

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  
strategies. (1) Displacement risk assessment and mitigation  
strategies guidelines.** (a) NO LATER THAN DECEMBER 31, 2024, THE  
27 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL  
28 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 ACCCOMPANIED BY A DISPLACEMENT OF  
42 LOW-INCOME RESIDENTS AND COMMUNITY SERVICING BUSINESSES AND  
43 INSTITUTIONS; AND

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

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

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

(II) THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS;

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

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

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

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

## (VII) THE EMPLOYMENT RATE;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**(A) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE 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.".

\*\*\* \* \* \* \*