

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 24-0288.03 Pierce Lively x2059

HOUSE BILL 24-1313

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A BILL FOR AN ACT

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

Bill Summary

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

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

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

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

HOUSE
3rd Reading Unamended
April 14, 2024

HOUSE
Amended 2nd Reading
April 12, 2024

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

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

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

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

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

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

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

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

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

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

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

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

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

to the account.

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

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

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

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

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

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

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

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

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

4 **ARTICLE 35**

5 **State Land Use Criteria For Strategic Growth**

6 **PART 1**

7 **DEFINITIONS**

8 **29-35-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 35 IS
9 THE "STATE LAND USE CRITERIA FOR STRATEGIC GROWTH ACT".

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 (3) "APPLICABLE TRANSIT PLAN" MEANS A PLAN OF A TRANSIT

1 AGENCY WHOSE SERVICE TERRITORY IS WITHIN A METROPOLITAN
2 PLANNING ORGANIZATION, INCLUDING A SYSTEM OPTIMIZATION PLAN OR
3 A TRANSIT MASTER PLAN THAT:

4 (a) HAS BEEN APPROVED BY THE GOVERNING BODY OF A TRANSIT
5 AGENCY ON OR AFTER JANUARY 1, 2019, AND ON OR BEFORE JANUARY 1,
6 2024;

7 (b) IDENTIFIES THE PLANNED FREQUENCY AND SPAN OF SERVICE
8 FOR TRANSIT SERVICE OR SPECIFIC TRANSIT ROUTES; AND

9 (c) IDENTIFIES SPECIFIC TRANSIT ROUTES FOR SHORT-TERM
10 IMPLEMENTATION ACCORDING TO THAT PLAN, OR IMPLEMENTATION
11 BEFORE JANUARY 1, 2030.

12 (4) "BUS RAPID TRANSIT SERVICE" MEANS [REDACTED] A [REDACTED] TRANSIT
13 SERVICE:

14 (a) THAT IS IDENTIFIED AS BUS RAPID TRANSIT BY A TRANSIT
15 AGENCY IN A METROPOLITAN PLANNING ORGANIZATION'S FISCALLY
16 CONSTRAINED LONG RANGE TRANSPORTATION PLAN OR IN AN APPLICABLE
17 TRANSIT PLAN; AND

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

19 (I) SERVICE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES
20 OR LESS DURING THE HIGHEST FREQUENCY SERVICE HOURS;

21 (II) DEDICATED LANES OR BUSWAYS;

22 (III) TRAFFIC SIGNAL PRIORITY;

23 (IV) OFF-BOARD FARE COLLECTION;

24 (V) ELEVATED PLATFORMS; OR

25 (VI) ENHANCED STATIONS.

26 (5) "COMMUTER BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID
27 TRANSIT SERVICE THAT OPERATES FOR A MAJORITY OF ITS ROUTE ON A

1 FREEWAY WITH ACCESS THAT IS LIMITED TO GRADE-SEPARATED
2 INTERCHANGES.

3 (6) "COMMUTER RAIL" MEANS A PASSENGER RAIL TRANSIT SERVICE
4 BETWEEN AND WITHIN METROPOLITAN AND SUBURBAN AREAS.

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

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

8 (9) "DISPLACEMENT" MEANS:

9 ==

10 (a) THE INVOLUNTARY RELOCATION OF RESIDENTS, PARTICULARLY
11 LOW-INCOME RESIDENTS, OR LOCALLY-OWNED COMMUNITY-SERVING
12 BUSINESSES AND INSTITUTIONS DUE TO:

13 (I) INCREASED REAL ESTATE PRICES, RENTS, PROPERTY
14 REHABILITATION, REDEVELOPMENT, DEMOLITION, OR OTHER ECONOMIC
15 FACTORS;

16 (II) PHYSICAL CONDITIONS RESULTING FROM NEGLECT AND
17 UNDERINVESTMENT THAT RENDER A RESIDENCE UNINHABITABLE; OR

18 (III) PHYSICAL DISPLACEMENT WHEREIN EXISTING HOUSING UNITS
19 AND COMMERCIAL SPACES ARE LOST DUE TO PROPERTY REHABILITATION,
20 REDEVELOPMENT, OR DEMOLITION;

21 (b) INDIRECT DISPLACEMENT RESULTING FROM CHANGES IN
22 NEIGHBORHOOD POPULATION, IF, WHEN LOW-INCOME HOUSEHOLDS MOVE
23 OUT OF HOUSING UNITS, THOSE SAME HOUSING UNITS DO NOT REMAIN
24 AFFORDABLE TO OTHER LOW-INCOME HOUSEHOLDS IN THE
25 NEIGHBORHOOD, OR DEMOGRAPHIC CHANGES THAT REFLECT THE
26 RELOCATION OF EXISTING RESIDENTS FOLLOWING WIDESPREAD
27 RELOCATION OF THEIR COMMUNITY AND COMMUNITY-SERVING ENTITIES.

1 (10) "LIGHT RAIL" MEANS A PASSENGER RAIL TRANSIT SERVICE
2 THAT USES ELECTRICALLY POWERED RAIL-BORNE CARS.

3 (11) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, COUNTY, OR
4 TRIBAL NATION WITH JURISDICTION IN COLORADO.

5 (12) "LOCAL LAW" MEANS ANY CODE, LAW, ORDINANCE, POLICY,
6 REGULATION, OR RULE ENACTED BY A LOCAL GOVERNMENT THAT
7 GOVERNS THE DEVELOPMENT AND USE OF LAND, INCLUDING BUT NOT
8 LIMITED TO LAND USE CODES, ZONING CODES, AND SUBDIVISION CODES.

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

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

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

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

18 (b) DOES NOT REQUIRE A SUBJECTIVE DETERMINATION
19 CONCERNING A DEVELOPMENT PROPOSAL, INCLUDING BUT NOT LIMITED TO
20 WHETHER THE APPLICATION FOR THE DEVELOPMENT PROPOSAL IS:

21 (I) CONSISTENT WITH MASTER PLANS, OR OTHER DEVELOPMENT
22 PLANS;

23 (II) COMPATIBLE WITH THE LAND USE OR DEVELOPMENT OF THE
24 AREA SURROUNDING THE AREA DESCRIBED IN THE APPLICATION; OR

25 (III) CONSISTENT WITH PUBLIC WELFARE, COMMUNITY
26 CHARACTER, OR NEIGHBORHOOD CHARACTER.

27 (16) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE

1 HOUSING THAT:

2 (a) HAS RECEIVED LOANS, GRANTS, EQUITY, BONDS, OR TAX
3 CREDITS FROM ANY SOURCE TO SUPPORT THE CREATION, PRESERVATION,
4 OR REHABILITATION OF AFFORDABLE HOUSING THAT, AS A CONDITION OF
5 FUNDING, ENCUMBERS THE PROPERTY WITH A RESTRICTED USE COVENANT
6 OR SIMILAR RECORDED AGREEMENT TO ENSURE AFFORDABILITY, OR HAS
7 BEEN INCOME-RESTRICTED UNDER A LOCAL INCLUSIONARY ZONING
8 ORDINANCE OR OTHER REGULATION OR PROGRAM;

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

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

16 (17) "UNIVERSAL DESIGN" MEANS ANY DWELLING UNIT DESIGNED
17 AND CONSTRUCTED TO BE SAFE AND ACCESSIBLE FOR ANY INDIVIDUAL
18 REGARDLESS OF AGE OR ABILITIES.

19 (18) "URBAN BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID
20 TRANSIT SERVICE THAT OPERATES ON A SURFACE STREET FOR THE
21 MAJORITY OF ITS ROUTE.

22 (19) "VISITABLE UNIT" MEANS A DWELLING UNIT THAT A PERSON
23 WITH A DISABILITY CAN ENTER, MOVE AROUND THE PRIMARY ENTRANCE
24 FLOOR OF, AND USE THE BATHROOM IN.

25 PART 2

26 TRANSIT-ORIENTED COMMUNITIES

27 **29-35-201. Legislative declaration.** (1) THE GENERAL ASSEMBLY

1 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

7 (b) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT IS
8 IMPORTANT FOR THE COST EFFECTIVENESS AND AVAILABILITY OF
9 AFFORDABLE HOUSING. AN ANALYSIS OF OVER SIXTY AFFORDABLE
10 HOUSING PROJECTS FUNDED BY THE U.S. DEPARTMENT OF HOUSING AND
11 URBAN DEVELOPMENT IN TRANSIT-ORIENTED AREAS IN COLORADO SINCE
12 2010 FOUND THAT HALF WERE DEVELOPED AT OVER FIFTY UNITS PER ACRE,
13 AND TWENTY PERCENT WERE OVER ONE HUNDRED UNITS PER ACRE.

14 (c) THROUGHOUT COLORADO, LESS THAN HALF OF AVAILABLE
15 ZONING CAPACITY IS TYPICALLY UTILIZED, AND GREATER UTILIZATION OF
16 ZONING CAPACITY IS NECESSARY TO MEET ANTICIPATED HOUSING NEEDS.
17 NUMEROUS FACTORS CURRENTLY PREVENT DEVELOPMENT FROM FULLY
18 UTILIZING AVAILABLE ZONING CAPACITY AND ALLOWED DENSITIES,
19 INCLUDING SITE LEVEL CONSTRAINTS, FINANCIAL FEASIBILITY AND
20 DEMAND, AND LANDOWNERS' WILLINGNESS TO SELL OR REDEVELOP.

21 (d) COLORADO HAS INVESTED SIGNIFICANTLY IN PUBLIC TRANSIT
22 IN THE LAST SEVERAL DECADES, FUNDING OVER SIX BILLION DOLLARS
23 ACROSS EIGHTY-FIVE MILES OF NEW RAIL LINES. THE INVESTMENTS WILL
24 CONTINUE IN THE COMING YEARS WITH NEW BUS RAPID TRANSIT AND RAIL
25 SYSTEMS ALONG THE FRONT RANGE. DESPITE THESE INVESTMENTS,
26 TRANSIT RIDERSHIP LAGS BEHIND PEER AGENCIES AROUND THE COUNTRY,
27 DUE AT LEAST IN PART TO A LACK OF DENSITY NEAR THESE TRANSIT LINES.

1 BEFORE THE COVID-19 PANDEMIC, THE REGIONAL TRANSPORTATION
2 DISTRICT HAD TWO AND THREE-TENTHS RIDES PER VEHICLE REVENUE MILE
3 ON THEIR RAIL SYSTEM, COMPARED TO OVER FOUR RIDES PER VEHICLE
4 REVENUE MILE FOR AGENCIES IN MINNEAPOLIS AND PORTLAND AND OVER
5 EIGHT RIDES PER VEHICLE REVENUE MILE IN SEATTLE, ACCORDING TO
6 DATA FROM THE FEDERAL TRANSIT ADMINISTRATION'S NATIONAL TRANSIT
7 DATABASE.

8 (e) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT NEAR
9 TRANSIT IS IMPORTANT FOR INCREASING TRANSIT RIDERSHIP AND
10 IMPROVING THE COST EFFECTIVENESS OF TRANSIT SERVICES.
11 RESEARCHERS HAVE FOUND THAT HIGHER BUILT GROSS DENSITIES
12 CITYWIDE INCREASE COST-EFFECTIVENESS FOR LIGHT RAIL AND BUS RAPID
13 TRANSIT SERVICES, AS DESCRIBED IN THE ARTICLE, "COST OF A RIDE: THE
14 EFFECTS OF DENSITIES ON FIXED-GUIDEWAY TRANSIT RIDERSHIP AND
15 COSTS" BY ERICK GUERRA AND ROBERT CERVERO.

16 (f) MOST LIGHT AND COMMUTER RAIL STATIONS AND FREQUENT
17 BUS CORRIDORS IN COLORADO HAVE LOWER HOUSING UNIT DENSITY THAN
18 IS NECESSARY TO SUPPORT FREQUENT TRANSIT. BASED ON 2020 CENSUS
19 BLOCK HOUSING UNIT DATA, OVER NINETY PERCENT OF RAIL STATIONS
20 AND EIGHTY-FOUR PERCENT OF BUS RAPID TRANSIT AND FREQUENT BUS
21 CORRIDORS IN COLORADO HAVE LESS THAN FIFTEEN HOUSING UNITS PER
22 ACRE ON AVERAGE WITHIN WALKING DISTANCE. RESEARCHERS HAVE
23 GENERALLY FOUND A MINIMUM OF FIFTEEN HOUSING UNITS PER ACRE OF
24 BUILT DENSITY IS NEEDED TO SUPPORT FREQUENT TRANSIT.

