



# **WESTMINSTER**

**COLORADO**

## **CITY COUNCIL STUDY SESSION AGENDA**

**JUNE 17, 2024 at 6:30 PM**

- C. Presentation of Recently Approved State Planning Legislation (20 minutes)



## Agenda Memorandum

Agenda Item – 3.C.

City Council Pre/Post Meeting  
June 17, 2024

### **Strategic Priority 1: Access to Opportunity**

Advance access to opportunity and prosperity for all in Westminster through diverse housing choices, increased mobility options, safe and walkable neighborhoods, and strong social networks

**Subject:** Presentation of Recently Approved State Planning Legislation (20 minutes)

**Prepared By:** Lindsey Kimball, CEcD, EDFP; Community Services Director  
John McConnell, AICP; Planning Manager  
Andrew Spurgin, AICP; Principal Planner

### **Recommended City Council Action:**

Receive a presentation on recently approved state planning legislation.

### **Summary Statement:**

- This presentation is a high-level overview of four planning-related bills the governor signed into law in May 2024.
- This presentation's purpose is to provide City Council foundational background in advance of the Colorado Municipal League (CML) conference where discussion of these bills may occur.
- A separate presentation with the City's state lobbyist is scheduled for July 29, 2024 to fully debrief City Council on the legislative session.
- House Bill (HB) 24-1152 allows accessory dwelling units (ADUs) anywhere single-family detached residences are allowed.
- HB24-1304 provides exemptions from minimum parking requirements in certain types of residential applications adjacent to transit facilities.

- HB24-1313 establishes Housing Opportunity Goals (HOG) and requires up-zoning of properties to meet the HOG independent of existing water resources or other infrastructure, as well as the creation of administrative approval procedures and affordability and displacement mitigation strategies in defined transit areas.
- Senate Bill (SB) 24-174 prescribes contents and methods for Housing Needs Assessments, Comprehensive Plans, and Water Supply Plans.
- HB24-1152 and HB24-1304 can be implemented by updating existing municipal regulatory documents; however, the anticipated timing and resource impacts of implementation of HB24-1313 and SB24-174 need further assessment and hence a future follow up with City Council will be scheduled. This will also provide time to assess the extent to which the scope of work for the Unified Development Code (UDC) project may need to be expanded.

**Fiscal Impact:**

Receiving this presentation requires \$0 in expenditures.

**Source of Funds:**

Not applicable.

**Policy Issue(s):**

Does City Council wish to receive an introductory presentation regarding HB24-1152, HB24-1304, HB24-1313, and SB24-174?

**Alternative(s):**

City Council could choose not to receive a presentation regarding HB24-1152, HB24-1304, HB24-1313, and SB24-174. This is not recommended due to the need to timely update City Council in advance of the CML Conference and for Staff to begin analyses on potential actions necessary to achieve compliance with the new legislation.

**Background Information:**

The Colorado legislature recently passed, and the governor signed into law, four bills with implications for land use planning, zoning, and housing policy in Westminster. Staff has begun assessing these bills including potential impacts to Staff capacity; water, sewer, and other infrastructure capacity; and potential changes to related work currently underway. Further analysis is needed, and guidelines from the state's Department of Local Affairs (DOLA) that will assist this analysis are in development. However, Staff believes it is important to share this information with City Council in advance of the CML conference where related discussion is likely to occur. Staff also believe it is important to provide City Council a generalized timeline for the steps ahead and potential options for implementation.

The four bills include the following:

- HB24-1152 allows ADUs anywhere single-family detached residences are allowed.
- HB24-1304 provides exemptions from minimum parking requirements in certain types of residential applications adjacent to transit facilities.
- HB24-1313 establishes HOGs and requires up-zoning of properties to meet the HOG as well as the creation of administrative approval procedures and affordability and displacement mitigation strategies in defined transit areas or corridors.
- SB24-174 prescribes contents and methodologies for Housing Needs Assessments, the Comprehensive Plan and Water Supply Plan.

Staff reviewed previous drafts of these bills earlier this year as part of briefings for City Council to form positions on these bills. Through the subsequent legislative process, primarily during the closing days of session, various amendments were added to modify the bills from their original versions.

Related to this work is the UDC, which was previously presented to City Council on December 11, 2023. The future UDC is the logical place for new or revised zoning requirements and development standards and will need to reflect the new statutory requirements. Key concepts from the 2040 Comprehensive Plan that inform the UDC are the need to support infill and redevelopment, adaptive reuse, missing middle housing, ADUs, and flexibility in administration of site requirements, such as with parking. Staff is re-scoping the work to ensure the impacts of the bills can be incorporated and will present potential expansions to the UDC scope in a future City Council briefing.

There are several actions needed to come into compliance with all four bills, and like topics will be grouped together for purposes of analysis. For example, multiple bills may require updating the Comprehensive Plan, but the technical work could be coordinated to ensure both efficiency for Staff and transparency to residents. A generalized overview of the bills, related City plans or assessments, and deadlines is shown below:

| <b>Bill</b> | <b>Subject</b>                     | <b>City Plans/Assessments</b>   | <b>Deadline</b>          |
|-------------|------------------------------------|---|--------------------------|
| HB24-1152   | ADUs                               | Westminster Municipal Code (W.M.C)  | June 30, 2025            |
| HB24-1304   | Minimum Parking                    | W.M.C.  | June 30, 2025            |
| HB24-1313   | Transit Oriented Communities (TOC) | City Assessment Report - locations  | June 30, 2025            |
|             |                                    | HOG report – strategies   | December 31, 2026        |
|             |                                    | Comprehensive Plan – change land uses and densities to meet HOG   | December 31, 2026        |
|             |                                    | W.M.C. – zoning text  | December 31, 2026        |
|             |                                    | Zoning Map  | December 31, 2026        |
|             |                                    | HOG report  | Every 3 years after 2026 |
| SB24-174    | Sustainable Affordable Housing     | Map areas for up-zoning   | January 1, 2025          |
|             |                                    | Comprehensive Plan - water conservation element   | June 30, 2025            |
|             |                                    | Housing Needs Assessment  | December 31, 2026        |
|             |                                    | Comprehensive Plan - Strategic Growth Element, natural lands and agricultural opportunities reports, analysis of vacant | December 31, 2026        |



|  |  |  |                          |
|--|--|--|--------------------------|
|  |  | and underutilized land, fiscal impact assessment |                          |
|  |  | Water Supply Plan                                | December 31, 2026        |
|  |  | Housing Action Plan                              | January 1, 2028          |
|  |  | Progress reports                                 | Every 3 years after 2028 |
|  |  | Housing Needs Assessment                         | Every 6 years after 2028 |
|  |  | Housing Action Plan                              | Every 6 years after 2028 |

### Potential Impacts to Staffing, Work Plans, Water Resources, and Provision of City Services

Fully meeting the provisions and timing of the bills will have staffing and work plan impacts through 2027 followed by a level of ongoing commitment after that to administer affordability strategies and meet reporting requirements relative to zoning, housing, parking, and water supply. These impacts are anticipated primarily for Community Services staff across all divisions, as well as impacts to Public Works and Utilities, including water resources, engineering, and geographic information system (GIS). Depending on the amount of additional housing constructed, there may be second and third order impacts to municipal services such as streets, public safety, PRL, and others. Carrying out the tasks to fully comply with HB24-1313 and SB24-174 may also impact other current work assignments and timing of related elements of Strategic Plan implementation.

#### HB24-1152:

The bill with the easiest implementation is HB24-1152 regarding ADUs. The bill will require the City to allow ADUs anywhere single-family detached housing is allowed, and it supersedes any restrictions on ADUs within Planned Unit Developments (PUDs) and homeowner association covenants. The bill is prescriptive regarding site planning for ADUs, with limitations on the imposition of sizing or additional off-street parking. With state preemption on the ability to craft standards unique to Westminster, it is no longer necessary to formulate an approach for ADUs within the larger UDC project. Therefore, Staff recommends developing a standalone Ordinance to be brought forward to City Council later this summer.

#### HB24-1304:

The Minimum Parking Bill, HB24-1304, was amended through the legislative process and scaled back to apply only to applications for residential development and mixed-use and adaptive reuse projects with residential components in transit areas. Unfortunately, the defined transit area within HB24-1304 is substantially different than the transit areas described in HB24-1313. Therefore, there is a lack of alignment between the bills relative to exceptions from minimum parking and the locations of added housing density. DOLA will create an official map of the transit areas by September 30, 2024, which should provide clarity on this matter. Given the need to wait for this map, Staff proposes to include updates related to the Minimum Parking Bill within the scope of the UDC project, which already included the identification of refinements to the City's parking requirements.

#### HB24-1313:

HB24-1313 has greater potential implications than HB24-1152 and HB24-1304. This bill requires calculation of a HOG and up-zoning properties to create the necessary zoning capacity to meet or exceed the HOG. The bill does not actually require the housing to be built to fully meet the HOG

calculation. The HOG is a purely mathematical calculation to determine zoning capacity, with a minimum of 15 units per net acre and a maximum of 500 units per net acre. Existing housing units and zoning designations do not reduce the HOG calculation. Amendments by the legislature added a requirement for the City to submit to DOLA a compliance report describing affordability and displacement mitigation strategies every three years.

