following:

HOUSE COMMITTEE OF REFERENCE REPORT

	May 2, 2023
Chair of Committee	Date
Committee on <u>Transportation</u> , <u>Housing & Local Government</u> .	
After consideration on the merits, the	he Committee recommends the

SB23-213 be amended as follows, and as so amended, be referred to the Committee on <u>Appropriations</u> with favorable recommendation:

Amend reengrossed bill, page 7, after line 1 insert:

"SECTION 1. Legislative declaration. (1) (a) (I) The general assembly finds and declares that:

- (A) Colorado housing is currently among the most expensive in the nation. In 2021, Colorado had the sixth highest median home values and the fourth highest median gross rent but only the tenth highest median income, according to the state demographer;
- (B) Between 2010 and 2021, the percentage of Coloradans making less than seventy-five thousand dollars a year who were housing cost-burdened, meaning they spend more than thirty percent of their income on housing needs, increased from fifty-four percent to sixty-one percent, and, for renters making less than seventy-five thousand dollars a year, that percentage increased from fifty-nine percent to seventy-three percent, according to the American Community Survey;
- (C) Colorado's housing supply has not kept pace with population growth. Between 2010 and 2020, the state added one hundred twenty-six thousand fewer housing units than in the prior decade, despite the population increasing by a similar amount in each decade. The state has an unmet housing need, as of 2022, of between sixty-five thousand and ninety thousand units, according to the state demographer;
- (D) Many cities restrict the development of more compact affordable home types, such as accessory dwelling units, townhomes, duplexes, and multifamily homes, on most of their residential land;
- (E) Older adults represent the fastest growing segment of Colorado's population and have diverse housing needs that are not being adequately met in the current housing market, including the need for more accessible and affordable housing units built with universal design and

located within age-friendly communities. The housing and land use policies of the state must be informed by the findings and recommendations of the strategic action plan on aging, developed pursuant to section 24-32-3406, prior to the repeal of that section, and the lifelong Colorado initiative created in section 26-11-302, including the eight realms of livable and age-friendly communities.

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- (F) The ten largest municipalities in the Denver metropolitan area allow single-unit detached dwellings as a use by right on over eighty-five percent of their residential land, compared to allowing as a use by right an estimated twenty-four percent of their residential land for accessory dwelling units, thirty-three percent of their residential land for townhomes, thirty-one percent of their residential land for duplexes up to quadplexes, and thirty-five percent of their residential land for multifamily homes, according to publicly available zoning data;
- (G) The ten largest municipalities in the Denver metropolitan area require a minimum lot size of over five thousand square feet on more than half of their residential land, according to publicly available zoning data;
- (H) These types of common zoning practices make it difficult to build more affordable home types and have historically been used to exclude low-income residents and renters;
- (I) To stabilize housing prices and ensure development of housing to meet the state's growing need, the state must increase its housing supply to address the unmet housing need from the past decade and plan for future household growth; and
- (J) Displacement from low-income neighborhoods has occurred in Colorado under current land use regulations as housing rents and prices have increased faster than wages, which has fundamentally changed the demographics of some areas. These pressures have led to both direct displacement of individual households from homes they can no longer afford and indirect displacement as the result of changes in the neighborhood population as low-income residents move out and the vacated units are no longer affordable to similar households. As the state and local governments seek to increase housing options and affordability, it is essential to take steps to mitigate further displacement and enable residents to stay in their neighborhoods if they wish.
- (II) Therefore, the general assembly finds, determines and declares that the lack of housing is a critical problem that threatens the economic, environmental, and social quality of life in Colorado.
 - (b) (I) The general assembly finds and declares that:
- (A) The consequences of land use policies that limit housing supply and diversity include a lack of housing that is affordable to Coloradans of low and moderate incomes, a lack of housing to support employment growth, an imbalance in jobs and housing, segregated and

unequal communities, reduced mobility and long commutes, reduced options for older adults to age in their community of choice, loss of open space and agricultural land, high water usage, and increased greenhouse gas and air pollution;

- (B) When a local government's policies reduce and limit the supply of housing, neighboring local governments are also affected by more people seeking affordable housing; and
- (C) People are not able to live near where they work, leading to longer commutes, putting additional strain on Colorado's roads, and increasing pollution.
- (II) Therefore, the general assembly finds, determines, and declares that the lack of housing supply and unsustainable development patterns are partially caused by local government policies that effectively limit the construction of a diverse range of housing types in areas already served by infrastructure or in close proximity to jobs and public transit.
- (c) (I) The general assembly further finds and declares that the general assembly and the people of Colorado have made historic investments in affordable housing, including the following:
- (A) In 2021 and 2022, the general assembly approved close to one billion dollars for affordable housing investments funded primarily by the federal "American Rescue Plan Act of 2021", Pub.L. 117-2, and the general fund; and
- (B) In the November 2022 election, Colorado voters approved Proposition 123, which will dedicate an estimated three hundred million dollars per year to affordable housing.
- (II) Therefore, the general assembly finds, determines, and declares that, coupled with historic investments in affordable housing, reforms to local land use regulations can accelerate an increase in housing supply that is affordable at all income levels and accessible for people of all ages and abilities.
- (A) National studies, such as the article "Relationships between Density and per Capita Municipal Spending in the United States", published in Urban Science, have found that lower density communities have higher government capital and maintenance costs for water, sewer, and transportation infrastructure, and lower property and sales tax revenues. These increased costs are often borne by both state and local governments.
- (B) A study for a rural resort municipality in Colorado found that doubling the average residential density for future growth would save thirty-one percent in capital and maintenance costs over twenty years.
- (2) The general assembly finds and declares that the availability of affordable housing is a matter of mixed statewide and local concern. Therefore, it is the intent of the general assembly in enacting this act to:

(a) Create a more consistent ability statewide to develop a variety of housing types, limit the ability of local governments to reduce density or render infeasible housing development projects that can address the state's housing shortage for all parts of the income spectrum, and support more fiscally and environmentally sustainable development patterns;

- (b) Improve regional collaboration and outcomes by reducing the ability of individual local governments' land use restrictions to negatively influence regional concerns such as housing affordability, open space, traffic, and air pollution; and
- (c) Increase housing supply, allow more compact development, encourage more affordable housing, encourage more environmentally and fiscally sustainable development patterns, encourage housing patterns that conserve water resources, and encourage housing units that are located in close proximity to public transit, places of employment, and everyday needs.
- (3) In finding and declaring that land use policies that affect housing supply are matters of mixed statewide and local concern, the general assembly finds and declares that there is a need for uniformity in policies that affect housing supply because:
- (a) The state has an interest in planning for future growth. The state demographer estimates that between 2023 and 2030 the state will add an average of thirty-five thousand households per year, and that between 2030 and 2040 the state will add an additional twenty-nine thousand six hundred households per year. According to the state demographer, households headed by a household age sixty-five and above are expected to increase by 197,000 from 2020 to 2030, meaning over half of the growth in households across the state is expected to be households over sixty-five.
- (b) Housing supply impacts housing affordability. Housing prices are typically higher when housing supply is restricted by local land use regulations in the metropolitan region, according to studies such as the National Bureau of Economic Research's working papers "Regulation and Housing Supply", "The Impact of Zoning on Housing Affordability", and "The Impact of Local Residential Land Use Restrictions on Land Values Across and Within Single Family Housing Markets".
- (c) Increasing housing supply moderates price increases and improves housing affordability across all incomes, according to studies such as "The Economic Implications of Housing Supply" in the Journal of Economic Perspectives and "Supply Skepticism: Housing Supply and Affordability" in Housing Policy Debate;
- (d) Academic research such as "The Impact of Building Restrictions on Housing Affordability" in the Federal Reserve Bank of New York Economic Policy Review has identified zoning and other land

use controls as a primary driver of rising housing costs in the most expensive housing markets;

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- (e) Local land use regulations influence what types of housing are built throughout the state and can restrict more affordable housing options;
- (f) Between 2000 and 2019, over seventy percent of homes built in Colorado were single-unit detached dwellings, while less than three percent of homes were duplexes to quadplexes, and less than twenty-five percent of homes were homes in multifamily buildings with five or more units, according to the American Community Survey;
- (g) Middle housing and multifamily housing types are more affordable than detached dwellings, in part because land costs are shared between more households;
- (h) In 2019, Colorado duplexes and larger multifamily housing units cost between fourteen to forty-three percent less to own, and between nine to twenty-six percent less to rent, than single-unit detached dwellings depending on the type of housing, according to the American Community Survey;
- (i) Proposed market-rate and affordable housing projects are routinely delayed or denied due to discretionary and subjective political processes and land use regulations that limit denser development either directly or indirectly;
- (j) According to a 2022 article titled "Does Discretion Delay Development?", in the American Planning Association Journal, residential projects using by-right approval processes are approved twenty-eight percent faster than those using discretionary approval processes, and faster approval times reduce developer costs and therefore housing costs;
- (k) Compact housing types such as duplexes, townhomes, and multifamily homes also use significantly less energy for heating, cooling, and electricity than detached dwellings, which saves residents money and results in lower emissions;
- (l) In Colorado, household energy savings range from forty percent less for townhomes to seventy percent less for larger multifamily homes compared to single-unit detached dwellings, according to residential housing stock data from the National Renewable Energy Laboratory;
- (m) The state has an interest in ensuring economic mobility by increasing affordable housing opportunities throughout the state:
- (I) Researchers have demonstrated that restrictive local land use regulations help explain segregation income within metropolitan areas, which leads to disparate incomes and access to opportunities;
 - (II) In Colorado, households with the lowest incomes experienced

the highest rates of housing cost burden, according to the American Community Survey;

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- (III) Housing costs can dictate the quality of a child's education, and the highest performing schools are located in areas with the highest housing costs;
- (IV) According to a Brookings Institution report entitled "Housing Costs, Zoning, and Access to High Scoring Schools" that analyzed the one hundred largest metropolitan areas in the United States, housing costs an average of two and four-tenths times as much near a high-scoring public school than near a low-scoring one. The same study found that metro areas with the least restrictive zoning have housing cost gaps between high-scoring and low-scoring schools that are sixty-three percent lower than metro areas with the most restrictive zoning.
- (V) Researchers have also found that upward mobility is significantly greater in more compact development areas than in low density areas, primarily due to better job accessibility by multiple transportation modes, according to the study "Does urban sprawl hold down upward mobility?", published in the journal of Landscape and Urban Planning.
- (VI) Nationwide, cities with the highest housing costs and lowest vacancy rates experience the highest rates of homelessness, according to a report by the Urban Institute, "Unsheltered Homelessness Trends, Characteristics, and Homeless Histories". These indicators explain a greater portion of the variation in regional rates of homelessness than other commonly assumed factors, such as poverty rate, substance use, or mental illness, according to a study in the European Journal of Housing Policy, "The Economics of Homelessness: The Evidence from North America".
- (VII) Through legislation such as House Bill 21-1266 and Senate Bill 21-272, the state has made significant efforts to identify disproportionately impacted communities and to prioritize benefits to these communities;
- (VIII) Researchers in the article "Housing Constraints and Spatial Misallocation", in the American Economic Journal, found that restrictions on new housing supply in high productivity places limit the number of workers who have access to jobs in those places, which over the past several decades they estimate has lowered aggregate economic growth in the United States by thirty-six percent;
- (IX) Researchers in the study "Unaffordable Housing and Local Employment Growth", published by the Federal Reserve Bank of Boston, found that metropolitan areas in the United States and counties with lower housing affordability experience significantly less employment growth; and

(X) Within regions, national surveys have found that a lack of affordable housing within a reasonable commuting distance impacts businesses' ability to attract and retain workers, according to a literature review conducted by the Center for Housing Policy; and

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- (n) The state has an interest in advancing efficient water use, and local government decisions that encourage dispersed, low density development negatively affect the state's water supply:
- (I) Efficient water use is essential for creating vibrant communities that balance water supply and demand needs to create a sustainable urban landscape, according to the vision laid out in the Colorado water plan;
- (II) Compact infill development reduces water demand and infrastructure costs through shorter pipes that reduce losses, less landscaped space per unit, and better use of existing infrastructure; and
- (III) Compared to a single-unit detached dwelling, accessory dwelling units use twenty-two percent less water, small multifamily homes sixty-three percent less, and larger multifamily homes eighty-six percent less, based on data from Denver and Aurora water users analyzed for the Colorado water and growth dialogue Final Report in 2018.
- (4) (a) The general assembly finds and declares that there is an extraterritorial impact when local governments enact local ordinances that have impacts that cross jurisdictional lines because:
- (I) Local restrictions on housing push people further from their work and increase driving commute times;
- (II) Communities with the most restrictive local land use regulations often enable job growth while limiting the ability of housing growth to keep pace, which affects the pace of housing development in neighboring jurisdictions. This results in regional imbalances between jobs and housing that researchers have found have a significant impact on vehicle miles traveled and commute times, according to studies such as "Which Reduces Vehicle Travel More: Jobs-Housing Balance or Retail-Housing Mixing?", published in the Journal of the American Planning Association.
- (III) In the ten rural resort municipalities with the highest jobs to housing ratios in the state, over ninety percent of workers commute from other jurisdictions, according to housing data from the 2020 federal decennial Census and jobs and commuting data from the Longitudinal Employer-Household Dynamics Origin-Destination Employment Dataset from the Census;
- (IV) The ten rural resort municipalities with the highest jobs to housing ratios in the state added eighteen percent fewer housing units per capita and their commute times for workers were seventeen percent longer on average than jurisdictions in rural resort counties as a whole,

according to data from the 2020 federal decennial Census, American Community Survey, and the Longitudinal Employer-Household Dynamics Origin-Destination Employment Dataset from the Census;

- (V) Nationwide, the number of jobs within the typical commute distance for residents in major metropolitan areas has declined over time according to a report by the Brookings Institution titled "The Growing Distance Between People and Jobs in Metropolitan America";
- (VI) Coloradans drive more miles per person than they used to, in part due to dispersed, low-density development patterns, putting stress on transportation infrastructure and increasing household costs;
- (VII) Since 1981, per capita vehicle miles traveled in Colorado have risen by over twenty percent according to data from the Federal Highway Administration;
- (VIII) High transportation costs impact low-income households in particular, with households making less than forty-thousand dollars per year in the western United States spending over twenty-four percent of their income on transportation, when spending more than fifteen percent of income on transportation is considered cost burdened, according to data from the Bureau of Labor Statistics Consumer Expenditure Surveys; and
- (IX) In Colorado, households in more dense areas, census tracts with more than four thousand units per square mile or about fifteen units per acre, drive twenty percent less than the state average, and higher density areas, census tracts with more than ten thousand units per square mile or about forty units per acre, drive forty percent less than the state average, according to data from the 2017 National Household Travel Survey; and
- (b) The increase in vehicle traffic due to local land use restrictions also has an environmental extraterritorial impact:
- (I) Vehicle traffic, which increases when land use patterns are more dispersed, contributes twenty percent of nitrogen oxides emissions, a key ozone precursor, according to the Executive Summary of the Moderate Area Ozone SIP for the 2015 Ozone NAAQS by the Regional Air Quality Council;
- (II) The United States environmental protection agency has classified the Denver Metro/North Front Range area as being in severe non-attainment for ozone and ground level ozone, which has serious impacts on human health, particularly for vulnerable populations;
- (III) According to the greenhouse gas pollution reduction roadmap, published by the Colorado energy office and dated January 14, 2021, the transportation sector is the single largest source of greenhouse gas pollution in Colorado;
 - (IV) Nearly sixty percent of the greenhouse gas emissions from

the transportation sector come from light-duty vehicles, the majority of cars and trucks that Coloradans drive every day;

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- (V) As part of the greenhouse gas pollution reduction roadmap, a strategic action plan to achieve legislatively adopted targets of reducing greenhouse gas pollution economy-wide by fifty percent below 2005 levels by 2030 and ninety percent by 2050, the state committed to reducing emissions from the transportation sector by forty-one percent by 2030 from a 2005 baseline;
- (VI) The Greenhouse Gas Transportation Planning Standard adopted by the Transportation Commission in 2021 set a target to reduce transportation greenhouse gas emissions through the transportation planning process by one million five hundred thousand tons by 2030;
- (VII) Local government land use decisions that require a minimum amount of parking spaces beyond what is necessary to meet market demand increase vehicle miles traveled and associated greenhouse gas emissions. According to the UCLA Institute of Transportation Studies article titled "What Do Residential Lotteries Show Us About Transportation Choices", higher amounts of free parking provided in residential developments cause higher rates of vehicle ownership, higher rates of vehicle miles traveled, and less frequent transit use.
- (VIII) Local government land use decisions that require a minimum amount of parking spaces increase the cost of new residential projects, which increases housing costs. According to the Regional Transportation District study "Residential Parking in Station Areas: A Study of Metro Denver", structured parking spaces in the Denver metropolitan areas cost twenty-five thousand dollars each to build in 2020, and use space which would otherwise be used for revenue generating residential units, decreasing the profitability of residential development. As a result, parking requirements may discourage developers from building new residential projects, or, if they do move forward with projects, force them to recoup the costs of building excessive parking by increasing housing prices.
- (5) (a) Local land use policies that encourage dispersed, low density development have an impact on open space and agricultural land, and exposure to climate hazards outside of their jurisdictional limits:
- (I) A study of urbanized areas in the United States, "The Effect of Land-Use Controls on the Spatial Size of U.S. Urbanized Areas", in the Journal of Regional Science, found that the presence of density restrictions such as minimum lot sizes and floor area ratio limits result in larger urbanized areas;
- (II) Enabling denser housing near transit and in already developed areas can limit continued loss of agricultural and natural lands;
 - (III) Between 1982 and 2017, Colorado lost over twenty-five

- percent of its agricultural cropland, according to data from the National Resources Inventory published by the United States department of agriculture, and, over the same time period, the size of urban and built-up areas grew faster than the population by over one hundred percent compared to eighty-three percent;
 - (IV) Encouraging growth in infill locations is an important strategy for minimizing wildfire risk by limiting the growth of households in fire-prone areas; and
 - (V) Between 2012 and 2017, the number of people living in the wildland-urban interface increased by nearly fifty percent according to the Colorado state forest service.
- (b) Therefore, the general assembly finds, determines and declares
 that local government land use decisions that limit housing and encourage
 dispersed low-density development impact local and state government
 fiscal health and the business community.".
- 16 Renumber succeeding sections accordingly.
- 17 Page 9, after line 21 insert:
- 18 "(2) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT THE
- 19 DEVELOPMENT AND USE OF LAND IS A MATTER OF MIXED STATEWIDE AND
- 20 LOCAL CONCERN.".