25 (g) LIVING NEAR TRANSIT, JOBS, AND SERVICES ENABLES
26 HOUSEHOLDS TO ALSO SAVE ON TRANSPORTATION COSTS BY OWNING
27 FEWER VEHICLES AND REDUCING FUEL CONSUMPTION. COLORADANS

1 COMMUTE OVER FIFTY MINUTES TO AND FROM WORK ON AVERAGE,
2 ACCORDING TO THE LATEST AMERICAN COMMUNITY SURVEY'S FIVE YEAR
3 ESTIMATES. ANALYSES OF TRANSIT-ORIENTED COMMUNITIES HAVE FOUND
4 THAT RESIDENTS TAKE AN AVERAGE OF FORTY-FOUR PERCENT FEWER
5 VEHICLE TRIPS, ACCORDING TO THE ARTICLE "VEHICLE TRIP REDUCTION
6 IMPACTS OF TRANSIT-ORIENTED HOUSING" IN THE JOURNAL OF PUBLIC
7 TRANSPORTATION.

8 (h) IN COLORADO, HOUSEHOLDS IN MORE DENSE AREAS, WHICH
9 ARE DEFINED AS CENSUS TRACTS WITH MORE THAN FOUR THOUSAND UNITS
10 PER SQUARE MILE OR ABOUT FIFTEEN UNITS PER ACRE, DRIVE TWENTY
11 PERCENT LESS THAN THE STATE AVERAGE, AND HIGHER DENSITY AREAS,
12 CENSUS TRACTS WITH MORE THAN TEN THOUSAND UNITS PER SQUARE MILE
13 OR ABOUT FORTY UNITS PER ACRE, DRIVE FORTY PERCENT LESS THAN THE
14 STATE AVERAGE, ACCORDING TO DATA FROM THE 2017 NATIONAL
15 HOUSEHOLD TRAVEL SURVEY;

16 (i) HIGH TRANSPORTATION COSTS IMPACT LOW-INCOME
17 HOUSEHOLDS IN PARTICULAR. HOUSEHOLDS MAKING LESS THAN FORTY
18 THOUSAND DOLLARS PER YEAR IN THE WESTERN UNITED STATES ARE
19 SPENDING OVER TWENTY-FOUR PERCENT OF THEIR INCOME ON
20 TRANSPORTATION, WHEN SPENDING MORE THAN FIFTEEN PERCENT OF
21 INCOME ON TRANSPORTATION IS CONSIDERED COST BURDENED,
22 ACCORDING TO DATA FROM THE BUREAU OF LABOR STATISTICS CONSUMER
23 EXPENDITURE SURVEYS.

24 (j) IN ADDITION TO SAVING ON TRANSPORTATION COSTS BY LIVING
25 NEAR TRANSIT, OWNING FEWER VEHICLES AND TRAVELING TO WORK AND
26 ACCESSING SERVICES WITHOUT DRIVING OR DRIVING LESS REDUCES
27 GREENHOUSE GAS EMISSIONS AND AIR POLLUTION, WHICH IMPACTS AIR

1 QUALITY NOT JUST IN TRANSIT-ORIENTED COMMUNITIES BUT IN GREATER
2 REGIONS ACROSS THE STATE;

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

7 (l) SCENARIOS ANALYZED FOR THE "COLORADO WATER AND
8 GROWTH DIALOGUE FINAL REPORT" WITH HIGHER PERCENTAGE OF
9 FUTURE HOUSING SHIFTING TO HIGHER DENSITIES WERE ESTIMATED TO
10 ACHIEVE A TOTAL DECREASE IN WATER DEMAND BETWEEN FOUR AND
11 EIGHT TENTHS PERCENT AND NINETEEN AND FOUR TENTHS PERCENT;

12 (m) NATIONAL STUDIES, SUCH AS THE ARTICLE "RELATIONSHIPS
13 BETWEEN DENSITY AND PER CAPITA MUNICIPAL SPENDING IN THE UNITED
14 STATES", PUBLISHED IN URBAN SCIENCE, HAVE FOUND THAT LOWER
15 DENSITY COMMUNITIES HAVE HIGHER GOVERNMENT CAPITAL AND
16 MAINTENANCE COSTS FOR WATER, SEWER, AND TRANSPORTATION
17 INFRASTRUCTURE AND LOWER PROPERTY AND SALES TAX REVENUE. THESE
18 INCREASED COSTS ARE OFTEN BORNE BY BOTH STATE AND LOCAL
19 GOVERNMENTS.

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

24 (o) ACCORDING TO A 2022 ARTICLE TITLED "DOES DISCRETION
25 DELAY DEVELOPMENT?" IN THE JOURNAL OF THE AMERICAN PLANNING
26 ASSOCIATION, RESIDENTIAL PROJECTS USING ADMINISTRATIVE APPROVAL
27 PROCESSES ARE APPROVED TWENTY-EIGHT PERCENT FASTER THAN THOSE

1 USING DISCRETIONARY APPROVAL PROCESSES, AND FASTER APPROVAL
2 TIMES REDUCE DEVELOPER COSTS AND THEREFORE HOUSING COSTS.
3 STUDIES HAVE SHOWN THAT HOMEBUILDERS, INCLUDING AFFORDABLE
4 HOUSING DEVELOPERS, WILL AVOID PARCELS THAT NEED TO GO THROUGH
5 A DISCRETIONARY PROCESS.

6 (p) COMMUNITY OPPOSITION TO SPECIFIC AFFORDABLE HOUSING
7 DEVELOPMENTS FREQUENTLY CAUSES DELAYS, INCREASES COSTS,
8 REDUCES THE NUMBER OF HOUSING UNITS DELIVERED, PUSHES SITING OF
9 AFFORDABLE HOUSING TO LESS OPPORTUNITY-RICH AREAS, AND PREVENTS
10 DEVELOPMENTS FROM OCCURRING ALTOGETHER, ACCORDING TO STUDIES
11 SUCH AS "DEMOCRACY IN ACTION? NIMBY AS IMPEDIMENT TO
12 EQUITABLE AFFORDABLE HOUSING SITING" IN THE JOURNAL HOUSING
13 STUDIES;

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

20 (r) TRANSIT-ORIENTED DEVELOPMENT, INCLUDING CONNECTING
21 HOUSING OPPORTUNITIES AND SERVICES WITH SAFE MULTIMODAL
22 INFRASTRUCTURE AND PUBLIC TRANSIT, IMPROVES THE ACCESSIBILITY OF
23 CITIES FOR PEOPLE WITH DISABILITIES AND THOSE WITH LIMITED MOBILITY.
24 PEOPLE WITH DISABILITIES ARE MORE LIKELY TO LIVE IN HOUSEHOLDS
25 WITH ZERO CARS, ARE LESS LIKELY TO DRIVE, AND ARE MORE LIKELY TO
26 RELY ON PUBLIC TRANSIT OR PARATRANSIT, ACCORDING TO THE 2017
27 "NATIONAL HOUSEHOLD TRAVEL SURVEY";

1 (s) ACCORDING TO THE GREENHOUSE GAS POLLUTION REDUCTION
2 ROADMAP PUBLISHED BY THE COLORADO ENERGY OFFICE, DATED
3 JANUARY 14, 2021, THE TRANSPORTATION SECTOR IS THE SINGLE LARGEST
4 SOURCE OF GREENHOUSE GAS POLLUTION IN COLORADO. NEARLY SIXTY
5 PERCENT OF THE GREENHOUSE GAS EMISSIONS FROM THE
6 TRANSPORTATION SECTOR COME FROM LIGHT-DUTY VEHICLES, WHICH ARE
7 THE MAJORITY OF CARS AND TRUCKS THAT COLORADANS DRIVE EVERY
8 DAY.

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

12 (u) THE GREENHOUSE GAS TRANSPORTATION PLANNING STANDARD
13 ADOPTED BY THE TRANSPORTATION COMMISSION OF COLORADO IN 2021
14 SET A STATEWIDE TARGET TO REDUCE TRANSPORTATION GREENHOUSE GAS
15 EMISSIONS THROUGH THE TRANSPORTATION PLANNING PROCESS BY ONE
16 MILLION FIVE HUNDRED THOUSAND TONS BY 2030; AND

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

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

23 (a) THE CONSEQUENCES OF COMMUNITY OPPOSITION AND LOCAL
24 LAND USE POLICIES THAT LIMIT HOUSING SUPPLY IN TRANSIT-ORIENTED
25 COMMUNITIES IMPACT HOUSING OPTIONS FOR COLORADANS OF LOW AND
26 MODERATE INCOMES AND WORKFORCE HOUSING TO SUPPORT
27 EMPLOYMENT GROWTH. INCREASING HIGHER-DENSITY HOUSING IN

1 TRANSIT-ORIENTED COMMUNITIES ENSURES STABLE QUANTITY AND
2 QUALITY OF HOUSING FOR EVERYONE AND CORRECTS POLICIES THAT
3 PERPETUATE SEGREGATED AND UNEQUAL COMMUNITIES, REDUCED
4 MOBILITY AND LONG COMMUTES, REDUCED OPTIONS FOR OLDER ADULTS
5 TO AGE IN THEIR COMMUNITY OF CHOICE, LOSS OF OPEN SPACE AND
6 AGRICULTURAL LAND, HIGH WATER USAGE, AND INCREASED GREENHOUSE
7 GAS AND AIR POLLUTION.

8 (b) THERE IS AN EXTRATERRITORIAL IMPACT WHEN LOCAL
9 GOVERNMENTS RESTRICT HOUSING DEVELOPMENT WITHIN THEIR
10 JURISDICTIONS. THE CALL FOR JOB GROWTH IN ONE COMMUNITY THAT
11 DOES NOT ALSO ADDRESS THE NEED FOR ADDITIONAL HOUSING AFFECTS
12 THE DEMAND OF HOUSING DEVELOPMENT IN NEIGHBORING JURISDICTIONS.
13 IN COLORADO, THE NUMBER OF JOBS WITHIN LARGE MUNICIPALITIES IS
14 GENERALLY CORRELATED TO THE MUNICIPALITY'S TRANSIT SERVICE, AND
15 RESEARCH HAS SHOWN THAT REGIONAL IMBALANCES BETWEEN JOBS AND
16 HOUSING HAVE A SIGNIFICANT IMPACT ON VEHICLE MILES TRAVELED AND
17 COMMUTE TIMES ACROSS JURISDICTIONS, ACCORDING TO STUDIES SUCH AS
18 "WHICH REDUCES VEHICLE TRAVEL MORE: JOBS-HOUSING BALANCE OR
19 RETAIL-HOUSING MIXING?", PUBLISHED IN THE JOURNAL OF THE
20 AMERICAN PLANNING ASSOCIATION. WHEN PEOPLE ARE UNABLE TO LIVE
21 NEAR WHERE THEY WORK, WORKERS HAVE NO OPTIONS BUT TO SPEND
22 MORE HOURS ON THE ROAD COMMUTING TO AND FROM WORK. THE
23 LONGER COMMUTE INCREASES VEHICLE TRAFFIC AND PUTS ADDITIONAL
24 STRAIN ON COLORADO'S ROADS AND INCREASES POLLUTION.

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

1 (I) PROVIDE FUNDING FOR INFRASTRUCTURE AND AFFORDABLE
2 HOUSING TO SUPPORT LOCAL GOVERNMENTS WHOSE ZONING DOES MEET
3 THE GOALS OF THIS PART 2, AND TO ENCOURAGE MORE DENSE
4 MULTIFAMILY HOUSING DEVELOPMENT PROJECTS THAT CAN ADDRESS THE
5 STATE'S HOUSING SHORTAGE FOR ALL PARTS OF THE INCOME SPECTRUM,
6 AND SUPPORT MORE FISCALLY AND ENVIRONMENTALLY SUSTAINABLE
7 DEVELOPMENT PATTERNS;

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

12 (III) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING
13 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE
14 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS; AND

15 (d) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING
16 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE
17 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS AS THIS IS AMONG
18 THE MOST PRESSING PROBLEMS CURRENTLY FACING COMMUNITIES
19 THROUGHOUT COLORADO.

