

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0288.03 Pierce Lively x2059

HOUSE BILL 24-1313

HOUSE SPONSORSHIP

Woodrow and Jodeh,

SENATE SPONSORSHIP

Hansen and Winter F.,

House Committees

Transportation, Housing & Local Government
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

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

Bill Summary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

to the account.

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

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

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

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

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

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

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

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

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

ARTICLE 35

State Land Use Criteria For Strategic Growth

PART 1

DEFINITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (1) "ACCESSIBLE UNIT" MEANS A HOUSING UNIT THAT:
23 (a) SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR
24 HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED;
25 (b) INCORPORATES UNIVERSAL DESIGN; OR
26 (c) IS A TYPE A DWELLING UNIT, AS DEFINED IN SECTION 9-5-101
27 (10); A TYPE A MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION

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

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

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

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

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

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

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

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

1 SERVICE:

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

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

6 (I) SERVICE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES
7 OR LESS DURING THE HIGHEST FREQUENCY SERVICE HOURS;
8 (II) DEDICATED LANES OR BUSWAYS;
9 (III) TRAFFIC SIGNAL PRIORITY;
10 (IV) OFF-BOARD FARE COLLECTION;
11 (V) ELEVATED PLATFORMS; OR
12 (VI) ENHANCED STATIONS.

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

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

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

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

22 (8) "DISPLACEMENT" MEANS:

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

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

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

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

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

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

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

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

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

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

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

1 AREA SURROUNDING THE AREA DESCRIBED IN THE APPLICATION; OR

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

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

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

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

13 PART 2

14 TRANSIT-ORIENTED COMMUNITIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 STUDIES;

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

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

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

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

27 (u) THE GREENHOUSE GAS TRANSPORTATION PLANNING STANDARD

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 

23 (1) "EXEMPT PARCEL" MEANS:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 CENTER BY A TRANSIT-ORIENTED COMMUNITY.

2 (11) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA,
3 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS
4 WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AND THAT EITHER:
5 (a) HAS A SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR LESS
6 DURING THE HIGHEST FREQUENCY SERVICE HOURS; OR
7 (b) IS AN URBAN BUS RAPID TRANSIT SERVICE.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (I) AN ANALYSIS OF THE WATER SUPPLY ENTITY'S ABILITY TO
20 ADOPT A PREFERENCE POLICY FOR WATER SUPPLY ALLOCATIONS FOR
21 REGULATED AFFORDABLE HOUSING AND MULTIFAMILY HOUSING WITHIN
22 TRANSIT CENTERS IN THE TRANSIT-ORIENTED COMMUNITY:

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

1 (III) (A) AN APPLICATION OF THE ANALYSIS IN SUBSECTION
2 (5)(a)(II) TO THE ESTIMATED WATER NEEDED TO SUPPLY DOMESTIC TO THE
3 ESTIMATED WATER NEEDED TO SUPPLY DOMESTIC WATER SERVICE FOR THE
4 TRANSIT CENTERS THAT THE WATER SUPPLY ENTITY CURRENTLY PROVIDES
5 WATER SERVICES TO FOR THE TRANSIT-ORIENTED COMMUNITY TO MEET ITS
6 HOUSING OPPORTUNITY GOAL; AND

7 (B) ANY DATA, PROFESSIONAL OPINIONS, OR OTHER INFORMATION
8 USED TO CREATE THE ANALYSIS IN THIS SUBSECTION (5)(a)(III);

9 (IV) DOCUMENTATION DEMONSTRATING BOTH AN UP-TO-DATE
10 WATER SUPPLY PLAN THAT COMPLIES WITH SECTION 29-20-304(3) AND AN
11 UP-TO-DATE WATER EFFICIENCY PLAN THAT COMPLIES WITH SECTION
12 37-60-126(1) THROUGH (5); AND

13 (V) A PROPOSAL THAT MAY INCLUDE:

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

18 (B) AN ACTION PLAN BASED ON THE ANALYSES IN SUBSECTIONS
19 (5)(a)(I) THROUGH (5)(a)(III) OF THIS SECTION.

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

1 TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY
2 STRATEGIES BASED ON THE DEMONSTRATED HOUSING NEEDS WITHIN THE
3 TRANSIT-ORIENTED COMMUNITY INCLUDING FOR-SALE AND RENTAL
4 HOUSING NEEDS AND THE HOUSING NEEDS OF LOW-, MODERATE-, AND
5 MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE UNITED STATES
6 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

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

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

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

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

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

25 (A) COUNT ONE OR BOTH OF THE STRATEGIES DESCRIBED IN
26 SECTIONS 29-35-209 (1)(e) AND 29-35-209 (2)(c) TOWARDS SATISFYING
27 THE REQUIREMENTS OF BOTH SUBSECTIONS (6)(b)(I)(A) AND (6)(b)(I)(B)

