

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0409.01 Caroline Martin x5902

HOUSE BILL 26-1313

HOUSE SPONSORSHIP

Boesenecker and Stewart R.,

SENATE SPONSORSHIP

Ball,

House Committees

Transportation, Housing & Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE ADJUSTMENT OF REQUIREMENTS FOR
102 GOVERNMENTS TO RECEIVE FUNDING FROM THE STATEWIDE
103 AFFORDABLE HOUSING FUND.

Bill Summary

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

Current law requires a local government or a tribal government (government) desiring to receive funding from the statewide affordable housing fund to have filed with the division of housing of the department of local affairs (division) a commitment specifying how, within a 3-year cycle, affordable housing units within the government's territorial

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

boundaries will be increased by 3% each year over the baseline number of affordable housing units (baseline number). The baseline number resets every 3 years for the next cycle. To be eligible for funding from the statewide affordable housing fund, a government is required to file a commitment with the division and achieve the 3% increase over the baseline number each year during the 3-year cycle.

The bill changes the requirements for the 3-year cycle beginning on January 1, 2027, and each 3-year cycle thereafter, so that a government desiring to receive funding from the statewide affordable housing fund is no longer required to increase affordable housing units by 3% above the baseline each year, but is instead required to meet the target increase number of affordable housing units (target increase number). The target increase number equals the average annual number of permits for new housing units or functional equivalents of permits for new housing units that have been issued over the past 3 years within the jurisdiction of the government, multiplied by the number of years of the upcoming 3-year cycle to which the government is committing, multiplied by:

- 0.10 if the average annual job growth rate in the county in which the government is located is significantly lower than the statewide median annual job growth rate over the past 3 years, as determined by the division;
- 0.15 if the average annual job growth rate in the county in which the government is located is close to the statewide median annual job growth rate over the past 3 years, as determined by the division; or
- 0.20 if the average annual job growth rate in the county in which the government is located is significantly higher than the statewide median annual job growth rate over the past 3 years, as determined by the division.

The bill permits a government that desires to be eligible for funding from the statewide affordable housing fund but is unable to achieve the 3% annual increase in affordable housing units for the 3-year cycle beginning on January 1, 2024 to file a good faith effort waiver with the division. The division may, in its discretion, grant a good faith effort waiver to a government that filed for a waiver on or after June 15, 2026 but before November 1, 2026 and complied with other requirements of the bill.

The bill permits a government that desires to be eligible for funding from the statewide affordable housing fund but is unable to meet the target increase number in affordable housing units for the 3-year cycle beginning on January 1, 2027 to file an adjustment waiver with the division. The division may, in its discretion, grant an adjustment waiver to a government that filed for a waiver and complied with other requirements of the bill.

For the purposes of determining whether a government has

achieved the target increase number for the 3-year cycle beginning on January 1, 2027, and for each 3-year cycle thereafter, an affordable housing unit that satisfies the following criteria counts for one affordable housing unit plus the following corresponding additional unit amount:

- A unit that is developed on land donated by the local government or tribal government qualifies for an additional 0.10 of a unit;
- A unit that is developed to be sold qualifies for an additional 0.20 of a unit; and
- A unit that is restricted to be rented or sold to a household with an annual income of at or below 30% of the area median income qualifies for an additional 0.20 of a unit.

If affordable housing is developed and qualifies for a property tax exemption, thereby reducing property tax revenue to the county in which the affordable housing is located, and the county did not provide any money to develop the affordable housing, the division may, in its discretion, allow each such affordable housing unit to count as up to 1.15 affordable housing units for the county at the time of vertical construction. If a county's property tax revenue will be reduced due to the development of affordable housing, the county shall submit, at the time of the project underwriting for the affordable housing, documentation to the division of anticipated reduced property tax revenue.