20 (3) THEREFORE, THE GENERAL ASSEMBLY FINDS, DETERMINES, AND
21 DECLARES THAT THE LACK OF HOUSING SUPPLY AND UNSUSTAINABLE
22 DEVELOPMENT PATTERNS REQUIRE A STATEWIDE SOLUTION THAT
23 ADDRESSES LOCAL GOVERNMENT POLICIES THAT EFFECTIVELY LIMIT THE
24 CONSTRUCTION OF A DIVERSE RANGE OF HOUSING TYPES IN AREAS
25 ALREADY SERVED BY INFRASTRUCTURE OR IN CLOSE PROXIMITY TO JOBS
26 AND PUBLIC TRANSIT, ALONG WITH A LACK OF FUNDING FOR
27 INFRASTRUCTURE AND AFFORDABLE HOUSING NEAR TRANSIT-ORIENTED

1 COMMUNITIES.

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

5 **29-35-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

7 (1) "CERTIFIED TRANSIT-ORIENTED COMMUNITY" MEANS A
8 TRANSIT-ORIENTED COMMUNITY THAT HAS MET THE REQUIREMENTS OF
9 SECTION 29-35-204 (4)(a).

10 ■ ■

11 (2) "EXEMPT PARCEL" MEANS:

12 (a) A PARCEL THAT, AS OF JANUARY 1, 2024, IS NOT SERVED BY A
13 DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN
14 SECTION 24-65.1-104 (5), IS SERVED BY A WELL THAT IS NOT CONNECTED
15 TO A WATER DISTRIBUTION SYSTEM, AS DEFINED IN SECTION 25-9-102 (6),
16 OR IS SERVED BY A SEPTIC TANK, AS DEFINED IN SECTION 25-10-103 (18);

17 (b) A PARCEL THAT, AS OF JANUARY 1, 2024, IS IN AN
18 AGRICULTURAL, FORESTRY, NATURAL RESOURCE PRESERVATION, OR OPEN
19 SPACE ZONING DISTRICT;

20 (c) A PARCEL THAT, AS OF JANUARY 1, 2024, IS ZONED OR USED
21 PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS
22 SUBSECTION (1)(c), MEANS A BUSINESS USE OR ACTIVITY AT A SCALE
23 GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING,
24 FABRICATION, MINERAL OR GRAVEL EXTRACTION, ASSEMBLY,
25 WAREHOUSING, OR STORAGE;

26 (d) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS IN A
27 FLOODWAY OR IN A ONE HUNDRED-YEAR FLOODPLAIN, AS IDENTIFIED BY

1 THE FEDERAL EMERGENCY MANAGEMENT AGENCY;

2 (e) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS
3 SUBJECT TO AN EASEMENT FOR A MAJOR ELECTRIC OR NATURAL GAS
4 FACILITY, AS DEFINED IN SECTION 29-20-108 (3);

5 (f) A PARCEL THAT, AS OF JANUARY 1, 2024, IS USED AS A
6 CEMETERY, AS DEFINED IN SECTION 31-25-701 (2);

7 (g) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS
8 SUBJECT TO A CONSERVATION EASEMENT;

9 (h) A PARCEL OR EASEMENT THAT, AS OF JANUARY 1, 2024, IS
10 OWNED BY, USED AS, OR OPERATED BY AN AIRPORT;

11 (i) A PUBLIC OR RAILROAD RIGHT-OF-WAY THAT EXISTS AS OF
12 JANUARY 1, 2024;

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

15 (k) A PARCEL THAT, AS OF JANUARY 1, 2024, IS OWNED BY A
16 FEDERAL, STATE, OR LOCAL GOVERNMENT ENTITY;

17 (l) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024,
18 INCLUDES LAND THAT IS PARK AND OPEN SPACE, AS DEFINED IN SECTION
19 29-7.5-103 (2);

20 (m) A PARCEL THAT AS OF JANUARY 1, 2024, IS OWNED BY A
21 SCHOOL DISTRICT, AS DEFINED IN SECTION 22-30-103 (13); OR

22 (n) ANY PART OF A PARCEL'S ZONING CAPACITY WHERE
23 RESIDENTIAL USE IS EXPRESSLY PREVENTED OR LIMITED TO LESS THAN
24 FORTY DWELLING UNITS PER ACRE BY STATE REGULATION, FEDERAL
25 REGULATION, OR DEED RESTRICTION PURSUANT TO EITHER:

26 (I) FEDERAL AVIATION ADMINISTRATION RESTRICTIONS PURSUANT
27 TO 14 CFR PART 77; OR

1 (II) AN ENVIRONMENTAL COVENANT PURSUANT TO SECTION
2 25-15-318 TO SECTION 25-15-323.

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

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

10 (5) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT BOTH MEETS
11 THE REQUIREMENTS OF SECTION 29-35-206 AND IS DESIGNATED AS A
12 NEIGHBORHOOD CENTER BY A LOCAL GOVERNMENT IN A METROPOLITAN
13 PLANNING ORGANIZATION.

14 (6) "NET HOUSING DENSITY" MEANS THE NUMBER OF RESIDENTIAL
15 UNITS ALLOWED PER ACRE OF LAND ON PARCELS THAT ALLOW FOR
16 RESIDENTIAL DEVELOPMENT. IN CALCULATING NET HOUSING DENSITY FOR
17 AN AREA, A LOCAL GOVERNMENT SHALL INCORPORATE ANY DIMENSIONAL
18 OR OTHER RESTRICTIONS IN LOCAL LAWS USED TO REGULATE ALLOWED
19 DENSITY IN THE AREA, INCLUDING BUT NOT LIMITED TO RESTRICTIONS
20 RELATED TO UNITS PER ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE
21 LEVEL OPEN SPACE REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS,
22 MINIMUM PARKING REQUIREMENTS, AND MAXIMUM HEIGHT. NOTHING IN
23 THIS SUBSECTION (5) MEANS THAT, IN CALCULATING NET HOUSING
24 DENSITY FOR AN AREA, A LOCAL GOVERNMENT SHALL INCLUDE AN AREA
25 OF AN INDIVIDUAL PARCEL REQUIRED FOR STORMWATER DRAINAGE OR A
26 UTILITY EASEMENT.

27

1 (7) "OPTIONAL TRANSIT AREA" MEANS THE TOTAL AREA,
2 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS
3 WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE OR BUS RAPID
4 TRANSIT CORRIDOR AS IDENTIFIED IN THE CRITERIA IN SUBSECTION
5 29-35-208 (4).

6 (8) "QUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS A
7 TRANSIT-ORIENTED COMMUNITY THAT HAS BOTH MET ITS HOUSING
8 OPPORTUNITY GOAL AND HAD THE DEPARTMENT APPROVE EITHER THE
9 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL
10 PURSUANT TO SECTION 29-35-204 (8), OR THE TRANSIT-ORIENTED
11 COMMUNITY'S STATUS REPORT PURSUANT TO SECTION 29-35-204 (9).

12 =
13 (9) "TRANSIT AREA" MEANS BOTH A TRANSIT STATION AREA, AS
14 DEFINED IN SUBSECTION (13) OF THIS SECTION, OR A TRANSIT CORRIDOR
15 AREA, AS DEFINED IN SUBSECTION (11) OF THIS SECTION.

16 (10) "TRANSIT CENTER" MEANS AN AREA THAT BOTH MEETS THE
17 REQUIREMENTS OF SECTION 29-35-205 AND IS DESIGNATED AS A TRANSIT
18 CENTER BY A TRANSIT-ORIENTED COMMUNITY.

19 (11) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA,
20 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS
21 WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AS IDENTIFIED IN
22 THE CRITERIA IN SECTION 29-35-208 (3).

23 (12) "TRANSIT-ORIENTED COMMUNITY" MEANS A LOCAL
24 GOVERNMENT THAT:

25 (a) IS EITHER ENTIRELY OR PARTIALLY WITHIN A METROPOLITAN
26 PLANNING ORGANIZATION;

27 (b) HAS A POPULATION OF FOUR THOUSAND OR MORE ACCORDING

1 TO THE MOST RECENT DATA FROM THE STATE DEMOGRAPHY OFFICE;
2 (c) CONTAINS AT LEAST SEVENTY-FIVE ACRES OF TRANSIT AREA;
3 AND
4 (d) IF THE LOCAL GOVERNMENT IS A COUNTY, CONTAINS EITHER:
5 (I) A PART OF A TRANSIT STATION AREA THAT IS BOTH IN AN
6 UNINCORPORATED PART OF THE COUNTY AND WITHIN ONE-HALF MILE OF
7 A TRANSIT STATION THAT SERVES ONE OR BOTH OF A COMMUTER RAIL OR
8 A LIGHT RAIL SERVICE; OR
9 (II) A PART OF A TRANSIT CORRIDOR AREA THAT IS BOTH IN AN
10 UNINCORPORATED PART OF THE COUNTY AND FULLY SURROUNDED BY ONE
11 OR MORE MUNICIPALITIES.

12 (13) "TRANSIT STATION AREA" MEANS THE TOTAL AREA,
13 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS
14 WITHIN ONE-HALF MILE OF A _____ STATION, AS IDENTIFIED IN THE
15 CRITERIA IN SECTION 29-35-208 (2).

16 (14) "ZONING CAPACITY" MEANS THE TOTAL NUMBER OF HOUSING
17 UNITS ALLOWED IN AN AREA, AS LIMITED BY THE RESTRICTIONS IN LOCAL
18 LAW THAT REGULATE DENSITY IN THAT AREA, AND AS CALCULATED BY
19 TOTALING THE NET HOUSING DENSITY OF ALL PARCELS WITHIN THE AREA.

20 (15) "ZONING CAPACITY BUFFER" MEANS THE RATIO OF THE
21 NUMBER OF HOUSING UNITS ANTICIPATED TO BE CONSTRUCTED IN AN AREA
22 TO THE ZONING CAPACITY OF THE AREA.

23 **29-35-203. Department of local affairs collaboration - goals -**
24 **transit-oriented community authority. (1)** AS DETERMINED TO BE
25 APPROPRIATE BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, THE
26 DEPARTMENT SHALL COLLABORATE WITH THE DEPARTMENT OF
27 TRANSPORTATION AND THE COLORADO ENERGY OFFICE IN FULFILLING THE

1 REQUIREMENTS AND GOALS OF THIS PART 2.

2 (2) THE GOALS OF THIS PART 2 ARE TO:

3 (a) PROVIDE BENEFITS INCLUDING REGULATED AFFORDABLE
4 HOUSING, ACCESSIBLE HOUSING, REGIONAL EQUITY THROUGH A BALANCE
5 OF JOBS AND HOUSING, IMPROVED AND EXPANDED TRANSIT SERVICE, AND
6 MULTIMODAL ACCESS TO DAILY NEEDS WITHIN MIXED-USE
7 PEDESTRIAN-ORIENTED NEIGHBORHOODS; AND

8 (b) INCREASE OPPORTUNITIES FOR HOUSING PRODUCTION BY
9 PROVIDING APPROPRIATE ZONING CAPACITY BUFFERS.