The specific HOG calculation for Westminster is the greatest unknown factor currently. The bill establishes a formula for calculating the acreage one-half mile from transit stations and one-quarter mile from bus rapid transit (BRT) corridors, which for Westminster includes both the US 36 corridor and the planned Federal Boulevard BRT, as shown in Attachment 2. The applicable HOG acreage is then multiplied by 40 units per acre to result in the required number of units to reach the HOG. The bill requires DOLA to create an official map showing transit areas used to calculate the HOG area by September 30, 2024. Absent this official map, Staff has informally analyzed the transit stations and corridors as defined in the bill and determined potentially 3,178 acres would be within the HOG areas when multiplied by 40 units per acre which results in 127,120 units. The bill, however, establishes some exemptions from the areas to calculate the HOG such as open space and floodplains. Using these defined exemptions, as Staff interprets the bill, the acreage that will need to be dedicated to achieving the HOG is reduced to 2,265.13 acres, when multiplied by 40 units per acre which results in 90,605 units.

The required HOG for Westminster is likely to be greater than surrounding communities due to the presence of four transit stations and the presence of two BRT corridors through the city. Staff is initiating conversations with peer communities to understand how they might approach implementation of HB24-1313.

The uncertainty about the applicable exemptions in HB24-1313 will require further coordination upon receipt of the official map from the state; however, whether the HOG is closer to 90,605 units or 127,120 units, additional analysis will be necessary for Staff to articulate the range of potential impacts to the City. Historically, Westminster has correlated its land use planning with water resources and the size and placement of infrastructure required to serve development. For example, with Downtown Westminster and Westminster Station, significant investments were made in drainage, parks, streets, water, and wastewater facilities, which were built to accommodate the higher densities within these two Specific Plan areas. A water supply budget was also established for each Specific Plan area. Decoupling land use planning from resources and infrastructure through up-zoning around transit stations without confidence that infrastructure and resources are in place, or that they will be available in the future, is a significant departure from past planning policy. As Staff refines its analysis of the cumulative effects of all four bills, a recommendation will be formed for future City Council consideration that provides a balance of these considerations.

#### SB24-174:

SB24-174 was unofficially described by some legislators as the alternative to HB24-1313. However, both bills passed, and while similar in intentions and establishment of deadlines for compliance, the mechanics of the two bills vary greatly. As amended, SB24-174 requires different methods and technical work to be completed than those required for HB24-1313. Further guidance from DOLA is to be published by the end of the year. However, in the initial scan of SB24-174, Staff has identified updates that will need to be made to the Comprehensive Plan and Water Supply Plan to come into compliance with the state-prescribed methods, as well as conducting a new Housing Needs

Assessment to conform to the prescribed methods or opting-in with a potential future regional housing needs assessment. A Housing Action Plan is a further requirement of SB24-174 as well as requirements for the Housing Needs Assessment and Housing Action Plan to be updated every six years and submitted to DOLA for approval.

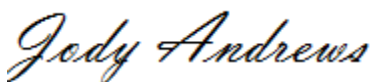
Next Steps:

This presentation will introduce tasks necessary to come into compliance with all four bills. Staff will need to fully assess potential impacts and the pathways to compliance. As the information provided herein is the result of an initial scan of the requirements of the four bills and absent the benefit of official guidelines from DOLA, without a deeper assessment of Staff and resource impacts, a multi-stepped approach is recommended:

1. Prioritize the legislative analysis of the four bills, including assessing the extent to which work on the UDC may need to be expanded, and postpone at this time the UDC presentation previously planned for the July 15 Study Session.
2. Bring forward a standalone ADU Ordinance for City Council consideration, tentatively in August, since the prescriptive nature of the bill makes coordination with the UDC unnecessary.
3. Return to City Council later in 2024, after the state has published the official maps for both HB24-1304 and HB24-1313, to refine and/or confirm the applicable geographic areas to comply with both bills, further brief City Council on anticipated resource impacts and modifications to the UDC scope of work, and introduce areas identified for up-zoning after January 1, 2025, in accordance with SB24-174.
4. Return to City Council in the spring of 2025 to assess whether legislative updates and/or new bills are included in the next legislative session that further impact this work, identify how to implement the guidance provided by DOLA that is anticipated by end of February 2025, introduce revised parking requirements in accordance with HB24-1304, and identify Comprehensive Plan and Water Supply Plan updates required by SB24-174.

The City's Strategic Plan priority of Access to Opportunity is met by receiving this presentation on recent state legislation supportive of housing choices and increased mobility options through proximity to current and future transit services.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jody Andrews". The signature is written in a cursive, flowing style.