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

2 **SECTION 1.** In Colorado Revised Statutes, 29-32-105, **amend**
3 (1)(c) introductory portion, (1)(c)(I), (1)(d), (3)(a), (3)(b)(II), (3)(b)(IV),
4 (3)(b)(VI), (3)(b)(VII), and (3)(d); and **add** (1)(d.5), (4), (5), (6), (7), (8),
5 (9), and (10) as follows:

6 **29-32-105. Affordable housing commitments - local**
7 **governments - tribal governments - three-year commitment cycle -**
8 **expedited development approval process - eligibility for assistance**
9 **from the fund - waivers.**

10 (1) (c) FOR THE THREE-YEAR CYCLE BEGINNING ON JANUARY 1,
11 2024, the baseline number of affordable housing units within the
12 territorial boundaries of a local government or tribal government, as
13 referenced in this subsection (1), shall be determined by the local

1 government or tribal government by reference to:

2 (I) The 2017-2021 American Community Survey 5-year
3 FIVE-YEAR estimates published by the United States census bureau; ~~The~~
4 ~~baseline number shall reset for 2027, based on the 2020-2024 American~~
5 ~~Community Survey 5-year estimates, expected to be published in the~~
6 ~~spring of 2026 and every third year thereafter with the publication of the~~
7 ~~corresponding American Community Survey 5-year estimates; or~~

8 (d) By November 1, 2026 and by November 1st of each
9 subsequent year ~~in which the baseline resets~~ PRECEDING THE FIRST YEAR
10 OF A THREE-YEAR CYCLE, the governing body of each local government,
11 other than local housing authorities, or tribal government desiring to
12 receive funding under this ~~article~~ ARTICLE 32 or desiring to make
13 affordable housing projects within its territorial boundaries eligible for
14 funding under this ~~article~~ ARTICLE 32 shall make and file with the division
15 a commitment specifying how, by December 31 of the third year
16 thereafter, the combined number of newly constructed affordable housing
17 units and existing units converted to affordable housing, within its
18 territorial boundaries shall be increased by ~~three percent each year over~~
19 ~~the baseline number of affordable housing units within its territorial~~
20 ~~boundaries determined as provided in subsection (1)(c) of this section~~ THE
21 TARGET INCREASE NUMBER. THE TARGET INCREASE NUMBER EQUALS THE
22 AVERAGE ANNUAL NUMBER OF PERMITS FOR NEW HOUSING UNITS OR
23 FUNCTIONAL EQUIVALENTS OF PERMITS FOR NEW HOUSING UNITS THAT
24 HAVE BEEN ISSUED OVER THE PAST THREE YEARS WITHIN THE
25 JURISDICTION OF THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT,
26 MULTIPLIED BY THE NUMBER OF YEARS OF THE UPCOMING THREE-YEAR
27 CYCLE TO WHICH A LOCAL GOVERNMENT OR TRIBAL GOVERNMENT IS

1 COMMITTING, MULTIPLIED BY:

2 (I) TEN ONE-HUNDREDTHS IF THE AVERAGE ANNUAL JOB GROWTH
3 RATE OVER THE PAST THREE YEARS, AS RECORDED BY THE STATE
4 DEMOGRAPHY OFFICE FOR THE COUNTY IN WHICH THE LOCAL
5 GOVERNMENT OR TRIBAL GOVERNMENT IS LOCATED, IS SIGNIFICANTLY
6 LOWER THAN THE STATEWIDE MEDIAN ANNUAL JOB GROWTH RATE OVER
7 THE PAST THREE YEARS, AS DETERMINED BY THE DIVISION;

8 (II) FIFTEEN ONE-HUNDREDTHS IF THE AVERAGE ANNUAL JOB
9 GROWTH RATE OVER THE PAST THREE YEARS, AS RECORDED BY THE STATE
10 DEMOGRAPHY OFFICE FOR THE COUNTY IN WHICH THE LOCAL
11 GOVERNMENT OR TRIBAL GOVERNMENT IS LOCATED, IS CLOSE TO THE
12 STATEWIDE MEDIAN ANNUAL JOB GROWTH RATE OVER THE PAST THREE
13 YEARS, AS DETERMINED BY THE DIVISION; OR

14 (III) TWENTY ONE-HUNDREDTHS IF THE AVERAGE ANNUAL JOB
15 GROWTH RATE OVER THE PAST THREE YEARS, AS RECORDED BY THE STATE
16 DEMOGRAPHY OFFICE FOR THE COUNTY IN WHICH THE LOCAL
17 GOVERNMENT OR TRIBAL GOVERNMENT IS LOCATED, IS SIGNIFICANTLY
18 HIGHER THAN THE STATEWIDE MEDIAN ANNUAL JOB GROWTH RATE OVER
19 THE PAST THREE YEARS, AS DETERMINED BY THE DIVISION.