10 (3) NOTHING IN THIS PART 2 PREVENTS A TRANSIT-ORIENTED
11 COMMUNITY, OR OTHER RELEVANT ENTITY, FROM:

12 (a) ENFORCING INFRASTRUCTURE STANDARDS IN LOCAL LAW THAT
13 RESULT IN THE DENIAL OR CONDITIONING OF PERMITS OR APPROVALS FOR
14 SPECIFIC HOUSING PROJECTS IN A TRANSIT CENTER, INCLUDING BUT NOT
15 LIMITED TO UTILITIES, TRANSPORTATION, OR PUBLIC WORKS CODES OR
16 STANDARDS;

17 (b) ADOPTING GENERALLY APPLICABLE REQUIREMENTS FOR THE
18 PAYMENT OF IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES, IN
19 ACCORDANCE WITH SECTION 29-20-104.5, OR THE MITIGATION OF IMPACTS
20 IN ACCORDANCE WITH PART 2 OF ARTICLE 20 OF THIS TITLE 29;

21 (c) APPROVING A DEVELOPMENT APPLICATION AT A LOWER NET
22 HOUSING DENSITY THAN THE MAXIMUM ALLOWED HOUSING DENSITY;

23 (d) ALLOWING A HIGH AMOUNT OF ZONING CAPACITY IN ONE
24 TRANSIT AREA, WHILE ALLOWING A VERY LOW AMOUNT OF OR NO ZONING
25 CAPACITY IN ANOTHER TRANSIT AREA;

26 (e) IMPLEMENTING DISCRETIONARY APPROVAL PROCESSES FOR
27 SUBDIVISIONS, REZONINGS, VARIANCES, OR OTHER PROCESSES IN TRANSIT

1 CENTERS OUTSIDE OF PROJECT-SPECIFIC ZONING STANDARDS;

2 (f) CREATING AN OPTIONAL DISCRETIONARY REVIEW PROCESS
3 THAT MAY APPROVE GREATER DENSITY OR OTHER MORE PERMISSIVE
4 STANDARDS THAN THE OBJECTIVE STANDARDS SUBJECT TO
5 ADMINISTRATIVE APPROVAL IN A TRANSIT CENTER;

6 (g) CREATING A DISCRETIONARY REVIEW PROCESS IN TRANSIT
7 CENTERS THAT IS AVAILABLE AT THE APPLICANT'S OPTION AND IS SUBJECT
8 TO CRITERIA CONSISTENT WITH THE PURPOSES OF THIS PART 2 AS
9 ESTABLISHED IN SECTION 29-35-203 (2), INCLUDING PROCESSES SUCH AS
10 PLANNED UNIT DEVELOPMENTS; AND

11 (h) PUBLICLY DISCLOSING ANY CONFIDENTIAL INFORMATION
12 RELATED TO WATER SUPPLIES OR FACILITIES.

13 **29-35-204. Transit-oriented community housing opportunity**
14 **goal calculation - preliminary transit-oriented community assessment**
15 **report - housing opportunity goal compliance - insufficient water**
16 **supplies for meeting a housing opportunity goal - affordability and**
17 **displacement mitigation strategies - housing opportunity goal report**
18 **- legislative declaration. (1) Legislative declaration. THE GENERAL**
19 **ASSEMBLY HEREBY FINDS AND DECLARES THAT:**

20 (a) TRANSIT RIDERSHIP, LAND USE DEVELOPMENT PATTERNS,
21 AFFORDABILITY AND AVAILABILITY OF HOUSING, ROADS, AND
22 GREENHOUSE GAS EMISSIONS FROM THE TRANSPORTATION SECTOR ARE
23 INTERCONNECTED ISSUES THAT HAVE IMPACTS AND CONCERNS WELL
24 BEYOND THE BORDERS OF A SINGLE LOCAL COMMUNITY;

25 (b) COLORADO HAS AN INTEREST IN ENSURING A STABLE QUANTITY
26 AND QUALITY OF HOUSING IN ALIGNMENT WITH POPULATION GROWTH AND
27 ENSURING THAT SHARED RESOURCES, INVESTMENTS, AND GOALS SUCH AS

1 ROADS, INFRASTRUCTURE, TRANSIT, AIR QUALITY, WATER, AND
2 GREENHOUSE GAS MITIGATION, ARE PROTECTED IN THE PROCESS; AND

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

6 (2) **Housing opportunity goal calculation.** A
7 TRANSIT-ORIENTED COMMUNITY SHALL CALCULATE ITS HOUSING
8 OPPORTUNITY GOAL BY MULTIPLYING THE TOTAL AREA OF THE TRANSIT
9 AREAS, AS DEFINED IN THE TRANSIT AREAS MAP CREATED PURSUANT TO
10 SECTION 29-35-208(1), WITHIN THE LOCAL GOVERNMENT'S JURISDICTION,
11 EXCLUSIVE OF THE EXEMPT PARCELS IN THOSE TRANSIT AREAS, BY
12 FORTY DWELLING UNITS PER ACRE.

13 (3) **Preliminary transit-oriented community assessment report.**

14 (a) ON OR BEFORE JUNE 30, 2025, A TRANSIT-ORIENTED COMMUNITY
15 SHALL, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT,
16 SUBMIT A PRELIMINARY TRANSIT-ORIENTED COMMUNITY ASSESSMENT
17 REPORT THAT INCLUDES:

18 (I) THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY
19 GOAL AND THE DATA AND METHOD THE TRANSIT-ORIENTED COMMUNITY
20 USED TO CALCULATE ITS HOUSING OPPORTUNITY GOAL; AND

21 (II) A MAP OF EXISTING ZONING DISTRICTS WITHIN THE
22 TRANSIT-ORIENTED COMMUNITY THAT MAY QUALIFY AS TRANSIT CENTERS
23 AND PRELIMINARY EVIDENCE FOR THIS QUALIFICATION INCLUDING THE
24 STANDARDS APPLICABLE TO THESE ZONING DISTRICTS.

25 (b) IF APPLICABLE, A TRANSIT-ORIENTED COMMUNITY MAY
26 INCLUDE IN THE REPORT DESCRIBED IN SUBSECTION (3)(a) OF THIS SECTION
27 ANY AFFORDABILITY OR DISPLACEMENT STRATEGIES THAT THE

1 TRANSIT-ORIENTED COMMUNITY HAS IMPLEMENTED.

2 (c) THE DEPARTMENT SHALL REVIEW A PRELIMINARY
3 TRANSIT-ORIENTED COMMUNITY ASSESSMENT REPORT SUBMITTED BY A
4 TRANSIT-ORIENTED COMMUNITY PURSUANT TO THIS SUBSECTION (3) AND
5 EITHER PROVIDE WRITTEN NOTICE APPROVING THE REPORT OR PROVIDE
6 DIRECTION FOR AMENDING AND RESUBMITTING THE REPORT.

7 (4) Housing opportunity goal compliance. ON OR BEFORE
8 DECEMBER 31, 2027, A TRANSIT-ORIENTED COMMUNITY SHALL SATISFY
9 THE FOLLOWING CRITERIA, WHICH MUST BE SATISFIED TO QUALIFY AS A
10 CERTIFIED TRANSIT-ORIENTED COMMUNITY. A TRANSIT COMMUNITY
11 SHALL:

12 (a) DESIGNATE AREAS WITHIN THE TRANSIT-ORIENTED
13 COMMUNITY AS TRANSIT CENTERS AND ENSURE THAT THOSE AREAS
14 SATISFY THE REQUIREMENTS IN SECTION 29-35-205;

15 (b) ENSURE THAT THE TOTAL ZONING CAPACITY FOR ALL TRANSIT
16 CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY IS GREATER THAN
17 OR EQUAL TO THE TRANSIT-ORIENTED COMMUNITY'S HOUSING
18 OPPORTUNITY GOAL;

19 (c) SUBMIT A HOUSING OPPORTUNITY GOAL REPORT AND HAVE THE
20 REPORT APPROVED BY THE DEPARTMENT PURSUANT TO SUBSECTION (8) OF
21 THIS SECTION; AND

22 (d) THREE YEARS AFTER A SUBMITTING A HOUSING OPPORTUNITY
23 GOAL REPORT PURSUANT TO SUBSECTION (8) OF THIS SECTION, AND EVERY
24 THREE YEARS THEREAFTER, SUBMIT A STATUS REPORT PURSUANT TO
25 SUBSECTION (9) OF THIS SECTION THAT IS APPROVED BY THE DEPARTMENT.

26 (5) **Insufficient water supplies for meeting a housing**
27 **opportunity goal.** (a) ON OR BEFORE DECEMBER 31, 2026, AND EVERY

1 THREE YEARS THEREAFTER, A TRANSIT-ORIENTED COMMUNITY MAY
2 SUBMIT A NOTICE, IN A FORM AND MANNER DETERMINED BY THE
3 DEPARTMENT, THAT THE SUPPLY OF WATER FROM ALL WATER SUPPLY
4 ENTITIES, AS DEFINED IN SECTION 29-20-302 (2), THAT SERVE THE
5 TRANSIT-ORIENTED COMMUNITY IS INSUFFICIENT DURING THE NEXT
6 THREE-YEAR PERIOD TO PROVIDE THE DOMESTIC WATER SERVICE
7 NECESSARY TO MEET THE TRANSIT-ORIENTED COMMUNITY'S HOUSING
8 OPPORTUNITY GOAL. THE WATER SUPPLY ENTITIES SHALL PROVIDE
9 INFORMATION AND ASSISTANCE AS NECESSARY TO COMPLETE THE NOTICE
10 ALLOWED BY THIS SUBSECTION (5). THE NOTICE ALLOWED BY THIS
11 SUBSECTION (5) MUST INCLUDE, BUT IS NOT LIMITED TO:

12

(I) AN ANALYSIS OF WATER DEMAND BASED ON:

14

(A) PROJECTED HOUSING AND POPULATION GROWTH, AS
15 ESTIMATED BY THE STATE DEMOGRAPHY OFFICE OR A RELEVANT
16 METROPOLITAN PLANNING ORGANIZATION; AND

17

(B) A REASONABLE ZONING CAPACITY BUFFER, AS ESTIMATED
18 BASED ON RELEVANT LOCAL, REGIONAL, OR STATE DATA.

19

(II) ANY DATA, PROFESSIONAL OPINIONS, OR OTHER INFORMATION
20 USED TO CREATE THE ANALYSIS IN THIS SUBSECTION (5)(a)(I);

22

(III) DOCUMENTATION DEMONSTRATING BOTH AN UP-TO-DATE
23 WATER SUPPLY PLAN THAT COMPLIES WITH SECTION 29-20-304(3) AND AN
24 UP-TO-DATE WATER EFFICIENCY PLAN THAT COMPLIES WITH SECTION
25 37-60-126 (1) THROUGH (5); AND

26

(IV) A PROPOSAL THAT MAY INCLUDE:

27

(A) EVIDENCE THAT THE WATER SUPPLY ENTITY LACKS ADEQUATE

1 WATER SUPPLY TO PROVIDE THE AMOUNT WATER IDENTIFIED IN
2 SUBSECTION (5)(a)(II) OF THIS SECTION; AND

3 (B) A REQUEST FOR A MODIFICATION OF THE HOUSING
4 OPPORTUNITY GOAL DURING THE NEXT THREE YEAR PERIOD.

5 (b) UPON RECEIVING THE NOTICE DESCRIBED IN SUBSECTION (5)(a)
6 OF THIS SECTION, THE DEPARTMENT SHALL REVIEW THE NOTICE AND
7 DETERMINE WHETHER TO ACCEPT, PROVIDE COMMENT ON, OR DENY THE
8 PROPOSAL DESCRIBED IN SUBSECTION (5)(a)(II) OF THIS SECTION.

9 (6) **Affordability strategies.** (a) ON OR BEFORE DECEMBER 31,
10 2026, A TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY
11 STRATEGIES THAT IT WILL IMPLEMENT OR HAS ALREADY IMPLEMENTED
12 WHILE MEETING ITS HOUSING OPPORTUNITY GOAL. IN SO DOING, THE
13 TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY
14 STRATEGIES BASED ON THE DEMONSTRATED HOUSING NEEDS WITHIN THE
15 TRANSIT-ORIENTED COMMUNITY INCLUDING FOR-SALE AND RENTAL
16 HOUSING NEEDS AND THE HOUSING NEEDS OF LOW-, MODERATE-, AND
17 MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE UNITED STATES
18 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

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

23 (A) AT LEAST TWO STRATEGIES INCLUDED IN THE STANDARD
24 AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-35-208 (1)
25 THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO
26 SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT;

27 (B) AT LEAST ONE STRATEGY INCLUDED IN THE LONG-TERM

1 AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-35-208 (2)
2 THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO
3 SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT; AND

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

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

10 (A) COUNT ONE OR BOTH OF THE STRATEGIES DESCRIBED IN
11 SECTIONS 29-35-208 (1)(e) AND 29-35-208 (2)(c) TOWARDS SATISFYING
12 THE REQUIREMENTS OF BOTH SUBSECTIONS (6)(b)(I)(A) AND (6)(b)(I)(B)
13 OF THIS SECTION; OR

14 (B) COUNT ANY STRATEGY DESCRIBED IN SECTION 29-35-208
15 THAT IS OTHERWISE REQUIRED BY STATE LAW.