1 OF THIS SECTION; OR

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

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

8 (a) ANY DISPLACEMENT MITIGATION STRATEGIES THAT THE
9 TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE
10 DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY THE
11 DEPARTMENT PURSUANT TO SECTION 29-35-210 (3) TO MITIGATE
12 DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL;
13 AND

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

18 (8) **Housing opportunity goal report.** (a) ON OR BEFORE
19 DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A
20 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM
21 AND MANNER DETERMINED BY THE DEPARTMENT. PURSUANT TO SECTION
22 29-35-211 (5), UPON THE SUBMISSION AND APPROVAL BY THE
23 DEPARTMENT OF THE REPORT, A TRANSIT-ORIENTED COMMUNITY BECOMES
24 ELIGIBLE FOR THE AWARD OF A TRANSIT-ORIENTED COMMUNITIES
25 INFRASTRUCTURE GRANT PROGRAM GRANT. THE REPORT MUST INCLUDE
26 THE FOLLOWING, ALONG WITH ANY OTHER ELEMENTS IDENTIFIED BY THE
27 DEPARTMENT:

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

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

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

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

17 (VI) A DESCRIPTION OF COMMUNITY ENGAGEMENT THAT THE
18 TRANSIT-ORIENTED COMMUNITY CONDUCTED IN THE PROCESS OF MEETING
19 ITS HOUSING OPPORTUNITY GOAL, IDENTIFYING AFFORDABILITY
20 STRATEGIES PURSUANT TO SUBSECTION (6)(b)(I)(A) AND (6)(b)(I)(B) OF
21 THIS SECTION AND IDENTIFYING DISPLACEMENT MITIGATION STRATEGIES
22 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION; AND

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

26 (b) THE DEPARTMENT SHALL REVIEW A HOUSING OPPORTUNITY
27 GOAL REPORT SUBMITTED BY A TRANSIT-ORIENTED COMMUNITY

1 PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION AND PROVIDE WRITTEN
2 NOTICE THAT EITHER:

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

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

11 (c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A
12 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT PURSUANT TO
13 SUBSECTION (8)(a) OF THIS SECTION OR FAILS TO SUBMIT AN AMENDED
14 HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(b)(II)
15 OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE THE
16 TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE STATING THAT THE
17 TRANSIT-ORIENTED COMMUNITY WILL BE DEEMED A NONQUALIFIED
18 TRANSIT-ORIENTED COMMUNITY UNLESS THE TRANSIT-ORIENTED
19 COMMUNITY SUBMITS A HOUSING OPPORTUNITY GOAL REPORT OR AN
20 AMENDED HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT
21 WITHIN NINETY DAYS OF RECEIVING THE NOTICE.

22 (II) IF A TRANSIT-ORIENTED COMMUNITY DOES NOT SUBMIT A
23 HOUSING OPPORTUNITY GOAL REPORT OR AN AMENDED HOUSING
24 OPPORTUNITY GOAL REPORT WITHIN NINETY DAYS OF RECEIVING THE
25 WRITTEN NOTICE DESCRIBED IN SUBSECTION (8)(c)(I) OF THIS SECTION,
26 THE DEPARTMENT SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY
27 WRITTEN NOTICE THAT IT IS A NONQUALIFIED TRANSIT-ORIENTED

1 COMMUNITY.

2 (III) IF THE DEPARTMENT HAS NOT APPROVED A
3 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT
4 ON OR BEFORE DECEMBER 31, 2027, THE TRANSIT-ORIENTED COMMUNITY
5 IS IN NON-COMPLIANCE WITH THIS PART 2, AND THE DEPARTMENT MAY
6 SEEK AN INJUNCTION FROM A DISTRICT COURT REQUIRING THE
7 TRANSIT-ORIENTED COMMUNITY TO COMPLY WITH THE REQUIREMENTS OF
8 THIS PART 2.

9 **(9) Progress report.** (a) EVERY THREE YEARS AFTER SUBMITTING
10 A HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(a)
11 OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A
12 PROGRESS REPORT TO THE DEPARTMENT IN A FORM AND MANNER
13 DETERMINED BY THE DEPARTMENT THAT CONFIRMS THAT THE
14 TRANSIT-ORIENTED COMMUNITY IS STILL MEETING THE REQUIRED
15 ELEMENTS OF THE TRANSIT-ORIENTED COMMUNITY'S HOUSING
16 OPPORTUNITY GOAL REPORT REQUIRED PURSUANT TO SUBSECTIONS
17 (8)(a)(II) THROUGH (8)(a)(VI) OF THIS SECTION. [REDACTED]

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

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

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

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

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

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

19 **29-35-205. Nonqualified transit-oriented communities**
20 **reporting - highway users tax fund allocation.** (1) ON OR AFTER
21 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER DURING WHICH A
22 LOCAL GOVERNMENT FIRST QUALIFIES AS EITHER A QUALIFIED
23 TRANSIT-ORIENTED COMMUNITY OR A NONQUALIFIED TRANSIT-ORIENTED
24 COMMUNITY, THE DEPARTMENT SHALL PROVIDE THE STATE TREASURER
25 WITH A LIST OF LOCAL GOVERNMENTS THAT ARE NONQUALIFIED
26 TRANSIT-ORIENTED COMMUNITIES.