Jody L. Andrews  
Acting City Manager

**Attachments:**

Attachment 1: Generalized Bill Summary

Attachment 2: Potential HOG Calculation Map

Attachment 3: HB24-1152

Attachment 4: HB24-1304

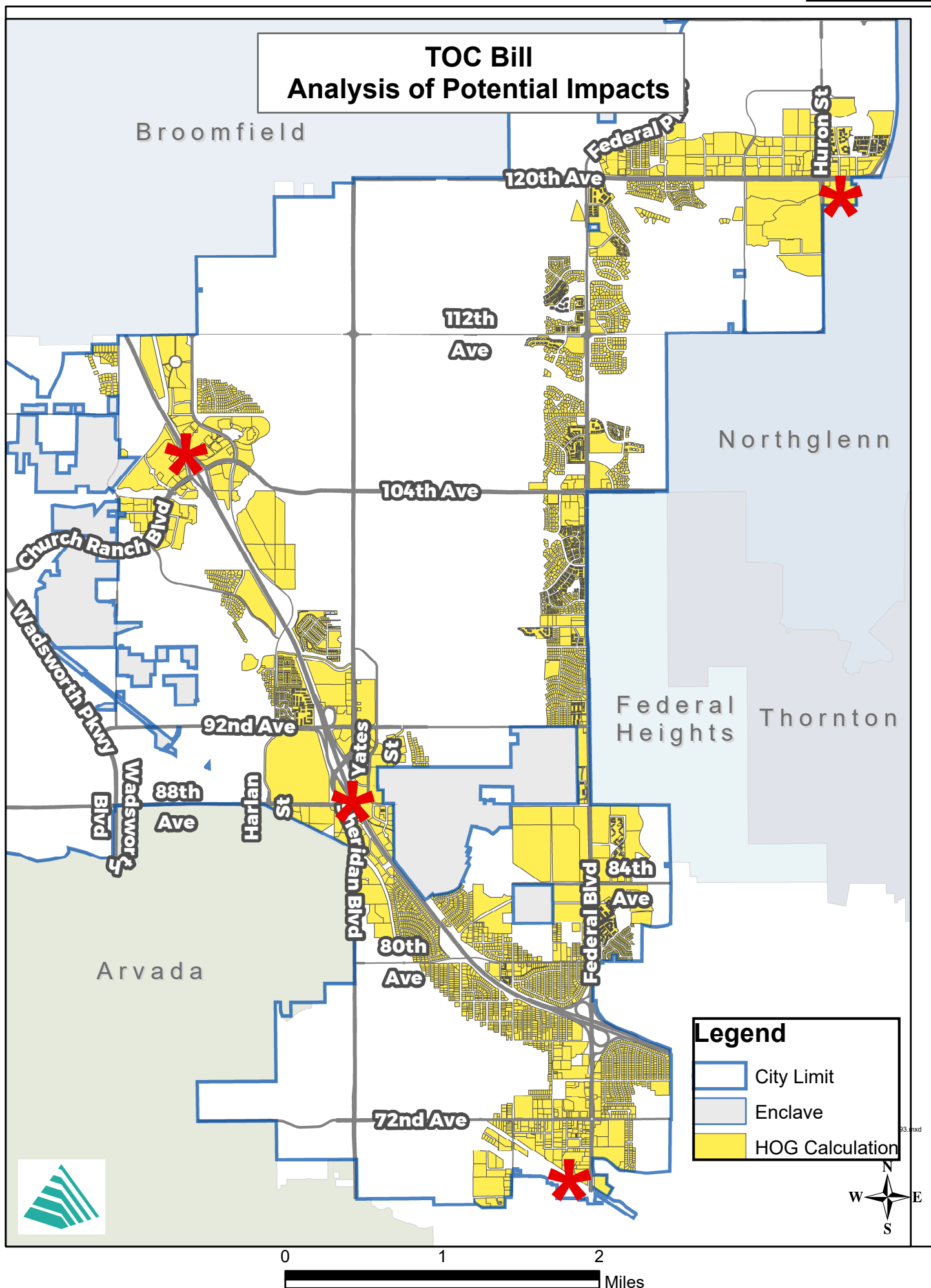
Attachment 5: HB24-1313

Attachment 6: SB24-174

Presentation of Recently Approved State Planning Legislation

## Initial Analysis of 2024 Land Use Legislation - Draft, subject to change

| Bill No.  | Topic                          | Description  | 2024  |   | 2025  |   | 2026   | 2027  | 2028  | Ongoing  |         |
|-----------|--------------------------------|--|---|---|---|---|--|---|---|--|---------|
|           |                                |  | 9/30/2024   |   | 2/28/25   | 6/30/25   | 12/31/26   | 12/31/27  |   |  |         |
| HB24-1313 | TOC                            | Subject jurisdictions must calculate their housing opportunity goal and report to DOLA when/how they've met the goal by upzoning or taking other actions to allow density that meets the HOG. Must create administrative approval process within transit area for multi-family up to 5 acres; The compliance report to describe affordability and displacement mitigation strategies and report every 3 years. DOLA would offer funding for infrastructure for compliant subject jurisdictions. There is also funding for an affordable housing in transit-oriented communities income tax credit. PUDs and HOAs must not conflict or restrict to lower densities than the local government allows.  | Map published showing transit areas toward the HOG  | Guidance to be provided by DOLA   | 1) City must submit Community Assessment report identifying HOG and its calculation;<br>2) DOLA to publish affordability strategies menu and displacement mitigation strategies | Rezone to meet HOG and submit report on meeting HOG with affordabilityand displacement mitigation strategies <b>or</b> report indicating water supply insufficiency | Certification by State for compliance/ non-compliance  |   | Every 3 years must submit HOG report, <b>or</b> recertify insufficient water supply   |  |         |
|           |                                |  |   |   | 6/30/2025   |   |  |   |   |  |         |
| HB24-1152 | ADUs                           | Must allow one ADU wherever SF detached is allowed, use administrative approval process, and not enforce any local law restricting construction/conversion   |   |   | 1) Code must comply with bill;<br>2) report must be submitted to DOLA on ADU implementation   |   |  |   |   |  |         |
|           |                                |  | 9/30/2024   | 12/31/2024  | 6/30/2025   | 12/31/26  | 12/31/27   | 12/31/2028  | Ongoing   |  |         |
| HB24-1304 | Min. Parking                   | Exempts min. parking for multi-family, adaptive reuse w/ residential or mixed use within an applicable transit service area. Can still require participation in a parking enterprise, permitting system , shared parking plan, ADA spaces, maximum parking, and bicycle parking requirements   | DOLA to publish map of transit service areas  | DOLA to publish guidance on parking strategies  | Code must comply with bill  | Must submit report to DOLA regarding where parking has been imposed   | Must submit report to DOLA regarding where parking has been imposed  | Must submit report to DOLA regarding where parking has been imposed | 1) Must publish findings and parking study for 1/8 mile if parking is required for an application wtthin 90 days;<br>2) Must annually report to DOLA where parking has been required          |  |         |
|           |                                |  | 12/31/2024  |   | 1/1/2025  | 6/30/2025   | 1/1/2026   | 12/31/26  | 11/30/2027  | 1/1/2028   | Ongoing |
| SB24-174  | Sustainable Affordable Housing | DOLA to create methodologies for statewide, regional, and local housing needs assessments (HNA).Cities must conduct local HNAs or have option to participate in regional HNAs. City to complete housing action plas and report on adopted affordability and displacement mitigation strategies. DOLA would create a directory of best practices and provide technical assistance. Certain agencies must consider compliance in funding decisions. Local comprehensive plans must include a water supply element and a strategic growth element. HNA must incorporate a water supply element; accessible and visitable units; jobs and salary/wage information; must account for regional share of housing relative to number of jobs; identify areas of displacement risk; HNA must go to City Council for a public meeting <b>BUT</b> local govt may exempt from the HNA requirement if it participates in the Regional HNA, if it is completed by 12/31/26 | 1). DOLA to publish guidance on local HNAs and displacement risk mitigation strategies;<br>2) Population and data sources to be used by local govt must be determined | Must identify areas for increased zoning capacity to be rezoned on or after this date | 1) DOLA to publish affordability and displacement risk mitigation strategies;<br>2) Comp Plan must incorporate water conservation policies no later than 7/1/25                 | Determination of applicable population for the Housing Action Plan  | 1) Complete HNA conforming to statute<br>2) Incorporate water supply element and strategic growth element into the Comp Plan and evaluation of the Plan must incorporate the HNA, the statewide Strategic Growth report , natural lands and agricultural opportunities report, analysis of vacant and underutilized land, and fiscal impact assessment | Completion of statewide HNA   | Housing Action Plan responsive to the HNA, assessment of zoning and permitted densities, long term affordability strategies, mitigation strategies for areas of elevated risk of displacement | 1) City and Statewide HNA to be completed every 6 years;<br>2) Housing Action Plan to be completed every 6 years<br>3) Submit progress reports to DOLA every 3 years |         |



# An Act

HOUSE BILL 24-1152

BY REPRESENTATIVE(S) Amabile and Weinberg, Bacon, Boesenecker, Epps, Froelich, Garcia, Jodeh, Kipp, Lindsay, Lindstedt, Mabrey, McCormick, Ortiz, Ricks, Rutinel, Sirota, Story, Valdez, Vigil, Willford, Woodrow, McCluskie, English, Herod, Martinez, McLachlan, Parenti, Weissman;  
also SENATOR(S) Mullica and Exum, Cutter, Hinrichsen, Priola, Roberts, Winter F.

CONCERNING INCREASING THE NUMBER OF ACCESSORY DWELLING UNITS,  
AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

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

## **ARTICLE 35**

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

#### **PART 1**

#### **ACCESSORY DWELLING UNITS**

**29-35-101. Legislative declaration.** (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

(I) ACCESSORY DWELLING UNITS OFFER A WAY TO PROVIDE COMPACT, RELATIVELY AFFORDABLE HOUSING IN ESTABLISHED NEIGHBORHOODS WITH MINIMAL IMPACTS TO INFRASTRUCTURE AND TO SUPPLY NEW HOUSING OPPORTUNITIES WITHOUT ADDED DISPERSED LOW-DENSITY HOUSING;

(II) ACCESSORY DWELLING UNITS GENERATE RENTAL INCOME TO HELP HOMEOWNERS COVER MORTGAGE PAYMENTS OR OTHER COSTS, WHICH CAN BE IMPORTANT FOR A VARIETY OF RESIDENTS, SUCH AS OLDER HOMEOWNERS ON FIXED INCOMES AND LOW- AND MODERATE-INCOME HOMEOWNERS;

(III) ACCESSORY DWELLING UNITS PROVIDE FAMILIES WITH OPTIONS FOR INTERGENERATIONAL LIVING ARRANGEMENTS THAT ENABLE CHILD OR ELDER CARE AND AGING IN PLACE, AND A 2021 SURVEY BY THE AARP FOUND THAT APPROXIMATELY SEVENTY-FIVE PERCENT OF PEOPLE FIFTY YEARS OF AGE OR OLDER WANT TO STAY IN THEIR HOMES OR COMMUNITIES FOR AS LONG AS THEY CAN. ACCORDING TO A 2018 STUDY BY THE CENTER FOR AMERICAN PROGRESS, FIFTY-ONE PERCENT OF COLORADANS LIVE IN A CHILD CARE DESERT-A COMMUNITY WHERE THERE ARE NO CHILD CARE PROVIDERS OR SO FEW OPTIONS THAT THERE ARE MORE THAN THREE TIMES AS MANY CHILDREN AS THERE ARE LICENSED CHILD CARE SLOTS. THESE CHILD CARE DESERTS ARE SITUATED WITHIN RURAL, SUBURBAN, AND URBAN COMMUNITIES AND ARE A MAJOR REASON FOR WORKING PARENTS TO LEAVE THE WORKFORCE.

(IV) ACCESSORY DWELLING UNITS ARE OFTEN OCCUPIED AT LOW TO NO RENT BY FAMILY MEMBERS, AND IF THEY ARE RENTED PRIVATELY, THEIR RENTS ARE RELATIVELY AFFORDABLE BECAUSE OF THEIR SMALL SIZE;

(V) AS COLORADO'S POPULATION AGES AND TYPICAL HOUSEHOLD SIZE CONTINUES TO DECREASE, ACCESSORY DWELLING UNITS OFFER MORE COMPACT HOUSING OPTIONS THAT ALIGN WITH THE STATE'S CHANGING DEMOGRAPHICS, AND COLORADANS OVER SIXTY-FIVE YEARS OF AGE ARE THE FASTEST-GROWING AGE COHORT IN COLORADO ACCORDING TO THE STATE DEMOGRAPHY OFFICE;

(VI) ACCESSORY DWELLING UNITS ENABLE SENIORS TO DOWNSIZE, MOVE INTO ACCESSIBLE UNITS, OR LIVE WITH FAMILY OR A CAREGIVER WHILE



REMAINING IN THEIR COMMUNITIES. A 2018 AARP SURVEY FOUND THAT SIXTY-SEVEN PERCENT OF ADULTS WOULD CONSIDER LIVING IN AN ACCESSORY DWELLING UNIT TO BE CLOSE TO SOMEONE BUT STILL HAVE A SEPARATE SPACE. MOST SENIORS DO NOT LIVE IN HOMES THAT ARE ACCESSIBLE, EVEN THOUGH DISABILITY IS PREVALENT AMONG THE SENIOR POPULATION AND INCREASES WITH AGE. LESS THAN FOUR PERCENT OF EXISTING HOUSING UNITS IN THE UNITED STATES ARE ESTIMATED TO BE LIVABLE FOR PEOPLE WITH MODERATE MOBILITY DIFFICULTIES, ACCORDING TO "HOUSING FOR AN AGING POPULATION" IN THE JOURNAL HOUSING POLICY DEBATE.