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

20 (a) ONE DISPLACEMENT MITIGATION STRATEGY THAT THE
21 TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE
22 LONG-TERM DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY
23 THE DEPARTMENT PURSUANT TO SECTION 29-35-209 (3) TO MITIGATE
24 DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL;
25 AND

26 (b) AN IMPLEMENTATION PLAN DESCRIBING HOW THE
27 TRANSIT-ORIENTED COMMUNITY WILL IMPLEMENT THE DISPLACEMENT

1 MITIGATION STRATEGIES IT IDENTIFIES PURSUANT TO SUBSECTION (7)(a)
2 OF THIS SECTION.

3 (8) **Housing opportunity goal report.** (a) ON OR BEFORE
4 DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A
5 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM
6 AND MANNER DETERMINED BY THE DEPARTMENT. IF A
7 TRANSIT-ORIENTED COMMUNITY CANNOT INCLUDE ANY OF THE
8 FOLLOWING ITEMS IN ITS HOUSING OPPORTUNITY GOAL REPORT ON OR
9 BEFORE DECEMBER 31, 2026, THE TRANSIT-ORIENTED COMMUNITY SHALL
10 INDICATE WHY IT CANNOT DO SO AND ITS PROGRESS TOWARDS BEING ABLE
11 TO INCLUDE THOSE ITEMS IN ITS HOUSING OPPORTUNITY GOAL REPORT.

12 THE REPORT MUST INCLUDE THE FOLLOWING, ALONG WITH ANY OTHER
13 ELEMENTS IDENTIFIED BY THE DEPARTMENT:

14 (I) THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY
15 GOAL;

16 (II) EVIDENCE THAT THE TRANSIT-ORIENTED COMMUNITY HAS MET
17 ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SUBSECTION (4)(b) OF
18 THIS SECTION;

19 (III) A MAP THAT IDENTIFIES THE BOUNDARIES OF ANY TRANSIT
20 CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY AND EVIDENCE
21 THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-35-205;

22 (IV) AFFORDABILITY STRATEGIES IDENTIFIED PURSUANT TO
23 SUBSECTION (6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION AND THE
24 IMPLEMENTATION PLAN DESCRIBED PURSUANT TO SUBSECTION (6)(b)(I)(C)
25 OF THIS SECTION;

26 (V) DISPLACEMENT MITIGATION STRATEGIES IDENTIFIED
27 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION AND THE

1 IMPLEMENTATION PLAN DESCRIBED PURSUANT TO SUBSECTION (7)(b) OF
2 THIS SECTION; ■

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

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

12 (b) THE DEPARTMENT SHALL REVIEW A HOUSING OPPORTUNITY
13 GOAL REPORT SUBMITTED BY A TRANSIT-ORIENTED COMMUNITY
14 PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION AND PROVIDE WRITTEN
15 NOTICE THAT EITHER:

16 (I) APPROVES THE REPORT AND AFFIRMS THAT THE
17 TRANSIT-ORIENTED COMMUNITY HAS SATISFIED THE RELEVANT
18 REQUIREMENTS OF THIS SECTION AND IS THEREFORE CONSIDERED A
19 CERTIFIED TRANSIT-ORIENTED COMMUNITY; OR

20 (II) PROVIDES DIRECTION FOR AMENDING AND RESUBMITTING THE
21 REPORT AND REQUIRES THAT THE TRANSIT-ORIENTED COMMUNITY
22 RESUBMIT THE REPORT WITHIN NINETY DAYS OF RECEIVING THE WRITTEN
23 NOTICE.

24 ==
25 (c) IF THE DEPARTMENT HAS NOT APPROVED A TRANSIT-ORIENTED
26 COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT ON OR BEFORE
27 DECEMBER 31, 2027, THE DEPARTMENT SHALL PROVIDE THE

1 TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE THAT THE
2 TRANSIT-ORIENTED COMMUNITY IS IN NON-COMPLIANCE WITH THIS PART
3 2 AND IS NOT A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

4 (d) (I) THE DEPARTMENT SHALL IDENTIFY CERTIFIED
5 TRANSIT-ORIENTED COMMUNITIES FOR THE PURPOSE OF ESTABLISHING
6 ELIGIBILITY FOR STATE GRANT AND INCENTIVE PROGRAMS.

7 (II) PURSUANT TO SECTION 29-35-210 (5), A CERTIFIED
8 TRANSIT-ORIENTED COMMUNITY IS ELIGIBLE FOR THE AWARD OF A
9 TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE GRANT PROGRAM
10 GRANT.

11 (9) **Status report.** (a) EVERY THREE YEARS AFTER SUBMITTING A
12 HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(a) OF
13 THIS SECTION, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A STATUS
14 REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY
15 THE DEPARTMENT THAT CONFIRMS THAT THE TRANSIT-ORIENTED
16 COMMUNITY IS STILL A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

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

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

25 (II) PROVIDES DIRECTION FOR AMENDING AND RESUBMITTING THE
26 REPORT AND REQUIRES THAT THE TRANSIT-ORIENTED COMMUNITY
27 RESUBMIT THE REPORT WITHIN NINETY DAYS OF RECEIVING THE WRITTEN

1 NOTICE.

2 (c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A
3 STATUS REPORT TO THE DEPARTMENT PURSUANT TO SUBSECTION (9)(a) OF
4 THIS SECTION OR FAILS TO SUBMIT AN AMENDED STATUS REPORT
5 PURSUANT TO SUBSECTION (9)(b)(II) OF THIS SECTION, THE DEPARTMENT
6 SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE
7 STATING THAT THE TRANSIT-ORIENTED COMMUNITY WILL NOT BE DEEMED
8 A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

9 **29-35-205. Criteria for qualification as a transit center -**
10 **criteria for qualification as a transit center outside of a transit area.**

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

13 (a) ENSURE THAT THE AREA IS COMPOSED SOLELY OF ZONING
14 DISTRICTS THAT UNIFORMLY ALLOW A NET HOUSING DENSITY OF AT LEAST
15 FIFTEEN UNITS PER ACRE WITH NO PARCEL OR ZONING DISTRICT BEING
16 COUNTED AS ALLOWING A NET HOUSING DENSITY OF MORE THAN FIVE
17 HUNDRED UNITS PER ACRE;

18 (b) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR
19 FOR SUBDISTRICTS WITHIN THE AREA. AS PART OF THE GUIDANCE THE
20 DEPARTMENT DEVELOPS PURSUANT TO SECTION 29-35-208 (5), THE
21 DEPARTMENT SHALL PROVIDE LOCAL GOVERNMENTS WITH SIMPLE AND
22 EFFECTIVE METHODS OF CALCULATING NET HOUSING DENSITY. THE
23 IDENTIFIED NET HOUSING DENSITY MUST:

24 (I) REFLECT ANY SIGNIFICANT DIMENSIONAL OR OTHER
25 RESTRICTIONS IN LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA,
26 INCLUDING BUT NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER
27 ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE

1 REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS, MINIMUM PARKING
2 REQUIREMENTS, AND MAXIMUM HEIGHT. WHERE A DIMENSIONAL
3 RESTRICTION HAS MULTIPLE POTENTIAL OUTCOMES WITHIN THE SAME
4 ZONING DISTRICT OR WITHIN RELATED ZONING DISTRICTS, THE AVERAGE
5 OUTCOME OF THE DIMENSIONAL RESTRICTION MAY BE UTILIZED BY THE
6 TRANSIT-ORIENTED COMMUNITY TO MEASURE NET HOUSING DENSITY.

7 (II) ASSUME MINIMUM PARKING REQUIREMENTS ARE MET WITH
8 SURFACE PARKING; EXCEPT THAT THREE-FOURTHS OF A PARKING SPACE
9 PER DWELLING UNIT MAY BE COUNTED AS STRUCTURED PARKING WITHIN
10 THE BUILDING FOOTPRINT; ___

11 (III) ASSUME AN AVERAGE HOUSING UNIT SIZE, AS DETERMINED
12 BASED ON EITHER THE TYPICAL SIZE OF A MULTIFAMILY HOUSING UNIT
13 THAT WAS RECENTLY BUILT IN COLORADO AS ESTABLISHED IN THE
14 CENSUS'S AMERICAN HOUSING SURVEY OR THE TYPICAL SIZE OF A
15 MULTIFAMILY HOUSING UNIT IN THE TRANSIT-ORIENTED COMMUNITY
16 ACCORDING TO LOCAL DATA; █

17 (IV) NOTHING IN THIS SUBSECTION (1)(b) REQUIRES A LOCAL
18 GOVERNMENT TO INCLUDE AREAS OF INDIVIDUAL PARCELS REQUIRED FOR
19 STORMWATER DRAINAGE OR UTILITY EASEMENTS IN CALCULATING NET
20 HOUSING DENSITY; AND

21 (V) IF A PARCEL'S EXISTING RESIDENTIAL USES HAVE A HIGHER NET
22 HOUSING DENSITY THAN THE NET HOUSING DENSITY ALLOWED FOR THE
23 PARCEL BY CURRENT RESTRICTIONS IN LOCAL LAW, THE NET HOUSING
24 DENSITY OF THE EXISTING RESIDENTIAL USE MAY BE COUNTED;

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

27 (d) ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR

1 MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT
2 ARE NO MORE THAN FIVE ACRES IN SIZE. FOR MULTIFAMILY RESIDENTIAL
3 DEVELOPMENT APPLICATIONS ON PARCELS GREATER THAN FIVE ACRES IN
4 SIZE, A TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY A TARGET NET
5 HOUSING DENSITY FOR THE PARCELS TO COUNT THE PARCELS AS PART OF
6 THE TRANSIT CENTER THAT COVERS THE AREA. THIS SUBSECTION (1)(d)
7 DOES NOT PREVENT THE ESTABLISHMENT OF DEVELOPER AGREEMENTS
8 BETWEEN THE LOCAL GOVERNMENT AND DEVELOPERS.

9 (e) ENSURE THAT THE AREA OF A TRANSIT CENTER IS COMPOSED OF
10 PARCELS THAT ARE LOCATED WHOLLY OR PARTIALLY WITHIN EITHER:

11 (I) A TRANSIT AREA OR OPTIONAL TRANSIT AREA; OR

12 (II) ONE-QUARTER MILE FROM THE BOUNDARY OF A TRANSIT AREA
13 OR OPTIONAL TRANSIT AREA.

14 (2) (a) NOTWITHSTANDING SUBSECTION (1)(e) OF THIS SECTION, A
15 TRANSIT-ORIENTED COMMUNITY MAY ONLY DESIGNATE AN AREA AS A
16 TRANSIT CENTER WITHIN AN OPTIONAL TRANSIT AREA AS DESCRIBED IN
17 SECTION 29-35-208 (4), IF THE TRANSIT-ORIENTED COMMUNITY HAS
18 PROVIDED REASONABLE EVIDENCE IN THE HOUSING OPPORTUNITY GOAL
19 REPORT SUBMITTED PURSUANT TO SECTION 29-35-204 (8) THAT:

20 (I) TO THE MAXIMUM EXTENT FEASIBLE, AN AVERAGE NET
21 HOUSING DENSITY OF AT LEAST FORTY DWELLING UNITS PER ACRE IS
22 ALLOWED ON ALL PARCELS WITHIN THE TRANSIT AREA THAT ARE BOTH
23 ONE-HALF ACRE OR MORE IN SIZE AND NOT EXEMPT PARCELS; AND

24 (II) AREAS WITHIN THE OPTIONAL TRANSIT AREA HAVE FEWER
25 BARRIERS TO HOUSING DEVELOPMENT THAN AREAS WITHIN THE TRANSIT
26 AREA.