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- 21 Page 10, strike lines 8 through 11 and substitute:
- 22 "(3) "Affordable housing" means housing for which low-
- 23 AND MODERATE-INCOME HOUSEHOLDS DO NOT SPEND MORE THAN THIRTY
- 24 PERCENT OF THEIR HOUSEHOLD INCOME ON HOUSING COSTS.".
- 25 Page 10, strike lines 14 through 17.
- 26 Renumber succeeding subsections accordingly.
- 27 Page 11, strike lines 19 through 27.
- Page 12, strike lines 1 through 19 and substitute:
- 29 "(9) "DISPLACEMENT" MEANS THE INVOLUNTARY RELOCATION OF 30 LOW-INCOME RESIDENTS DUE TO:
- 31 (a) INCREASED RENTS OR NEW DEVELOPMENT RESULTING IN A 32 HIGHER AREA MEDIAN INCOME THAN THE CURRENT NEIGHBORHOOD;
- 33 (b) DISCRIMINATORY POLICIES OR ACTIONS, SUCH AS BANNING

- 1 TENANTS WITH HOUSING VOUCHERS, ELIMINATING UNITS LARGE ENOUGH 2 FOR HOUSEHOLDS WITH CHILDREN, OR LAND USE OR ZONING THAT FOSTERS 3 A CHANGE IN THE AVERAGE AREA MEDIAN INCOME OF AN AREA;
 - (c) WIDESPREAD DECREASE IN SOCIAL AND CULTURAL COMMUNITY-SERVING BUSINESSES AND ENTITIES;
 - (d) DETERIORATION OF PHYSICAL CONDITIONS THAT RENDER RESIDENCES UNINHABITABLE; OR
- 8 (e) Increased real estate prices, rents, property taxes, 9 New Development including amenities, and other economic 10 factors.".

Page 13, strike lines 9 through 14 and substitute:

- "(14) "HISTORIC DISTRICT" MEANS A DISTRICT ESTABLISHED BY LOCAL LAW THAT MEETS THE DEFINITION OF "DISTRICT" SET FORTH IN 36 CFR 60.3 (d).
- 15 (15) "HISTORIC PROPERTY" MEANS A PROPERTY LISTED ON THE
 16 NATIONAL REGISTER OF HISTORIC PLACES, LISTED ON THE COLORADO
 17 STATE REGISTER OF HISTORIC PROPERTIES, OR LISTED AS A CONTRIBUTING
 18 STRUCTURE OR HISTORIC LANDMARK BY A CERTIFIED LOCAL
 19 GOVERNMENT, AS DEFINED IN SECTION 39-22-514.5 (2)(b).
- 20 (16) "INDUSTRIAL USE" MEANS A BUSINESS USE OR ACTIVITY AT A
 21 SCALE GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING,
 22 FABRICATION, ASSEMBLY, WAREHOUSING, OR STORAGE.".
- 23 Renumber succeeding subsections accordingly.
- 24 Page 15, after line 9 insert:

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- "(28) "NET DENSITY" MEANS THE NUMBER OF RESIDENTIAL UNITS
 PER ACRE OF TOTAL RESIDENTIAL LAND AREA, EXCLUDING LAND OCCUPIED
 BY PUBLIC RIGHTS-OF-WAY AND ANY RECREATIONAL, CIVIC, COMMERCIAL,
 AND OTHER NONRESIDENTIAL USES.
- 29 (29) "OBJECTIVE PROCEDURE" MEANS A DEVELOPMENT REVIEW 30 PROCEDURE OR PROCESS THAT DOES NOT INVOLVE A DISCRETIONARY APPROVAL PROCESS.".
- 32 Renumber succeeding subsections accordingly.
- Page 17, after line 6 insert:
- "(36) "STANDARD EXEMPT PARCEL" MEANS A PARCEL THAT:
- 35 (a) Lies entirely outside of an area that is designated as

- 1 AN URBANIZED AREA BY THE MOST RECENT FEDERAL DECENNIAL CENSUS;
- 2 (b) Is not served by a domestic water and sewage 3 treatment system, as defined in section 24-65.1-104 (5);
- 4 (c) Is in an agricultural, forestry, natural resource preservation, or open space zoning district;
- 6 (d) Is a historic property that is not within a historic 7 district; or
- 8 (e) Is in a floodway or in a one hundred year floodplain, 9 as identified by the federal emergency management agency.".
- 10 Renumber succeeding subsections accordingly.
- 11 Page 19, after line 1 insert:
- 12 "(46) "USE BY RIGHT" MEANS A LAND USE, THE DEVELOPMENT OF
- 13 WHICH PROCEEDS UNDER OBJECTIVE STANDARDS SET FORTH IN ZONING OR
- 14 OTHER LOCAL LAWS, AND THAT DOES NOT HAVE A DISCRETIONARY
- 15 APPROVAL PROCESS.".
- Page 19, line 10, strike "FOURTEEN" and substitute "FIFTEEN".
- Page 19, line 15, strike "OF" and substitute "OR".
- 18 Page 19, after line 21 insert:
- 19 "(VI) THE DIRECTOR OF THE OFFICE OF ECONOMIC DEVELOPMENT,
- 20 OR THE DIRECTOR'S DESIGNEE;".
- 21 Renumber succeeding subparagraphs accordingly.
- Page 20, line 5, strike "A TIER ONE" and substitute "TIER TWO".
- 23 Page 21, line 5, strike "(3)(a)(I), (3)(a)(II),".
- Page 21, strike lines 6 through 9 and substitute "(3)(a)(VII), (3)(a)(IX),
- 25 (3)(a)(XI), (3)(a)(XIII), AND (3)(a)(XV) OF THIS SECTION IS TWO YEARS
- 26 AND THE TERM OF EACH MEMBER INITIALLY APPOINTED PURSUANT TO
- 27 SUBSECTIONS (3)(a)(VIII), (3)(a)(X), (3)(a)(XII), AND (3)(a)(XIV) IS".
- Page 22, line 4, after "SUBCOMMITTEE," insert "THE TWO MEMBERS OF
- 29 THE TASK FORCE CONCERNING AFFORDABLE HOUSING AND HOMELESSNESS
- 30 ESTABLISHED IN SECTION 29-33-118(1) APPOINTED PURSUANT TO SECTION
- 31 29-33-118 (2)(b)(II) AND (2)(b)(IV),".

- Page 22, strike lines 5 through 7 and substitute "TEN OTHER MEMBERS AS FOLLOWS:
- (I) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM A COUNTY CONTAINING A RURAL RESORT JOB CENTER, APPOINTED BY THE GOVERNOR;
- (II) TWO MEMBERS WHO ARE STAFF-LEVEL REPRESENTATIVES FROM TWO DIFFERENT RURAL RESORT JOB CENTERS, APPOINTED BY THE PRESIDENT OF THE SENATE;
- (III) ONE MEMBER WHO HAS A BACKGROUND IN AFFORDABLE HOUSING ADVOCACY WITH EXPERIENCE IN A RURAL RESORT JOB CENTER, APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES;
- 12 (IV) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM 13 A HOUSING AUTHORITY SERVING A RURAL RESORT JOB CENTER, APPOINTED 14 BY THE GOVERNOR;
 - (V) ONE MEMBER WHO HAS A BACKGROUND IN NOT-FOR-PROFIT OR FOR-PROFIT HOUSING DEVELOPMENT IN RURAL RESORT JOB CENTERS, APPOINTED BY THE GOVERNOR;
 - (VI) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVES FROM UTILITY SERVICE PROVIDERS THAT PROVIDE SERVICES TO RURAL RESORT JOB CENTERS, INCLUDING BUT NOT LIMITED TO WATER, WASTEWATER, AND ELECTRIC UTILITIES, APPOINTED BY THE MINORITY LEADER OF THE SENATE;
 - (VII) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM UTILITY SERVICE PROVIDERS THAT PROVIDE SERVICES TO RURAL RESORT JOB CENTERS, INCLUDING BUT NOT LIMITED TO WATER, WASTEWATER, AND ELECTRIC UTILITIES, APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES;
 - (VIII) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM A TRANSIT AGENCY THAT PROVIDES SERVICES TO A RURAL RESORT JOB CENTER OR THAT WORKS AS A TRANSPORTATION PLANNER IN A RURAL RESORT JOB CENTER, APPOINTED BY THE GOVERNOR; AND
- 31 (IX) ONE MEMBER WHO IS A RECREATION INDUSTRY EMPLOYER, 32 HOSPITALITY INDUSTRY EMPLOYER, OR OTHER EMPLOYER WHO EMPLOYS 33 AT LEAST SEVENTY-FIVE EMPLOYEES WHO WORK IN RURAL RESORT JOB 34 CENTERS, APPOINTED BY THE GOVERNOR.".
- Page 22, strike lines 14 through 16 and substitute "AREA JOB CENTER"
- 36 MUNICIPALITIES, ALLOW AT LEAST A SIXTY-DAY PUBLIC COMMENT PERIOD,
- 37 AND HOLD A PUBLIC HEARING ON THE RECOMMENDATIONS DURING THE
- 38 COMMENT PERIOD.".

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- 39 Page 22, strike lines 21 through 25 and substitute "PURSUANT TO
- 40 SUBSECTIONS (3)(a)(VII), (3)(a)(VIII), (3)(a)(IX), AND (3)(a)(X) OF THIS
- 41 SECTION, WHO SHALL SERVE AS THE CHAIR OF THE SUBCOMMITTEE, THE

TWO MEMBERS OF THE TASK FORCE CONCERNING AFFORDABLE HOUSING AND HOMELESSNESS ESTABLISHED IN SECTION 29-33-118 (1) APPOINTED PURSUANT TO SECTION 29-33-118 (2)(b)(I) AND (2)(b)(III), AND TEN OTHER MEMBERS AS FOLLOWS:

- (I) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM A COUNTY CONTAINING AN URBAN MUNICIPALITY, APPOINTED BY THE GOVERNOR;
- (II) TWO MEMBERS WHO ARE STAFF-LEVEL REPRESENTATIVES FROM TWO DIFFERENT TIER ONE URBAN MUNICIPALITIES, APPOINTED BY THE PRESIDENT OF THE SENATE;
- (III) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM A TIER TWO URBAN MUNICIPALITY, APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES;
- (IV) ONE MEMBER WHO HAS A BACKGROUND IN AFFORDABLE HOUSING ADVOCACY SERVING AN AREA WITHIN A URBAN MUNICIPALITY METROPOLITAN PLANNING ORGANIZATION REGION, APPOINTED BY THE GOVERNOR;
- (V) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM A HOUSING AUTHORITY SERVING AN AREA WITHIN A METROPOLITAN PLANNING ORGANIZATION REGION, APPOINTED BY THE GOVERNOR;
- (VI) ONE MEMBER WHO HAS A BACKGROUND IN NOT-FOR-PROFIT OR FOR-PROFIT HOUSING DEVELOPMENT WITHIN A METROPOLITAN PLANNING ORGANIZATION REGION, APPOINTED BY THE GOVERNOR;
- (VII) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM UTILITY SERVICE PROVIDERS THAT PROVIDE SERVICES WITHIN A METROPOLITAN PLANNING ORGANIZATION REGION, INCLUDING BUT NOT LIMITED TO WATER, WASTEWATER, AND ELECTRIC UTILITIES APPOINTED BY THE MINORITY LEADER OF THE HOUSE;
- (VIII) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM UTILITY SERVICE PROVIDERS THAT PROVIDE SERVICES WITHIN A METROPOLITAN PLANNING ORGANIZATION REGION, INCLUDING BUT NOT LIMITED TO WATER, WASTEWATER, AND ELECTRIC UTILITIES, APPOINTED BY THE MINORITY LEADER OF THE SENATE; AND
- 34 (IX) ONE MEMBER WHO IS A STAFF-LEVEL REPRESENTATIVE FROM
 35 A TRANSIT AGENCY THAT PROVIDES SERVICES WITHIN A TIER ONE OR TIER
 36 TWO MUNICIPALITY OR IS A TRANSPORTATION PLANNER WITH A
 37 METROPOLITAN PLANNING ORGANIZATION, APPOINTED BY THE
 38 GOVERNOR.".
- Page 23, strike lines 4 through 6 and substitute "RECOMMENDATION TO
- 40 ALL URBAN MUNICIPALITIES, ALLOW AT LEAST A SIXTY-DAY PUBLIC
- 41 COMMENT PERIOD, AND HOLD A PUBLIC HEARING ON THE
- 42 RECOMMENDATIONS DURING THE COMMENT PERIOD.".

- 1 Page 24, line 27, after "OFFICE;" insert "AND".
- 2 Page 25, strike line 1.
- 3 Renumber succeeding subparagraph accordingly.
- 4 Page 26, line 16, strike "AND" and substitute "OR".
- 5 Page 26, line 19, strike "STOCK;" and substitute "STOCK.".
- 6 Page 26, line 21, strike "MAY" and substitute "MUST".
- Page 26, line 23, strike "Housing" and substitute "Urban municipality
- 8 housing".
- 9 Page 27, strike lines 5 and 6.
- 10 Renumber succeeding subsections accordingly.
- Page 28, strike lines 14 through 16 and substitute "IDENTIFICATION OF
- 12 HOUSING RESOURCES AND CHANGES TO LOCAL LAWS;".
- 13 Page 28, strike line 19 and substitute:
- 14 "(e) A DESCRIPTION OF AND AN IMPLEMENTATION PLAN FOR AT
- 15 LEAST ONE STRATEGY THAT THE".
- Page 29, strike lines 1 through 4 and substitute:
- 17 "(f) In the case of an urban municipality with a
- 18 TRANSIT-ORIENTED AREA, AT LEAST TWO STRATEGIES FROM THE LIST OF
- 19 AFFORDABLE DEVELOPMENT STRATEGIES IN SECTION 29-33-106 (1) AND
- 20 AT LEAST ONE STRATEGY FROM THE LIST OF LONG-TERM AFFORDABILITY
- 21 STRATEGIES IN SECTION 29-33-106 (2); AND".
- 22 Reletter succeeding paragraph accordingly.
- Page 29, line10 strike "AREAS; AND".
- Page 29, strike lines 11 through 15 and substitute "AREAS.".
- Page 29, line 17, after "PLAN" insert "OR INFORMATION FROM THAT
- 26 ANALYSIS".