(VII) RELATIVE TO DISPERSED, LOW-DENSITY DEVELOPMENT, COMPACT INFILL DEVELOPMENT, INCLUDING ACCESSORY DWELLING UNIT DEVELOPMENT, REDUCES WATER USE, GREENHOUSE GAS EMISSIONS, INFRASTRUCTURE COSTS, AND HOUSEHOLD ENERGY AND TRANSPORTATION COSTS;

(VIII) ACCESSORY DWELLING UNITS USE SIGNIFICANTLY LESS ENERGY FOR HEATING AND COOLING THAN SINGLE-UNIT DETACHED DWELLINGS BECAUSE OF THEIR SMALLER SIZE, WHICH REDUCES HOUSEHOLD ENERGY COSTS AND GREENHOUSE GAS EMISSIONS. ACCESSORY DWELLING UNITS CAN REDUCE LIFETIME CARBON DIOXIDE EMISSIONS BY FORTY PERCENT COMPARED TO MEDIUM-SIZED SINGLE-FAMILY HOMES, ACCORDING TO A REPORT FROM THE OREGON DEPARTMENT OF ENVIRONMENTAL QUALITY. REDUCING EMISSIONS FROM THE HOUSING SECTOR IS CRITICAL FOR MEETING THE STATE'S GREENHOUSE GAS EMISSIONS TARGETS ESTABLISHED IN SECTION 25-7-102. ACCORDING TO "THE CARBON FOOTPRINT OF HOUSEHOLD ENERGY USE IN THE UNITED STATES" IN THE PROCEEDINGS OF THE NATIONAL ACADEMY OF SCIENCES, REDUCING FLOOR SPACE PER CAPITA IS A CRITICAL STRATEGY TO REACHING MID-CENTURY CLIMATE GOALS.

(IX) COMPACT INFILL DEVELOPMENT REDUCES WATER DEMAND AND INFRASTRUCTURE COSTS BY USING LESS PIPING, WHICH REDUCES WATER LOSS; INCLUDES LESS LANDSCAPED SPACE PER UNIT; AND MAKES BETTER USE OF EXISTING INFRASTRUCTURE.

(X) ACCESSORY DWELLING UNITS REDUCE GOVERNMENT CAPITAL AND MAINTENANCE COSTS FOR INFRASTRUCTURE SINCE ACCESSORY DWELLING UNITS ARE BUILT IN EXISTING NEIGHBORHOODS AND HAVE A RELATIVELY SMALL IMPACT ON EXISTING INFRASTRUCTURE. NATIONAL

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

(XI) A NUMBER OF LOCAL LAND USE LAWS PROHIBIT HOMEOWNERS FROM BUILDING AN ACCESSORY DWELLING UNIT, OR APPLY REGULATIONS TO ACCESSORY DWELLING UNITS THAT SIGNIFICANTLY LIMIT THEIR CONSTRUCTION;

(XII) A NUMBER OF MUNICIPALITIES HAVE REMOVED BARRIERS TO ACCESSORY DWELLING UNIT CONSTRUCTION SUCH AS PARKING REQUIREMENTS, OWNER OCCUPANCY REQUIREMENTS, AND RESTRICTIVE SIZE AND DESIGN LIMITATIONS, WHICH HAS RESULTED IN ACCESSORY DWELLING UNIT PERMITS INCREASING TO TEN TO TWENTY PERCENT OF TOTAL NEW HOUSING PERMITS AND AN OVERALL INCREASE IN THE TOTAL HOUSING SUPPLY. SINCE CALIFORNIA IMPLEMENTED VARIOUS REFORMS TO ENCOURAGE ACCESSORY DWELLING UNIT CONSTRUCTION, INCLUDING REQUIRING CITIES TO ALLOW ACCESSORY DWELLING UNITS AS A USE BY RIGHT, PREVENTING THE IMPOSITION OF PARKING REQUIREMENTS, AND PREVENTING OWNER OCCUPANCY REQUIREMENTS, ACCESSORY DWELLING UNIT CONSTRUCTION HAS INCREASED SIGNIFICANTLY IN CALIFORNIA. FOLLOWING REFORMS TO CALIFORNIA'S ACCESSORY DWELLING UNIT LAW IN 2016, ACCESSORY DWELLING UNIT DEVELOPMENT HAS INCREASED RAPIDLY FROM AROUND ONE THOUSAND ACCESSORY DWELLING UNITS PERMITTED IN 2016 TO OVER TWENTY-FOUR THOUSAND IN 2022, OR ABOUT TWENTY PERCENT OF NEW HOUSING PERMITS STATEWIDE, ACCORDING TO DATA FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND ANALYSIS BY THE BIPARTISAN POLICY CENTER.

(XIII) HOUSING SUPPLY IMPACTS HOUSING AFFORDABILITY, AND HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A METROPOLITAN REGION, ACCORDING TO THE NATIONAL BUREAU OF ECONOMIC RESEARCH IN WORKING PAPERS SUCH AS "REGULATION AND HOUSING SUPPLY", "THE IMPACT OF ZONING ON HOUSING AFFORDABILITY", AND "THE IMPACT OF LOCAL RESIDENTIAL LAND USE RESTRICTIONS ON LAND VALUES ACROSS

AND WITHIN SINGLE FAMILY HOUSING MARKETS";

(XIV) INCREASING HOUSING SUPPLY MODERATES PRICE INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC IMPLICATIONS OF HOUSING SUPPLY" IN THE JOURNAL OF ECONOMIC PERSPECTIVES AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND AFFORDABILITY" IN THE JOURNAL HOUSING POLICY DEBATE;

(XV) ACADEMIC RESEARCH SUCH AS "THE IMPACT OF BUILDING RESTRICTIONS ON HOUSING AFFORDABILITY" IN THE FEDERAL RESERVE BANK OF NEW YORK ECONOMIC POLICY REVIEW HAS IDENTIFIED ZONING AND OTHER LAND USE CONTROLS AS A PRIMARY DRIVER OF RISING HOUSING COSTS IN THE MOST EXPENSIVE HOUSING MARKETS;

(XVI) ACCESSORY DWELLING UNITS OFFER AFFORDABLE AND ATTAINABLE OPTIONS TO LIVE IN HIGH-OPPORTUNITY NEIGHBORHOODS, WHICH CAN HELP IMPROVE EQUITY OUTCOMES REGIONALLY AND STATEWIDE. AN ANALYSIS OF ACCESSORY DWELLING UNIT PERMITTING IN CALIFORNIA FOUND THAT ACCESSORY DWELLING UNITS ARE TYPICALLY PERMITTED ON PARCELS WITH RELATIVELY GOOD ACCESS TO JOBS COMPARED TO SURROUNDING AREAS, ACCORDING TO "WHERE WILL ACCESSORY DWELLING UNITS SPROUT UP WHEN A STATE LETS THEM GROW? EVIDENCE FROM CALIFORNIA" IN CITYSCAPE: A JOURNAL OF POLICY DEVELOPMENT AND RESEARCH.

(XVII) LOCAL GOVERNMENT REGULATION OF ACCESSORY DWELLING UNITS VARIES SIGNIFICANTLY WITHIN REGIONS AND STATEWIDE IN COLORADO IN TERMS OF WHERE THEY ARE ALLOWED, THE DIMENSIONAL AND DESIGN RESTRICTIONS APPLIED, AND OTHER REQUIREMENTS. THIS INCONSISTENCY INHIBITS THE DEVELOPMENT OF A ROBUST MARKET OF ACCESSORY DWELLING UNIT DEVELOPERS, MODULAR ACCESSORY DWELLING UNIT DESIGNS, AND ASSOCIATED COST REDUCTIONS. COLORADO IS SIMILAR TO MOST STATES IN THIS REGARD, AND, ACCORDING TO "ZONING BY A THOUSAND CUTS" IN THE PEPPERDINE LAW REVIEW, WHICH ANALYZED ACCESSORY DWELLING UNIT REGULATIONS ACROSS CONNECTICUT, "THE HIGH DEGREE OF REGULATORY VARIATION THWARTS THE DEVELOPMENT OF PROTOTYPE DESIGNS OR PREFABRICATED [ACCESSORY DWELLING UNITS] THAT COULD SATISFY DIFFERENT RULES ACROSS JURISDICTIONS".

(XVIII) MORE PERMISSIVE REGULATION BY LOCAL GOVERNMENTS OF ACCESSORY DWELLING UNITS PROVIDES A REASONABLE CHANCE FOR HOMEOWNERS TO CONSTRUCT OR CONVERT AN ACCESSORY DWELLING UNIT AND THEREBY INCREASE HOUSING SUPPLY, STABILIZE HOUSING COSTS, AND CONTRIBUTE TO AFFORDABLE AND EQUITABLE HOME OWNERSHIP TO ADEQUATELY MEET THE HOUSING NEEDS OF A GROWING COLORADO POPULATION.

(b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT INCREASING THE HOUSING SUPPLY THROUGH THE CONSTRUCTION OR CONVERSION OF ACCESSORY DWELLING UNITS IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.

**29-35-102. Definitions.** AS USED IN THIS PART 1, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ACCESSIBLE UNIT" MEANS A HOUSING UNIT THAT:

(a) SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED;

(b) INCORPORATES UNIVERSAL DESIGN; OR

(c) IS EITHER A TYPE A DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (10), OR A TYPE B DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (12).