27 (b) FOR PURPOSES OF SUBSECTION (2)(a)(II) OF THIS SECTION,

1 BARRIERS TO HOUSING DEVELOPMENT MAY INCLUDE:

2 (I) AN ANTICIPATED LACK OF WATER SUPPLY, AFTER ACCOUNTING
3 FOR A REASONABLE ZONING CAPACITY BUFFER;

4 (II) AN ANTICIPATED LACK OF SUFFICIENT FUTURE
5 INFRASTRUCTURE CAPACITY, INCLUDING WATER TREATMENT PLANTS,
6 WASTEWATER TREATMENT PLANTS, OR ELECTRICAL POWER NETWORKS IN
7 THE AREA, AFTER ACCOUNTING FOR A REASONABLE ZONING CAPACITY
8 BUFFER;

9 (III) UNIQUE SITE CHARACTERISTICS WHICH CONTRIBUTE TO A
10 HIGH COST OF HOUSING DEVELOPMENT; OR

11 (IV) SITES THAT ARE INFEASIBLE FOR HOUSING DEVELOPMENT.

12 **29-35-206. Criteria for qualification as a neighborhood center.**

13 (1) (a) TO DESIGNATE AN AREA AS A NEIGHBORHOOD CENTER, A LOCAL
14 GOVERNMENT IN A METROPOLITAN PLANNING ORGANIZATION SHALL, IN
15 ACCORDANCE WITH POLICIES AND PROCEDURES ADOPTED BY THE
16 DEPARTMENT THAT MAY INCLUDE DIFFERENT CRITERIA FOR VARYING
17 REGIONAL AND LOCAL CONTEXTS, IDENTIFY AREAS THAT MEET THE
18 FOLLOWING CRITERIA:

19 (I) ALLOW A NET HOUSING DENSITY THAT SUPPORTS __ MIXED-USE
20 PEDESTRIAN-ORIENTED NEIGHBORHOODS, THE DEVELOPMENT OF
21 REGULATED AFFORDABLE HOUSING, AND INCREASED PUBLIC TRANSIT
22 RIDERSHIP;

23 (II) WITHIN CENSUS URBANIZED AREAS, AS DEFINED IN THE LATEST
24 FEDERAL DECENNIAL CENSUS, ESTABLISH AN ADMINISTRATIVE APPROVAL
25 PROCESS FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN
26 THE AREA THAT ARE NO LARGER THAN A SIZE DETERMINED BY THE
27 DEPARTMENT;

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

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

7 (b) NOTWITHSTANDING THE REQUIREMENTS FOR A LOCAL
8 GOVERNMENT DESIGNATING AN AREA AS A NEIGHBORHOOD CENTER
9 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT
10 SHALL ESTABLISH SEPARATE REQUIREMENTS FOR LOCAL GOVERNMENTS
11 DESIGNATING AREAS WITHIN POTENTIAL TRANSIT AREAS IDENTIFIED BY
12 THE DEPARTMENT OF TRANSPORTATION PURSUANT TO SECTION 29-35-207
13 (1)(c).

14 (2) IF A LOCAL GOVERNMENT DESIGNATES AN AREA AS A
15 NEIGHBORHOOD CENTER PURSUANT TO SUBSECTION (1) OF THIS SECTION,
16 THE LOCAL GOVERNMENT SHALL SUBMIT A NEIGHBORHOOD CENTER
17 REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY
18 THE DEPARTMENT.

19 **29-35-207. Transit areas map - transit station area criteria -**
20 **transit corridor area criteria - housing opportunity goals, models,**
21 **and guidance. (1) Transit areas map. (a) ON OR BEFORE SEPTEMBER**
22 **30, 2024,** THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN
23 PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE
24 WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A _____
25 _____ TRANSIT AREA MAP, OR TRANSIT AREA MAPS, BASED ON THE
26 CRITERIA IN SUBSECTIONS (2), (3), (4), (5) AND (6), OF THIS SECTION. ONLY
27 TRANSIT AREAS THAT ARE IDENTIFIED PURSUANT TO SUBSECTIONS (2) AND

1 (3) OF THIS SECTION AND IDENTIFIED ON A TRANSIT AREA MAP PURSUANT
2 TO THIS SUBSECTION (1) MUST BE INCLUDED IN THE CALCULATION OF A
3 HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION 29-35-204 (2).

4 (2) Transit station criteria. THE DEPARTMENT SHALL DESIGNATE
5 TRANSIT STATION AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS
6 SECTION, BASED ON ROUTES IDENTIFIED IN AN APPLICABLE TRANSIT PLAN
7 FOR EXISTING STATIONS FOR:

8 (a) COMMUTER BUS RAPID TRANSIT;

9 (b) COMMUTER RAIL; AND

10 (c) LIGHT RAIL.

11 (3) Transit corridor area criteria. (a) THE DEPARTMENT SHALL
12 DESIGNATE TRANSIT CORRIDOR AREAS, FOR PURPOSES OF SUBSECTION (1)
13 OF THIS SECTION, BY IDENTIFYING TRANSIT ROUTES THAT MEET THE
14 FOLLOWING CRITERIA:

15 (I) AN URBAN BUS RAPID TRANSIT SERVICE THAT IS IDENTIFIED
16 WITHIN:

17 (A) A METROPOLITAN PLANNING ORGANIZATION'S
18 FISCALLY-CONSTRAINED, LONG-RANGE TRANSPORTATION PLAN ADOPTED
19 PRIOR TO JANUARY 1, 2024, AND PLANNED FOR IMPLEMENTATION,
20 ACCORDING TO THAT PLAN, PRIOR TO JANUARY 1, 2030; OR

21 (B) AN APPLICABLE TRANSIT PLAN THAT HAS BEEN PLANNED FOR
22 SHORT-TERM IMPLEMENTATION, ACCORDING TO THAT PLAN;

23 (II) A PUBLIC BUS ROUTE THAT:

24 (A) HAS A PLANNED FREQUENCY OR SCHEDULED FREQUENCY OF
25 FIFTEEN MINUTES OR MORE FREQUENT FOR EIGHT HOURS OR MORE ON
26 WEEKDAYS; AND

27 (B) IS IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN FOR

1 SHORT-TERM IMPLEMENTATION OR IMPLEMENTATION BEFORE JANUARY 1,
2 2030, ACCORDING TO THAT PLAN.

3 (b) FOR TRANSIT AGENCIES WITHIN METROPOLITAN PLANNING
4 ORGANIZATIONS THAT DO NOT HAVE APPLICABLE TRANSIT PLANS, THE
5 DEPARTMENT SHALL DESIGNATE TRANSIT CORRIDOR AREAS, FOR PURPOSES
6 OF SUBSECTION (1) OF THIS SECTION, BY IDENTIFYING ANY PUBLIC BUS
7 ROUTES WITH EXISTING TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024,
8 WITH A SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR MORE FREQUENT
9 DURING THE HIGHEST FREQUENCY SERVICE HOURS.

10 (c) NOTWITHSTANDING SUBSECTION (3)(a) AND (3)(b) OF THIS
11 SECTION, THE DEPARTMENT SHALL NOT DESIGNATE TRANSIT CORRIDOR
12 AREAS, FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, WITHIN A
13 TRANSIT-ORIENTED COMMUNITY THAT HAS DESIGNATED TWENTY PERCENT
14 OR MORE OF ITS AREA AS A MANUFACTURED HOME ZONING DISTRICT AS OF
15 JANUARY 1, 2024.

16 **(4) Optional transit area criteria.** (a) THE DEPARTMENT SHALL
17 DESIGNATE OPTIONAL TRANSIT AREAS, FOR PURPOSES OF SUBSECTION (1)
18 OF THIS SECTION, BASED ON THE FOLLOWING CRITERIA:

19 (I) A BUS RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN A
20 METROPOLITAN PLANNING ORGANIZATION'S FISCALLY-CONSTRAINED,
21 LONG-RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1,
22 2024, AND INTENDED FOR IMPLEMENTATION AFTER JANUARY 1, 2030, AND
23 BEFORE DECEMBER 31, 2050;

24 (II) PUBLIC BUS ROUTES OTHER THAN THOSE IDENTIFIED IN
25 SUBSECTION (3)(a)(II)(B) OF THIS SECTION THAT OPERATE AT A
26 FREQUENCY OF THIRTY MINUTES OR MORE FREQUENT FOR EIGHT HOURS OR
27 MORE ON WEEKDAYS AS IDENTIFIED BY:

1 (A) EXISTING SERVICE AS OF JANUARY 1, 2024; OR
2 (B) IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN; AND
3 (III) OTHER AREAS PLANNED AS A MIXED-USE PEDESTRIAN
4 ORIENTED NEIGHBORHOODS.

5 (b) FOR PURPOSES OF SUBSECTION (4)(a)(III) OF THIS SECTION, A
6 TRANSIT ORIENTED COMMUNITY MAY REQUEST THAT THE DEPARTMENT
7 DESIGNATE A MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOOD AS AN
8 OPTIONAL TRANSIT AREA. THE DEPARTMENT SHALL REVIEW AND APPROVE
9 OR REJECT SUCH A REQUEST BASED ON WHETHER THE MIXED-USE
10 PEDESTRIAN-ORIENTED NEIGHBORHOOD FULFILLS THE GOALS OF THIS PART
11 2 ESTABLISHED IN SECTION 29-35-203 (2).

12 **(5) Potential transit area criteria.** (a) THE DEPARTMENT SHALL
13 DESIGNATE AN AREA AS A POTENTIAL TRANSIT AREA, FOR PURPOSES OF
14 SUBSECTION (1) OF THIS SECTION, IF IT CONSISTS OF CORRIDORS, AS
15 IDENTIFIED BY THE DEPARTMENT OF TRANSPORTATION THAT:

16 (I) INCLUDE MAJOR TRAVELSHEDS, AS DEFINED BY COMMON
17 TRAVEL PATTERNS IN AN AREA, THAT IMPACT ANTICIPATED NEW OR
18 MODIFIED INTERCHANGES ON STATE-OWNED HIGHWAYS; AND

19 (II) ARE OUTSIDE OF CENSUS URBANIZED AREAS, AS IDENTIFIED IN
20 THE LATEST FEDERAL DECENNIAL CENSUS;

21 (b) IN DESIGNATING POTENTIAL TRANSIT AREAS, FOR PURPOSES OF
22 SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL ATTEMPT TO
23 IDENTIFY AREAS WHERE FUTURE TRANSIT SERVICE AND NEIGHBORHOOD
24 CENTERS COULD POTENTIALLY ALIGN TO PROVIDE INFORMATION FOR
25 STATE, REGIONAL, AND LOCAL PLANNING EFFORTS.

26 (c) IN UPDATING THE TRANSIT AREA MAP PURSUANT TO
27 SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL IDENTIFY ANY

1 NEIGHBORHOOD CENTERS THAT A LOCAL GOVERNMENT HAS DESIGNATED
2 WITHIN A POTENTIAL TRANSIT AREA.

3 (6) IN IDENTIFYING THE BOUNDARIES OF TRANSIT AREAS AND
4 OPTIONAL TRANSIT AREAS, THE DEPARTMENT SHALL USE:

5 (a) GEOSPATIAL DATA FROM RELEVANT TRANSIT AGENCIES AND
6 METROPOLITAN PLANNING ORGANIZATIONS; AND

7 (b) ROADWAY LOCATIONS BASED UPON THE CENTERLINE OF THE
8 ROADWAY.

9 (7) **Housing opportunity goals, models, and guidance.** ON OR
10 BEFORE FEBRUARY 28, 2025, THE DEPARTMENT SHALL PUBLISH MODELS
11 AND GUIDANCE TO SATISFY THE GOALS OF THIS PART 2 AS ESTABLISHED IN
12 SECTION 29-35-203 (2) AND INTERPRET THE DENSITY AND DIMENSIONAL
13 STANDARDS ESTABLISHED IN SECTION 29-35-206 (1)(b) OF THIS SECTION
14 WITH THE INTENT OF PROVIDING SIMPLE AND EFFICIENT METHODS FOR
15 LOCAL GOVERNMENTS TO CALCULATE THE NET HOUSING DENSITY OF
16 TRANSIT CENTERS IN ORDER TO MEET THEIR HOUSING OPPORTUNITY
17 GOALS. IN PUBLISHING MODELS AND GUIDANCE, THE DEPARTMENT SHALL
18 ESTABLISH MODELS, GUIDANCE, AND TYPICAL BUILDING TYPOLOGIES FOR
19 LOCAL GOVERNMENTS WITH FORM-BASED CODES.