- 1 Page 29, line 27, strike "PLAN TO ADDRESS LOCAL HOUSING NEEDS." and
- 2 substitute "PLAN.".
- 3 Page 30, line 1, strike "COUNCIL OF GOVERNMENT," and substitute
- 4 "METROPOLITAN PLANNING ORGANIZATION,".
- 5 Page 30, line 3, strike "SHALL" and substitute "MAY".
- 6 Page 30, line 4, strike "COUNCILS OF GOVERNMENT," and substitute
- 7 "METROPOLITAN PLANNING ORGANIZATION,".
- 8 Page 30, line 8, strike "PARTICIPATION IN THE" and substitute "REGIONAL".
- 9 Page 30, line 10, after "THE" insert "REGIONAL".
- 10 Page 30, line 12, strike "STRATEGIES" and substitute "HOUSING
- 11 PRODUCTION STRATEGIES AND COMMITMENTS".
- 12 Page 30, line 17, strike "COUNCILS OF GOVERNMENT," and substitute "A
- 13 METROPOLITAN PLANNING ORGANIZATION,".
- 14 Page 30, line 22, strike "COUNCILS OF GOVERNMENT," and substitute
- 15 "METROPOLITAN PLANNING ORGANIZATIONS,".
- Page 30, strike lines 26 and 27.
- 17 Page 31, strike lines 1 through 11.
- Page 31, line 12, after "(7)" insert "Strategic growth and housing mix
- 19 analysis.".
- Page 31, line 21, strike "CENSUS-DEFINED" and substitute "CENSUS".
- Page 32, line 1, after "TO" insert "RECENT AND".
- Page 32, strike lines 2 through 5 and substitute "EXISTING GROWTH
- 23 PATTERNS. METROPOLITAN PLANNING".
- Page 33, strike lines 12 through 17 and substitute:
- 25 "(b) THE CREATION OF A PROGRAM TO PRIORITIZE DEVELOPMENT
- 26 PERMITS AND SUBSIDIZE OR OTHERWISE REDUCE IMPACT FEES OR OTHER
- 27 SIMILAR DEVELOPMENT CHARGES FOR REGULATED AFFORDABLE HOUSING

- 1 DEVELOPMENT WHERE APPLICABLE;".
- 2 Page 33, line 21, after "HEIGHT" insert "BEYOND WHAT IS REQUIRED BY
- 3 THIS ARTICLE 33".
- 4 Page 33, line 24, after "AREAS" insert "BEYOND WHAT IS REQUIRED BY
- 5 THIS ARTICLE 33, SUCH AS ADDITIONAL ZONE DISTRICTS, HIGHER ALLOWED
- 6 DENSITIES, OR OTHER APPROACHES THAT ARE".
- 7 Page 34, strike lines 5 through 8.
- 8 Reletter succeeding paragraphs accordingly.
- 9 Page 34, lines 9 and 10, strike "MIDDLE HOUSING, KEY CORRIDOR," and
- 10 substitute "KEY CORRIDOR".
- Page 34, line 10, strike "DENSITIES" and substitute "ZONING DISTRICTS".
- Page 34, line 13, after "THE" insert "REGULATED AFFORDABLE HOUSING".
- Page 34, strike lines 15 through 18 and substitute "OF UTILITIES, COST
- 14 EXEMPTIONS, AND DISCOUNTS;".
- Page 36, strike lines 15 through 19 and substitute "KNOWN HOUSING
- 16 NEEDS.".
- 17 Page 37, strike lines 2 through 27.
- 18 Strike pages 38 through 45.
- 19 Page 46, strike lines 1 and 2 and substitute:
- 20 "29-33-107. Displacement risk assessment and mitigation
- 21 strategies. (1) Displacement risk assessment and mitigation
- strategies guidelines. (a) No LATER THAN DECEMBER 31, 2024, THE
- 23 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL
- 24 DEVELOP GUIDANCE FOR MUNICIPALITIES TO CONDUCT A DISPLACEMENT
- 25 RISK ASSESSMENT AND IMPLEMENT DISPLACEMENT MITIGATION
- 26 STRATEGIES AND SHALL PROVIDE GUIDANCE REGARDING THE NUMBER OF
- 27 STRATEGIES THAT MUST BE SELECTED, BASED ON THE RESULTS OF THE
- 28 DISPLACEMENT RISK ASSESSMENT, TO SUPPORT URBAN MUNICIPALITIES
- 29 AND RURAL RESORT JOB CENTER MUNICIPALITIES IN PREVENTING
- 30 DISPLACEMENT AS PART OF THE REQUIRED HOUSING NEEDS PLAN

PURSUANT TO SECTION 29-33-105.

1 2

- (b) The displacement risk assessment, displacement mitigation strategies, and number of displacement mitigation strategies must provide adequate guidance and tools for municipalities to prevent displacement of low-income households from areas at high risk for displacement. In developing this guidance, the executive director of the department of local affairs shall consult with the multi-agency advisory committee and provide a method to receive input from the legislative oversight committee created in 29-32-117. The guidance must include how rural resort job centers should incorporate regional workforce and commuting pattern considerations in their displacement risk assessment and implementation of displacement mitigation measures.
- (2) **Displacement risk assessment.** (a) A DISPLACEMENT RISK ASSESSMENT MUST CONSIDER:
- (I) GEOGRAPHY AS DETERMINED WITH FEEDBACK GATHERED FROM THE RESIDENTS OF THE COMMUNITY IN ADDITION TO DATA ANALYZED AT THE CENSUS TRACT LEVEL OR SIMILAR GEOGRAPHIC SCALE FOR WHICH THERE IS DATA AVAILABLE;
- (II) INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY WARNING AND RESPONSE SYSTEMS THAT CAN HELP MUNICIPALITIES AND COMMUNITY ADVOCATES ANTICIPATE FUTURE DISPLACEMENT DUE TO RISING HOUSING COSTS;
- (III) BASELINE CENSUS DATA AND OTHER DATA POINTS THAT ARE UPDATED ON A FREQUENT BASIS;
 - (IV) QUALITATIVE AND QUANTITATIVE INDICATORS OF:
- (A) NEIGHBORHOOD CHANGE INCLUDING DEMOGRAPHIC AND ECONOMIC CHANGE RELATED TO RESIDENTS AND BUSINESSES IN THE NEIGHBORHOOD; AND
- (B) GENTRIFICATION, WHICH REFERS TO INCREASED ECONOMIC ACTIVITY OR VALUE IN A NEIGHBORHOOD, OFTEN DRIVEN BY PUBLIC AND PRIVATE INVESTMENT IN INFRASTRUCTURE AND AMENITIES, THAT LEADS TO AN INCREASE IN THE NEIGHBORHOOD AREA MEDIAN INCOME AND PROPERTY VALUES THAT IS OFTEN ACCOMPANIED BY A DISPLACEMENT OF LOW-INCOME RESIDENTS AND COMMUNITY SERVICING BUSINESSES AND INSTITUTIONS; AND
- (V) DISPLACEMENT, AS DEFINED IN SECTION 29-33-102 (9). DISPLACEMENT IS DISTINCT FROM RESIDENTIAL MOBILITY, WHICH INCLUDES VOLUNTARY HOUSEHOLD MOVEMENT.
- (b) THE GUIDANCE FOR A DISPLACEMENT RISK ASSESSMENT MAY INCLUDE THE FOLLOWING QUANTITATIVE FACTORS THAT CAN BE USED TO IDENTIFY RISKS FOR DISPLACEMENT AT THE CENSUS TRACT OR OTHER

1 SIMILAR GEOGRAPHIC SCALE FOR WHICH DATA IS AVAILABLE: 2 (I) THE PERCENTAGE OF HOUSEHOLDS THAT ARE EXTREMELY LOW-INCOME, VERY LOW-INCOME, AND LOW-INCOME, AS DEFINED BY THE 4 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; 5 (II) THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS; 6 (III) THE PERCENTAGE OF COST-BURDENED HOUSEHOLDS DEFINED 7 AS SPENDING MORE THAN THIRTY PERCENT OF THE RESIDENT'S INCOME ON 8 HOUSING NEEDS; 9 (IV) THE NUMBER OF ADULTS WHO ARE TWENTY-FIVE YEARS OF 10 AGE OR OLDER AND HAVE NOT EARNED AT LEAST A HIGH SCHOOL 11 DIPLOMA; 12 (V) THE PERCENTAGE OF HOUSEHOLDS IN WHICH THE PRIMARY 13 LANGUAGE THAT IS SPOKEN IS A LANGUAGE OTHER THAN ENGLISH; 14 (VI) THE PERCENTAGE OF RESIDENTS WHO WERE BORN OUTSIDE OF 15 THE UNITED STATES ACCORDING TO PUBLICLY AVAILABLE STATE AND 16 FEDERAL INFORMATION; 17 (VII) THE EMPLOYMENT RATE; 18 (VIII) THE PERCENTAGE OF WORKERS WHO LIVE WITHIN A 19 TEN-MILE RADIUS OF AN URBAN MUNICIPALITY OR A TWENTY-MILE RADIUS 20 OF A RURAL RESORT JOB CENTER; 21 (IX) THE PERCENTAGE OF HOUSEHOLDS THAT DO NOT HAVE 22 INTERNET ACCESS; 23 (X) THE PERCENTAGE OF HOUSING STOCK BUILT PRIOR TO 1970; 24 (XI) INSTITUTIONAL INVESTOR REAL ESTATE ACTIVITY IN THE 25 FOR-SALE MARKET WHERE THIS INFORMATION IS READILY AVAILABLE; 26 (XII) CHANGE IN LAND PRICES, RENTAL PRICES, PROPERTY VALUES, 27 AND OTHER REAL ESTATE AND HOUSING INDICATORS; 28 (XIII) THE NUMBER OF RENTERS WHO WERE LEGALLY EVICTED FOR 29 NONPAYMENT OF RENT IN THE PRIOR CALENDAR YEAR FOR ALL AREAS 30 WHERE THIS INFORMATION IS READILY AVAILABLE; 31 THE NUMBER OF COLORADO-OWNED 32 COLORADO-OPERATED SMALL BUSINESSES WITH TEN EMPLOYEES OR 33 FEWER WHERE THIS INFORMATION IS READILY AVAILABLE; AND 34 (XV) THE CHANGE IN THE NUMBER OF COLORADO-OWNED AND 35 COLORADO-OPERATED SMALL BUSINESSES WITH TEN EMPLOYEES OR 36 FEWER OVER FIVE YEARS WHERE THIS INFORMATION IS READILY 37 AVAILABLE. 38 (c) IN DEVELOPING A DISPLACEMENT RISK ASSESSMENT, URBAN 39 MUNICIPALITIES AND RURAL RESORT JOB CENTER MUNICIPALITIES MUST 40 ALSO CONDUCT INCLUSIVE COMMUNITY ENGAGEMENT WITH RESIDENTS OF 41 AREAS IDENTIFIED AS BEING AT ELEVATED RISK FOR DISPLACEMENT TO 42 ADDRESS ADDITIONAL QUALITATIVE INDICATORS OF DISPLACEMENT. 43 (3) Displacement mitigation strategies. (a) THE GOALS OF DISPLACEMENT MITIGATION STRATEGIES ARE TO ENSURE THAT:

- (I) VULNERABLE HOMEOWNERS AND RENTERS IN NEIGHBORHOODS EXPERIENCING GENTRIFICATION ARE NOT DISPLACED FROM THEIR CURRENT HOMES AND NEIGHBORHOODS;
- (II) THE EXISTING AFFORDABLE HOUSING STOCK, BOTH SUBSIDIZED AND UNSUBSIDIZED, IN GENTRIFYING NEIGHBORHOODS IS PRESERVED SO THAT DWELLING UNITS ARE IN GOOD CONDITION WHILE REMAINING AFFORDABLE TO LOW TO MODERATE -INCOME RESIDENTS;
- (III) CITY PLANNING AND LAND USE DECISIONS INCORPORATE INCLUSIVE AND EQUITABLE DISPLACEMENT MITIGATION STRATEGIES, AND LOW-INCOME PERSONS AND COMMUNITIES OF COLOR ARE EMPOWERED TO PARTICIPATE EARLY AND MEANINGFULLY IN LAND USE DECISIONS THAT SHAPE THEIR HOMES, NEIGHBORHOODS, AND COMMUNITIES;
- (IV) NEW AFFORDABLE HOUSING OPTIONS ARE CREATED TO SERVE CURRENT AND FUTURE VULNERABLE HOUSEHOLDS IN NEIGHBORHOODS EXPERIENCING GENTRIFICATION;
- (V) VULNERABLE RESIDENTS ARE ABLE TO REMAIN OR RETURN TO THEIR COMMUNITIES BY ACCESSING THE NEW AFFORDABLE HOUSING OPPORTUNITIES IN THEIR NEIGHBORHOODS; AND
- (VI) AN EQUAL OR GREATER AMOUNT OF AFFORDABLE HOUSING IS PROVIDED IN AREAS IDENTIFIED AS AT-RISK OF DISPLACEMENT BASED ON THE DISPLACEMENT RISK ASSESSMENT.
- (b) EACH OF THE DISPLACEMENT MITIGATION STRATEGIES MUST BE ABLE TO BE INCORPORATED BY URBAN MUNICIPALITIES AND RURAL RESORT JOB CENTER MUNICIPALITIES INTO THE MUNICIPALITY'S HOUSING NEEDS PLAN AS REQUIRED BY SECTION 29-33-105. THIS MENU OF DISPLACEMENT MITIGATION STRATEGIES MUST INCLUDE:
- (I) GUIDANCE AND RECOMMENDATIONS FOR HOW A LOCAL GOVERNMENT SHALL INCORPORATE THE DISPLACEMENT RISK ASSESSMENT REQUIRED PURSUANT TO SUBSECTION (1) OF THIS SECTION INTO A HOUSING NEEDS PLAN;
- (II) LONG-TERM DISPLACEMENT MITIGATION MEASURES FROM WHICH MUNICIPALITIES MUST CHOOSE TO ADDRESS AREAS IDENTIFIED IN THE DISPLACEMENT RISK ASSESSMENT REQUIRED BY SUBSECTION (2) OF THIS SECTION, WHICH MAY INCLUDE:
- (A) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE AND FINANCIAL SUPPORT FOR COMMUNITY ORGANIZATIONS TO DEVELOP INDEPENDENT COMMUNITY LAND TRUSTS;
- (B) LOCAL GOVERNMENT PLANNING FOR ACQUISITION AND REHABILITATING OF NATURALLY OCCURRING AFFORDABLE RENTALS, EITHER TO ENTER INTO A LAND TRUST OR TO INCLUDE AFFORDABILITY DEED RESTRICTIONS;
 - (C) IMPLEMENTING LOCAL RIGHT OF FIRST REFUSAL FOR EXPIRING

REGULATED AFFORDABLE HOUSING UNITS, PRIORITIZE LOCAL FUNDS TOWARD AFFORDABLE UNIT PRESERVATION, OR IMPLEMENTING OR CONTINUING DEED RESTRICTED AFFORDABLE HOUSING UNITS.

- (D) REQUIRING MULTIFAMILY DEVELOPERS WHO BUILD NEW LARGE MULTIFAMILY DEVELOPMENTS IN AREAS AT RISK OF DISPLACEMENT, AS IDENTIFIED BY THE DISPLACEMENT RISK ASSESSMENT, TO CREATE A COMMUNITY BENEFITS AGREEMENT WITH AFFECTED POPULATIONS IN CLOSE PROXIMITY TO THE DEVELOPMENT; AND
- (E) PROVIDING A PRIORITIZATION POLICY FOR CURRENT RESIDENTS IN NEW REGULATED AFFORDABLE HOUSING DEVELOPMENTS FOR THE FIRST FEW MONTHS OF WHEN UNITS ARE LEASED AFTER CONSTRUCTION;
- (III) SHORT-TERM DISPLACEMENT MITIGATION MEASURES FROM WHICH LOCAL GOVERNMENTS SHALL CHOOSE, WHICH MAY INCLUDE:
- (A) THE CREATION OF A LOCALLY FUNDED AND ADMINISTERED RENTAL AND MORTGAGE ASSISTANCE PROGRAM;
- (B) THE CREATION OF AN EVICTION AND FORECLOSURE NO-COST LEGAL REPRESENTATION PROGRAM;
- (C) THE ESTABLISHMENT OF A HOUSING COUNSELING AND NAVIGATION PROGRAM; AND
- (D) THE CREATION OF A PROPERTY TAX AND DOWN PAYMENT ASSISTANCE PROGRAM; AND
- (E) ANY OTHER STRATEGIES PROPOSED BY A LOCAL GOVERNMENT OR THE MULTI-AGENCY ADVISORY COMMITTEE THAT ARE APPROVED BY THE DEPARTMENT OF LOCAL AFFAIRS AND THAT SUPPORT THE GOALS OF THIS SECTION.
- (c) Municipalities shall adopt a minimum number of short-term and long-term displacement mitigation strategies as determined by the executive director of the department of local affairs. Municipalities may not count the same strategy towards satisfying both the minimum number of required strategies pursuant to the menu of affordability strategies required by section 29-33-106 and this subsection (3).
- (4) Assessment and strategies. No later than December 31, 2025, and every six years thereafter, in accordance with the Guidance for creating a displacement risk assessment and the selection of displacement mitigation strategies, every urban municipality and rural resort job center municipality shall develop, adopt, and submit a displacement risk assessment and a description of the evidence-based displacement mitigation strategies it selected to the department of local affairs as part of a housing needs plan required under section 29-33-105. The strategies that a municipality selects must be evidence-based

- AND INFORMED BY ITS DISPLACEMENT RISK ASSESSMENT AND THE MEDIAN INCOME OF AREAS IDENTIFIED AS AT RISK OF DISPLACEMENT. AN URBAN MUNICIPALITY AND RURAL RESORT JOB CENTER MUNICIPALITY SHALL PROVIDE SUPPORTING INFORMATION AND A NARRATIVE TO DEMONSTRATE HOW THE STRATEGIES WILL MITIGATE DISPLACEMENT AS IDENTIFIED IN THE DISPLACEMENT RISK ASSESSMENT. THE DEPARTMENT OF LOCAL AFFAIRS SHALL POST THE SUBMITTED PLANS PUBLICLY ON ITS WEBSITE.
 - (5) **Public comment.** Before adopting and submitting a final displacement risk assessment and making a final selection of displacement mitigation strategies, an urban municipality and a rural resort job center municipality shall publish the most recent draft of its displacement risk assessment and the displacement mitigation strategies it selected and engage in a public comment process pursuant to 29-33-105 (3)(b) and 29-33-111 (5)(b)(II).
 - (6) Prior displacement efforts. By January 1, 2025, urban municipalities and rural resort job center municipalities may submit evidence-based mitigation strategies linked to displacement risk assessments and the impact of the measures that the municipality adopted prior to the effective date of this section to the department of local affairs. The department may determine whether those strategies qualify as a displacement mitigation long-term or short-term measure to satisfy the number of measures that must be adopted pursuant to subsection (1)(a) of this section.
 - (7) **Technical assistance.** The department of local affairs shall provide technical assistance and funding to support tier one and tier two urban municipalities and rural resort job center municipalities in conducting a displacement assessment and in identifying displacement mitigation strategies to address the risk of displacement in the areas at the highest risk of displacement."
- 32 DISPLACEMENT.".

