



Colorado
Legislative
Council
Staff

SB16-059

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0713

Date: January 27, 2016

Prime Sponsor(s): Sen. Ulibarri

Bill Status: Senate Finance

Fiscal Analyst: Anna Gerstle (303-866-4375)

BILL TOPIC: AUTHORITY OF LOCAL GOVS PROMOTE AFFORDABLE HOUSING

Summary of Legislation

Current law prohibits local governments from enacting ordinances or resolutions that would control rent on private residential property. This bill excludes local government affordable housing programs that require land developers to mitigate the effects of new development from the prohibition on rent control, provided the program meets the following requirements.

- The program is adopted by ordinance or resolution.
- The program must be adopted to address the shortage of affordable housing resulting from the adverse effects of high levels of economic development within the city or county.
- The program must apply only to the construction of residential housing commenced on or after July 1, 2016.
- Any rental rate restriction cannot be related to the characteristics or zoning classification of a particular residential housing unit; rather a rental rate restriction must be based upon the number of employees generated by a particular development.
- If the program requires a land developer to generate a certain number of affordable housing units, the program must offer the developer alternate ways of mitigating the impact. The bill includes several suggestions of alternate methods of mitigation, including deed restrictions or a fee to the local government.

Local Government Impact

The bill does not impact expenditures for current affordable housing programs, but may impact expenditures for local governments that choose to create a relevant affordable housing program after July 1, 2016. The size and scope of the impact will be determined by the process to adopt an ordinance or resolution, type of program, characteristics of the city or county, as well as the types of new developments within the city or county.

Effective Date

The bill takes effect July 1, 2016, and applies to programs established on or after that date.

State and Local Government Contacts

Counties

Local Affairs

Municipalities