20 (d.5) FOR THE THREE-YEAR CYCLE BEGINNING ON JANUARY 1,
21 2027, AND FOR EACH THREE-YEAR CYCLE THEREAFTER, THE DIVISION
22 SHALL ESTABLISH THRESHOLDS FOR JOB GROWTH RATES THAT THE
23 DIVISION CONSIDERS TO BE SIGNIFICANTLY LOWER THAN, CLOSE TO, OR
24 SIGNIFICANTLY HIGHER THAN THE STATEWIDE MEDIAN ANNUAL JOB
25 GROWTH RATE OVER THE PAST THREE YEARS, TO BE USED PURSUANT TO
26 SUBSECTION (1)(d) OF THIS SECTION TO DETERMINE THE TARGET INCREASE
27 NUMBER. IN ESTABLISHING THE THRESHOLDS FOR JOB GROWTH RATES, THE

1 DIVISION SHALL DEFINE EACH THRESHOLD AS A SPECIFIC NUMERICAL
2 RANGE BASED ON THE STATEWIDE MEDIAN ANNUAL JOB GROWTH RATE FOR
3 THE PAST THREE YEARS.

4 (3) (a) Beginning in 2027, to be eligible under this ~~article~~ ARTICLE
5 32 for direct funding, or for affordable housing projects within a local
6 government's or tribal government's territorial boundaries to be eligible
7 for funding, local governments, other than local housing authorities, or
8 tribal governments, ~~must~~ SHALL:

9 (I) Satisfy both the requirements of subsection (1) of this section
10 to commit to and achieve ~~annual~~ increases in the number of affordable
11 housing units within their territorial boundaries, and the requirements of
12 subsection (2) of this section to implement a system to expedite the
13 development approval process for affordable housing projects; OR

14 (II) SATISFY THE REQUIREMENTS OF SUBSECTION (1) OF THIS
15 SECTION TO COMMIT TO INCREASES IN THE NUMBER OF AFFORDABLE
16 HOUSING UNITS WITHIN THEIR TERRITORIAL BOUNDARIES, SATISFY THE
17 REQUIREMENTS OF SUBSECTION (2) OF THIS SECTION TO IMPLEMENT A
18 SYSTEM TO EXPEDITE THE DEVELOPMENT APPROVAL PROCESS FOR
19 AFFORDABLE HOUSING PROJECTS, AND HAVE RECEIVED APPROVAL FROM
20 THE DIVISION OF A GOOD FAITH EFFORT WAIVER SUBMITTED IN
21 ACCORDANCE WITH SUBSECTION (6) OF THIS SECTION.

22 (b) (II) If a local government or tribal government makes and files
23 with the division the commitment required by subsection (1) of this
24 section by November 1, 2026, or by November 1st of a subsequent year
25 ~~in which the baseline resets~~, PRECEDING THE FIRST YEAR OF A THREE-YEAR
26 CYCLE, and it met its commitment to increase affordable housing made
27 under subsection (1) of this section for the previous three-year cycle OR

1 RECEIVED A WAIVER PURSUANT TO THIS SECTION, it ~~shall be deemed to~~
2 ~~have~~ HAS satisfied the requirements of subsection (1) of this section
3 through the end of the current three-year cycle.

4 (IV) If a local government or tribal government fails to meet its
5 commitment to increase affordable housing made and filed pursuant to
6 subsection (1) of this section for any three-year cycle AND DOES NOT
7 RECEIVE A WAIVER PURSUANT TO THIS SECTION, it ~~shall be~~ IS ineligible to
8 receive financial assistance from the division or administrator during the
9 first calendar year of the next three-year cycle.

10 (VI) A developer, whether for-profit or nonprofit, or a local
11 government or tribal government developing an affordable housing
12 project within the territorial boundaries of a local government or tribal
13 government that fails to meet the requirements of subsection (1) or (2) of
14 this section ~~shall be~~ AND THAT HAS NOT RECEIVED A WAIVER PURSUANT
15 TO THIS SECTION IS ineligible to receive financial assistance from the
16 division or administrator. Notwithstanding this restriction, a project
17 within the territorial boundaries of an eligible municipality ~~shall be~~ IS
18 eligible for funding even if the county in which the project is located is
19 ineligible.

20 (VII) Ineligible local governments and tribal governments and
21 developers of projects in ineligible local government and tribal
22 government jurisdictions ~~shall~~ ARE not ~~be~~ required to pay back to the
23 division or the administrator money paid to them under this ~~article~~
24 ARTICLE 32 prior to ineligibility.