- Page 47, line 11, after "TO" insert "SUPPORT".
- Page 47, strike lines 13 through 16 and substitute:
- 35 "(VIII) THAT PROVIDE OPPORTUNITIES TO IMPLEMENT WATER 36 CONSERVATION AND OTHER STATE WATER PLAN GOALS;
- 37 (b) ALLOWS FOR AREAS BEYOND AN EXISTING CENSUS URBANIZED
 38 AREA TO BE CONSIDERED A STRATEGIC GROWTH AREA, IF THE AREA IS
 39 EXPERIENCING GROWTH AND MEETS THE CRITERIA IN SUBSECTIONS
 40 (2)(a)(V), (2)(a)(VI), (2)(a)(VII), AND (2)(a)(VIII) OF THIS SECTION;".

- 1 Reletter succeeding paragraphs accordingly.
- Page 47, line 23, strike "AREAS;" and substitute "AREAS AND IDENTIFY
- 3 METHODS TO ALIGN THE STATE AGENCY FUNDING PROGRAMS WITH
- 4 STRATEGIC GROWTH OBJECTIVES;".
- Page 47, line 26, strike "Considers" and substitute "IDENTIFIES". 5
- 6 Page 47, line 27, strike "DOCUMENTS. INCLUDING PERFORMANCE".
- Page 48, strike line 1 and substitute "DOCUMENTS;
- 8 (h) IDENTIFIES METRICS AND STANDARDS TO DEFINE AND SUPPORT
- 9 WALKABLE MIXED-USE DEVELOPMENT, SAFE ACCESS TO TRANSIT, AND
- 10 COMPLETE STREETS;".
- 11 Reletter succeeding paragraph accordingly.
- 12 Page 48, strike line 5 and substitute "(1)(a) OF THIS SECTION; AND
- (i) IDENTIFIES REDUCED PARKING MINIMUMS IN STRATEGIC 13
- 14 GROWTH AREAS.".
- 15 Page 48, strike lines 6 through 27.
- 16 Page 49, strike lines 1 through 6 and substitute:
- 17 "(3) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL
- 18 AFFAIRS MAY IDENTIFY AND DEFINE ADDITIONAL STRATEGIC GROWTH
- 19 OBJECTIVES BEYOND THOSE IDENTIFIED IN SUBSECTION (2) OF THIS
- 20 SECTION.
- 21 (4) FOR THE PURPOSES OF THIS SECTION, THE HOUSING AND LAND 22 USE GOALS OF THIS SENATE BILL 23-213 INCLUDE:
- 23
- (a) PLANNING FOR FUTURE GROWTH;
- 24 (b) INCREASING HOUSING AFFORDABILITY AND ACCESSIBILITY;
- 25 (c) INCREASING ECONOMIC MOBILITY;
- 26 (d) STRENGTHENING ECONOMIC DEVELOPMENT AND JOB GROWTH
- 27 PATTERNS:
 - (e) BALANCING REGIONAL JOBS AND HOUSING;
- 29 (f) ALIGNING WATER SUPPLY AND HOUSING PLANNING;
- 30 (g) WATER CONSERVATION
- 31 (h) REDUCING AIR POLLUTION AND GREENHOUSE GAS EMISSIONS
- 32 AND

33 (i) Preserving open space and agricultural land.".

- 1 Page 51, lines 1 and 2, strike "AND THE MULTI-AGENCY GROUP" and
- 2 substitute "THE MULTI-AGENCY GROUP, AND EXPERTS IN RELATED FIELDS".
- 3 Page 51, line 4, strike "ACHIEVE BOTH:" and substitute "ACHIEVE:"
- 4 Page 51, line 6, strike "AND".
- 5 Page 51, line 10, strike "CONSERVATION." and substitute "CONSERVATION"
- 6 AND MITIGATING HAZARDS; AND
- 7 (c) IDENTIFICATION OF BEST PRACTICES, TOOLS AND RESOURCES
- 8 RELATED TO SUBSECTIONS (1)(a) AND (1)(b) OF THIS SECTION.".
- 9 Page 53, strike lines 11 through 17 and substitute:
- 10 "(d) THE CREATION OF A PROGRAM TO PRIORITIZE DEVELOPMENT
- 11 PERMITS AND SUBSIDIZE OR OTHERWISE REDUCE IMPACT FEES OR OTHER
- 12 SIMILAR DEVELOPMENT CHARGES FOR REGULATED AFFORDABLE HOUSING
- 13 DEVELOPMENT WHERE APPLICABLE;".
- Page 53, line 18, after "FOR" insert "REGULATED".
- Page 53, strike lines 21 through 23 and substitute "INCREASED FLOOR
- 16 AREA RATIO, DENSITY, OR HEIGHT TO INCREASE THE CONSTRUCTION OF
- 17 REGULATED AFFORDABLE HOUSING UNITS;".
- Page 53, line 24, after "ENABLING" insert "REGULATED".
- 19 Page 53, strike lines 25 through 27 and substitute "HOUSING TYPES AND
- 20 AREAS CONSISTENT WITH THE GOALS OF INCREASING".
- Page 54, line 3, after "OF" insert "REGULATED".
- Page 54, line 6, after "OF" insert "REGULATED".
- Page 54, strike line 7.
- 24 Reletter succeeding paragraphs accordingly.
- 25 Page 54, strike lines 10 through 12.
- 26 Reletter succeeding paragraphs accordingly.
- Page 54, line 14, after "INCREASE" insert "REGULATED".

- 1 Page 54, strike lines 23 through 27.
- 2 Page 55, strike lines 1 through 5 and substitute:
- 3 "(m) ESTABLISHING A POLICY TO ALIGN INFRASTRUCTURE
- 4 STRATEGIES WITH THE REGULATED AFFORDABLE HOUSING NEEDS
- 5 IDENTIFIED IN THE RELEVANT LOCAL HOUSING NEEDS ASSESSMENT.
- 6 POLICIES MAY INCLUDE THE PRIORITIZATION OF UTILITIES, COST
- 7 EXEMPTIONS, AND DISCOUNTS.".
- 8 Reletter succeeding paragraphs accordingly.
- 9 Page 56, strike lines 21 through 27.
- Page 57, strike lines 1 through 3 and substitute:
- 11 "(4) (a) A".
- 12 Page 57, line 8, after "SECTION." add "IN DETERMINING WHICH
- 13 STRATEGIES TO ADOPT, A RURAL RESORT JOB CENTER MUNICIPALITY SHALL
- 14 CONSIDER PREVIOUS PLANS ADDRESSING HOUSING NEEDS, THE LOCAL AND
- 15 REGIONAL HOUSING NEEDS ASSESSMENTS, AND OTHER AVAILABLE DATA
- 16 TO INFORM THE SELECTION OF STRATEGIES TO ADDRESS KNOWN HOUSING
- 17 NEEDS.".
- 18 Reletter succeeding paragraph accordingly.
- 19 Page 58, line 4, after "LOCAL" insert "AND REGIONAL".
- 20 Page 60, strike lines 19 through 27.
- 21 Page 61, strike lines 1 through 4 and substitute:
- 22 "AND THE DIVISION OF WATER RESOURCES SHALL SUBMIT A JOINT
- 23 REPORT TO THE GENERAL ASSEMBLY UTILIZING DATA AND ANALYSES FROM
- 24 THE MOST RECENT COLORADO WATER PLAN AND BASIN IMPLEMENTATION
- 25 PLANS THAT CONSIDERS THE FOLLOWING:
- 26 (a) THE AVAILABILITY AND SUFFICIENCY OF WATER SUPPLIES PER
 27 BASIN TO PROVIDE FOR ANTICIPATED POPULATION GROWTH;
- 28 (b) A FRAMEWORK TO GUIDE INVESTMENTS IN WATER 29 CONSERVATION FOR PUBLIC WATER PROVIDERS; AND
- 30 (c) A range of policy options to maximize efficiency of
- 31 EXISTING WATER SUPPLY AND MINIMIZE THE IMPACT OF POPULATION

- 1 GROWTH ON OTHER SECTORS OR REGIONS.
- 2 (2) THE DIRECTOR SHALL CONSULT WATER PROVIDERS IN THE
- 3 PREPARATION OF THE REPORT.".
- 4 Page 61, line 27, strike "ADVISORY".
- 5 Page 63, strike lines 4 through 8.
- 6 Renumber succeeding paragraphs accordingly.
- Page 63, line 11, strike "TYPE AND INCOME LEVEL;" and substitute
- 8 "TYPE;".
- 9 Page 63, line 13, strike "ON".
- 10 Page 63, strike line 14 and substitute "FOR WHICH A CERTIFICATE OF
- 11 OCCUPANCY HAS BEEN ISSUED, A FINAL INSPECTION HAS BEEN COMPLETED,
- 12 OR OTHER VERIFICATION EXISTS THAT THE PROJECT IS COMPLETE AND
- 13 SUITABLE FOR OCCUPANCY;".
- Page 63, line 21, after "PERMITS" insert "ISSUED".
- Page 63, line 22, strike "COMMUNITIES;" and substitute "COMMUNITIES, IF
- 16 APPLICABLE;".
- Page 63, line 27, strike "ENTERED INTO" and substitute "IN PLACE".
- Page 64, line 3, strike "UPON" and substitute "AFTER".
- 19 Page 64, line 13, strike "DEVELOPMENT" and substitute
- 20 "IMPLEMENTATION".
- Page 64, line 16, strike "ALONG" and substitute "IN COORDINATION".
- 22 Page 68, line 21, strike "24-1-117 (11)(a)(I)" and substitute "24-1-136"
- 23 (11)(a)(I)".
- 24 Page 69, line 8, strike "29-33-116" and substitute "29-33-117".
- Page 71, line 5, strike "HOUSING;" and substitute "HOUSING OR IS A
- 26 REPRESENTATIVE OF AN ASSOCIATION OF MARKET RATE HOUSING
- 27 DEVELOPERS;".

- 1 Page 75, line 3, strike "AND".
- 2 Page 75, line 7, after "ASSESSMENTS," insert "REPORTS,".
- Page 75, line 10, strike "MEASURES;" and substitute "MEASURES; AND
- 4 (IX) A SUMMARY OF ALL EXEMPTION REQUESTS TO AND
- 5 RESPONSES FROM THE DEPARTMENT OF LOCAL AFFAIRS FROM ANY
- 6 REQUIREMENTS OF THIS ARTICLE 33.".
- 7 Page 75, line 18, strike "COMMITTEES" and substitute "COMMITTEE AND
- 8 SUBCOMMITTEES".

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- 9 Page 78, after line 2 insert:
- 10 "PART 2
- 11 ACCESSORY DWELLING UNITS
- 12 **29-33-201. Legislative declaration.** (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:
 - (I) LOCAL GOVERNMENT LAND USE DECISIONS CAN LIMIT ACCESSORY DWELLING UNIT DEVELOPMENT;
 - (II) HOUSING SUPPLY IMPACTS HOUSING AFFORDABILITY;
- 17 (III) HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING
- SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A METROPOLITAN REGION, ACCORDING TO STUDIES SUCH AS THE NATIONAL
- 20 BUREAU OF ECONOMIC RESEARCH WORKING PAPERS "REGULATION AND
- 21 HOUSING SUPPLY", "THE IMPACT OF ZONING ON HOUSING
- 22 AFFORDABILITY", AND "THE IMPACT OF LOCAL RESIDENTIAL LAND USE
- 23 RESTRICTIONS ON LAND VALUES ACROSS AND WITHIN SINGLE FAMILY
- 24 HOUSING MARKETS". INCREASING HOUSING SUPPLY MODERATES PRICE
- 25 INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL
- 26 INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC
- 27 IMPLICATIONS OF HOUSING SUPPLY", IN THE JOURNAL OF ECONOMIC
- 28 Perspectives, and "Supply Skepticism: Housing Supply and
- 29 AFFORDABILITY", IN THE JOURNAL OF HOUSING POLICY DEBATE.
- 30 (IV) MORE PERMISSIVE LOCAL GOVERNMENT ACCESSORY 31 DWELLING UNIT REGULATIONS CAN HELP INCREASE HOUSING SUPPLY AND 32 STABILIZE HOUSING COSTS;
 - (V) ACCESSORY DWELLING UNITS OFFER A WAY TO PROVIDE COMPACT, RELATIVELY AFFORDABLE HOUSING IN ESTABLISHED NEIGHBORHOODS WITH MINIMAL IMPACTS TO THE INFRASTRUCTURE AND ALSO SUPPLY NEW HOUSING WITHOUT ADDED NEW DISPERSED LOW-DENSITY HOUSING;
- 38 (VI) RELATIVE TO DISPERSED LOW-DENSITY DEVELOPMENT,

COMPACT INFILL DEVELOPMENT, INCLUDING ACCESSORY DWELLING UNIT DEVELOPMENT, REDUCES WATER USE, GREENHOUSE GAS EMISSIONS, INFRASTRUCTURE COSTS, AND HOUSEHOLD ENERGY AND TRANSPORTATION COSTS;

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- (VII) ACCESSORY DWELLING UNITS PROVIDE FINANCIAL BENEFITS TO HOMEOWNERS;
- (VIII) ACCESSORY DWELLING UNITS GENERATE RENTAL INCOME TO HELP HOMEOWNERS COVER MORTGAGE PAYMENTS OR OTHER COSTS, WHICH CAN BE IMPORTANT FOR OLDER HOMEOWNERS ON FIXED INCOMES;
- (IX) ACCESSORY DWELLING UNITS CAN PROVIDE FAMILIES WITH OPTIONS FOR INTERGENERATIONAL LIVING ARRANGEMENTS THAT ENABLE CHILD OR ELDER CARE AND AGING IN PLACE; AND
- (X) ACCESSORY DWELLING UNITS USE SIGNIFICANTLY LESS ENERGY FOR HEATING AND COOLING THAN SINGLE-UNIT DETACHED DWELLINGS BECAUSE OF THEIR SMALLER SIZE, WHICH REDUCES HOUSEHOLD ENERGY COSTS AND GREENHOUSE GAS EMISSIONS.
- (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT THE INCREASED SUPPLY OF HOUSING THROUGH ACCESSORY DWELLING UNITS IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.
- **29-33-202. Definitions.** As used in this part 2, unless the CONTEXT OTHERWISE REQUIRES:
- (1) "ELIGIBLE PARCEL" MEANS A PARCEL, EXCLUDING A STANDARD EXEMPT PARCEL, ON WHICH A SINGLE-UNIT DETACHED DWELLING IS ALLOWED AS A USE BY RIGHT.
- (2) "MINIMUM STANDARDS" MEANS THE MINIMUM STANDARDS ESTABLISHED IN SECTION 29-33-205.
- (3) "MODEL CODE" MEANS THE MODEL CODE PROMULGATED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 29-33-204.
- (4) "SUBJECT JURISDICTION" MEANS AN URBAN MUNICIPALITY. **29-33-203. Applicability - exemptions.** (1) THE REQUIREMENTS OF THIS PART 2 APPLY ONLY IN A SUBJECT JURISDICTION.
- (2) UNLESS A SUBJECT JURISDICTION DECIDES OTHERWISE, LOCAL LAWS ADOPTED PURSUANT TO THIS PART 2 ONLY APPLY TO PARCELS THAT ARE NOT STANDARD EXEMPT PARCELS.
- **29-33-204. Model code.** (1) (a) NO LATER THAN JUNE 30, 2024, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL PROMULGATE AN ACCESSORY DWELLING UNIT MODEL CODE.
- (b) THE MULTI-AGENCY ADVISORY COMMITTEE SHALL PROVIDE RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS CONCERNING THE MODEL CODE.
- 42 (2) IN DEVELOPING RECOMMENDATIONS CONCERNING THE MODEL CODE, THE MULTI-AGENCY COMMITTEE SHALL:

- (a) PROVIDE PUBLIC NOTICE AND HOLD AT LEAST TWO PUBLIC MEETINGS AT WHICH MEMBERS OF THE PUBLIC HAVE AN OPPORTUNITY TO COMMENT ON THE MODEL CODE;
- (b) ALLOW THE SUBMISSION OF WRITTEN COMMENTS ON THE MODEL CODE;
- (c) CONDUCT OUTREACH TO AND SOLICIT FEEDBACK FROM LOCAL GOVERNMENTS AND REGIONAL PLANNING AGENCIES; AND
- (d) Consult with experts in disability rights, racial equity and homelessness prevention, affordable housing, fair housing, planning, zoning, and related fields.
 - (3) THE MODEL CODE MUST, AT A MINIMUM:

- (a) ALLOW ACCESSORY DWELLING UNITS AS A USE BY RIGHT AS AN ACCESSORY USE TO A SINGLE-UNIT DETACHED DWELLING IN ANY PART OF THE MUNICIPALITY WHERE THE MUNICIPALITY ALLOWS SINGLE-UNIT DETACHED DWELLINGS AS A USE BY RIGHT; AND
- (b) ESTABLISH OBJECTIVE STANDARDS FOR ALL OF THE ELEMENTS ADDRESSED IN THE MINIMUM STANDARDS.
- (4) THE MODEL CODE MUST INCLUDE A REQUIREMENT THAT SUBJECT JURISDICTIONS MAY NOT REQUIRE NEW OFF-STREET VEHICLE PARKING IN CONNECTION WITH THE CONSTRUCTION OR PERMITTING OF AN ACCESSORY DWELLING UNIT.
- **29-33-205. Minimum standards.** (1) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL:
- (a) ALLOW ACCESSORY DWELLING UNITS AS A USE BY RIGHT AS AN ACCESSORY USE TO A SINGLE-UNIT DETACHED DWELLING IN ANY PART OF THE MUNICIPALITY WHERE THE MUNICIPALITY ALLOWS SINGLE-UNIT DETACHED DWELLINGS AS A USE BY RIGHT;
- (b) ONLY ADOPT OR ENFORCE LOCAL LAWS CONCERNING ACCESSORY DWELLING UNIT LAND USE THAT USE OBJECTIVE STANDARDS AND OBJECTIVE PROCEDURES;
- (c) ALLOW ADDITIONS TO, OR THE CONVERSION OF, AN EXISTING SINGLE-UNIT DETACHED DWELLING TO CREATE AN ACCESSORY DWELLING UNIT SO LONG AS THE ADDITION OR CONVERSION DOES NOT INCREASE NONCONFORMANCE WITH APPLICABLE OBJECTIVE STANDARDS, UNLESS LOCAL LAWS ALLOW FOR SUCH AN INCREASE IN NONCONFORMANCE; AND
- (d) ALLOW ACCESSORY DWELLING UNIT SIZES BETWEEN FIVE HUNDRED AND EIGHT HUNDRED SQUARE FEET. SUBJECT JURISDICTIONS MAY ADDITIONALLY PERMIT SMALLER OR LARGER ACCESSORY DWELLING UNITS AT THEIR DISCRETION.
- 41 (2) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A 42 SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL 43 NOT:

(a) APPLY STANDARDS CONCERNING ARCHITECTURAL STYLE, BUILDING MATERIALS, OR LANDSCAPING THAT ARE MORE RESTRICTIVE THAN THE STANDARDS THAT THE SUBJECT JURISDICTION APPLIES TO A SINGLE-UNIT DETACHED DWELLING IN THE SAME ZONING DISTRICT;

- (b) ADOPT, ENACT, OR ENFORCE LOCAL LAWS THAT MAKE THE PERMITTING, APPROVAL OF, SITING, OR CONSTRUCTION OF AN ACCESSORY DWELLING UNIT PHYSICALLY IMPOSSIBLE OR PRACTICALLY DIFFICULT;
- (c) IMPOSE A REQUIREMENT ON AN ACCESSORY DWELLING UNIT THAT IS CONTINGENT UPON THE PRIMARY RESIDENCE ON THE SAME LOT BEING OWNER-OCCUPIED;
- (d) AMEND, DEVELOP, OR INTERPRET A LOCAL LAW APPLICABLE TO AN ACCESSORY DWELLING UNIT IN A MANNER THAT INTERFERES WITH THE INTENT OF THIS PART 2;
- (e) REQUIRE NEW OFF-STREET VEHICLE PARKING IN CONNECTION WITH THE CONSTRUCTION OR THE PERMITTING OF AN ACCESSORY DWELLING UNIT; OR
- (f) REQUIRE SIDE OR REAR SETBACKS FOR AN ACCESSORY DWELLING UNIT GREATER THAN THE MINIMUM SIDE SETBACK REQUIRED FOR A SINGLE-UNIT DETACHED DWELLING OR THE SETBACK REQUIRED FOR OTHER ACCESSORY BUILDINGS IN THE SAME ZONING DISTRICT, UNLESS SUCH A SETBACK IS NECESSARY TO COMPLY WITH PUBLIC HEALTH OR SAFETY STANDARDS.
- (3) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROMULGATE RULES AS IT DEEMS NECESSARY TO UPDATE THE MINIMUM STANDARDS OR MODEL CODE, UTILIZING A PUBLIC HEARING AND COMMENT PROCESS.
- **29-33-206.** Adoption of model codes satisfaction of minimum standards reporting. (1) NO LATER THAN JUNE 30, 2025, A SUBJECT JURISDICTION SHALL EITHER:
- (a) ADOPT LOCAL LAWS CONCERNING ACCESSORY DWELLING UNITS THAT SATISFY THE MINIMUM STANDARDS ESTABLISHED IN SECTION 29-33-205; OR
 - (b) ADOPT THE MODEL CODE.
- (2) IF A SUBJECT JURISDICTION DOES NOT SATISFY THE REQUIREMENT OF SUBSECTION (1) OF THIS SECTION BEFORE DECEMBER 31, 2025, THE MODEL CODE GOES INTO EFFECT IMMEDIATELY FOR ALL ELIGIBLE PARCELS AND THE SUBJECT JURISDICTION SHALL NOT DENY OR CONDITION APPROVAL OF AN APPLICATION FOR AN ACCESSORY DWELLING UNIT ON ANY ELIGIBLE PARCEL ON ANY BASIS THAT IS INCONSISTENT WITH THE MODEL CODE, AS SPECIFIED IN SECTION 29-33-303, IN THE SUBJECT JURISDICTION AND REMAINS IN EFFECT UNTIL THE DEPARTMENT OF LOCAL AFFAIRS DETERMINES THAT THE SUBJECT JURISDICTION HAS ADOPTED LAWS THAT COMPLY WITH THE MINIMUM STANDARDS.
 - (3) IF A SUBJECT JURISDICTION ADOPTS THE MODEL CODE OR THE

MODEL CODE IS OTHERWISE IN EFFECT FOR A SUBJECT JURISDICTION PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE SUBJECT JURISDICTION'S ACCESSORY DWELLING UNIT DECISIONS SHALL BE CONSISTENT WITH THE MODEL CODE AND THE SUBJECT JURISDICTION SHALL:

- (a) USE OBJECTIVE PROCEDURES TO DETERMINE WHETHER AN ACCESSORY DWELLING PROJECT SATISFIES THE MODEL CODE AND APPROVE SUCH A PROJECT IF IT SATISFIES THE MODEL CODE; AND
- (b) NOT ADOPT, ENACT, OR ENFORCE ANY LOCAL LAWS THAT CONTRAVENE THE MODEL CODE.
- (4) A SUBJECT JURISDICTION THAT ALREADY HAS LOCAL LAWS IN EFFECT THAT MEET THE MINIMUM STANDARDS ESTABLISHED IN SECTION 29-33-205 NEED NOT UPDATE THEIR LOCAL LAWS, AND MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL AFFAIRS DEMONSTRATING SUCH COMPLIANCE.
- (5) (a) NO LATER THAN JUNE 30, 2024, A SUBJECT JURISDICTION MAY NOTIFY THE DEPARTMENT OF LOCAL AFFAIRS THAT AN EXEMPTION OR AN EXTENSION IS NECESSARY FROM THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION.
- (b) The notice must demonstrate that the water, sewer, wastewater, or stormwater services are currently deficient in specific geographic areas of the subject jurisdiction or in the subject jurisdiction as a whole, or the subject jurisdiction expects such services to become deficient in the next five years. As used in this subsection (5)(b), "deficient" means, in reference to the subject jurisdiction's water supply master plan, water distribution and wastewater collection master plan, wastewater master plan, or stormwater master plan, if applicable, issues concerning:
 - (I) WATER SUPPLY;

- (II) WASTEWATER TREATMENT CAPACITY;
- (III) WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY; OR
 - (IV) STORMWATER MANAGEMENT CAPACITY.
- (c) IF A SUBJECT JURISDICTION SUBMITS A NOTICE TO THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (5)(b) OF THIS SECTION, THE SUBJECT JURISDICTION MAY INCLUDE A PLAN OF ACTION TO REMEDY THE DEFICIENT WATER SUPPLY, WATER OR WASTEWATER TREATMENT CAPACITY, WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY, OR STORMWATER MANAGEMENT CAPACITY IN THE SPECIFIC AREAS IDENTIFIED IN A CAPITAL IMPROVEMENT PLAN INCLUDED IN THE NOTICE.
 - (d) THE DEPARTMENT OF LOCAL AFFAIRS MAY ADOPT RULES OR

PROMULGATE GUIDANCE AS NECESSARY TO IMPLEMENT THIS SUBSECTION (5).

- (6) (a) NO LATER THAN JUNE 30, 2025, A SUBJECT JURISDICTION SHALL SUBMIT TO THE DEPARTMENT OF LOCAL AFFAIRS, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT OF LOCAL AFFAIRS, A REPORT DEMONSTRATING EVIDENCE OF COMPLIANCE WITH EITHER THE MODEL CODE OR MINIMUM STANDARDS.
- (b) WITHIN NINETY DAYS OF RECEIVING A REPORT DESCRIBED IN SUBSECTION (6)(a) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS SHALL REVIEW AND APPROVE THE SUBMITTED REPORT OR REJECT THE REPORT AND PROVIDE FEEDBACK TO A SUBJECT JURISDICTION. THE DEPARTMENT OF LOCAL AFFAIRS MAY GRANT A JURISDICTION AN ADDITIONAL ONE HUNDRED TWENTY DAYS TO CORRECT THE RELEVANT LOCAL LAWS AND RE-SUBMIT A REPORT.
- (c) If the department of local affairs rejects a subject jurisdiction's report, the model code goes into effect immediately in the subject jurisdiction until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- **29-33-207. Subject jurisdiction restrictions.** (1) NOTHING IN THIS PART 2 PREVENTS A LOCAL GOVERNMENT FROM:
- (a) REQUIRING PARKING SPACES IN ACCORDANCE WITH THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AS AMENDED, OR TO OTHERWISE PROVIDE PARKING SIGNED FOR USE BY PERSONS EXPERIENCING DISABILITIES;
- (b) Adopting generally applicable requirements for the payment of impact fees or other similar development charges, in conformance with the requirements of section 29-20-104.5, or the mitigation of impacts in conformance with the requirements of part 2 of article 20 of title 29;
- (c) IMPOSING REQUIREMENTS ON THE SHORT-TERM RENTAL OF AN ACCESSORY DWELLING UNIT;
- (d) ALLOWING THE CONSTRUCTION OF, OR ISSUING PERMITS FOR THE CONSTRUCTION OF, A SINGLE-UNIT DETACHED DWELLING IN AN AREA ZONED FOR SINGLE-UNIT DETACHED DWELLINGS;
- (e) APPLYING THE STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A PARCEL ON WHICH AN ACCESSORY DWELLING UNIT IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING RULES RELATED TO DEMOLITION; OR
- (f) APPLYING AND ENFORCING LOCALLY ADOPTED BUILDING AND FIRE CODES.

PART 3
CORRIDORS AND CENTERS REQUIREMENTS

29-22-301. Legislative declaration. (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

- (I) LOCAL GOVERNMENT LAND USE DECISIONS CAN LIMIT DENSER MULTIFAMILY HOUSING DEVELOPMENT NEAR FREQUENT TRANSIT SERVICE AND IN COMMERCIAL AND INSTITUTIONAL AREAS;
 - (II) HOUSING SUPPLY IMPACTS HOUSING AFFORDABILITY;
- (III) HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A METROPOLITAN REGION, ACCORDING TO STUDIES SUCH AS THE NATIONAL BUREAU OF ECONOMIC RESEARCH WORKING PAPERS "REGULATION AND HOUSING SUPPLY", "THE IMPACT OF ZONING ON HOUSING AFFORDABILITY", AND "THE IMPACT OF LOCAL RESIDENTIAL LAND USE RESTRICTIONS ON LAND VALUES ACROSS AND WITHIN SINGLE FAMILY HOUSING MARKETS". INCREASING HOUSING SUPPLY MODERATES PRICE INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC IMPLICATIONS OF HOUSING SUPPLY", IN THE JOURNAL OF ECONOMIC PERSPECTIVES, AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND AFFORDABILITY", IN THE JOURNAL OF HOUSING POLICY DEBATE.
- (IV) Multifamily housing is typically more affordable than single-unit dwellings, and living near transit, jobs, and services enables households to save on transportation costs by owning fewer vehicles. In 2019, Colorado multifamily units cost between fourteen and forty-three percent less to rent, depending on the size of the building, compared to single-unit detached dwellings, according to the American Community Survey.
- (V) THE TERNER CENTER FOR HOUSING INNOVATION AT THE UNIVERSITY OF CALIFORNIA BERKELEY FOUND IN ITS REPORT "RESIDENTIAL REDEVELOPMENT OF COMMERCIALLY ZONED LAND IN CALIFORNIA" THAT THERE IS A SIGNIFICANT POTENTIAL FOR RESIDENTIAL DEVELOPMENT IN COMMERCIALLY ZONED AREAS, THAT MANY COMMERCIAL ZONE DISTRICTS DO NOT ALLOW RESIDENTIAL DEVELOPMENT, AND THAT ALLOWING USE BY RIGHT RESIDENTIAL DEVELOPMENT IN COMMERCIAL ZONE DISTRICTS CAN ENCOURAGE ADDITIONAL HOUSING SUPPLY;
- (VI) ACCORDING TO THE NATIONAL ASSOCIATION OF REALTORS IN ITS REPORT "ANALYSIS AND CASE STUDIES ON OFFICE-TO-HOUSING CONVERSIONS", OVER FIVE MILLION SEVEN HUNDRED THOUSAND SQUARE FEET OF OFFICE SPACE BECAME UNOCCUPIED IN THE DENVER METROPOLITAN REAL ESTATE MARKET BETWEEN 2020 AND 2021, THE DENVER MARKET COULD POTENTIALLY ADD OVER TWO THOUSAND NEW RESIDENTIAL UNITS FROM OFFICE TO RESIDENTIAL CONVERSIONS IF IT

CONVERTED TWENTY PERCENT OF CURRENTLY VACANT OFFICE SPACE, AND ONE OF THE MAJOR BARRIERS TO CONVERSIONS IS RESTRICTIVE LOCAL LAND USE REGULATIONS THAT REQUIRE DISCRETIONARY APPROVALS;

(VII) ACCORDING TO THE NOTRE DAME LAW SCHOOL, IN THE ARTICLE "SHELLS OF THE STORES THEY ONCE WERE: RETURNING VACANT RETAIL PROPERTY TO PRODUCTIVE USE IN THE MIDST OF THE RETAIL APOCALYPSE", UNITED STATES RETAILERS HAVE BEEN CLOSING BRICK AND MORTAR LOCATIONS IN LARGE NUMBERS SINCE AT LEAST 2017. LEAVING BEHIND VACANT COMMERCIAL BUILDINGS AND PROPERTIES THAT POSE PROBLEMS FOR PUBLIC HEALTH AND SAFETY, REDUCE LOCAL TAX REVENUE, AND LEAD TO THE FLIGHT OF OTHER RETAIL BUSINESSES. VACANT COMMERCIAL PROPERTIES PROVIDE OPPORTUNITIES FOR RESIDENTIAL AND MIXED-USE REDEVELOPMENT, BOTH THROUGH ADAPTIVE REUSE OF EXISTING BUILDINGS, AND THROUGH NEW DEVELOPMENT, AND, ACCORDING TO THE LOCAL GOVERNMENT COMMISSION IN COOPERATION WITH THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, IN THE JOINT REPORT "CREATING GREAT NEIGHBORHOODS: DENSITY IN YOUR COMMUNITY", INCREASED RESIDENTIAL DENSITY IS ASSOCIATED WITH THE ECONOMIC SUCCESS OF NEARBY BUSINESSES AND CONTRIBUTES TO THE REVITALIZATION OF NEIGHBORHOODS.