(2) "ACCESSORY DWELLING UNIT" MEANS AN INTERNAL, ATTACHED, OR DETACHED DWELLING UNIT THAT:

(a) PROVIDES COMPLETE INDEPENDENT LIVING FACILITIES FOR ONE OR MORE INDIVIDUALS;

(b) IS LOCATED ON THE SAME LOT AS A PROPOSED OR EXISTING PRIMARY RESIDENCE; AND

(c) INCLUDES FACILITIES FOR LIVING, SLEEPING, EATING, COOKING, AND SANITATION.

(3) "ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION" MEANS

A LOCAL GOVERNMENT THAT THE DEPARTMENT HAS CERTIFIED PURSUANT TO SECTION 29-35-104 AS AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION.

(4) "ACCESSORY USE" MEANS A STRUCTURE OR THE USE OF A STRUCTURE ON THE SAME LOT WITH, AND OF A NATURE CUSTOMARILY INCIDENTAL AND SUBORDINATE TO, THE PRINCIPAL STRUCTURE OR USE OF THE STRUCTURE.

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

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

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

(b) NOTWITHSTANDING SUBSECTION (5)(a) OF THIS SECTION, AN ADMINISTRATIVE APPROVAL PROCESS MAY REQUIRE AN APPOINTED HISTORIC PRESERVATION COMMISSION TO MAKE A DECISION, OR TO MAKE A RECOMMENDATION TO LOCAL GOVERNMENT ADMINISTRATIVE STAFF, REGARDING A DEVELOPMENT APPLICATION INVOLVING A PROPERTY THAT THE LOCAL GOVERNMENT HAS DESIGNATED AS A HISTORIC PROPERTY, PROVIDED THAT:

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

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

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

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

(8) "DWELLING UNIT" MEANS A SINGLE UNIT PROVIDING COMPLETE INDEPENDENT LIVING FACILITIES FOR ONE OR MORE INDIVIDUALS, INCLUDING PERMANENT FACILITIES FOR COOKING, EATING, LIVING, SANITATION, AND SLEEPING.

(9) "EXEMPT PARCEL" MEANS A PARCEL THAT IS:

(a) NOT SERVED BY A DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN SECTION 24-65.1-104 (5), OR IS SERVED BY A WELL WITH A PERMIT THAT CANNOT SUPPLY AN ADDITIONAL DWELLING UNIT;

(b) A HISTORIC PROPERTY THAT IS NOT WITHIN A HISTORIC DISTRICT;  
OR

(c) IN A FLOODWAY OR IN A ONE HUNDRED YEAR FLOODPLAIN, AS IDENTIFIED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY.

(10) "HISTORIC DISTRICT" MEANS A DISTRICT ESTABLISHED BY LOCAL LAW THAT MEETS THE DEFINITION OF "DISTRICT" SET FORTH IN 36 CFR 60.3 (d).

(11) "HISTORIC PROPERTY" MEANS A PROPERTY LISTED:

(a) ON THE NATIONAL REGISTER OF HISTORIC PLACES;

(b) ON THE COLORADO STATE REGISTER OF HISTORIC PROPERTIES; OR

(c) AS A CONTRIBUTING STRUCTURE OR HISTORIC LANDMARK BY A CERTIFIED LOCAL GOVERNMENT, AS DEFINED IN SECTION 39-22-514.5 (2)(b).

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

(13) "LOCAL LAW" MEANS ANY CODE, LAW, ORDINANCE, POLICY, REGULATION, OR RULE ENACTED BY A LOCAL GOVERNMENT THAT GOVERNS THE DEVELOPMENT AND USE OF LAND, INCLUDING LAND USE CODES, ZONING CODES, AND SUBDIVISION CODES.

(14) "LOW- AND MODERATE-INCOME HOUSEHOLD" MEANS A HOUSEHOLD THAT IS CONSIDERED LOW-, MODERATE-, OR MEDIUM-INCOME, AS DETERMINED BY THE FEDERAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

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

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

(17) "OBJECTIVE STANDARD" MEANS A STANDARD THAT:

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

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

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

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

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

(18) "RESTRICTIVE DESIGN OR DIMENSION STANDARD" MEANS A STANDARD IN A LOCAL LAW THAT:

(a) REQUIRES AN ARCHITECTURAL STYLE, BUILDING MATERIAL, OR LANDSCAPING THAT IS MORE RESTRICTIVE FOR AN ACCESSORY DWELLING UNIT THAN FOR A SINGLE-UNIT DETACHED DWELLING IN THE SAME ZONING DISTRICT;

(b) DOES NOT ALLOW FOR ACCESSORY DWELLING UNIT SIZES

BETWEEN FIVE HUNDRED AND SEVEN HUNDRED FIFTY SQUARE FEET;

(c) REQUIRES SIDE SETBACKS FOR AN ACCESSORY DWELLING UNIT THAT ARE LARGER THAN THE SIDE SETBACKS REQUIRED FOR A PRIMARY DWELLING UNIT IN THE SAME ZONING DISTRICT;

(d) REQUIRES A REAR SETBACK FOR AN ACCESSORY DWELLING UNIT THAT IS LARGER THAN THE GREATER OF:

(I) THE REAR SETBACK REQUIRED FOR OTHER ACCESSORY BUILDING TYPES IN THE SAME ZONING DISTRICT; OR

(II) FIVE FEET;

(e) IS A MORE RESTRICTIVE MINIMUM LOT SIZE STANDARD FOR AN ACCESSORY DWELLING UNIT THAN FOR A SINGLE-UNIT DETACHED DWELLING IN THE SAME ZONING DISTRICT; OR

(f) APPLIES MORE RESTRICTIVE AESTHETIC DESIGN OR DIMENSIONAL STANDARDS TO ACCESSORY DWELLING UNITS THAT ARE FACTORY-BUILT RESIDENTIAL STRUCTURES, AS DEFINED IN SECTION 24-32-3302 (10), THAN OTHER ACCESSORY DWELLING UNITS.

(19) (a) "SHORT-TERM RENTAL" MEANS THE RENTAL OF A LODGING UNIT FOR LESS THAN THIRTY DAYS. AS USED IN THIS SUBSECTION (19), "LODGING UNIT" MEANS ANY PROPERTY OR PORTION OF A PROPERTY THAT IS AVAILABLE FOR LODGING; EXCEPT THAT THE TERM EXCLUDES A HOTEL OR MOTEL UNIT.

(b) NOTWITHSTANDING SUBSECTION (19)(a) OF THIS SECTION, A LOCAL GOVERNMENT MAY APPLY ITS OWN DEFINITION OF "SHORT-TERM RENTAL" FOR PURPOSES OF THIS PART 1.

(20) "SINGLE-UNIT DETACHED DWELLING" MEANS A DETACHED BUILDING WITH A SINGLE DWELLING UNIT ON A SINGLE LOT.

(21) "SUBJECT JURISDICTION" MEANS EITHER:

(a) A MUNICIPALITY THAT BOTH HAS A POPULATION OF ONE THOUSAND OR MORE, AS REPORTED BY THE STATE DEMOGRAPHY OFFICE,



AND IS WITHIN A METROPOLITAN PLANNING ORGANIZATION; OR

(b) THE PORTION OF A COUNTY THAT IS BOTH WITHIN A CENSUS DESIGNATED PLACE WITH A POPULATION OF FORTY THOUSAND OR MORE, AS REPORTED IN THE MOST RECENT DECENNIAL CENSUS, AND WITHIN A METROPOLITAN PLANNING ORGANIZATION.

(22) "TANDEM PARKING SPACE" MEANS A PARKING SPACE THAT IS LOCATED EITHER IN FRONT OF OR BEHIND ONE OR MORE OTHER PARKING SPACES THAT SHARE THE SAME POINT OF ACCESS.

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

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

**29-35-103. Accessory dwelling unit requirements for a subject jurisdiction.** (1) ON OR AFTER JUNE 30, 2025, A SUBJECT JURISDICTION SHALL ALLOW, SUBJECT TO AN ADMINISTRATIVE APPROVAL PROCESS, ONE ACCESSORY DWELLING UNIT AS AN ACCESSORY USE TO A SINGLE-UNIT DETACHED DWELLING IN ANY PART OF THE SUBJECT JURISDICTION WHERE THE JURISDICTION ALLOWS SINGLE-UNIT DETACHED DWELLINGS.

(2) ON OR AFTER JUNE 30, 2025, A SUBJECT JURISDICTION SHALL NOT:

(a) REQUIRE THE CONSTRUCTION OF A NEW OFF-STREET PARKING SPACE IN CONNECTION WITH THE CONSTRUCTION OR CONVERSION OF AN ACCESSORY DWELLING UNIT, EXCEPT AS DESCRIBED IN SUBSECTIONS (3)(a) AND (3)(b) OF THIS SECTION;

(b) REQUIRE AN ACCESSORY DWELLING UNIT, OR ANY OTHER DWELLING ON THE SAME LOT AS AN ACCESSORY DWELLING UNIT, TO BE OWNER-OCCUPIED; EXCEPT THAT A SUBJECT JURISDICTION MAY REQUIRE A PROPERTY OWNER TO DEMONSTRATE THAT THE PROPERTY OWNER RESIDES ON THE PARCEL WHEN AN APPLICATION IS SUBMITTED:

(I) TO CONSTRUCT OR CONVERT AN ACCESSORY DWELLING UNIT. THIS EXCEPTION DOES NOT APPLY FOR AN ACCESSORY DWELLING UNIT THAT IS BEING CONSTRUCTED SIMULTANEOUSLY WITH A NEW PRIMARY DWELLING UNIT.