25 (d) (I) The division ~~shall be~~ IS responsible for determining
26 compliance with this section. For the purpose of calculating whether a
27 local government or tribal government has met the requirements of

1 subsection (1) of this section:

2 (A) A new residential housing unit is ~~to be~~ counted at the time it
3 is permitted rather than the time it is constructed;

4 (B) An existing housing unit newly qualifying as affordable
5 housing is ~~to be~~ counted at the time it is permitted and fully funded rather
6 than at the time the conversion is completed; ~~For the purpose of~~
7 ~~calculating whether a local government or tribal government has met the~~
8 ~~requirements of subsection (1) of this section;~~

9 (C) In addition to affordable housing growth achieved through the
10 programs in this ~~article~~ ARTICLE 32, any new deed restricted affordable
11 housing THAT IS newly constructed or converted to affordable HOUSING
12 within a local government's or tribal government's territorial boundaries
13 ~~shall be~~ IS counted toward the local government's or tribal government's
14 growth requirement; ~~For the purpose of calculating whether a local~~
15 ~~government or tribal government has met the requirements of subsection~~
16 ~~(1) of this section;~~

17 (D) All units funded through the programs created in section
18 29-32-104 (1)(b), (1)(c)(I), (1)(c)(II), and (1)(c)(III) are counted ~~towards~~
19 TOWARD the local government's or tribal government's growth
20 requirement; AND

21 (E) EACH HOUSING UNIT THAT IS DEVELOPED AS PART OF A LARGER
22 DEVELOPMENT PROJECT IN WHICH THE AVERAGE RENTAL PRICE OF ALL
23 UNITS IN THE PROJECT IS AFFORDABLE TO A HOUSEHOLD WITH AN ANNUAL
24 INCOME OF AT OR BELOW SIXTY PERCENT OF THE AREA MEDIAN INCOME
25 COUNTS AS ONE AFFORDABLE HOUSING UNIT.

26 (II) Regional collaboration and partnership is encouraged. Local
27 governments and tribal governments may enter into written agreements

1 with other local governments and tribal governments that allow each
2 jurisdiction to receive partial credit ~~towards~~ TOWARD the local
3 government's or tribal government's growth requirement for the purpose
4 of calculating whether a local government or tribal government has met
5 the requirements of subsection (1) of this section. FOR THE PURPOSE OF
6 CALCULATING WHETHER A LOCAL GOVERNMENT OR TRIBAL GOVERNMENT
7 HAS MET THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION FOR THE
8 THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2027, AND FOR EACH
9 THREE-YEAR CYCLE THEREAFTER, A LOCAL GOVERNMENT OR TRIBAL
10 GOVERNMENT MAY COUNT AN AFFORDABLE HOUSING UNIT THAT IS
11 DEVELOPED WITH MONEY PROVIDED BY MULTIPLE LOCAL OR TRIBAL
12 GOVERNMENTS AS A PERCENTAGE OF ONE UNIT THAT IS PROPORTIONAL TO
13 THE PERCENTAGE OF TOTAL LOCAL OR TRIBAL GOVERNMENT FUNDING
14 THAT THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT PROVIDED.
15 EXCEPT FOR ANY CREDITS AWARDED PURSUANT TO SUBSECTION (9) OR
16 (10) OF THIS SECTION THAT ARE IN EXCESS OF THE TOTAL AMOUNT OF
17 UNITS PRODUCED, the sum of the total units credited to the local
18 governments and tribal governments ~~shall~~ MUST not exceed the total
19 number of units produced through the collaboration.

20 (4) IF A LOCAL GOVERNMENT, OTHER THAN A LOCAL HOUSING
21 AUTHORITY, OR A TRIBAL GOVERNMENT DESIRES TO RECEIVE FUNDING
22 UNDER THIS ARTICLE 32 OR DESIRES TO MAKE AFFORDABLE HOUSING
23 PROJECTS WITHIN ITS TERRITORIAL BOUNDARIES ELIGIBLE FOR FUNDING
24 UNDER THIS ARTICLE 32, AND IS UNABLE TO ACHIEVE, FOR THE
25 THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2024, THE ANNUAL
26 INCREASES IN THE NUMBER OF AFFORDABLE HOUSING UNITS WITHIN ITS
27 TERRITORIAL BOUNDARIES SET FORTH IN SUBSECTION (1) OF THIS SECTION,