(VIII) MEETING HOUSING DEMAND THROUGH COMPACT INFILL DEVELOPMENT CLOSE TO JOBS, SERVICES, AND TRANSIT DECREASES THE NEED FOR NEW DISPERSED, LOW-DENSITY HOUSING. RELATIVE TO DISPERSED, LOW-DENSITY DEVELOPMENT, COMPACT INFILL HOUSING DEVELOPMENT, INCLUDING MULTIFAMILY HOUSING DEVELOPMENT, REDUCES WATER USE, GREENHOUSE GAS EMISSIONS, INFRASTRUCTURE COSTS, AND HOUSEHOLD ENERGY AND TRANSPORTATION COSTS.

(IX) Housing with access to frequent transit allows residents to travel to work and services without driving or while driving less, which reduces household transportation costs, greenhouse gas emissions, and air pollution. Analyses of transit-oriented developments have found residents take an average of forty-four percent fewer vehicle trips, according to the article "Vehicle Trip Reduction Impacts of Transit-Oriented Housing" in the Journal of Public Transportation. And, according to the California Air Resources Board reports "Impact of Jobs-Housing Balance on Passenger Vehicle Use and Greenhouse Gas Emissions" and "Impacts of Land-Use Mix on Passenger Vehicle Use and Greenhouse Gas Emissions", co-locating residences, Jobs, and Services also reduces household vehicle miles traveled.

(X) MULTIFAMILY HOUSING USES SIGNIFICANTLY LESS ENERGY FOR

- HEATING AND COOLING PER UNIT THAN SINGLE-UNIT DETACHED

 DWELLINGS DUE TO MULTIFAMILY HOUSING HAVING ATTACHED WALLS

 AND SMALLER SIZE, WHICH REDUCES HOUSEHOLD ENERGY COSTS AND

 GREENHOUSE GAS EMISSIONS. IN COLORADO, HOUSEHOLD ENERGY

 DEMAND ON AVERAGE IS SEVENTY PERCENT LESS FOR MULTIFAMILY

 HOUSING COMPARED TO SINGLE-UNIT DETACHED DWELLINGS, ACCORDING

 TO THE NATIONAL RENEWABLE ENERGY LABORATORY RESTOCK

 ANALYSIS TOOL.
 - (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT INCREASED HOUSING SUPPLY IN TRANSIT-ORIENTED AREAS AND KEY CORRIDORS IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.
 - 29-33-302. Applicability transit-oriented areas model code transit-oriented areas minimum standards adoption of model code or minimum standards definitions. (1) Definitions. AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:
 - (a) "ELIGIBLE PARCEL" MEANS A PARCEL THAT IS NOT:
 - (I) A STANDARD EXEMPT PARCEL;
 - (II) PART OF A PARCEL THAT INCLUDES LAND THAT IS A PARK AND OPEN SPACE, AS DEFINED IN SECTION 29-7.5-103 (2);
 - (III) A PARCEL THAT IS SUBJECT TO A CONSERVATION EASEMENT; OR
 - (IV) ON A SITE THAT IS:

- (A) CURRENTLY USED FOR AN INDUSTRIAL USE;
- (B) CURRENTLY ALLOWS INDUSTRIAL USES;
- (C) DESIGNATED FOR HEAVY INDUSTRIAL USE IN THE LATEST VERSION OF A SUBJECT JURISDICTION'S MASTER PLAN;
 - (D) OWNED BY, USED AS, OR OPERATED BY AN AIRPORT; OR
- (E) Currently used as a mobile home park, as defined in section 38-12-201.5 (6).
- (b) "MINIMUM STANDARDS" MEANS THE MINIMUM STANDARDS FOR TRANSIT-ORIENTED AREAS ESTABLISHED IN SUBSECTION (4) OF THIS SECTION.
- (c) "MIXED-INCOME MULTIFAMILY HOUSING" MEANS MULTIFAMILY HOUSING IN WHICH AT LEAST TEN PERCENT OF THE HOUSING UNITS ARE SET ASIDE FOR HOUSEHOLDS THAT EARN NO MORE THAN EIGHTY PERCENT OF THE AREA MEDIAN INCOME.
- (d) "MODEL CODE" MEANS THE TRANSIT-ORIENTED AREAS MODEL CODE PROMULGATED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (3) OF THIS SECTION.
- (e) "SUBJECT JURISDICTION" MEANS A TIER ONE URBAN MUNICIPALITY OR COUNTY THAT CONTAINS A TRANSIT-ORIENTED AREA.
- (2) **Applicability.** (a) The requirements of this section only APPLY TO AN ELIGIBLE PARCEL IN A TRANSIT-ORIENTED AREA IN A SUBJECT

JURISDICTION.

(b) If a transit-oriented area is located within multiple jurisdictions, a subject jurisdiction need only meet the requirements of this section in the parts of a transit-oriented area located within the subject jurisdiction.

- (c) Where the requirements of this section apply to parcels or lots to which part 2 of this article 33 or section 29-33-303 also apply, the requirements of this section shall supersede any conflicting requirements of part 2 of this article 33 or section 29-33-303.
- (3) **Model code.** (a) (I) No later than June 30, 2024, the executive director of the department of local affairs shall promulgate a transit-oriented area model code.
- (II) THE MULTI-AGENCY ADVISORY COMMITTEE SHALL PROVIDE RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS ON THE TRANSIT-ORIENTED AREA MODEL CODE PURSUANT TO SECTION 29-33-305.
 - (b) AT A MINIMUM, THE MODEL CODE MUST INCLUDE:
- (I) A REQUIREMENT THAT SUBJECT JURISDICTIONS MAY NOT REQUIRE NEW OFF-STREET PARKING WITHIN TRANSIT-ORIENTED AREAS FOR ANY USES IN CONJUNCTION WITH A MIXED-INCOME MULTIFAMILY HOUSING DEVELOPMENT;
- (II) A REQUIREMENT THAT SUBJECT JURISDICTIONS ALLOW MIXED-USE DEVELOPMENT WITH COMMERCIAL USES ON THE FIRST FLOOR IN CONJUNCTION WITH MIXED-INCOME MULTIFAMILY HOUSING WITH A NET DENSITY OF UP TO AT LEAST SIXTY UNITS PER ACRE; AND
- (III) A REQUIREMENT THAT SUBJECT JURISDICTIONS ALLOW MIXED-INCOME MULTIFAMILY HOUSING OF UP TO AT LEAST SIXTY UNITS PER ACRE NET DENSITY AS A USE BY RIGHT ON ELIGIBLE PARCELS IN TRANSIT-ORIENTED AREAS.
- (c) NOTHING IN THIS MODEL CODE SHALL PREVENT A SUBJECT JURISDICTION FROM UTILIZING SET ASIDE PERCENTAGE AND AREA MEDIAN INCOME LEVEL REQUIREMENTS AS SPECIFIED IN THEIR LOCAL LAWS, RATHER THAN AS SPECIFIED IN THE MODEL CODE, SO LONG AS THE SUBJECT JURISDICTION HAS ADOPTED A LOCAL INCLUSIONARY ZONING ORDNANCE THAT APPLIES IN TRANSIT-ORIENTED AREAS.
- (d) REGULATED AFFORDABLE HOUSING UNITS IN MIXED-INCOME MULTIFAMILY HOUSING DEVELOPMENTS MUST BE SIMILAR IN SIZE TO THE OTHER UNITS IN THE DEVELOPMENT.
- (4) **Minimum standards.** (a) (I) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL CREATE OR UPDATE A ZONING DISTRICT WITHIN EACH TRANSIT-ORIENTED IN WHICH MULTIFAMILY HOUSING IS ALLOWED

AS A USE BY RIGHT AND A MINIMUM AVERAGE NET DENSITY OF UP TO AT LEAST FORTY UNITS OF MULTIFAMILY HOUSING PER ACRE IS ALLOWED. SUBJECT JURISDICTIONS MAY ESTABLISH SUBDISTRICTS WITHIN THESE ZONING DISTRICTS THAT ALLOW A DIFFERENT NET DENSITY OF MULTIFAMILY HOUSING DEVELOPMENT SO LONG AS EACH DISTRICT OR SUBDISTRICT ALLOWS AN AVERAGE NET DENSITY OF MULTIFAMILY HOUSING OF UP TO AT LEAST FORTY UNITS PER ACRE. THE MINIMUM AREA OF THE ZONING DISTRICT OR SUBDISTRICT MUST IN TOTAL BE GREATER THAN OR EQUAL TO FIFTY PERCENT OF THE AREA OF ELIGIBLE PARCELS IN EACH TRANSIT-ORIENTED AREA IN A SUBJECT JURISDICTION. A SUBJECT JURISDICTION MAY CHOOSE TO INCLUDE PARCELS THAT WOULD OTHERWISE NOT QUALIFY AS ELIGIBLE PARCELS WHEN CALCULATING THE AREA OF ELIGIBLE PARCELS IN EACH TRANSIT-ORIENTED AREA IN A SUBJECT JURISDICTION. A SUBJECT JURISDICTION THAT ALREADY HAS LOCAL LAWS IN EFFECT THAT ESTABLISH A ZONING DISTRICT OR DISTRICTS THAT MEET THE MINIMUM STANDARDS NEED NOT UPDATE THEIR LOCAL LAWS AND MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL AFFAIRS DEMONSTRATING SUCH COMPLIANCE.

(II) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE MAY MEET THE AVERAGE NET DENSITY ESTABLISHED IN THE MINIMUM STANDARDS BY ADOPTING LOCAL LAWS APPLICABLE TO A ZONING DISTRICT COVERING AREAS OUTSIDE OF TRANSITED-ORIENTED AREAS SO LONG AS THE ZONING DISTRICT IS AT LEAST THE SAME SIZE AS THE ELIGIBLE PARCELS IN THE TRANSIT-ORIENTED AREA IF:

- (A) SIGNIFICANT DEVELOPMENT CONSTRAINTS EXIST; AND
- (B) The subject jurisdiction has established planning areas for transit-compatible use in adjacent areas, or utilizes alternate measurement methods for determining the extent of a transit-oriented area such as walking distance from transit stations. Established planning areas must include plans to address any deficiencies in pedestrian and bicycle access; and, in determining the location of zoning districts for transit-oriented areas, a subject jurisdiction shall consider the displacement risk assessment completed pursuant to section 29-33-107.
- (b) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL NOT REQUIRE NEW OFF-STREET VEHICLE PARKING WITHIN TRANSIT-ORIENTED AREAS FOR ANY USE IN CONJUNCTION WITH A MULTIFAMILY HOUSING DEVELOPMENT PERMIT.
- (c) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL

ONLY ADOPT AND ENFORCE LOCAL LAWS CONCERNING MULTIFAMILY HOUSING IN TRANSIT-ORIENTED AREAS THAT USE OBJECTIVE STANDARDS AND OBJECTIVE PROCEDURES.

- (d) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROMULGATE RULES AS IT DEEMS NECESSARY TO UPDATE THE MINIMUM STANDARDS OR MODEL CODE ESTABLISHED PURSUANT TO THIS SECTION, UTILIZING A PUBLIC HEARING AND COMMENT PROCESS.
- (5) Adoption of model code or minimum standards. (a) (I) NO LATER THAN JUNE 30, 2025, A SUBJECT JURISDICTION SHALL:
- (A) ADOPT LOCAL LAWS CONCERNING TRANSIT-ORIENTED AREAS THAT SATISFY THE MINIMUM STANDARDS: OR
 - (B) ADOPT THE MODEL CODE.

- (b) If a subject jurisdiction does not satisfy the requirements of subsection (5)(a)(I) of this section before December 31, 2025, the model code goes into effect immediately for all eligible parcels and the subject jurisdiction shall not deny or condition approval of an application for a mixed-income multifamily housing project on an eligible parcel on a basis that is inconsistent with the model code, as specified in subsection (3) of this section, until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- (c) If a subject jurisdiction adopts the model code or the model code is otherwise in effect for a subject jurisdiction pursuant to subsection (5)(b) of this section, the decisions of the subject jurisdiction shall be consistent with the model code and the subject jurisdiction shall:
- (I) USE OBJECTIVE PROCEDURES TO DETERMINE WHETHER A MIXED-INCOME MULTIFAMILY HOUSING PROJECT SATISFIES THE MODEL CODE AND, IF THE SUBJECT JURISDICTION DETERMINES THAT THE PROJECT SATISFIES THE MODEL CODE, THE SUBJECT JURISDICTION SHALL APPROVE THE PROJECT; AND
- (II) NOT ADOPT, ENACT, OR ENFORCE ANY LOCAL LAWS THAT CONTRAVENE THE MODEL CODE.
- (6) **Subject jurisdiction restrictions.** NOTHING IN THIS PART 3, THE MODEL CODE, OR THE MINIMUM STANDARDS PREVENTS A LOCAL GOVERNMENT FROM:
- (a) REQUIRING PARKING SPACES IN ACCORDANCE WITH THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AS AMENDED, OR TO OTHERWISE PROVIDE PARKING SIGNED FOR USE BY PERSONS EXPERIENCING DISABILITIES;
- (b) ADOPTING GENERALLY APPLICABLE REQUIREMENTS FOR THE PAYMENT OF IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES, IN

CONFORMANCE WITH THE REQUIREMENTS OF SECTION 29-20-104.5, OR THE MITIGATION OF IMPACTS IN CONFORMANCE WITH THE REQUIREMENTS OF PART 2 OF ARTICLE 20 OF TITLE 29;

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- (c) APPLYING A LOCAL INCLUSIONARY ZONING ORDINANCE IN TRANSIT-ORIENTED AREAS IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7) AND SUBJECT TO PART 2 OF ARTICLE 20 OF TITLE 29;
- (d) IMPOSING REQUIREMENTS ON THE SHORT-TERM RENTAL OF HOUSING IN TRANSIT-ORIENTED AREAS;
- (e) PERMITTING MIXED-USE DEVELOPMENT IN A TRANSIT-ORIENTED AREA;
- (f) ALLOWING COMMERCIAL ONLY DEVELOPMENTS IN A TRANSIT-ORIENTED AREA; OR
 - (g) APPLYING THE STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A PARCEL IN A TRANSIT-ORIENTED AREA ON WHICH HOUSING IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING RULES RELATED TO DEMOLITION.
 - 29-33-303. Applicability key corridors model code key corridors minimum standards adoption of model code or minimum standards definitions. (1) Definitions. As used in this section, unless the context otherwise requires:
 - (a) "ELIGIBLE PARCEL" MEANS A PARCEL, EXCLUDING PARCELS DESCRIBED IN SECTION 29-33-303 (2)(b) ON WHICH COMMERCIAL, INSTITUTIONAL, RESIDENTIAL, OR MIXED USES ARE PERMITTED USES BY RIGHT.
- (b) "KEY CORRIDORS" MEANS THE AREAS DESCRIBED IN SECTION 29-33-303 (2)(a).
- (c) "MINIMUM STANDARDS" MEANS THE KEY CORRIDOR MINIMUM STANDARDS ESTABLISHED IN SUBSECTION (5) OF THIS SECTION.
- (d) "MIXED-INCOME MULTIFAMILY HOUSING" MEANS MULTIFAMILY HOUSING IN WHICH AT LEAST TEN PERCENT OF THE HOUSING UNITS ARE SET ASIDE FOR HOUSEHOLDS THAT EARN NO MORE THAN EIGHTY PERCENT OF THE AREA MEDIAN INCOME.
- (e) "MODEL CODE" MEANS THE KEY CORRIDORS MODEL CODE PROMULGATED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (4) OF THIS SECTION.
- (f) "SUBJECT JURISDICTION" MEANS A TIER ONE URBAN MUNICIPALITY.
- (2) **Applicability.** (a) ELIGIBLE PARCELS IN THE FOLLOWING AREAS SHALL BE INCLUDED WITHIN KEY CORRIDOR AREAS:
- 41 (I) AREAS WITHIN ONE-HALF MILE OF A BUS STOP ON A LIMITED 42 ACCESS HIGHWAY SERVED BY AN EXISTING OR PLANNED COMMUTER BUS 43 RAPID TRANSIT SERVICE; AND

(II) AREAS WITHIN ONE-QUARTER MILE OF A:

- (A) BUS STOP NOT ON A LIMITED ACCESS HIGHWAY SERVED BY AN EXISTING OR PLANNED COMMUTER BUS RAPID TRANSIT SERVICE;
- (B) ROADWAY SERVED BY AN EXISTING OR PLANNED URBAN BUS RAPID TRANSIT SERVICE;
- (C) ROADWAY SERVED BY A BUS ROUTE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES OR LESS DURING THE HIGHEST FREQUENCY SERVICE HOURS, AND THAT IS AT LEAST ONE MILE LONG; AND
- (D) BUS STOP SERVED BY A BUS ROUTE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES OR LESS DURING THE HIGHEST FREQUENCY SERVICE HOURS, IS AT LEAST ONE MILE LONG, AND THAT RUNS ON A LIMITED ACCESS HIGHWAY.
 - (b) KEY CORRIDORS SHALL BE DESIGNATED BASED ON:
 - (I) EXISTING TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2023;
- (II) AN URBAN BUS RAPID TRANSIT SERVICE OR COMMUTER BUS RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S LONG RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1, 2023, AND PLANNED FOR COMPLETION ON OR BEFORE DECEMBER 31, 2030; EXCEPT THAT, THE MULTI-AGENCY ADVISORY COMMITTEE MAY DETERMINE THAT A SPECIFIC SEGMENT OF SUCH A SERVICE ROUTE SHOULD NOT BE DESIGNATED AS A KEY CORRIDOR BASED ON STRATEGIC GROWTH OBJECTIVES AND MAY REMOVE SUCH SEGMENT OF A SERVICE ROUTE FROM KEY CORRIDOR DESIGNATION ON OR BEFORE JANUARY 1, 2024; AND
- (III) Transit service levels planned and approved by the board of a transit agency as of January 1, 2023, for implementation before January 1, 2028.
- (3) (a) IF A SUBJECT JURISDICTION ADOPTS THE MODEL CODE, OR THE MODEL CODE IS OTHERWISE IN EFFECT, THE MODEL CODE SHALL APPLY TO ALL ELIGIBLE PARCELS.
- (b) UNLESS A SUBJECT JURISDICTION DECIDES OTHERWISE, LOCAL LAWS ADOPTED PURSUANT TO THIS SECTION ONLY APPLY TO PARCELS THAT ARE NOT:
 - (I) A STANDARD EXEMPT PARCEL;
- (II) THE PORTION OF A PARCEL THAT INCLUDES LAND THAT IS A PARK AND OPEN SPACE, AS DEFINED IN SECTION 29-7.5-103 (2);
- 37 (III) A PARCEL THAT IS SUBJECT TO A CONSERVATION EASEMENT; 38 OR
- 39 (IV) ON A SITE THAT IS:
 - (A) CURRENTLY USED FOR AN INDUSTRIAL USE;
- 41 (B) CURRENTLY ALLOWS INDUSTRIAL USES;
- 42 (C) DESIGNATED FOR HEAVY INDUSTRIAL USE IN THE LATEST 43 VERSION OF A SUBJECT JURISDICTION'S MASTER PLAN;

- (D) OWNED BY, USED BY, OR OPERATED BY AN AIRPORT; OR
- (E) CURRENTLY USED AS A MOBILE HOME PARK, AS DEFINED IN SECTION 38-12-201.5 (6).

- (4) **Model code.** (a) (I) NO LATER THAN JUNE 30, 2024, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL PROMULGATE A KEY CORRIDOR MODEL CODE.
- (II) THE MULTI-AGENCY ADVISORY COMMITTEE SHALL PROVIDE RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS ON THE MODEL CODE PURSUANT TO SECTION 29-33-305.
 - (b) AT A MINIMUM, THE MODEL CODE MUST INCLUDE:
- (I) A REQUIREMENT THAT A SUBJECT JURISDICTION ALLOW MIXED-INCOME MULTIFAMILY HOUSING AS A USE BY RIGHT IN KEY CORRIDORS WITH DENSITIES UP TO AT LEAST:
- (A) FORTY DWELLING UNITS PER ACRE NET DENSITY ON ELIGIBLE PARCELS IN KEY CORRIDORS DUE TO THEIR PROXIMITY TO COMMUTER BUS RAPID TRANSIT SERVICE OR URBAN BUS RAPID TRANSIT SERVICE; AND
- (B) THIRTY DWELLING UNITS PER ACRE NET DENSITY FOR ALL OTHER ELIGIBLE PARCELS.
- (II) A REQUIREMENT THAT SUBJECT JURISDICTIONS ALLOW MIXED-USE DEVELOPMENT WITH COMMERCIAL USES ON THE FIRST FLOOR IN CONJUNCTION WITH MIXED-INCOME MULTIFAMILY HOUSING.
- (c) NOTHING IN THIS MODEL CODE SHALL PREVENT A SUBJECT JURISDICTION FROM UTILIZING SET ASIDE PERCENTAGE AND AREA MEDIAN INCOME LEVEL REQUIREMENTS AS SPECIFIED IN THEIR LOCAL LAWS, RATHER THAN AS SPECIFIED IN THE MODEL CODE, SO LONG AS THE SUBJECT JURISDICTION HAS ADOPTED A LOCAL INCLUSIONARY ZONING ORDINANCE THAT APPLIES IN KEY CORRIDOR AREAS.
- (d) REGULATED AFFORDABLE HOUSING UNITS WITHIN MIXED-INCOME MULTIFAMILY HOUSING DEVELOPMENTS MUST BE SIMILAR IN SIZE TO THE OTHER UNITS IN THE DEVELOPMENT.
- (e) THE MODEL CODE MUST NOT ALLOW MINIMUM OFF-STREET VEHICLE PARKING REQUIREMENTS IN CONNECTION WITH THE CONSTRUCTION OR PERMITTING OF MIXED-INCOME MULTIFAMILY HOUSING IN KEY CORRIDORS THAT ARE GREATER THAN ONE-HALF OF A VEHICLE PARKING SPACE PER DWELLING UNIT, WHICH MAY BE ROUNDED UP IN THE CASE OF AN ODD NUMBER OF DWELLING UNITS.
- (5) Minimum standards. (a) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL CREATE OR UPDATE A ZONING DISTRICT OR DISTRICTS WITHIN KEY CORRIDORS IN WHICH MULTIFAMILY HOUSING IS ALLOWED AS A USE BY RIGHT. A SUBJECT JURISDICTION THAT ALREADY HAS LOCAL LAWS IN EFFECT THAT ESTABLISH A ZONING DISTRICT OR DISTRICTS THAT MEET THE MINIMUM STANDARDS NEED NOT UPDATE LOCAL LAWS, AND

MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL AFFAIRS DEMONSTRATING SUCH COMPLIANCE.

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- (b) (I) The minimum area of the zoning district or districts required by subsection (5)(a) of this section and allowed by subsection (5)(d) of this section must in total be greater than or equal to the greater of:
- (A) TWENTY-FIVE PERCENT OF THE AREA OF ELIGIBLE PARCELS IN KEY CORRIDORS IN THE SUBJECT JURISDICTION; OR
- $\begin{tabular}{ll} \textbf{(B)} \ Ten \, percent \, of the total \, area \, of eligible \, parcels \, in \, the \, \\ subject \, jurisdiction. \end{tabular}$
- (II) A SUBJECT JURISDICTION MAY CHOOSE TO INCLUDE PARCELS THAT ARE NOT ELIGIBLE PARCELS IN THE CALCULATION OF THE AREA OF ELIGIBLE PARCELS IN KEY CORRIDORS IN THE SUBJECT JURISDICTION.
- (c) WITHIN THE ZONING DISTRICT OR DISTRICTS REQUIRED BY SUBSECTION (5)(a) OF THIS SECTION, A SUBJECT JURISDICTION SHALL ALLOW MULTIFAMILY HOUSING AS A USE BY RIGHT AT AN AVERAGE NET DENSITY OF UP TO AT LEAST TWENTY-FIVE DWELLING UNITS PER ACRE.
- (d) A SUBJECT JURISDICTION MAY ESTABLISH MULTIPLE ZONING DISTRICTS THAT ALLOW DIFFERENT NET DENSITIES OF MULTIFAMILY HOUSING IF THE AVERAGE NET DENSITY REQUIREMENT IN SUBSECTION (5)(c) OF THIS SECTION IS MET ACROSS THE ZONING DISTRICT OR DISTRICTS REQUIRED BY SUBSECTION (5)(a) OF THIS SECTION. SUBJECT JURISDICTIONS ARE ENCOURAGED TO LOCATE DISTRICTS IN CENTERS OR ALONG CORRIDORS THAT ARE PLANNED FOR MIXED-USE, WALKABLE AREAS.
- (e) Notwithstanding any local law to the contrary, a subject jurisdiction that does not adopt the model code may meet the average net density requirements established in the minimum standards by adopting local laws applicable to a zoning district or districts covering areas outside of key corridors if the zoning district or districts satisfy the area requirements of subsection (5)(b) of this section and:
 - (I) SIGNIFICANT DEVELOPMENT CONSTRAINTS EXIST; AND
- (II) THE SUBJECT JURISDICTION HAS ESTABLISHED PLANNING AREAS FOR TRANSIT-COMPATIBLE DEVELOPMENT, OR MIXED-USE, WALKABLE CENTERS, IN OTHER STRATEGIC GROWTH AREAS, OR UTILIZES ALTERNATE MEASUREMENT METHODS FOR DETERMINING THE EXTENT OF A KEY CORRIDOR SUCH AS WALKING DISTRICT FROM TRANSIT STATIONS. FOR THE PURPOSES OF THIS SUBSECTION (5)(e)(II):
- (A) ESTABLISHED PLANNING AREAS MUST INCLUDE PLANS TO ADDRESS ANY DEFICIENCIES IN PEDESTRIAN AND BICYCLE ACCESS; AND
- (B) IN DETERMINING THE LOCATION OF ZONING DISTRICTS FOR KEY CORRIDORS, A SUBJECT JURISDICTION SHALL CONSIDER THE DISPLACEMENT RISK ASSESSMENT COMPLETED PURSUANT TO SECTION 29-33-107.

- (f) Notwithstanding any local law to the contrary, a subject jurisdiction that does not adopt the model code shall not, in the zoning districts established pursuant to subsection (5)(a) of this section, apply minimum off-street vehicle parking requirements in connection with the construction or permitting of multifamily housing in key corridors that are greater than one-half of a parking space per dwelling unit, which may be rounded up in the case of an odd number of dwelling units.
- (g) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL ONLY ADOPT OR ENFORCE LOCAL LAWS CONCERNING MULTIFAMILY HOUSING IN KEY CORRIDORS THAT USE OBJECTIVE STANDARDS AND OBJECTIVE PROCEDURES.
- (h) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROMULGATE RULES AS IT DEEMS NECESSARY TO UPDATE THE MINIMUM STANDARDS OR MODEL CODE, UTILIZING A PUBLIC HEARING AND COMMENT PROCESS.
- (6) **Adoption of a model code and minimum standards.** (a) NO LATER THAN JUNE 30, 2025, A SUBJECT JURISDICTION SHALL:
- (I) ADOPT LOCAL LAWS CONCERNING KEY CORRIDORS THAT SATISFY THE MINIMUM STANDARDS; OR
 - (II) ADOPT THE MODEL CODE.

- (b) If a subject jurisdiction does not satisfy the requirements of subsection (6)(a) of this section before December 31, 2025, the model code goes into effect immediately for all eligible parcels and the subject jurisdiction shall not deny or condition approval of an application for a mixed-income multifamily housing project on an eligible parcel on a basis that is inconsistent with the model code, as specified in subsection (4) of this section, until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- (c) If a subject jurisdiction adopts the model code or the model code is otherwise in effect for a subject jurisdiction pursuant to subsection (6)(b) of this section, the decisions of the subject jurisdiction shall be consistent with the model code and the subject jurisdiction shall:
- (I) USE OBJECTIVE PROCEDURES TO DETERMINE WHETHER A MIXED-INCOME MULTIFAMILY HOUSING PROJECT SATISFIES THE MODEL CODE AND, IF THE SUBJECT JURISDICTION DETERMINES THAT THE PROJECT SATISFIES THE MODEL CODE, THE SUBJECT JURISDICTION SHALL APPROVE THE PROJECT; AND
- (II) NOT ADOPT, ENACT, OR ENFORCE ANY LOCAL LAWS THAT CONTRAVENE THE MODEL CODE.

(7) **Subject jurisdiction restrictions.** (a) NOTHING IN THIS PART 3, THE MODEL CODE, OR THE MINIMUM STANDARDS PREVENTS A SUBJECT JURISDICTION FROM:

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- (I) REQUIRING PARKING SPACES IN ACCORDANCE WITH THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AS AMENDED, OR OTHERWISE PROVIDING PARKING SIGNED FOR USE BY PERSONS EXPERIENCING DISABILITIES;
- (II) ADOPTING GENERALLY APPLICABLE REQUIREMENTS FOR THE PAYMENT OF IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES, IN CONFORMANCE WITH THE REQUIREMENTS OF SECTION 29-20-104.5, OR THE MITIGATION OF IMPACTS IN CONFORMANCE WITH THE REQUIREMENTS OF PART 2 OF ARTICLE 20 OF TITLE 29;
- (III) APPLYING A LOCAL INCLUSIONARY ZONING ORDINANCE IN KEY CORRIDORS IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7) AND SUBJECT TO PART 2 OF ARTICLE 20 OF TITLE 29;
- (IV) IMPOSING REQUIREMENTS ON THE SHORT-TERM RENTAL OF HOUSING IN KEY CORRIDORS;
 - (V) PERMITTING MIXED-USE DEVELOPMENT IN A KEY CORRIDOR;
- (VI) ALLOWING COMMERCIAL ONLY DEVELOPMENTS IN A KEY CORRIDOR; OR
- (VII) APPLYING THE STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A PARCEL IN A KEY CORRIDOR ON WHICH HOUSING IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING RULES RELATED TO DEMOLITION.
- 29-33-304. Public comment and hearing process. (1) IN DEVELOPING RECOMMENDATIONS CONCERNING GUIDANCE FOR THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS, THE MULTI-AGENCY ADVISORY COMMITTEE CREATED IN SECTION 29-33-103 (1), RURAL RESORT AREA SUBCOMMITTEE CREATED IN SECTION 29-33-103 (8), AND THE URBAN AREA SUBCOMMITTEE CREATED IN SECTION 29-33-103 (9), SHALL CONDUCT A PUBLIC COMMENT AND HEARING PROCESS CONCERNING THE CREATION OF:
- (a) A model code for transit-oriented areas pursuant to section 29-33-302 (3)(a)(I); and
- (b) A KEY CORRIDOR MODEL CODE PURSUANT TO SECTION 29-33-303 (4)(a).
- (2) IN DEVELOPING RECOMMENDATIONS TO PROVIDE TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS ON EACH MODEL CODE, THE MULTI-AGENCY ADVISORY COMMITTEE SHALL:
- 41 (a) PROVIDE PUBLIC NOTICE OF AND HOLD AT LEAST TWO PUBLIC
 42 MEETINGS AT WHICH MEMBERS OF THE PUBLIC HAVE AN OPPORTUNITY TO
 43 COMMENT ON THE MODEL CODE;

- (b) ALLOW THE SUBMISSION OF WRITTEN COMMENTS ON THE MODEL CODE;
- (c) CONDUCT OUTREACH TO AND SOLICIT FEEDBACK FROM LOCAL GOVERNMENTS AND REGIONAL PLANNING AGENCIES; AND
- (d) CONSULT WITH EXPERTS IN DISABILITY RIGHTS, RACIAL EQUITY AND HOMELESSNESS PREVENTION, AFFORDABLE HOUSING, FAIR HOUSING, PLANNING, ZONING, AND RELATED FIELDS.
- **29-33-305.** Exemption or extension. (1) No later than June 30, 2024, a subject jurisdiction may notify the department of Local affairs that an exemption or an extension is necessary from the requirements of section 29-33-302 (5) or 29-33-303 (6).
- (2) The notice must demonstrate that the water, sewer, wastewater, or stormwater services are currently deficient in specific geographic areas of the subject jurisdiction or in the subject jurisdiction as a whole, or the subject jurisdiction expects such services to become deficient in the next five years. As used in this subsection (2), "deficient" means, in reference to the subject jurisdiction's water supply master plan, water distribution and wastewater collection master plan, wastewater master plan, or stormwater master plan, if applicable, issues concerning:
 - (a) WATER SUPPLY;

- (b) WASTEWATER TREATMENT CAPACITY;
- (c) WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY; OR
 - (d) STORMWATER MANAGEMENT CAPACITY.
- (3) IF A SUBJECT JURISDICTION SUBMITS A NOTICE TO THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE SUBJECT JURISDICTION MAY INCLUDE A PLAN OF ACTION TO REMEDY THE DEFICIENT WATER SUPPLY, WATER OR WASTEWATER TREATMENT CAPACITY, WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY, OR STORMWATER MANAGEMENT CAPACITY IN THE SPECIFIC AREAS IDENTIFIED IN A CAPITAL IMPROVEMENT PLAN INCLUDED IN THE NOTICE.
- (4) THE DEPARTMENT OF LOCAL AFFAIRS MAY ADOPT RULES OR PROMULGATE GUIDANCE AS NECESSARY TO IMPLEMENT THIS SECTION.
- (5) THE REQUIREMENTS OF THIS SECTION SHALL NOT APPLY TO SUBJECT JURISDICTIONS WITH BOTH A POPULATION OF LESS THAN TWENTY-FIVE THOUSAND AND AN ANNUAL MEDIAN HOUSEHOLD INCOME OF LESS THAN FIFTY-FIVE THOUSAND DOLLARS, IF THE SUBJECT JURISDICTION SENDS A LETTER TO THE DEPARTMENT OF LOCAL AFFAIRS, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, INDICATING THAT THE SUBJECT JURISDICTION DOES NOT INTEND TO COMPLY WITH THIS

SECTION.

