The bill repeals existing statutory language prohibiting counties or municipalities (local governments) from enacting any ordinance or resolution that would control rent on either private residential property or a private residential housing unit (collectively, private residential property). The bill authorizes local governments to enact and enforce any ordinance, resolution, agreement, deed restriction, or other measure that
would stabilize rent on private residential property.

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

SECTION 1. In Colorado Revised Statutes, repeal and reenact, with amendments, 38-12-301 as follows:

38-12-301. Authority of local governments to stabilize rent on private residential real property - legislative declaration. (1) The General Assembly hereby finds, determines, and declares that:

(a) In 1981, the General Assembly enacted legislation that prohibited counties and municipalities, referred to in this part 3 as "local governments", from enacting any resolution or ordinance that would control rent on private residential real property or private residential housing units.

(b) Since 2000, the state's need for affordable housing in all geographic regions has grown exponentially. Among other effects, the immense demand for affordable housing represents a significant impediment to economic growth and opportunities for residents within the state as the majority of renters in Colorado are rent-burdened and, accordingly, are challenged in their ability to afford their rent.

(c) The demand for affordable housing limits the ability of the state to provide a high-quality life for all its residents and to develop, attract, and maintain a high-quality workforce.

(d) In adopting its master plans, municipalities are specifically directed by section 31-23-207 to accomplish "a coordinated, adjusted, and harmonious development of the municipality and its environs which will, in accordance with
PRESENT AND FUTURE NEEDS, BEST PROMOTE HEALTH, SAFETY, ORDER, CONVENIENCE, PROSPERITY, AND GENERAL WELFARE...

including...AFFORDABLE HOUSING....".

(e) WHILE RENTAL HOUSING AFFORDABILITY IS AN ISSUE ACROSS THE STATE, THE DYNAMICS FACING COLORADO COMMUNITIES DIFFER. 

WHILE THE RENT INCREASES IN THE DENVER METROPOLITAN AREA ARE WELL-DOCUMENTED, SUBURBAN CITIES ALSO STRUGGLE TO PROVIDE HOUSING FOR RENTERS MOVING INTO THESE AREAS. FORT COLLINS AND CITIES WITH LARGE NUMBERS OF UNIVERSITY STUDENTS HAVE STUDENT POPULATIONS CONTENDING WITH RISING HOUSING COSTS. SKI COMMUNITIES FACE HOUSING SHORTAGES FOR SEASONAL WORKERS, AND SMALLER CITIES SUCH AS DURANGO ARE ALSO CONFRONTING UNAFFORDABLE RENTAL HOUSING IN THEIR COMMUNITIES.

(f) THE INABILITY OF LOCAL GOVERNMENTS TO REGULATE SKYROCKETING RENTS HAS LED TO RENTERS BEING DISPLACED FROM DENVER AND OTHER LARGER COMMUNITIES INTO SMALLER SURROUNDING COMMUNITIES WHOSE EXISTING HOUSING STOCK IS ILL-EQUIPPED TO MEET INCREASED DEMAND. AS A RESULT, COUNTLESS COLORADO RENTERS ARE UNABLE TO WORK IN CLOSE PROXIMITY TO THEIR PLACE OF EMPLOYMENT WITH FAR-REACHING IMPACTS ON THE STATE.

(2) BY GIVING LOCAL GOVERNMENTS THE AUTHORITY TO ADOPT THE TYPES OF HOUSING PROGRAMS AUTHORIZED BY SENATE BILL 19-___, ENACTED IN 2019, THE GENERAL ASSEMBLY INTENDS TO GIVE LOCAL GOVERNMENTS AN ADDITIONAL AND MEANINGFUL RESOURCE TO EXPAND THE SUPPLY OF AFFORDABLE HOUSING IN THEIR COMMUNITIES AND TO ENABLE LOW-INCOME AND WORKING-CLASS RESIDENTS TO LIVE IN THE COMMUNITIES IN WHICH THEY WORK, THEREBY PREVENTING THE
DISPLACEMENT OF THESE RESIDENTS FROM THEIR COMMUNITIES.

(3) A LOCAL GOVERNMENT MAY ENACT AND ENFORCE ANY ORDINANCE, RESOLUTION, AGREEMENT, DEED RESTRICTION, OR OTHER MEASURE THAT WOULD STABILIZE RENT ON EITHER PRIVATE RESIDENTIAL PROPERTY OR A PRIVATE RESIDENTIAL HOUSING UNIT.

SECTION 2. In Colorado Revised Statutes, amend 38-12-302 as follows:

38-12-302. Definitions. As used in this part 3, unless the context otherwise requires:

(1) "LOCAL GOVERNMENT" MEANS A COUNTY, HOME RULE COUNTY, OR A MUNICIPALITY.

(2) "Municipality" means a city or town and, in addition, means a city or town incorporated prior to July 3, 1877, whether or not reorganized, and any city, town, or city and county which has chosen to adopt a home rule charter pursuant to the provisions of article XX of the state constitution.

SECTION 3. Act subject to petition - effective date. This act takes effect September 1, 2019; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.