20 **29-35-208. Standard affordability strategies menu - long-term**
21 **affordability strategies menu - alternative affordability strategies -**
22 **impact fees.** (1) **Standard affordability strategies menu.** ON OR
23 BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A STANDARD
24 AFFORDABILITY STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES
25 AND SHALL UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE:
26 THE FOLLOWING STRATEGIES:

27 (a) IMPLEMENTING A LOCAL INCLUSIONARY ZONING ORDINANCE

1 THAT ACCOUNTS FOR LOCAL HOUSING MARKET CONDITIONS, IS CRAFTED
2 TO MAXIMIZE REGULATED AFFORDABLE HOUSING, AND COMPLIES WITH
3 THE REQUIREMENTS OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7);

4 (b) ADOPTING A LOCAL LAW OR PLAN TO LEVERAGE PUBLICLY
5 OWNED, SOLD, OR MANAGED LAND FOR REGULATED AFFORDABLE HOUSING
6 DEVELOPMENT;

7 (c) CREATING OR SIGNIFICANTLY EXPANDING A PROGRAM TO
8 SUBSIDIZE OR OTHERWISE REDUCE IMPACT FEES OR OTHER SIMILAR
9 DEVELOPMENT CHARGES FOR REGULATED AFFORDABLE HOUSING
10 DEVELOPMENT;

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

14 (e) CREATING A PROGRAM TO PRIORITIZE AND EXPEDITE
15 DEVELOPMENT APPROVALS FOR REGULATED AFFORDABLE HOUSING
16 DEVELOPMENT;

17 (f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED
18 AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED
19 AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED
20 FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING
21 SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE
22 FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.
23 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT
24 THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION
25 (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS
26 AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF
27 29-35-204 (6)(b)(I)(A);

1 (g) ENACTING LOCAL LAWS THAT INCENTIVIZE THE CONSTRUCTION
2 OF ACCESSIBLE AND VISITABLE REGULATED AFFORDABLE HOUSING UNITS;

3 (h) ENACTING LOCAL LAWS THAT SUPPORT HOUSING FOR FAMILIES,
4 SUCH AS INCENTIVIZING CONSTRUCTION OF HOUSING UNITS WITH MULTIPLE
5 BEDROOMS; AND

6 (i) ANY OTHER STRATEGY DESIGNATED BY THE DEPARTMENT THAT
7 OFFERS A COMPARABLE IMPACT ON LOCAL HOUSING AFFORDABILITY.

8 (2) **Long-term affordability strategies menu.** ON OR BEFORE
9 JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A LONG-TERM
10 AFFORDABILITY STRATEGIES MENU AND SHALL UPDATE THIS MENU AS
11 NECESSARY. THE MENU MUST INCLUDE THE FOLLOWING STRATEGIES:

12 (a) ESTABLISHING A DEDICATED LOCAL REVENUE SOURCE FOR
13 REGULATED AFFORDABLE HOUSING DEVELOPMENT, SUCH AS INSTITUTING
14 A LINKAGE FEE ON MARKET RATE HOUSING DEVELOPMENT TO SUPPORT
15 NEW REGULATED AFFORDABLE HOUSING DEVELOPMENTS;

16 (b) REGULATING SHORT-TERM RENTALS, SECOND HOMES, OR
17 OTHER UNDERUTILIZED OR VACANT UNITS IN A WAY, SUCH AS VACANCY
18 FEES FOR UNDERUTILIZED UNITS, THAT PROMOTES MAXIMIZING THE USE OF
19 LOCAL HOUSING STOCK FOR LOCAL HOUSING NEEDS;

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

22 (d) INCENTIVIZING OR CREATING A DEDICATED LOCAL PROGRAM
23 THAT FACILITATES INVESTMENT IN LAND BANKING OR COMMUNITY LAND
24 TRUSTS;

25 (e) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY
26 SUCH AS:

27 (I) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT

1 HOUSING UNITS;

2 (II) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE
3 REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE
4 HOME BUYERS; █

5 (III) ESTABLISHING AN AFFORDABLE RENT-TO-OWN PROGRAM; OR

6 (IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;

7 AND

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

10 (3) **Alternative affordability strategies.** A TRANSIT-ORIENTED
11 COMMUNITY MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR
12 PROGRAM, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO
13 THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE
14 ADOPTION OF THAT LOCAL LAW OR PROGRAM QUALIFIES AS AN
15 AFFORDABILITY STRATEGY FOR PURPOSES OF SECTION 29-35-204 (6)(a)
16 AND (6)(b), SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL
17 OR GREATER OPPORTUNITY FOR REGULATED AFFORDABLE HOUSING AND
18 ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1)
19 AND (2) OF THIS SECTION.

20

21 29-35-209. **Displacement risk assessment - displacement**
22 **mitigation strategies menu - displacement mitigation strategies menu**
23 **goals - alternative displacement mitigation strategies.** (1) ON OR
24 BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL CONDUCT AN
25 ASSESSMENT THAT INCLUDES RECOMMENDATIONS IDENTIFYING THE
26 RESOURCES NECESSARY TO IMPLEMENT THE DISPLACEMENT MITIGATION
27 STRATEGIES IN THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU

1 DESCRIBED IN SUBSECTION (3) OF THIS SECTION. THE ASSESSMENT MUST
2 IDENTIFY:

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

8 (b) APPROPRIATE SOURCES OF FINANCIAL AND OTHER RESOURCES
9 TO IMPLEMENT THE DISPLACEMENT MITIGATION STRATEGIES IN THE
10 DISPLACEMENT RISK MITIGATION STRATEGIES MENU DESCRIBED IN
11 SUBSECTION (3) OF THIS SECTION, WHILE TAKING INTO ACCOUNT REGIONAL
12 DISPARITIES IN RESOURCES.

13 (2) (a) NO LATER THAN JUNE 30, 2025, THE DEPARTMENT SHALL
14 DEVELOP GUIDANCE FOR TRANSIT-ORIENTED COMMUNITIES IN
15 CONDUCTING A DISPLACEMENT RISK ASSESSMENT AND IMPLEMENTING
16 DISPLACEMENT MITIGATION STRATEGIES. THE DEPARTMENT SHALL
17 UPDATE THIS GUIDANCE AS NECESSARY.

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

24 (I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

25 (II) IDENTIFY INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY
26 DISPLACEMENT WARNING AND RESPONSE SYSTEMS, OR IF THOSE SYSTEMS
27 ARE UNAVAILABLE, IDENTIFY THE BEST AVAILABLE LOCAL, REGIONAL,

1 STATE, OR FEDERAL DATA THAT CAN BE ANALYZED TO IDENTIFY
2 RESIDENTS AT ELEVATED DISPLACEMENT RISK, WHICH MAY INCLUDE:

3 (A) THE PERCENTAGE OF HOUSEHOLDS THAT ARE EXTREMELY
4 LOW-INCOME, VERY LOW-INCOME, AND LOW-INCOME, AS DESIGNATED BY
5 THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
6 DEVELOPMENT;

7 (B) THE PERCENTAGE OF HOUSEHOLDS THAT ARE RENTERS;

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

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

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

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

17 (G) THE LOCATION OF MANUFACTURED HOME PARKS;

18 (H) AREAS THAT QUALIFY AS DISADVANTAGED AS DETERMINED
19 WITH THE CLIMATE AND ECONOMIC JUSTICE SCREENING TOOL DEVELOPED
20 BY THE COUNCIL ON ENVIRONMENTAL QUALITY IN THE OFFICE OF THE
21 PRESIDENT OF THE UNITED STATES; AND

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

25 (3) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL
26 DEVELOP A LONG-TERM DISPLACEMENT MITIGATION STRATEGIES MENU
27 THAT INCLUDES THE FOLLOWING STRATEGIES:

1 (a) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE
2 AND FINANCIAL SUPPORT FOR COMMUNITY ORGANIZATIONS TO DEVELOP
3 INDEPENDENT COMMUNITY LAND TRUSTS;

4 (b) PRIORITIZING SPENDING ON REGULATED AFFORDABLE HOUSING
5 UNIT PRESERVATION OR IMPLEMENTING OR CONTINUING DEED
6 RESTRICTIONS FOR REGULATED AFFORDABLE HOUSING UNITS;

7 (c) PROVIDING HOMESTEAD TAX EXEMPTIONS FOR EITHER
8 LONG-TIME HOMEOWNERS IN NEIGHBORHOODS THAT A DISPLACEMENT
9 RISK ASSESSMENT IDENTIFIES AS VULNERABLE TO DISPLACEMENT OR LOW-
10 TO MODERATE-INCOME HOMEOWNERS WITHIN, OR WITHIN ONE-HALF MILE
11 OF, A DESIGNATED TRANSIT CENTER;

12 (d) REQUIRING MULTIFAMILY HOUSING DEVELOPERS TO CREATE A
13 COMMUNITY BENEFITS AGREEMENT WITH AFFECTED POPULATIONS WITHIN
14 ONE-QUARTER MILE OF A DEVELOPMENT BUILT IN AN AREA THAT IS
15 VULNERABLE TO DISPLACEMENT;

16 (e) ENSURING NO NET LOSS WITHIN THE DESIGNATED AREA OF
17 AFFORDABLE UNITS SUCH THAT AFFORDABILITY LEVELS ARE EQUAL OR
18 GREATER THAN EXISTING LEVELS OF FAMILY SERVING UNITS THAT
19 INCLUDE THREE OR MORE BEDROOMS;

20 (f) ESTABLISHING A PROGRAM TO PROVIDE COMMUNITY OR SMALL
21 LOCAL BUSINESS INVESTMENT IN AN AREA THAT IS VULNERABLE TO
22 DISPLACEMENT; AND

23 (g) OTHER STRATEGIES IDENTIFIED BY THE DEPARTMENT THAT
24 PROVIDE DISPLACEMENT MITIGATION EQUIVALENT TO THE OTHER
25 STRATEGIES DESCRIBED IN THIS SUBSECTION (3).

26 (4) IN DEVELOPING THE DISPLACEMENT RISK MITIGATION
27 STRATEGIES MENU DESCRIBED IN SUBSECTION (3) OF THIS SECTION, THE

1 DEPARTMENT'S GOALS MUST BE TO SUPPORT:

2 (a) RESOURCES, SERVICES, AND INVESTMENTS THAT SERVE
3 VULNERABLE HOMEOWNERS AND RENTERS WITH ELEVATED RISK OF
4 DISPLACEMENT;

5 (b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING
6 STOCK;

7 (c) LOCAL GOVERNMENT PLANNING AND LAND USE DECISIONS
8 THAT INCORPORATE INCLUSIVE AND EQUITABLE DISPLACEMENT
9 MITIGATION STRATEGIES, AND THE EMPOWERMENT OF LOW-INCOME
10 PERSONS AND COMMUNITIES OF COLOR TO PARTICIPATE IN THOSE
11 DECISIONS; AND

12 (d) THE ABILITY OF VULNERABLE RESIDENTS TO REMAIN IN OR
13 RETURN TO THEIR NEIGHBORHOODS OR COMMUNITIES BY ACCESSING NEW
14 AFFORDABLE HOUSING OPPORTUNITIES IN THEIR NEIGHBORHOODS OR
15 COMMUNITIES.

16 **29-35-210. Transit-oriented communities infrastructure grant**
17 **program - transit-oriented communities infrastructure fund - _____**

18 **definitions. (1) Grant program created.** THE TRANSIT-ORIENTED
19 COMMUNITIES INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE
20 DEPARTMENT. THE PURPOSE OF THE GRANT PROGRAM IS TO ASSIST LOCAL
21 GOVERNMENTS IN UPGRADING INFRASTRUCTURE AND SUPPORTING
22 REGULATED AFFORDABLE HOUSING IN TRANSIT CENTERS AND
23 NEIGHBORHOOD CENTERS.