(6) (a) A SUBJECT JURISDICTION MAY PROPOSE ALTERNATIVE DATES IN LIEU OF THE DEADLINES IN THIS PART 3 TO THE DEPARTMENT OF LOCAL AFFAIRS FOR APPROVAL IF THE PROPOSAL DEMONSTRATES A PLAN FOR AND PROGRESS TOWARDS ACHIEVING COMPLIANCE WITH THIS PART 3. A SUBMITTED PROPOSAL FOR ALTERNATIVE DATES MUST INCLUDE:

- (I) A DESCRIPTION OF WORK ALREADY UNDERWAY, IF ANY, TO COMPLY WITH THE MINIMUM STANDARDS SET FORTH IN THIS PART 3; AND
- (II) Proposed alternative dates for compliance with the minimum standards set forth in this part $\bf 3$.
- (b) THE DEPARTMENT OF LOCAL AFFAIRS MAY ISSUE GUIDANCE AS NECESSARY TO IMPLEMENT THIS SUBSECTION (6).
- **29-33-306. Report.** (1) (a) No later than June 30, 2025, a subject jurisdiction shall submit to the department of local affairs, in a form and manner determined by the department, reports demonstrating evidence of compliance with either the model codes required by sections 29-33-302 (3) and 29-33-303 (4) or the minimum standards set forth in sections 29-33-302 (4) and 29-33-303 (5).
- (b) WITHIN NINETY DAYS OF A RECEIVING A REPORT DESCRIBED IN SUBSECTION (1) (a) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS SHALL REVIEW AND APPROVED THE SUBMITTED REPORT OR REJECT THE REPORT AND PROVIDE FEEDBACK TO A SUBJECT JURISDICTION. THE DEPARTMENT OF LOCAL AFFAIRS MAY GRANT A SUBJECT JURISDICTION AN ADDITIONAL ONE HUNDRED TWENTY DAYS TO CORRECT THE RELEVANT LOCAL LAWS AND RESUBMIT A REPORT.
- (c) If the department of local affairs rejects a subject jurisdiction's report, the relevant model code goes into effect immediately in the subject jurisdiction until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the relevant minimum standards.
- 32 (2) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROVIDE TECHNICAL
 33 ASSISTANCE OR FUNDING TO METROPOLITAN PLANNING ORGANIZATIONS
 34 AND SUBJECT JURISDICTIONS TO ADOPT MINIMUM STANDARDS FOR
 35 TRANSIT-ORIENTED AREAS AND KEY CORRIDORS THAT SUPPORT REGIONAL
- 36 PLANNING GOALS.".
- Page 78, line 7, strike "HOME" and substitute "HOMES".
- Page 79, after line 2 insert:
- 39 "SECTION 6. In Colorado Revised Statutes, 24-48.5-101, add 40 (8) as follows:

24-48.5-101. Colorado office of economic development - creation - duties - report - consideration of strategic growth objectives required. (8) (a) TO THE EXTENT PRACTICABLE, THE OFFICE OF ECONOMIC DEVELOPMENT MUST PRIORITIZE GRANTS AND INCENTIVES THAT ALIGN WITH STRATEGIC GROWTH OBJECTIVES AND STRATEGIC GROWTH AREAS.

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(b) The office of economic development must coordinate with the economic development commission created pursuant to 24-46-102 and the multi-agency advisory committee created pursuant to 29-33-103 to establish strategic growth objectives that align statewide housing, transportation, and economic development goals. the economic development commission must provide initial strategic growth objectives in their annual report to the general assembly by November 1, 2024, and in subsequent annual reports provide an update on investments that align with the established strategic growth objectives and strategic growth areas.

SECTION 7. In Colorado Revised Statutes, 24-67-105, **add** (5.5) as follows:

- **24-67-105.** Standards and conditions for planned unit development definitions. (5.5) (a) AS USED IN THIS SUBSECTION (5.5), UNLESS THE CONTEXT OTHERWISE REQUIRES:
- (1) "ACCESSORY DWELLING UNIT" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-33-102 (2).
- (2) "Key corridors" has the same meaning as set forth in section 29-33-303 (1) (b).
- (3) "Transit-oriented area" has the same meaning as set forth in section 29-33-102 (41).
- (b) A PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE ADOPTED PURSUANT TO THIS ARTICLE 67, IF THE PLANNED UNIT DEVELOPMENT HAS A RESIDENTIAL USE, MUST NOT RESTRICT THE PERMITTING OF ACCESSORY DWELLING UNITS, HOUSING IN TRANSIT-ORIENTED AREAS, OR HOUSING IN KEY CORRIDORS IN THE JURISDICTIONS AND AREAS TO WHICH ARTICLE 33 OF TITLE 29 APPLIES IN ANY WAY THAT IS PROHIBITED BY ARTICLE 33 OF TITLE 29.
- (c) Any provision of a planned unit development approved prior to the adoption of subsection (5.5)(a) of this section, and which fails to conform to the requirements of that subsection (5.5)(a), shall be deemed superseded by the adoption of a local law or implementation of a model code pursuant to article 33 of title 29. Notwithstanding this subsection (5.5)(b), a local government may adopt conforming amendments to any such planned unit development.".

- 1 Renumber succeeding sections accordingly.
- 2 Page 79, strike line 6 and substitute "definitions. (1) THE GENERAL
- 3 ASSEMBLY FINDS AND DECLARES THAT OCCUPANCY LIMITS AND THE
- 4 INCREASED AVAILABILITY OF HOUSING IS A MATTER OF MIXED STATEWIDE
- 5 AND LOCAL CONCERN.
- 6 (2) BEGINNING JANUARY 1, 2024, NOTWITHSTANDING ANY OTHER
- 7 PROVISION TO THE".
- 8 Renumber succeeding paragraphs accordingly.
- 9 Page 79, line 9, after the period add "HOWEVER, IF A MUNICIPALITY HAS
- 10 AN INSTITUTION OF HIGHER EDUCATION WITHIN ITS BOUNDARIES, AND THE
- 11 NUMBER OF PEOPLE ENROLLED IN THAT INSTITUTION OF HIGHER
- 12 EDUCATION DURING THE ACADEMIC YEAR IS EQUAL TO OR GREATER THAN
- 13 TWENTY-FIVE PERCENT OF THE MUNICIPALITY'S RESIDENTIAL POPULATION,
- 14 THAT MUNICIPALITY MAY ENACT OR ENFORCE RESIDENTIAL OCCUPANCY
- 15 LIMITS ON MORE THAN FIVE UNRELATED PEOPLE LIVING IN ONE
- 16 DWELLING.".
- 17 Page 79, line 22, after "(9)," strike "and".
- 18 Page 79, line 23, after "(10)" insert ", and (11)".
- 19 Page 80, line 10, strike "2024" and substitute "2025".
- Page 81, line 18, after "GOALS" insert "AND ACTIONS".
- 21 Page 85, strike lines 12 through 17.
- Page 85, strike line 18 and substitute:
- "(9) NOT LESS THAN SIXTY DAYS PRIOR TO ADOPTING OR".
- 24 Page 86, after line 2 insert:
- 25 "(10) NO MORE THAN THIRTY DAYS AFTER ADOPTING OR
- 26 AMENDING THE MASTER PLAN, THE COMMISSION SHALL SUBMIT THE
- 27 MASTER PLAN TO THE DIVISION OF LOCAL GOVERNMENT IN THE
- 28 DEPARTMENT OF LOCAL AFFAIRS. THE DIVISION OF LOCAL GOVERNMENT
- 29 SHALL REVIEW THE MASTER PLAN TO ENSURE THE MASTER PLAN COMPLIES
- 30 WITH THE REQUIREMENTS OF THIS SECTION. THE DIVISION OF LOCAL
- 31 GOVERNMENT SHALL PUBLISH AND MAINTAIN A DATABASE OF ADOPTED

- 1 AND AMENDED MASTER PLANS THAT HAVE BEEN SUBMITTED IN
- 2 ACCORDANCE WITH THIS SECTION; AND
- 3 (11) A COUNTY SUBJECT TO THIS SECTION SHALL REVIEW AND, IF
- 4 NEEDED, REVISE ITS MASTER PLAN TO ENSURE THE MASTER PLAN COMPLIES
- 5 WITH THE REQUIREMENTS OF THIS SECTION AT LEAST EVERY TEN YEARS.
- 6 A COUNTY MAY UTILIZE EXISTING PLANNING INFORMATION AND ANALYSIS
- 7 TO SATISFY THE REQUIREMENTS OF THIS SUBSECTION (11) IF THE
- 8 INFORMATION OR ANALYSIS IS NOT MORE THAN FIVE YEARS OLD.".
- 9 Page 86, line 18, after "(5)(a)(V)," strike "and".
- Page 86, strike line 19 and substitute "(5)(b)(I.5), and (5)(c) as follows".
- 11 Page 88, after line 7 insert:
- 12 "(c) FOR PURPOSES OF SUBSECTION (5)(b) OF THIS SECTION, THE
- 13 GENERAL ASSEMBLY FINDS AND DECLARES THAT CREATING ADDITIONAL
- 14 HOUSING BY ALLOWING MANUFACTURED HOMES AND MODULAR HOMES IS
- 15 A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.
- SECTION 12. In Colorado Revised Statutes, 31-23-301, add (6) as follows:
- 18 **31-23-301. Grant of power.** (6) NEITHER A TIER ONE URBAN
- 19 MUNICIPALITY AS DEFINED IN SECTION 29-33-102 (33) OR A TIER TWO
- 20 URBAN MUNICIPALITY AS DEFINED IN SECTION 29-33-102 (34) SHALL
- 21 IMPOSE MINIMUM SQUARE FOOTAGE REQUIREMENTS FOR RESIDENTIAL
- 22 UNITS IN THE APPROVAL OF RESIDENTIAL DWELLING UNIT CONSTRUCTION
- 23 PERMITS UNLESS DOING SO IS NECESSARY FOR HEALTH AND SAFETY IN THE
- 24 URBAN MUNICIPALITY.".
- 25 Renumber succeeding sections accordingly.
- 26 Page 89, line 6, strike "2024" and substitute "2025".
- Page 90, line 16, after "GOALS" insert "AND ACTIONS".
- 28 Page 94, strike lines 24 through 27.
- 29 Page 95, strike lines 1 through 3 and substitute:
- "(9) NOT LESS THAN SIXTY DAYS PRIOR TO ADOPTING OR".
- Page 95, after line 13 insert:
- 32 "(10) NO MORE THAN THIRTY DAYS AFTER ADOPTING OR

- 1 AMENDING THE MASTER PLAN, THE COMMISSION SHALL SUBMIT THE
- 2 MASTER PLAN TO THE DIVISION OF LOCAL GOVERNMENT IN THE
- 3 DEPARTMENT OF LOCAL AFFAIRS. THE DIVISION OF LOCAL GOVERNMENT
- 4 SHALL REVIEW THE MASTER PLAN TO ENSURE IT COMPLIES WITH THE
- 5 REQUIREMENTS OF THIS SECTION. THE DIVISION OF LOCAL GOVERNMENT
- 6 SHALL PUBLISH AND MAINTAIN A DATABASE OF ADOPTED AND AMENDED
- 7 MASTER PLANS THAT HAVE BEEN SUBMITTED IN ACCORDANCE WITH THIS
- 8 SECTION.".

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- 9 Page 95, after line 20 insert:
- "SECTION 14. In Colorado Revised Statutes, 38-33.3-106.5, add 11 (3) and (4) as follows:
 - 38-33.3-106.5. Prohibition contrary to public policy patriotic, political, or religious express public rights-of-way fire prevention renewable energy generation devices affordable housing drought prevention measure child care definitions. (3)
- 16 (a) NOTWITHSTANDING ANY PROVISION IN THE DECLARATION, BYLAWS,
- 17 OR RULES AND REGULATIONS OF THE ASSOCIATION TO THE CONTRARY, AN
- 18 ASSOCIATION SHALL NOT PROHIBIT ACCESSORY DWELLING UNITS, HOUSING
- 19 IN TRANSIT-ORIENTED AREAS, AND HOUSING IN KEY CORRIDORS IN THE
- 20 JURISDICTIONS AND AREAS TO WHICH ARTICLE 33 OF TITLE 29 APPLIES.
- 21 ANY SUCH PROHIBITION ON THE PERMITTING OF ACCESSORY DWELLING
- 22 UNITS, HOUSING IN TRANSIT-ORIENTED AREAS, AND HOUSING IN KEY
- CORRIDORS IS VOID AS A MATTER OF PUBLIC POLICY IN ANY WAY THAT IS PROHIBITED BY ARTICLE 33 OF TITLE 29.
 - (b) As used in this subsection (3), unless the context otherwise requires:
 - (I) "ACCESSORY DWELLING UNIT" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-33-102 (2).
 - (II) "KEY CORRIDORS" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-33-303 (1) (b).
 - (III) "Transit-oriented area" has the same meaning as set forth in section 29-33-102 (41).
 - (c) Subsection (3)(a) of this section shall not apply to reasonable restrictions on accessory dwelling units. As used in this subsection (3)(c), "reasonable restriction" means a restriction that does not unreasonably increase the cost to construct, effectively prohibit the construction of, or extinguish the ability to otherwise construct, an accessory dwelling unit consistent with the provisions of this section.
 - (4) (a) NOTWITHSTANDING ANY PROVISION IN THE DECLARATION, BYLAWS, OR RULES AND REGULATIONS OF THE ASSOCIATION TO THE

CONTRARY, AN ASSOCIATION SHALL NOT ENACT OR ENFORCE RESIDENTIAL OCCUPANCY LIMITS THAT DIFFER BASED ON THE RELATIONSHIPS OF THE OCCUPANTS OF A DWELLING.

- (b) NOTHING IN THIS SECTION PREVENTS AN ASSOCIATION FROM ESTABLISHING RESIDENTIAL OCCUPANCY LIMITS FOR DWELLING UNITS FOR SHORT-TERM RENTALS, AS DEFINED IN SECTION 29-33-102 (35).
- (c) AS USED IN THIS SUBSECTION (4), UNLESS THE CONTEXT OTHERWISE REQUIRES, "DWELLING" MEANS ANY IMPROVED REAL PROPERTY OR PORTION THEREOF THAT IS USED OR INTENDED TO BE USED AS A RESIDENCE."
- 11 Renumber succeeding sections accordingly.
- 12 Page 97, after line 22 insert:

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"SECTION 19. In Colorado Revised Statutes, 43-2-147, amend (4) as follows:

43-2-147. Access to public highways - definitions. (4) (a) The commission shall adopt a state highway access code, by rule and regulation, for the implementation of this section, on or after March 16, 1980. The access code shall address the design and location of driveways and other points of access to public highways. The access code shall be consistent with the authority granted in this section and shall be based upon consideration of existing and projected traffic volumes, the functional classification of public highways, adopted local transportation plans and needs, drainage requirements, the character of lands adjoining the highway, adopted local land use plans and zoning, the type and volume of traffic to use the driveway, other operational aspects of the driveway, the availability of vehicular access from local streets and roads rather than a state highway, and reasonable access by city streets and county roads. The access code must ensure that access control STANDARDS ARE OPTIMIZED TO SUPPORT DENSE HOUSING, WALKABLE AND MULTI-MODAL MIXED-USE CENTERS, AND STRATEGIC GROWTH AREAS, WHILE CONTINUING TO ENSURE THAT BASIC SAFETY STANDARDS ARE MET.

(b) On or before July 1, 2024, the commission shall adopt into the state highway access code an interchange approval process that conditions approval for certain interchanges on adoption of transportation demand management strategies that reduce the average daily traffic at the on-ramps to the interchanges by a minimum of three percent relative to the baseline average daily traffic. The transportation demand management strategies shall be consistent with strategic growth objectives. This subsection (4)(b) shall apply, at a

- 1 MINIMUM, TO INTERCHANGES THAT ARE:
- 2 (I) New interchanges or interchanges modified with
- 3 IMPROVEMENTS THAT EXPAND TRAFFIC CAPACITY; AND
- 4 (II) WITHIN METROPOLITAN PLANNING ORGANIZATION
- 5 BOUNDARIES.".
- 6 Renumber succeeding sections accordingly.
- Page 1, strike lines 102 through 109 and substitute "THEREWITH,
- 8 MAKING AN".

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