1 THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT MAY FILE A GOOD
2 FAITH EFFORT WAIVER WITH THE DIVISION. THE LOCAL GOVERNMENT OR
3 TRIBAL GOVERNMENT IS ELIGIBLE TO FILE A GOOD FAITH EFFORT WAIVER
4 AND BE APPROVED BY THE DIVISION IF THE LOCAL GOVERNMENT OR
5 TRIBAL GOVERNMENT COMPLIES WITH SUBSECTION (5) OF THIS SECTION
6 AND:

7 (a) HAS RECEIVED APPROVAL FROM THE DIVISION THAT THE LOCAL
8 GOVERNMENT OR TRIBAL GOVERNMENT HAS COMPLIED WITH SUBSECTION
9 (2) OF THIS SECTION;

10 (b) HAS RECEIVED TECHNICAL GUIDANCE FROM THE DIVISION'S
11 PROPOSITION 123 COMMUNITY SUPPORT TEAM;

12 (c) HAS ACHIEVED AT LEAST SIXTY-FIVE PERCENT OF THE ANNUAL
13 INCREASES IN THE NUMBER OF AFFORDABLE HOUSING UNITS WITHIN ITS
14 TERRITORIAL BOUNDARIES AS REQUIRED BY SUBSECTION (1) OF THIS
15 SECTION FOR THE THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2024;
16 AND

17 (d) IS ABLE TO SATISFY THE REQUIREMENT OF SUBSECTION (1) OF
18 THIS SECTION TO ACHIEVE ANNUAL INCREASES IN THE NUMBER OF
19 AFFORDABLE HOUSING UNITS WITHIN ITS TERRITORIAL BOUNDARIES FOR
20 THE THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2024 IF THE
21 REQUIREMENT HAD BEEN BASED ON THE TARGET INCREASE NUMBER
22 SPECIFIED IN SUBSECTION (1)(d) OF THIS SECTION.

23 (5) TO BE ELIGIBLE TO FILE A GOOD FAITH EFFORT WAIVER AND BE
24 APPROVED BY THE DIVISION, IN ADDITION TO MEETING THE REQUIREMENTS
25 OF SUBSECTION (4) OF THIS SECTION, THE LOCAL GOVERNMENT OR TRIBAL
26 GOVERNMENT SHALL:

27 (a) SUBMIT A NARRATIVE DESCRIPTION OF ITS ACHIEVEMENTS IN

1 ADVANCING AFFORDABLE HOUSING DEVELOPMENTS WITHIN THE
2 THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2024;

3 (b) SUBMIT DOCUMENTATION OF ITS ADOPTION OF LOCAL LAND
4 USE, ZONING, OR REGULATORY REFORMS THAT INCREASE THE FEASIBILITY
5 OF DEVELOPING AFFORDABLE HOUSING;

6 (c) SUBMIT DOCUMENTATION OF ADDITIONAL LOCAL
7 COMMITMENTS TO FUND AFFORDABLE HOUSING OR ESTABLISHED METHODS
8 FOR REDUCING THE COST OF DEVELOPING AFFORDABLE HOUSING;

9 (d) IMPLEMENT PROCESS OR CAPACITY IMPROVEMENTS THAT
10 REDUCE BARRIERS TO DEVELOPING AFFORDABLE HOUSING, SUCH AS A
11 HOUSING ACTION PLAN; OR

12 (e) PARTICIPATE IN REGIONAL COLLABORATION TO DEVELOP MORE
13 AFFORDABLE HOUSING THROUGH A FORMAL REGIONAL AGREEMENT.

14 (6) A LOCAL GOVERNMENT OR TRIBAL GOVERNMENT SEEKING A
15 GOOD FAITH EFFORT WAIVER FOR THE THREE-YEAR CYCLE BEGINNING ON
16 JANUARY 1, 2024 SHALL, ON OR AFTER JUNE 15, 2026 BUT BEFORE
17 NOVEMBER 1, 2026, SUBMIT TO THE DIVISION DOCUMENTATION OF
18 COMPLIANCE WITH SUBSECTIONS (4) AND (5) OF THIS SECTION. THE
19 DIVISION SHALL DETERMINE, IN ITS DISCRETION, WHETHER TO GRANT A
20 GOOD FAITH EFFORT WAIVER TO A LOCAL GOVERNMENT OR TRIBAL
21 GOVERNMENT.