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

26 (a) ON-SITE INFRASTRUCTURE FOR AFFORDABLE HOUSING,
27 INCLUDING REGULATED AFFORDABLE HOUSING, WITHIN A TRANSIT CENTER

1 OR NEIGHBORHOOD CENTER;

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

4 (c) PUBLIC INFRASTRUCTURE PROJECTS THAT BENEFIT [REDACTED]
5 AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, IN
6 A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

7 (d) ACTIVITIES RELATED TO DETERMINING WHERE AND HOW BEST
8 TO IMPROVE INFRASTRUCTURE TO SUPPORT A TRANSIT CENTER OR
9 NEIGHBORHOOD CENTER; AND

10 (e) INFRASTRUCTURE PROJECT DELIVERY, PLANNING, AND
11 COMMUNITY ENGAGEMENT.

12 (3) **Grant program administration.** THE DEPARTMENT SHALL
13 ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE
14 APPROPRIATIONS, AWARD GRANTS AS PROVIDED IN SUBSECTION (7) OF THIS
15 SECTION AND PROVIDE TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS
16 IN COMPLYING WITH THE REQUIREMENTS OF THIS PART 2. =====

17 (4) **Grant program policies and procedures.** THE DEPARTMENT
18 SHALL IMPLEMENT THE GRANT PROGRAM IN ACCORDANCE WITH THIS
19 SECTION. THE DEPARTMENT SHALL DEVELOP POLICIES AND PROCEDURES
20 AS NECESSARY TO IMPLEMENT THE GRANT PROGRAM.

21 (5) **Grant application.** TO RECEIVE A GRANT, A LOCAL
22 GOVERNMENT MUST SUBMIT AN APPLICATION TO THE DEPARTMENT IN
23 ACCORDANCE WITH POLICIES AND PROCEDURES DEVELOPED BY THE
24 DEPARTMENT.

25 (6) **Grant program criteria.** THE DEPARTMENT SHALL REVIEW
26 THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION AND SHALL
27 ONLY AWARD GRANTS TO CERTIFIED TRANSIT-ORIENTED COMMUNITIES. IN

1 AWARDING GRANTS, THE DEPARTMENT SHALL CONSIDER THE FOLLOWING
2 CRITERIA:

3 (a) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL
4 GOVERNMENT WOULD FUND WITH A GRANT AWARD ON THE DEVELOPMENT
5 OF REGULATED AFFORDABLE HOUSING, MIXED-USE DEVELOPMENT,
6 ACCESSIBLE OR VISITABLE HOUSING UNITS, OR THE CREATION OR
7 ENHANCEMENT OF HOME OWNERSHIP OPPORTUNITIES WITHIN A TRANSIT
8 CENTER OR NEIGHBORHOOD CENTER. IF A PROJECT IS A LARGE-SCALE
9 INFILL DEVELOPMENT PROJECT, SUBJECT TO A DISCRETIONARY APPROVAL
10 PROCESS, AND ADJACENT TO AN ESTABLISHED NEIGHBORHOOD, THE
11 DEPARTMENT SHALL GIVE PRIORITY TO SUCH A PROJECT IF A COMMUNITY
12 BENEFITS AGREEMENT HAS BEEN ESTABLISHED IN CONNECTION WITH THE
13 PROJECT.

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

16 (I) INTEGRATED MIXED-USE DEVELOPMENT BY ALLOWING
17 NEIGHBORHOOD COMMERCIAL USES THAT HAVE THE MAIN PURPOSE OF
18 MEETING CONSUMER DEMANDS FOR GOODS AND SERVICES WITH AN
19 EMPHASIS ON SERVING THE SURROUNDING RESIDENTIAL NEIGHBORHOOD
20 WITHIN ONE-QUARTER MILE OF A TRANSIT CENTER OR NEIGHBORHOOD
21 CENTER;

22 (II) ADOPTED AFFORDABILITY STRATEGIES FROM THE
23 AFFORDABILITY STRATEGIES MENUS IN SECTION 29-35-208 BASED ON THE
24 LOCAL GOVERNMENT'S DEMONSTRATED HOUSING NEEDS, INCLUDING
25 HOUSING NEEDS FOR RENTAL AND FOR-SALE HOUSING AND FOR LOW-,
26 MODERATE-, AND MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE
27 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,

1 AND PERMANENT SUPPORTIVE HOUSING;

2 (III) ADOPTED DISPLACEMENT MITIGATION STRATEGIES FROM THE
3 DISPLACEMENT MITIGATION STRATEGIES MENU IN SECTION 29-35-209;

4 AND

5 (IV) DESIGNATED NEIGHBORHOOD CENTERS WITHIN OPTIONAL
6 TRANSIT AREAS; AND

7 (c) INFORMATION CONTAINED IN THE REPORTS SUBMITTED BY A
8 LOCAL GOVERNMENT PURSUANT TO SECTION 29-35-204 THAT PROVIDES
9 EVIDENCE THAT THE LOCAL GOVERNMENT HAS MET THE REQUIREMENTS
10 OF SECTION 29-35-204.

11 (7) **Grant awards.** SUBJECT TO AVAILABLE APPROPRIATIONS, THE
12 DEPARTMENT SHALL AWARD GRANTS USING MONEY IN THE FUND AS
13 PROVIDED IN THIS SECTION.

14 (8) **Transit-oriented communities infrastructure fund.**

15 (a) (I) THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE FUND IS
16 CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY
17 TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (8)(a)(III) OF THIS
18 SECTION, GIFTS, GRANTS, AND DONATIONS, AND ANY OTHER MONEY THAT
19 THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.
20 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED
21 FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE
22 FUND.

23 (II) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
24 DEPARTMENT FOR THE PURPOSE OF IMPLEMENTING THE GRANT PROGRAM,
25 AND THE DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY
26 IN THE FUND FOR COSTS INCURRED BY THE DEPARTMENT IN
27 ADMINISTERING THE GRANT PROGRAM.

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

3 ==

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

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

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

16 ==

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

19 (b) "GRANT PROGRAM" MEANS THE TRANSIT-ORIENTED
20 COMMUNITIES INFRASTRUCTURE GRANT PROGRAM CREATED IN THIS
21 SECTION.

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

24 **24-67-105. Standards and conditions for planned unit**
25 **development - definitions.** (5.5) (a) ANY PLANNED UNIT DEVELOPMENT
26 RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR
27 NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL

1 GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
2 (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER
3 THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN
4 AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-35-205, OR AS A
5 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-206.

6 (b) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR
7 ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD
8 CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT
9 BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) AND THAT
10 RESTRICTS THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS
11 INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A
12 TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
13 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-206:

14 (I) MUST NOT BE INTERPRETED OR ENFORCED TO RESTRICT THE
15 DEVELOPMENT OF MULTIFAMILY RESIDENTIAL DWELLING UNITS SO THAT
16 A TRANSIT-ORIENTED COMMUNITY COULD NOT DESIGNATE AN AREA AS A
17 TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT WOULD OTHERWISE
18 QUALIFY AS SUCH; AND

19 (II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW
20 ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF
21 A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
22 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-206.

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

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

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

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

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

7 **SECTION 3.** In Colorado Revised Statutes, 29-20-203, **amend**
8 **(1)**; and **add (1.5)** as follows:

9 **29-20-203. Conditions on land-use approvals. (1)** In imposing
10 conditions upon the granting of land-use approvals, no local government
11 shall require an owner of private property to dedicate real property to the
12 public, or pay money or provide services to a public entity in an amount
13 that is determined on an individual and discretionary basis OR ON THE
14 BASIS OF A LEGISLATIVELY ADOPTED FORMULA OR CALCULATION, unless
15 there is an essential nexus between the dedication or payment and a
16 legitimate local government interest, and the dedication or payment is
17 roughly proportional both in nature and extent to the impact of the
18 proposed use or development of such property. This section shall not
19 apply to any legislatively formulated assessment, fee, or charge that is
20 imposed on a broad class of property owners by a local government.

21 (1.5) WHEN REQUIRING AN OWNER OF PRIVATE PROPERTY TO
22 DEDICATE REAL PROPERTY TO THE PUBLIC, IF THE SUBJECT PROPERTY DOES
23 NOT MEET LOCAL GOVERNMENT STANDARDS FOR DEDICATION AS
24 DETERMINED BY THE LOCAL GOVERNMENT, INCLUDING DEDICATION TO
25 THE PARKS, TRAILS, OR OPEN SPACE SYSTEMS, A LOCAL GOVERNMENT
26 SHALL PROVIDE THE PRIVATE PROPERTY OWNER THE OPTION OF PAYING A
27 FEE IN LIEU OF DEDICATION.

1 **SECTION 4.** In Colorado Revised Statutes, 38-33.3-106.5, add
2 (3) as follows:

3 **38-33.3-106.5. Prohibitions contrary to public policy -**
4 **patriotic, political, or religious expression - public rights-of-way - fire**
5 **prevention - renewable energy generation devices - affordable**
6 **housing - drought prevention measures - child care - definitions.**

7 (3) (a) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, AN
8 ASSOCIATION SHALL NOT ADOPT A PROVISION OF A DECLARATION, BYLAW,
9 OR RULE ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (3) THAT
10 RESTRICTS THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW
11 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,
12 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES
13 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

14 (b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO
15 PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT
16 IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (3) MAY
17 RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW
18 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,
19 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES
20 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

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

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

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

27 (III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN

1 SECTION 29-35-202 (10).

2

3 SECTION 5. In Colorado Revised Statutes, 43-1-1103, add (5.5)

4 as follows:

5 43-1-1103. Transportation planning. (5.5) THE DEPARTMENT
6 OF TRANSPORTATION SHALL CONDUCT A STUDY THAT IDENTIFIES:

7 (a) POLICY BARRIERS AND OPPORTUNITIES WITHIN THE
8 DEPARTMENT THAT INCLUDES AN EXAMINATION OF POLICIES WITHIN THE
9 STATE ACCESS CODE, ROADWAY DESIGN STANDARDS, AND THE
10 TREATMENT OF PEDESTRIAN AND BICYCLE CROSSINGS. THE STUDY SHALL
11 EXAMINE THE IMPACT OF THESE POLICIES ON NEIGHBORHOOD CENTERS
12 AND TRANSIT CENTERS, INCLUDING THE IMPACT ON HOUSING PRODUCTION,
13 THE IMPLEMENTATION OF CONTEXT-SENSITIVE DESIGN, COMPLETE
14 STREETS, AND PEDESTRIAN-BICYCLE SAFETY MEASURES; AND

15 (b) THE PORTIONS OF STATE HIGHWAY THAT PASS THROUGH
16 LOCALLY-IDENTIFIED TRANSIT CENTERS AND NEIGHBORHOOD CENTERS
17 THAT ARE APPROPRIATE FOR CONTEXT-SENSITIVE DESIGN, COMPLETE
18 STREETS AS DEFINED IN THE "INFRASTRUCTURE INVESTMENT AND JOBS
19 ACT", PUB.L. 117-5, AND PEDESTRIAN-BICYCLE SAFETY MEASURES.

20 **SECTION 6. Appropriation.** (1) For the 2024-25 state fiscal
21 year, \$183,138 is appropriated to the office of the governor for use by the
22 Colorado energy office. This appropriation is from the general fund and
23 is based on the assumption that the office will require an additional 0.8
24 FTE. To implement this act, the office may use this appropriation for
25 program administration.

26 (2) For the 2024-25 state fiscal year, \$70,000 is appropriated to
27 the office of the governor for use by the office of information technology.

1 This appropriation is from reappropriated funds received from the
2 department of local affairs from the transit-oriented communities
3 infrastructure fund created in section 29-35-210 (8)(a)(I), C.R.S. To
4 implement this act, the office may use this appropriation to provide
5 information technology services for the department of local affairs.

6 **SECTION 7. Safety clause.** The general assembly finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety or for appropriations for
9 the support and maintenance of the departments of the state and state
10 institutions.