(II) FOR A LICENSE OR PERMIT FOR A SHORT-TERM RENTAL ON THE PARCEL THROUGH A LOCAL LAW OR PROGRAM.

(c) APPLY A RESTRICTIVE DESIGN OR DIMENSION STANDARD TO AN ACCESSORY DWELLING UNIT.

(3) NOTHING IN THIS SECTION PREVENTS A SUBJECT JURISDICTION OR OTHER LOCAL GOVERNMENT FROM:

(a) REQUIRING THE DESIGNATION OF AN OFF-STREET PARKING SPACE IN CONNECTION WITH AN ACCESSORY DWELLING UNIT, SO LONG AS THERE IS AN EXISTING DRIVEWAY, GARAGE, TANDEM PARKING SPACE, OR OTHER OFF-STREET PARKING SPACE AVAILABLE FOR SUCH A DESIGNATION AT THE TIME OF THE CONSTRUCTION OR CONVERSION OF THE ACCESSORY DWELLING UNIT;

(b) REQUIRING, IN CONNECTION WITH THE CONSTRUCTION OR CONVERSION OF AN ACCESSORY DWELLING UNIT, ONE NEW PARKING SPACE ON A PARCEL THAT:

(I) DOES NOT HAVE AN EXISTING OFF-STREET PARKING SPACE, INCLUDING A DRIVEWAY, GARAGE, OR TANDEM PARKING SPACE, THAT COULD BE USED FOR AN ACCESSORY DWELLING UNIT;

(II) IS IN A ZONING DISTRICT THAT, AS OF JANUARY 1, 2024, REQUIRES ONE OR MORE PARKING SPACES FOR THE PRIMARY DWELLING UNIT; AND

(III) IS LOCATED ON A BLOCK WHERE ON-STREET PARKING IS PROHIBITED FOR ANY REASON INCLUDING ENSURING ACCESS FOR EMERGENCY SERVICES;

(c) ALLOWING THE CONSTRUCTION OR CONVERSION OF AN ACCESSORY DWELLING UNIT THAT IS SMALLER THAN FIVE HUNDRED SQUARE FEET OR GREATER THAN EIGHT HUNDRED SQUARE FEET, OR RESTRICTING THE

SIZE OF AN ACCESSORY DWELLING UNIT SO THAT IT IS NO LARGER THAN THE SIZE OF THE PRINCIPAL DWELLING UNIT ON THE SAME LOT AS THE ACCESSORY DWELLING UNIT;

(d) ALLOWING THE CONSTRUCTION OR CONVERSION OF MULTIPLE ACCESSORY DWELLING UNITS ON THE SAME LOT;

(e) APPLYING A DESIGN OR DIMENSION STANDARD TO AN ACCESSORY DWELLING UNIT THAT IS NOT A RESTRICTIVE DESIGN OR DIMENSION STANDARD;

(f) ADOPTING OR ENFORCING A GENERALLY APPLICABLE REQUIREMENT FOR:

(I) THE PAYMENT OF AN IMPACT FEE OR OTHER SIMILAR DEVELOPMENT CHARGE, PURSUANT TO SECTION 29-20-104.5; OR

(II) THE MITIGATION OF IMPACTS IN CONFORMANCE WITH THE REQUIREMENTS OF PART 2 OF ARTICLE 20 OF THIS TITLE 29;

(g) ENACTING OR APPLYING A LOCAL LAW CONCERNING THE SHORT-TERM RENTAL OF AN ACCESSORY DWELLING UNIT OR ANY OTHER DWELLING ON THE SAME LOT AS AN ACCESSORY DWELLING UNIT;

(h) APPLYING THE DESIGN STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A LOT ON WHICH AN ACCESSORY DWELLING UNIT IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING A STANDARD OR PROCEDURE RELATED TO DEMOLITION;

(i) APPLYING AND ENFORCING A LOCALLY ADOPTED LIFE SAFETY CODE, INCLUDING BUT NOT LIMITED TO, A BUILDING, FIRE, UTILITY, OR STORMWATER CODE;

(j) ALLOWING THE CONSTRUCTION OF, OR ISSUING A PERMIT FOR THE CONSTRUCTION OF, A SINGLE-UNIT DETACHED DWELLING IN AN AREA ZONED FOR SINGLE-UNIT DETACHED DWELLINGS;

(k) ENCOURAGING THE CONSTRUCTION OF ACCESSORY DWELLING UNITS THAT ARE, THROUGH THE APPLICATION OF LOCAL LAWS OR PROGRAMS INCLUDING THROUGH DEED RESTRICTIONS, MADE AFFORDABLE TO

HOUSEHOLDS UNDER CERTAIN INCOME LIMITS OR USED PRIMARILY TO HOUSE THE LOCAL WORKFORCE PURSUANT TO A LOCAL, REGIONAL, OR STATE AFFORDABLE HOUSING PROGRAM;

(l) DEFINING ACCESSORY DWELLING UNIT IN LOCAL LAW AS INCLUDING OR EXCLUDING OTHER DWELLING UNIT TYPES SUCH AS A "MOTOR HOME", AS DEFINED IN SECTION 42-1-102 (57), A "MULTIPURPOSE TRAILER", AS DEFINED IN SECTION 42-1-102 (60.3), AND A "RECREATIONAL VEHICLE", AS DEFINED IN SECTION 24-32-902 (9); OR

(m) REQUIRING A STATEMENT BY A WATER OR WASTEWATER SERVICE PROVIDER REGARDING ITS CAPACITY TO SERVICE THE PROPERTY AS A CONDITION OF PERMITTING AN ACCESSORY DWELLING UNIT.

(4) THIS SECTION ONLY APPLIES TO A PARCEL IN A SUBJECT JURISDICTION THAT IS NOT AN EXEMPT PARCEL.

**29-35-104. Accessory dwelling unit supportive jurisdiction report - certification of a jurisdiction as an accessory dwelling unit supportive jurisdiction.** (1) (a) IN ORDER TO BE CERTIFIED AS AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION BY THE DEPARTMENT, A LOCAL GOVERNMENT MUST SUBMIT TO THE DEPARTMENT, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, A REPORT DEMONSTRATING EVIDENCE OF THE LOCAL GOVERNMENT:

(I) COMPLYING WITH SECTION 29-35-103 AS A SUBJECT JURISDICTION OR, IF THE LOCAL GOVERNMENT IS NOT A SUBJECT JURISDICTION, AS IF THE LOCAL GOVERNMENT WERE A SUBJECT JURISDICTION FOR PURPOSES OF SECTION 29-35-103; AND

(II) IMPLEMENTING ONE OR MORE OF THE FOLLOWING STRATEGIES:

(A) WAIVING, REDUCING, OR PROVIDING FINANCIAL ASSISTANCE FOR ACCESSORY DWELLING UNIT-RELATED FEES THAT ARE INCURRED BY LOW- AND MODERATE-INCOME HOUSEHOLDS;

(B) ENACTING LOCAL LAWS OR PROGRAMS THAT INCENTIVIZE THE AFFORDABILITY OF CERTAIN ACCESSORY DWELLING UNITS INCLUDING ACCESSORY DWELLING UNITS USED PRIMARILY TO HOUSE THE LOCAL WORKFORCE;

(C) PROVIDING PRE-APPROVED PLANS FOR THE CONSTRUCTION OF ACCESSORY DWELLING UNITS;

(D) IMPLEMENTING A PROGRAM TO PROVIDE EDUCATION AND TECHNICAL ASSISTANCE TO HOMEOWNERS TO CONSTRUCT OR CONVERT AN ACCESSORY DWELLING UNIT;

(E) IMPLEMENTING A PROGRAM TO REGULATE THE USE OF ACCESSORY DWELLING UNITS FOR SHORT-TERM RENTALS;

(F) ENACTING LOCAL LAWS THAT INCENTIVIZE THE CONSTRUCTION AND CONVERSION OF ACCESSIBLE AND VISITABLE ACCESSORY DWELLING UNITS;

(G) ASSISTING PROPERTY OWNERS WITH ENSURING THAT PRE-EXISTING ACCESSORY DWELLING UNITS COMPLY WITH LOCAL LAWS;

(H) ENABLING A PATHWAY FOR THE SEPARATE SALE OF AN ACCESSORY DWELLING UNIT;

(I) ENACTING LOCAL LAWS THAT ENCOURAGE THE CONSTRUCTION OF ACCESSORY DWELLING UNITS THAT ARE FACTORY-BUILT RESIDENTIAL STRUCTURES, AS DEFINED IN SECTION 24-32-3302 (10); OR

(J) ANY OTHER STRATEGY THAT IS APPROVED BY THE DEPARTMENT AND THAT ENCOURAGES THE CONSTRUCTION, CONVERSION, OR USE OF ACCESSORY DWELLING UNITS.