22 (7) IF A LOCAL GOVERNMENT, OTHER THAN A LOCAL HOUSING
23 AUTHORITY, OR A TRIBAL GOVERNMENT DESIRES TO RECEIVE FUNDING
24 UNDER THIS ARTICLE 32 OR DESIRES TO MAKE AFFORDABLE HOUSING
25 PROJECTS WITHIN ITS TERRITORIAL BOUNDARIES ELIGIBLE FOR FUNDING
26 UNDER THIS ARTICLE 32, BUT IS UNABLE TO ACHIEVE, FOR THE
27 THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2027, THE ANNUAL

1 INCREASES IN THE NUMBER OF AFFORDABLE HOUSING UNITS WITHIN ITS
2 TERRITORIAL BOUNDARIES SET FORTH IN SUBSECTION (1) OF THIS SECTION,
3 THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT MAY FILE AN
4 ADJUSTMENT WAIVER WITH THE DIVISION. TO BE ELIGIBLE TO FILE AN
5 ADJUSTMENT WAIVER FOR THE THREE-YEAR CYCLE BEGINNING ON
6 JANUARY 1, 2027, AND BE APPROVED BY THE DIVISION, THE LOCAL
7 GOVERNMENT OR TRIBAL GOVERNMENT SHALL:

8 (a) RECEIVE APPROVAL FROM THE DIVISION THAT THE LOCAL
9 GOVERNMENT OR TRIBAL GOVERNMENT HAS COMPLIED WITH SUBSECTION
10 (2) OF THIS SECTION;

11 (b) SUBMIT TO THE DIVISION A DETAILED NARRATIVE EXPLAINING
12 WHY THE ANNUAL INCREASE IN THE NUMBER OF AFFORDABLE HOUSING
13 UNITS IS UNATTAINABLE WITHIN ITS TERRITORIAL BOUNDARIES FOR THE
14 THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2027. THE DETAILED
15 NARRATIVE MUST BE SUPPORTED BY RELIABLE AND VERIFIABLE DATA,
16 SUCH AS:

17 (I) A LOCAL HOUSING NEEDS ASSESSMENT COMPLETED NO EARLIER
18 THAN THREE YEARS BEFORE SUBMITTAL;

19 (II) AN INVENTORY OF DEED-RESTRICTED UNITS RECORDED WITH
20 THE LOCAL GOVERNMENT, TRIBAL GOVERNMENT, OR COUNTY CLERK FOR
21 THE COUNTY IN WHICH THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT
22 IS LOCATED;

23 (III) A COMPREHENSIVE PLAN OR AREA PLAN GROWTH
24 PROJECTIONS DEMONSTRATING THAT THE ANNUAL INCREASE
25 REQUIREMENT IN THE NUMBER OF AFFORDABLE HOUSING UNITS EXCEEDS
26 THE TOTAL PROJECTED GROWTH OF THE JURISDICTION BY A SIGNIFICANT
27 MARGIN;

- 1 (IV) UTILITY OR SERVICE PROVIDER DOCUMENTATION;
- 2 (V) INFRASTRUCTURE CAPACITY LIMITATIONS; OR
- 3 (VI) ENVIRONMENTAL OR GEOGRAPHIC CONSTRAINT MAPS;

4 (c) PROPOSE A REVISED ANNUAL INCREASE IN THE NUMBER OF
5 AFFORDABLE HOUSING UNITS BASED ON THE VERIFIABLE DATA SUBMITTED
6 PURSUANT TO SUBSECTION (7)(b) OF THIS SECTION THAT IS NOT LESS THAN
7 ONE UNIT PER YEAR; AND

8 (d) FILE DOCUMENTATION WITH THE DIVISION DEMONSTRATING
9 THAT THE LOCAL GOVERNMENT'S OR TRIBAL GOVERNMENT'S COMMITMENT
10 FOR THE THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2027,
11 REPRESENTED A SIGNIFICANT INCREASE ABOVE ITS COMMITMENT FOR THE
12 THREE-YEAR CYCLE BEGINNING ON JANUARY 1, 2027.