27 (2) NOTWITHSTANDING ANY LAW TO THE CONTRARY, BEGINNING

1 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER, THE STATE
2 TREASURER SHALL TRANSFER TO THE TRANSIT-ORIENTED COMMUNITIES
3 HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION 29-35-211 (8)(b),
4 INSTEAD OF TO THE LOCAL GOVERNMENT ANY MONEY THAT A LOCAL
5 GOVERNMENT THAT IS ON THE MOST RECENT LIST PROVIDED TO THE STATE
6 TREASURER, PURSUANT TO SUBSECTION (1) OF THIS SECTION, WOULD
7 OTHERWISE HAVE BEEN ALLOCATED FROM THE HIGHWAY USERS TAX FUND
8 PURSUANT TO SECTIONS 43-4-205 AND 43-4-207 OR SECTIONS 43-4-205
9 AND 43-4-208.

10 (3) (a) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION, THE
11 DEPARTMENT MAY NOT EXPEND MONEY FROM THE TRANSIT-ORIENTED
12 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION
13 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO A SPECIFIC NONQUALIFIED
14 TRANSIT-ORIENTED COMMUNITY'S INCLUSION IN THE LIST DESCRIBED IN
15 SUBSECTION (1) OF THIS SECTION UNTIL ONE HUNDRED EIGHTY DAYS
16 AFTER THE NONQUALIFIED TRANSIT-ORIENTED COMMUNITY HAS FIRST
17 APPEARED ON THE LIST.

27 29-35-206. Criteria for qualification as a transit center -

1 **criteria for qualification as a transit center outside of a transit area.**

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

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

9 (b) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR
10 FOR SUBDISTRICTS WITHIN THE AREA. THE IDENTIFIED NET HOUSING
11 DENSITY MUST:

12 (I) INCORPORATE ANY DIMENSIONAL OR OTHER RESTRICTIONS IN
13 LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA, INCLUDING BUT
14 NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA
15 PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR
16 AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND
17 MAXIMUM HEIGHT;

18 (II) ASSUME MINIMUM PARKING REQUIREMENTS ARE MET WITH
19 SURFACE PARKING; EXCEPT THAT **SEVEN-TENTHS** OF PARKING SPACES PER
20 DWELLING UNIT MAY BE COUNTED AS STRUCTURED PARKING WITHIN THE
21 BUILDING FOOTPRINT; AND

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

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

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

22 (a) WITHIN THE TRANSIT AREAS IN THE TRANSIT-ORIENTED
23 COMMUNITY, THE TRANSIT-ORIENTED COMMUNITY HAS:

24 (I) ADOPTED A PLAN TO ENCOURAGE AND SUPPORT FUTURE
25 INVESTMENT AND EXPANSION OF INFRASTRUCTURE TO SERVE
26 MULTIFAMILY HOUSING AND ESTABLISHED ZONING CAPACITY THAT IS AS
27 HIGH AS PRACTICABLE TO PROVIDE OPPORTUNITIES FOR MULTIFAMILY

1 HOUSING; AND

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

5 (b) THE AREA THAT THE TRANSIT-ORIENTED COMMUNITY IS
6 REQUESTING LOCATIONAL FLEXIBILITY TO DESIGNATE AS A TRANSIT
7 CENTER:

8 (I) HAS A REASONABLE OPPORTUNITY FOR NEW MULTIFAMILY
9 HOUSING, INCLUDING PLANNED OR EXISTING INFRASTRUCTURE AND
10 PLANNED OR EXISTING MULTIMODAL ACCESS TO A TRANSIT STATION; AND

11 (II) IF DESIGNATED AS A TRANSIT CENTER BY THE
12 TRANSIT-ORIENTED COMMUNITY, WOULD PROVIDE BENEFITS CONSISTENT
13 WITH THE PURPOSES OF THIS PART 2 THAT MAY INCLUDE REGULATED
14 AFFORDABLE HOUSING, MULTIMODAL MOBILITY, TRANSIT-SUPPORTIVE
15 DENSITY TO INCREASE OR EXPAND TRANSIT SERVICE, EXPANDED HOUSING
16 ACCESS IN HIGH-OPPORTUNITY AREAS, IMPROVED BALANCE OF HOUSING
17 AND JOBS IN THE AREA OR REGION, ACCESSIBLE HOUSING, AND ACCESS TO
18 DAILY NEEDS WITHIN A MIXED-USE PEDESTRIAN-ORIENTED
19 NEIGHBORHOOD.