(b) (I) ON OR BEFORE JUNE 30, 2025, A SUBJECT JURISDICTION SHALL SUBMIT THE REPORT DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION.

(II) NOTWITHSTANDING SUBSECTION (1)(b)(I) OF THIS SECTION, THE DEPARTMENT MAY ALLOW A SUBJECT JURISDICTION TO SUBMIT THE REPORT DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION NO MORE THAN SIX MONTHS AFTER THE DEADLINE DESCRIBED IN SUBSECTION (1)(b)(I) OF THIS SECTION IF THE SUBJECT JURISDICTION DEMONSTRATES, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, THAT THE SUBJECT JURISDICTION HAS:

(A) INITIATED A PROCESS TO UPDATE ITS LOCAL LAWS AS NECESSARY

TO COMPLY WITH THE REQUIREMENTS OF THE REPORT DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION;

(B) A PLAN AND TIMELINE TO UPDATE ITS LOCAL LAWS AS NECESSARY TO COMPLY WITH THE REQUIREMENTS OF THE REPORT DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION; AND

(C) PROVIDED AN EXPLANATION FOR NOT BEING ABLE TO MEET THE DEADLINE DESCRIBED IN SUBSECTION (1)(b)(I) OF THIS SECTION.

(c) IF A LOCAL GOVERNMENT THAT IS NOT A SUBJECT JURISDICTION SUBMITS A REPORT PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THAT LOCAL GOVERNMENT SHALL, AS PART OF THE REPORT, SUBMIT EVIDENCE OF COMPLYING WITH THE REQUIREMENTS FOR A SUBJECT JURISDICTION DESCRIBED IN SECTION 29-35-103.

(2)(a) WITHIN NINETY DAYS OF RECEIVING A LOCAL GOVERNMENT'S REPORT SUBMITTED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT SHALL REVIEW THE REPORT, EITHER APPROVE OR REJECT THE REPORT, AND PROVIDE FEEDBACK TO THE LOCAL GOVERNMENT ON THE REPORT.

(b) IF THE DEPARTMENT APPROVES A LOCAL GOVERNMENT'S REPORT SUBMITTED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT SHALL ISSUE TO THAT LOCAL GOVERNMENT A CERTIFICATE INDICATING THAT THE LOCAL GOVERNMENT QUALIFIES AS AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION. THE DEPARTMENT MAY REVOKE SUCH A CERTIFICATE IF A LOCAL GOVERNMENT DOES NOT SATISFY THE REQUIREMENTS OF SUBSECTION (1)(a) OF THIS SECTION.

(c) IF THE DEPARTMENT REJECTS A LOCAL GOVERNMENT'S REPORT SUBMITTED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT MAY GRANT THE LOCAL GOVERNMENT AN ADDITIONAL ONE HUNDRED TWENTY DAYS TO CORRECT ANY DEFICIENCIES IDENTIFIED IN THE REPORT AND RESUBMIT AN AMENDED REPORT. WITHIN NINETY DAYS OF RECEIVING AN AMENDED REPORT, THE DEPARTMENT SHALL REVIEW THE AMENDED REPORT, EITHER APPROVE OR REJECT THE AMENDED REPORT, AND PROVIDE FEEDBACK ON THE AMENDED REPORT.

(3) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF

TRANSPORTATION, THE COLORADO ENERGY OFFICE, AND THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT, MAY DEVELOP POLICIES AND PROCEDURES AS NECESSARY TO IMPLEMENT THIS SECTION.

**29-35-105. Accessory dwelling unit fee reduction and encouragement grant program - created - application - criteria - awards - fund - reporting requirements - rules - definitions - repeal.**

(1) THE ACCESSORY DWELLING UNIT FEE REDUCTION AND ENCOURAGEMENT GRANT PROGRAM IS CREATED IN THE DEPARTMENT TO PROVIDE GRANTS TO ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTIONS FOR ACTIVITIES THAT PROMOTE THE CONSTRUCTION OF ACCESSORY DWELLING UNITS, INCLUDING BUT NOT LIMITED TO, OFFSETTING COSTS INCURRED IN CONNECTION WITH DEVELOPING PRE-APPROVED ACCESSORY DWELLING UNIT PLANS, PROVIDING TECHNICAL ASSISTANCE TO PERSONS CONVERTING OR CONSTRUCTING ACCESSORY DWELLING UNITS, OR WAIVING, REDUCING, OR PROVIDING FINANCIAL ASSISTANCE FOR ACCESSORY DWELLING UNIT ASSOCIATED FEES AND OTHER REQUIRED COSTS.

(2) GRANT RECIPIENTS MAY USE THE MONEY RECEIVED THROUGH THE GRANT PROGRAM TO OFFSET BOTH ELIGIBLE COSTS AND THE COST OF WAIVING, REDUCING, OR PROVIDING FINANCIAL ASSISTANCE FOR REASONABLE AND NECESSARY ACCESSORY DWELLING UNIT FEES AND OTHER REQUIRED COSTS FOR:

- (a) LOW- AND MODERATE-INCOME HOUSEHOLDS;
- (b) AFFORDABLE ACCESSORY DWELLING UNITS;
- (c) ACCESSIBLE OR VISITABLE ACCESSORY DWELLING UNITS;
- (d) ACCESSORY DWELLING UNITS USED AS LONG-TERM RENTALS FOR MEMBERS OF THE LOCAL WORKFORCE; OR
- (e) ACCESSORY DWELLING UNITS USED TO SUPPORT OTHER DEMONSTRATED HOUSING NEEDS IN THE COMMUNITY.

(3) THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE APPROPRIATIONS, PROVIDE TECHNICAL ASSISTANCE, DEVELOP A TOOLKIT TO SUPPORT LOCAL GOVERNMENTS IN ENCOURAGING ACCESSORY DWELLING UNIT CONSTRUCTION, RECEIVE GRANT APPLICATIONS

AND AWARD GRANTS AS PROVIDED IN THIS SECTION.

(4) TO RECEIVE A GRANT, AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION MUST SUBMIT AN APPLICATION TO THE DEPARTMENT IN ACCORDANCE WITH THE POLICIES AND PROCEDURES DEVELOPED BY THE DEPARTMENT PURSUANT TO SUBSECTION (9) OF THIS SECTION. AT A MINIMUM, THE APPLICATION MUST INCLUDE THE FOLLOWING:

(a) A COPY OF THE CERTIFICATE ISSUED BY THE DEPARTMENT PURSUANT TO SECTION 29-35-104 CERTIFYING THAT THE LOCAL GOVERNMENT IS AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION;

(b) THE NUMBER OF ACCESSORY DWELLING UNITS THAT THE LOCAL GOVERNMENT HAS PERMITTED AND WHEN THE LOCAL GOVERNMENT PERMITTED THOSE ACCESSORY DWELLING UNITS;

(c) THE TYPE AND COSTS OF FEES AND OTHER ELIGIBLE COSTS THAT THE LOCAL GOVERNMENT IS PROPOSING TO USE A GRANT AWARD TO PAY FOR;

(d) THE NUMBER OF ACCESSORY DWELLING UNITS THAT THE LOCAL GOVERNMENT EXPECTS TO SUPPORT WITH A GRANT AWARD AND THE PERIOD FOR WHICH THE LOCAL GOVERNMENT INTENDS TO SUPPORT THOSE ACCESSORY DWELLING UNITS; AND

(e) INFORMATION ABOUT THE TYPES OF HOUSEHOLDS AND ACCESSORY DWELLING UNITS THAT THE LOCAL GOVERNMENT INTENDS TO SUPPORT WITH A GRANT AWARD, SUCH AS WHETHER THE LOCAL GOVERNMENT INTENDS TO SUPPORT LOW- AND MODERATE-INCOME HOUSEHOLDS, AFFORDABLE ACCESSORY DWELLING UNITS, ACCESSIBLE OR VISITABLE ACCESSORY DWELLING UNITS, ACCESSORY DWELLING UNITS FOR HOUSING THE LOCAL WORKFORCE, OR ACCESSORY DWELLING UNITS SUPPORTING OTHER DEMONSTRATED HOUSING NEEDS IN THE COMMUNITY.

(5) THE DEPARTMENT SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO SUBSECTION (4) OF THIS SECTION. IN AWARDING GRANTS, THE DEPARTMENT SHALL GIVE PRIORITY TO LOCAL GOVERNMENTS THAT:

(a) IMPOSE ACCESSORY DWELLING UNIT FEES AND COSTS THAT ARE REASONABLE AND NECESSARY;



(b) HAVE DEMONSTRATED A SIGNIFICANT COMMITMENT TO FURTHER CONSTRUCTION AND CONVERSION OF ACCESSORY DWELLING UNITS THROUGH THE ADOPTION OF STRATEGIES DESCRIBED IN SECTION 29-35-104 (1)(a)(II); AND

(c) PROVIDE OFFSETS FOR, OR WAIVE A GREATER NUMBER OF ACCESSORY DWELLING UNIT FEES FOR:

(I) LOW- AND MODERATE-INCOME HOUSEHOLDS; OR

(II) ACCESSORY DWELLING UNITS THAT ARE RENTED TO LOW- AND MODERATE-INCOME HOUSEHOLDS.