13 (8) IN ADDITION TO THE CRITERIA LISTED IN SUBSECTION (7) OF
14 THIS SECTION, WHEN DECIDING WHETHER TO GRANT AN ADJUSTMENT
15 WAIVER, THE DIVISION MAY ALSO CONSIDER WHETHER AND THE EXTENT
16 TO WHICH A LOCAL GOVERNMENT OR TRIBAL GOVERNMENT EXCEEDED THE
17 ANNUAL INCREASE IN THE NUMBER OF AFFORDABLE HOUSING UNITS
18 WITHIN ITS TERRITORIAL BOUNDARIES SET FORTH IN SUBSECTION (1) OF
19 THIS SECTION FOR THE THREE-YEAR CYCLE BEGINNING ON JANUARY 1,
20 2024.

21 (9) FOR THE PURPOSES OF DETERMINING WHETHER A LOCAL
22 GOVERNMENT, OTHER THAN A LOCAL HOUSING AUTHORITY, OR A TRIBAL
23 GOVERNMENT HAS ACHIEVED THE ANNUAL INCREASES IN THE NUMBER OF
24 AFFORDABLE HOUSING UNITS WITHIN ITS TERRITORIAL BOUNDARIES SET
25 FORTH IN SUBSECTION (1) OF THIS SECTION FOR THE THREE-YEAR CYCLE
26 BEGINNING ON JANUARY 1, 2027, AND FOR EACH THREE-YEAR CYCLE
27 THEREAFTER, AN AFFORDABLE HOUSING UNIT THAT SATISFIES THE

1 FOLLOWING CRITERIA COUNTS FOR ONE AFFORDABLE HOUSING UNIT PLUS
2 THE FOLLOWING CORRESPONDING ADDITIONAL UNIT AMOUNT:

3 (a) AN AFFORDABLE HOUSING UNIT THAT IS DEVELOPED ON LAND
4 DONATED BY THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT
5 QUALIFIES FOR AN ADDITIONAL ONE-TENTH OF A UNIT;

6 (b) AN AFFORDABLE HOUSING UNIT THAT IS DEVELOPED TO BE
7 SOLD QUALIFIES FOR AN ADDITIONAL TWO-TENTHS OF A UNIT; AND

8 (c) AN AFFORDABLE HOUSING UNIT THAT IS RESTRICTED TO BE
9 RENTED OR SOLD TO A HOUSEHOLD WITH AN ANNUAL INCOME OF AT OR
10 BELOW THIRTY PERCENT OF THE AREA MEDIAN INCOME QUALIFIES FOR AN
11 ADDITIONAL TWO-TENTHS OF A UNIT.

12 (10) IF AFFORDABLE HOUSING THAT COUNTS TOWARD A
13 COMMITMENT MADE BY A LOCAL GOVERNMENT OR TRIBAL GOVERNMENT
14 PURSUANT TO SUBSECTION (1) OF THIS SECTION IS DEVELOPED AND
15 QUALIFIES FOR A PROPERTY TAX EXEMPTION, THEREBY REDUCING
16 PROPERTY TAX REVENUE TO THE COUNTY IN WHICH THE AFFORDABLE
17 HOUSING IS LOCATED, AND THE COUNTY DID NOT PROVIDE ANY MONEY TO
18 DEVELOP THE AFFORDABLE HOUSING, THE DIVISION MAY, IN ITS
19 DISCRETION, ALLOW EACH SUCH AFFORDABLE HOUSING UNIT TO COUNT AS
20 UP TO ONE AND FIFTEEN-HUNDREDTHS AFFORDABLE HOUSING UNITS FOR
21 THE COUNTY AT THE TIME OF VERTICAL CONSTRUCTION. IF A COUNTY'S
22 PROPERTY TAX REVENUE WILL BE REDUCED DUE TO THE DEVELOPMENT OF
23 AFFORDABLE HOUSING, THE COUNTY SHALL SUBMIT, AT THE TIME OF THE
24 PROJECT UNDERWRITING FOR THE AFFORDABLE HOUSING,
25 DOCUMENTATION TO THE DIVISION OF ANTICIPATED REDUCED PROPERTY
26 TAX REVENUE.

27 **SECTION 2. Safety clause.** The general assembly finds,

1 determines, and declares that this act is necessary for the immediate
2 preservation of the public peace, health, or safety or for appropriations for
3 the support and maintenance of the departments of the state and state
4 institutions.