPALITY SHALL PUBLISH THE MOST
18 RECENT DRAFT OF ITS DISPLACEMENT RISK ASSESSMENT AND THE
19 DISPLACEMENT MITIGATION STRATEGIES IT SELECTED AND ENGAGE IN A
20 PUBLIC COMMENT PROCESS PURSUANT TO 29-33-105 (3)(b) AND 29-33-111
21 (5)(b)(II).

22 (6) **Prior displacement efforts.** BY JANUARY 1, 2025, URBAN
23 MUNICIPALITIES AND RURAL RESORT JOB CENTER MUNICIPALITIES MAY
24 SUBMIT EVIDENCE-BASED MITIGATION STRATEGIES LINKED TO
25 DISPLACEMENT RISK ASSESSMENTS AND THE IMPACT OF THE MEASURES
26 THAT THE MUNICIPALITY ADOPTED PRIOR TO THE EFFECTIVE DATE OF THIS
27 SECTION TO THE DEPARTMENT OF LOCAL AFFAIRS. THE DEPARTMENT MAY
28 DETERMINE WHETHER THOSE STRATEGIES QUALIFY AS A DISPLACEMENT
29 MITIGATION LONG-TERM OR SHORT-TERM MEASURE TO SATISFY THE
30 NUMBER OF MEASURES THAT MUST BE ADOPTED PURSUANT TO
31 SUBSECTION (1)(a) OF THIS SECTION.

32 (7) **Technical assistance.** THE DEPARTMENT OF LOCAL AFFAIRS
33 SHALL PROVIDE TECHNICAL ASSISTANCE AND FUNDING TO SUPPORT TIER
34 ONE AND TIER TWO URBAN MUNICIPALITIES AND RURAL RESORT JOB
35 CENTER MUNICIPALITIES IN CONDUCTING A DISPLACEMENT ASSESSMENT
36 AND IN IDENTIFYING DISPLACEMENT MITIGATION STRATEGIES TO ADDRESS
37 THE RISK OF DISPLACEMENT IN THE AREAS AT THE HIGHEST RISK OF
38 DISPLACEMENT."

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