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

25 **29-35-207. Criteria for qualification as a neighborhood center.**

26 (1) (a) TO DESIGNATE AN AREA AS A NEIGHBORHOOD CENTER, A LOCAL
27 GOVERNMENT IN A METROPOLITAN PLANNING ORGANIZATION SHALL, IN

1 ACCORDANCE WITH POLICIES AND PROCEDURES ADOPTED BY THE
2 DEPARTMENT:

3 (I) ENSURE THAT THE AREA ALLOWS A NET HOUSING DENSITY TO
4 BE ESTABLISHED BY THE DEPARTMENT THAT SUPPORTS
5 PEDESTRIAN-ORIENTED MIXED-USE NEIGHBORHOODS, THE DEVELOPMENT
6 OF REGULATED AFFORDABLE HOUSING, AND INCREASED PUBLIC TRANSIT
7 RIDERSHIP;

8 (II) ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR
9 MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT
10 ARE NO LARGER THAN A SIZE DETERMINED BY THE DEPARTMENT;

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

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

17 (b) NOTWITHSTANDING THE REQUIREMENTS FOR A LOCAL
18 GOVERNMENT DESIGNATING AN AREA AS A NEIGHBORHOOD CENTER
19 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT
20 SHALL ESTABLISH SEPARATE REQUIREMENTS FOR LOCAL GOVERNMENTS
21 DESIGNATING AREAS WITHIN OPTIONAL TRANSIT AREAS IDENTIFIED BY THE
22 DEPARTMENT PURSUANT TO SECTION 29-35-208 (1)(c).

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

1 **29-35-208. Transit areas map - housing opportunity goals,**
2 **models, and guidance.** (1) **Transit areas map.** (a) ON OR BEFORE JULY
3 31, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN
4 PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE
5 WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A MAP
6 THAT DESIGNATES TRANSIT AREAS TO BE USED BY TRANSIT-ORIENTED
7 COMMUNITIES IN CALCULATING HOUSING OPPORTUNITY GOALS.

8 (b) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF
9 THIS SECTION, THE DEPARTMENT SHALL DESIGNATE TRANSIT AREAS BASED
10 ON:

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

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

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

19 (II) A PLAN FOR TRANSIT SERVICE THAT:

20 (A) HAS BEEN APPROVED BY THE GOVERNING BODY OF A TRANSIT
21 AGENCY AFTER JANUARY 1, 2019, AND ON OR BEFORE JANUARY 1, 2024;
22 (B) IDENTIFIES THE FREQUENCY OF TRANSIT SERVICE ON SPECIFIC
23 TRANSIT ROUTES; AND

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

27 (III) IF THE INFORMATION IN SUBSECTIONS (1)(b)(I) AND (1)(b)(II)

1 OF THIS SECTION IS NOT AVAILABLE TO THE DEPARTMENT, EXISTING
2 TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024.

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

6 (I) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT
7 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S
8 FISCALLY-CONSTRAINED LONG-RANGE TRANSPORTATION PLAN ADOPTED
9 PRIOR TO JANUARY 1, 2024, AND INTENDED FOR IMPLEMENTATION AFTER
10 JANUARY 1, 2030, AND BEFORE DECEMBER 31, 2050;

11 (II) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT
12 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S
13 LONG-RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1,
14 2024, THAT ARE INTENDED FOR IMPLEMENTATION BEFORE JANUARY 1,
15 2030, AND THAT ARE WITHIN A TRANSIT-ORIENTED COMMUNITY THAT HAS
16 DESIGNATED TWENTY PERCENT OR MORE OF ITS AREA AS MANUFACTURED
17 HOME ZONING DISTRICTS AS OF JANUARY 1, 2024; AND

18 (III) OTHER AREAS AS DETERMINED BY THE DEPARTMENT
19 THROUGH REGULAR UPDATES.

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

22 (I) GEOSPATIAL DATA FROM RELEVANT TRANSIT AGENCIES AND
23 METROPOLITAN PLANNING ORGANIZATIONS; AND

24 (II) ROADWAY LOCATIONS BASED UPON THE CENTERLINE OF THE
25 ROADWAY.

26 (2) **Housing opportunity goals, models, and guidance.** ON OR
27 BEFORE DECEMBER 1, 2024, THE DEPARTMENT SHALL PUBLISH MODELS

1 AND GUIDANCE TO ASSIST LOCAL GOVERNMENTS IN MEETING THEIR
2 HOUSING OPPORTUNITY GOALS AND IN CALCULATING THE DENSITY AND
3 DIMENSIONAL STANDARDS ESTABLISHED IN SECTION 29-35-206 (1)(b),
4 INCLUDING MODELS AND GUIDANCE FOR LOCAL GOVERNMENTS WITH
5 FORM-BASED CODES.

6 **29-35-209. Standard affordability strategies menu - long-term**
7 **affordability strategies menu - alternative affordability strategies.** (1)
8 **Standard affordability strategies menu.** ON OR BEFORE JUNE 30, 2025,
9 THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY
10 STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES **AND SHALL**
11 **UPDATE THIS MENU AS NECESSARY.** THE MENU MUST INCLUDE: THE
12 FOLLOWING STRATEGIES:

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

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

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

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

4 (f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED
5 AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED
6 AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED
7 FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING
8 SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE
9 FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.
10 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT
11 THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION
12 (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS
13 AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF
14 29-35-204 (6)(b)(I)(A);

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

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

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

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

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

10 (e) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY
11 SUCH AS:

12 (I) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT
13 HOUSING UNITS:

14 (II) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE
15 REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE
16 HOME BUYERS: [REDACTED]

17 (III) ESTABLISHING AN AFFORDABLE RENT-TO-OWN PROGRAM; OR
18 (IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;

19 AND

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

1 AND (6)(b), SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL
2 OR GREATER OPPORTUNITY FOR REGULATED AFFORDABLE HOUSING AND
3 ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1)
4 AND (2) OF THIS SECTION.

5 **29-35-210. Displacement risk assessment - displacement**
6 **mitigation strategies menu - displacement mitigation strategies menu**
7 **goals - alternative displacement mitigation strategies.** (1) ON OR
8 BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL CONDUCT AN
9 ASSESSMENT THAT INCLUDES RECOMMENDATIONS IDENTIFYING THE
10 RESOURCES NECESSARY TO IMPLEMENT THE DISPLACEMENT MITIGATION
11 STRATEGIES IN THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU
12 DESCRIBED IN SUBSECTION (3) OF THIS SECTION. THE ASSESSMENT MUST
13 IDENTIFY:

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

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

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

1 UPDATE THIS GUIDANCE AS NECESSARY.

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

8 (I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND
9 (II) IDENTIFY INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY
10 DISPLACEMENT WARNING AND RESPONSE SYSTEMS, OR IF THOSE SYSTEMS
11 ARE UNAVAILABLE, IDENTIFY THE BEST AVAILABLE LOCAL, REGIONAL,
12 STATE, OR FEDERAL DATA THAT CAN BE ANALYZED TO IDENTIFY
13 RESIDENTS AT ELEVATED DISPLACEMENT RISK, WHICH MAY INCLUDE:

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

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

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

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

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

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

1 (G) THE LOCATION OF MANUFACTURED HOME PARKS;

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

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

13 (a) DESIGNATING TRANSIT CENTERS THAT INCLUDE HIGH INCOME
14 CENSUS TRACTS IN THE TRANSIT-ORIENTED COMMUNITY:

15 (b) CREATING A LOCALLY FUNDED AND ADMINISTERED RENTAL
16 AND MORTGAGE ASSISTANCE PROGRAM;

17 (c) CREATING AN EVICTION AND FORECLOSURE NO-COST LEGAL
18 REPRESENTATION PROGRAM:

19 (d) ESTABLISHING A HOUSING COUNSELING AND NAVIGATION
20 PROGRAM:

21 (e) CREATING A PROPERTY TAX AND DOWN PAYMENT ASSISTANCE
22 PROGRAM:

23 (f) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE
24 AND FINANCIAL SUPPORT FOR COMMUNITY ORGANIZATIONS TO DEVELOP
25 INDEPENDENT COMMUNITY LAND TRUSTS:

26 (g) PRIORITIZING LOCAL MONEY TOWARD REGULATED
27 AFFORDABLE HOUSING UNIT PRESERVATION OR IMPLEMENTING OR

1 CONTINUING DEED RESTRICTIONS FOR AFFORDABLE HOUSING UNITS;

2 (h) IDENTIFYING PARTNERSHIPS WITH REGIONAL AND NON-PROFIT

3 ENTITIES TO IMPLEMENT STRATEGIES; AND

4 (i) OTHER STRATEGIES IDENTIFIED BY THE DEPARTMENT THAT

5 PROVIDE DISPLACEMENT MITIGATION EQUIVALENT TO THE OTHER

6 STRATEGIES DESCRIBED IN THIS SUBSECTION (3).

7 (4) IN DEVELOPING THE DISPLACEMENT RISK MITIGATION

8 STRATEGIES MENU DESCRIBED IN SUBSECTION (3). OF THIS SECTION, THE

9 DEPARTMENT'S GOALS MUST BE TO SUPPORT:

10 (a) RESOURCES, SERVICES, AND INVESTMENTS THAT SERVE

11 VULNERABLE HOMEOWNERS AND RENTERS WITH ELEVATED RISK OF

12 DISPLACEMENT;

13 (b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING

14 STOCK;

15 (c) LOCAL GOVERNMENT PLANNING AND LAND USE DECISIONS

16 THAT INCORPORATE INCLUSIVE AND EQUITABLE DISPLACEMENT

17 MITIGATION STRATEGIES, AND THE EMPOWERMENT OF LOW-INCOME

18 PERSONS AND COMMUNITIES OF COLOR TO PARTICIPATE IN THOSE

19 DECISIONS; AND

20 (d) THE ABILITY OF VULNERABLE RESIDENTS TO REMAIN IN OR

21 RETURN TO THEIR NEIGHBORHOODS OR COMMUNITIES BY ACCESSING NEW

22 AFFORDABLE HOUSING OPPORTUNITIES IN THEIR NEIGHBORHOODS OR

23 COMMUNITIES.

24 **29-35-211. Transit-oriented communities infrastructure grant**

25 **program - transit-oriented communities infrastructure fund -**

26 **transit-oriented communities highway users tax account - definitions.**

27 (1) **Grant program created.** THE TRANSIT-ORIENTED COMMUNITIES

1 INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE DEPARTMENT. THE
2 PURPOSE OF THE GRANT PROGRAM IS TO ASSIST LOCAL GOVERNMENTS IN
3 UPGRADING INFRASTRUCTURE AND SUPPORTING REGULATED AFFORDABLE
4 HOUSING IN TRANSIT CENTERS AND NEIGHBORHOOD CENTERS.

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

7 (a) ON-SITE INFRASTRUCTURE FOR [REDACTED] AFFORDABLE HOUSING,
8 INCLUDING REGULATED AFFORDABLE HOUSING, WITHIN A TRANSIT CENTER
9 OR NEIGHBORHOOD CENTER;

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

12 (c) PUBLIC INFRASTRUCTURE PROJECTS THAT BENEFIT [REDACTED]
13 AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, IN
14 A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

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

18 (e) INFRASTRUCTURE PROJECT DELIVERY, PLANNING, AND
19 COMMUNITY ENGAGEMENT.

20 **(3) Grant program administration.** THE DEPARTMENT SHALL
21 ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE
22 APPROPRIATIONS, AWARD GRANTS AS PROVIDED IN SUBSECTION (7) OF THIS
23 SECTION AND PROVIDE TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS
24 IN COMPLYING WITH THE REQUIREMENTS OF THIS PART 2. SUBJECT TO
25 SECTION 18 OF ARTICLE X OF THE STATE CONSTITUTION, WHICH REQUIRES
26 THE PROCEEDS OF MOTOR FUEL TAXES AND MOTOR VEHICLE LICENSING
27 AND REGISTRATION FEES AND OTHER CHARGES TO BE USED EXCLUSIVELY

1 FOR THE CONSTRUCTION, MAINTENANCE, AND SUPERVISION OF PUBLIC
2 HIGHWAYS, GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES
3 DESCRIBED IN SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION
4 MAY BE PAID OUT OF THE FUND, INCLUDING OUT OF THE ACCOUNT.
5 GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES DESCRIBED
6 IN SUBSECTIONS (2)(a) AND (2)(b) OF THIS SECTION MAY BE PAID OUT OF
7 MONEY IN THE FUND AND NOT IN THE ACCOUNT AND SHALL NOT BE PAID
8 OUT OF THE ACCOUNT.

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

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

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

23 (a) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL
24 GOVERNMENT WOULD FUND WITH A GRANT AWARD ON THE DEVELOPMENT
25 OF REGULATED AFFORDABLE HOUSING, MIXED-USE DEVELOPMENT,
26 ACCESSIBLE OR VISITABLE HOUSING UNITS, OR THE CREATION OR
27 ENHANCEMENT OF HOME OWNERSHIP OPPORTUNITIES WITHIN A TRANSIT

1 CENTER OR NEIGHBORHOOD CENTER;

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

4 (I) INTEGRATED MIXED-USE DEVELOPMENT BY ALLOWING
5 NEIGHBORHOOD COMMERCIAL USES THAT HAVE THE MAIN PURPOSE OF
6 MEETING CONSUMER DEMANDS FOR GOODS AND SERVICES WITH AN
7 EMPHASIS ON SERVING THE SURROUNDING RESIDENTIAL NEIGHBORHOOD
8 WITHIN ONE-QUARTER MILE OF A TRANSIT CENTER OR NEIGHBORHOOD
9 CENTER;

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

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

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

21 (c) INFORMATION CONTAINED IN THE REPORTS SUBMITTED BY A
22 LOCAL GOVERNMENT PURSUANT TO SECTION 29-35-204 THAT PROVIDES
23 EVIDENCE THAT THE LOCAL GOVERNMENT HAS MET THE REQUIREMENTS
24 OF SECTION 29-35-204.

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

(8) Transit-oriented communities infrastructure fund.

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

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

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

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

1 DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY
2 APPROPRIATED OR TRANSFERRED BY THE GENERAL ASSEMBLY TO THE
3 ACCOUNT PURSUANT TO THIS SUBSECTION (8)(b) FOR THE
4 ADMINISTRATIVE COSTS INCURRED BY THE DEPARTMENT IN AWARDING
5 GRANTS FOR SUCH PURPOSES.

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

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

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

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

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

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

26 (c) "GRANT PROGRAM" MEANS THE TRANSIT-ORIENTED
27 COMMUNITIES INFRASTRUCTURE GRANT PROGRAM CREATED IN THIS

1 SECTION.

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

4 **24-67-105. Standards and conditions for planned unit**
5 **development - definitions.** (5.5) (a) ANY PLANNED UNIT DEVELOPMENT
6 RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR
7 NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL
8 GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
9 (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER
10 THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN
11 AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
12 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

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

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

26 (II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW
27 ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF

1 A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
2 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

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

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

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

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

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

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

16 **38-33.3-106.5. Prohibitions contrary to public policy -**
17 **patriotic, political, or religious expression - public rights-of-way - fire**
18 **prevention - renewable energy generation devices - affordable**
19 **housing - drought prevention measures - child care - definitions.**

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

27 (b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO

1 PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT
2 IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (3) MAY
3 RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW
4 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,
5 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES
6 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

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

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

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

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

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

17 **39-22-2102. Credit against tax - affordable housing**
18 **developments - legislative declaration.** (7) During each calendar year
19 of the period beginning January 1, 2015, and ending December 31, 2031,
20 the authority may allocate a credit, the full amount of which may be
21 claimed against the taxes imposed by this article 22 for each taxable year
22 of the six-year credit period. The aggregate amount of all credits allocated
23 by the authority in each calendar year of the period beginning January 1,
24 2015, and ending December 31, 2031, shall not exceed the amount of:

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

27 (I) EIGHT MILLION THREE HUNDRED THOUSAND DOLLARS FOR

1 CREDITS ALLOCATED IN CALENDAR YEAR 2024, PURSUANT TO SUBSECTION
2 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;
3 (II) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR
4 CREDITS ALLOCATED IN CALENDAR YEAR 2025, PURSUANT TO SUBSECTION
5 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;
6 (III) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR
7 CREDITS ALLOCATED IN CALENDAR YEAR 2026, PURSUANT TO SUBSECTION
8 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;
9 (IV) FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS FOR
10 CREDITS ALLOCATED IN CALENDAR YEAR 2027, PURSUANT TO SUBSECTION
11 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;
12 (V) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN CALENDAR
13 YEAR 2028, PURSUANT TO SUBSECTION (1) OF THIS SECTION AND SECTION
14 39-22-2105 COMBINED;
15 (VI) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
16 CALENDAR YEAR 2029, PURSUANT TO SUBSECTION (1) OF THIS SECTION
17 AND SECTION 39-22-2105 COMBINED;
18 (VII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
19 CALENDAR YEAR 2030, PURSUANT TO SUBSECTION (1) OF THIS SECTION
20 AND SECTION 39-22-2105 COMBINED; AND
21 (VIII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
22 CALENDAR YEAR 2031, PURSUANT TO SUBSECTION (1) OF THIS SECTION
23 AND SECTION 39-22-2105 COMBINED;
24 (7.5) THE TAXPAYER SHALL NOT CLAIM A CREDIT ALLOCATED AS
25 PART OF THE CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF
26 THIS SECTION RATABLY OVER THE CREDIT PERIOD. INSTEAD, SUCH A
27 CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT MUST BE CLAIMED

1 AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER THE CREDIT
2 PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

3 (a) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
4 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
5 THAT A TAXPAYER CLAIMS IN THE FIRST YEAR OF THE CREDIT PERIOD MUST
6 EQUAL SEVENTY PERCENT OF THE TOTAL AMOUNT OF THAT CREDIT THAT
7 THE AUTHORITY ALLOCATES TO THE TAXPAYER; AND

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

14 **SECTION 5.** In Colorado Revised Statutes, **add** part 54 to article
15 22 in title 39 as follows:

16 **PART 54**

17 **COLORADO AFFORDABLE HOUSING IN
18 TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT**

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

5 **39-22-5402. Definitions.** AS USED IN THIS PART 54, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

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

10 (2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED
11 BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND
12 PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO
13 THIS PART 54.

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

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

18 (5) "CREDIT" MEANS THE COLORADO TRANSIT-ORIENTED
19 COMMUNITY HOUSING INCOME TAX CREDIT ALLOWED PURSUANT TO THIS
20 PART 54.

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

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

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

3 (9) "FEDERAL TAX CREDIT" MEANS THE FEDERAL LOW-INCOME
4 HOUSING TAX CREDIT PROVIDED BY SECTION 42 OF THE INTERNAL
5 REVENUE CODE.

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

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

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

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

16 (a) LOCATED IN COLORADO;

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

20 (c) LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED
21 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN
22 A METROPOLITAN PLANNING ORGANIZATION.

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

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

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

11 **39-22-5403. Credit against tax - affordable housing located in**
12 **a transit-oriented community.** (1) FOR INCOME TAX YEARS DURING THE
13 CREDIT PERIOD, THERE IS ALLOWED TO ANY QUALIFIED TAXPAYER A
14 CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE
15 22 IN THE AMOUNT DETERMINED BY THE AUTHORITY PURSUANT TO THIS
16 PART 54.

17 (2) THE AGGREGATE AMOUNT OF CREDITS ALLOCATED BY THE
18 AUTHORITY IN EACH OF THE 2025 THROUGH 2029 CALENDAR YEARS, MUST
19 NOT EXCEED THE AGGREGATE AMOUNT OF:

20 (a) CREDITS AUTHORIZED AS FOLLOWS:

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

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

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

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

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

3 (b) UNALLOCATED CREDITS, IF ANY, FOR THE IMMEDIATELY
4 PRECEDING CALENDAR YEAR; AND
5 (c) ANY CREDIT RECAPTURED OR OTHERWISE RETURNED TO THE
6 AUTHORITY IN THE CALENDAR YEAR.

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

13 (a) THE CREDIT MUST BE NECESSARY FOR THE FINANCIAL
14 FEASIBILITY OF SUCH DEVELOPMENT;

15 (b) ALL ALLOCATIONS MUST BE MADE PURSUANT TO THE
16 ALLOCATION PLAN; AND

17 (c) THE AGGREGATE SUM OF CREDITS ALLOCATED ANNUALLY
18 MUST NOT EXCEED THE LIMITS SET FORTH IN SUBSECTION (2) OF THIS
19 SECTION.

20 (4) (a) ON OR AFTER JANUARY 1, 2025, BUT PRIOR TO DECEMBER
21 31, 2029, THE AUTHORITY MAY ALLOCATE A TOTAL AMOUNT OF THIRTY
22 MILLION DOLLARS IN CREDITS.

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

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

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

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

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

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

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

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

22 (7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE
23 TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE
24 CREDIT PERIOD AS SET FORTH IN SUBSECTION (4) OF THIS SECTION. ANY
25 AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX
26 YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME
27 TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE

1 APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE
2 CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

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

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

23 (2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE
24 CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE
25 DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS
26 PART 54 FOR ALL PRIOR TAXABLE YEARS THAT WOULD HAVE RESULTED IF
27 THE ACCELERATED PORTION OF THE CREDIT WERE NOT ALLOWED BY

1 REASON OF THIS PART 54 WERE NOT ALLOWED FOR ALL PRIOR TAXABLE
2 YEARS WITH RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS
3 DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

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

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

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

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

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

1 **39-22-5405. Filing requirements.** AN OWNER OF A QUALIFIED
2 DEVELOPMENT TO WHICH A CREDIT HAS BEEN ALLOCATED AND EACH
3 QUALIFIED TAXPAYER TO WHICH SUCH OWNER HAS ALLOCATED A PORTION
4 OF SAID CREDIT, IF ANY, SHALL FILE WITH THEIR STATE INCOME TAX
5 RETURN A COPY OF THE ALLOCATION CERTIFICATE ISSUED BY THE
6 AUTHORITY WITH RESPECT TO SUCH DEVELOPMENT AND A COPY OF THE
7 OWNER'S CERTIFICATION TO THE DEPARTMENT AS TO THE ALLOCATION OF
8 THE CREDIT AMONG THE QUALIFIED TAXPAYERS HAVING OWNERSHIP
9 INTERESTS IN THE DEVELOPMENT.

10 **39-22-5406. Parallel credits - insurance premium taxes.**

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

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

27 **39-22-5407. Compliance monitoring.** THE AUTHORITY, IN

1 CONSULTATION WITH THE DEPARTMENT, SHALL MONITOR AND OVERSEE
2 COMPLIANCE WITH THIS PART 54 AND SHALL REPORT SPECIFIC
3 OCCURRENCES OF NONCOMPLIANCE TO THE DEPARTMENT.

4 **39-22-5408. Repeal.** THIS PART 54 IS REPEALED, EFFECTIVE
5 DECEMBER 31, 2049.

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

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

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

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

20 (C) Nine hundred eighty-five thousand three hundred thirty-five
21 dollars for the state fiscal year ~~YEARS~~ 2021-22, ~~and each state fiscal year~~
22 ~~thereafter~~ 2022-23, ~~and~~ 2023-24; **and**

23 (D) ~~THIRTY-FIVE MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND~~
24 ~~THREE HUNDRED THIRTY-FIVE DOLLARS FOR THE STATE FISCAL YEAR~~
25 ~~2024-25 AND EACH STATE FISCAL YEAR THEREAFTER.~~

26 **SECTION 7. Appropriation.** (1) For the 2024-25 state fiscal
27 year, \$183,138 is appropriated to the office of the governor for use by the

1 Colorado energy office. This appropriation is from the general fund and
2 is based on the assumption that the office will require an additional 0.8
3 FTE. To implement this act, the office may use this appropriation for
4 program administration.

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

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