(6) IN AWARDING A GRANT, THE DEPARTMENT SHALL AWARD A LOCAL GOVERNMENT AN AMOUNT EQUAL TO NO MORE THAN FIFTEEN THOUSAND DOLLARS PER ACCESSORY DWELLING UNIT PERMITTED BY THE LOCAL GOVERNMENT, TO BE REIMBURSED BASED ON THE NUMBER OF PERMITTED ACCESSORY DWELLING UNITS.

(7) (a) THE ACCESSORY DWELLING UNIT FEE REDUCTION AND ENCOURAGEMENT GRANT PROGRAM FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF ANY MONEY THAT THE GENERAL ASSEMBLY MAY TRANSFER OR APPROPRIATE TO THE FUND AND GIFTS, GRANTS, OR DONATIONS CREDITED TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY EXPEND MONEY FROM THE FUND FOR THE PURPOSE OF IMPLEMENTING AND ADMINISTERING THE GRANT PROGRAM.

(c) ON OR BEFORE JUNE 30, 2024, THE STATE TREASURER SHALL TRANSFER FIVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

(8) IN ACCORDANCE WITH THE POLICIES AND PROCEDURES DEVELOPED BY THE DEPARTMENT PURSUANT TO SUBSECTION (9) OF THIS SECTION, EACH LOCAL GOVERNMENT THAT RECEIVES A GRANT THROUGH THE GRANT PROGRAM SHALL SUBMIT A REPORT TO THE DEPARTMENT. AT A MINIMUM, THE REPORT MUST INCLUDE THE FOLLOWING INFORMATION:

(a) THE NUMBER OF ACCESSORY DWELLING UNITS WITH ACCESSORY DWELLING UNIT FEES OR COSTS THAT LOCAL GOVERNMENTS WAIVED, REDUCED, OR PROVIDED FINANCIAL ASSISTANCE FOR IN THE PAST YEAR;

(b) THE TOTAL AMOUNT OF ELIGIBLE COSTS THAT LOCAL GOVERNMENTS INCURRED AND WERE REIMBURSED FOR THROUGH THE GRANT PROGRAM IN THE PAST YEAR IN CONNECTION WITH THE GRANT PROGRAM;

(c) THE NUMBER OF THE ACCESSORY DWELLING UNITS DESCRIBED IN SUBSECTION (8)(a) OF THIS SECTION THAT WERE BUILT IN THE PAST YEAR THAT WERE BUILT BY LOW- AND MODERATE-INCOME HOUSEHOLDS, THAT ARE AFFORDABLE ACCESSORY DWELLING UNITS, AND THAT ARE VISITABLE OR ACCESSIBLE ACCESSORY DWELLING UNITS;

(d) THE NUMBER OF ACCESSORY DWELLING UNITS THAT ARE FACTORY-BUILT RESIDENTIAL STRUCTURES, AS DEFINED IN SECTION 24-32-3302 (10); AND

(e) THE NUMBER OF ACCESSORY DWELLING UNIT PERMITS AWARDED, DENIED, OR IN PROGRESS IN THE LOCAL GOVERNMENT'S JURISDICTION.

(9) THE DEPARTMENT SHALL IMPLEMENT THE GRANT PROGRAM IN ACCORDANCE WITH THIS SECTION. THE DEPARTMENT SHALL DEVELOP, IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, THE COLORADO ENERGY OFFICE, AND THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT, POLICIES AND PROCEDURES BOTH AS REQUIRED IN THIS SECTION AND AS MAY BE NECESSARY TO IMPLEMENT THE GRANT PROGRAM.

(10) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ACCESSORY DWELLING UNIT FEE" MEANS A REASONABLE AND NECESSARY FEE COLLECTED OR REQUIRED BY A LOCAL GOVERNMENT IN CONNECTION WITH THE CONSTRUCTION OR CONVERSION OF AN ACCESSORY DWELLING UNIT. SUCH A FEE MAY INCLUDE IMPACT FEES.

(b) (I) "ELIGIBLE COSTS" MEANS COSTS INCURRED BY A LOCAL GOVERNMENT AND DETERMINED BY THE DEPARTMENT TO BE INCURRED IN CONNECTION WITH DEVELOPING PRE-APPROVED ACCESSORY DWELLING UNIT PLANS, PROVIDING TECHNICAL ASSISTANCE TO PERSONS CONVERTING OR

CONSTRUCTING ACCESSORY DWELLING UNITS, OR OTHER REASONABLE AND NECESSARY FEES LEVIED BY OR COSTS BORNE BY THE LOCAL GOVERNMENT FOR THE CONSTRUCTION OR CONVERSION OF AN ACCESSORY DWELLING UNIT.

(II) NOTWITHSTANDING SUBSECTION (10)(b)(I) OF THIS SECTION, IN ORDER FOR COSTS INCURRED BY A LOCAL GOVERNMENT IN CONNECTION WITH DEVELOPING PRE-APPROVED ACCESSORY DWELLING UNIT PLANS TO QUALIFY AS ELIGIBLE COSTS, AT LEAST ONE SUCH PRE-APPROVED ACCESSORY DWELLING UNIT PLAN MUST BE FOR AN ACCESSIBLE OR VISITABLE ACCESSORY DWELLING UNIT.

(c) "FUND" MEANS THE ACCESSORY DWELLING UNIT FEE REDUCTION AND ENCOURAGEMENT GRANT PROGRAM FUND CREATED IN SUBSECTION (7) OF THIS SECTION.

(d) "GRANT PROGRAM" MEANS THE ACCESSORY DWELLING UNIT FEE REDUCTION AND ENCOURAGEMENT GRANT PROGRAM CREATED IN THIS SECTION.

(11) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2030.

**SECTION 2.** In Colorado Revised Statutes, 24-32-3305, **add** (3.3) as follows:

**24-32-3305. Rules - advisory committee - enforcement.** (3.3) THE DEPARTMENT SHALL CREATE FOR FACTORY-BUILT STRUCTURES, INCLUDING THOSE THAT WOULD BE CONSIDERED ACCESSORY DWELLING UNITS, MODEL PUBLIC SAFETY CODE REQUIREMENTS RELATED TO GEOGRAPHIC OR CLIMATIC CONDITIONS, SUCH AS WEIGHT RESTRICTIONS FOR ROOF SNOW LOADS, WIND SHEAR FACTORS, OR WILDFIRE RISK, FOR LOCAL GOVERNMENTS TO CONSIDER AND ADOPT PURSUANT TO SECTION 24-32-3318 (2)(a).

**SECTION 3.** In Colorado Revised Statutes, 24-46-104, **add** (1)(q) as follows:

**24-46-104. Powers and duties of commission - repeal.** (1) The commission has the following powers and duties:

(q) (I) TO EXPEND EIGHT MILLION DOLLARS TO CONTRACT WITH THE COLORADO HOUSING AND FINANCE AUTHORITY, CREATED IN PART 7 OF

ARTICLE 4 OF TITLE 29, FOR THE CREATION AND OPERATION OF ONE OR MORE OF THE FOLLOWING PROGRAMS TO BENEFIT LOW- TO MODERATE-INCOME RESIDENTS IN LOCAL GOVERNMENTS THAT HAVE BEEN CERTIFIED AS ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTIONS BY THE DEPARTMENT OF LOCAL AFFAIRS:

(A) AN ACCESSORY DWELLING UNIT CREDIT ENHANCEMENT PROGRAM THAT SUPPORTS LENDERS OFFERING AFFORDABLE LOANS TO ELIGIBLE LOW- AND MODERATE-INCOME BORROWERS FOR THE CONSTRUCTION OR CONVERSION OF ACCESSORY DWELLING UNITS;

(B) A PROGRAM THAT ALLOWS FOR THE BUYING DOWN OF INTEREST RATES ON LOANS MADE TO ELIGIBLE LOW- AND MODERATE-INCOME BORROWERS IN CONNECTION WITH THE CONSTRUCTION OR CONVERSION OF ACCESSORY DWELLING UNITS;

(C) A PROGRAM THAT OFFERS DOWN PAYMENT ASSISTANCE IN CONNECTION WITH ACCESSORY DWELLING UNITS, PRINCIPAL REDUCTION ON LOANS TO ELIGIBLE LOW- AND MODERATE-INCOME BORROWERS MADE IN CONNECTION WITH ACCESSORY DWELLING UNITS, OR BOTH; OR

(D) A PROGRAM IN WHICH THE COLORADO HOUSING AND FINANCE AUTHORITY OFFERS LOANS, REVOLVING LINES OF CREDIT, OR GRANTS TO ELIGIBLE NON-PROFITS, PUBLIC HOUSING AUTHORITIES, AND COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS TO MAKE DIRECT LOANS OR GRANTS TO SUPPORT THE CONSTRUCTION OR CONVERSION OF ACCESSORY DWELLING UNITS FOR LOW- AND MODERATE-INCOME BORROWERS OR TENANTS.

(II) ANY CONTRACT MADE BY THE COMMISSION WITH THE COLORADO HOUSING AND FINANCE AUTHORITY PURSUANT TO THIS SUBSECTION (1)(q) MAY INCLUDE NORMAL AND CUSTOMARY FEES AND EXPENSES FOR ADMINSTRATING THE PROGRAMS DESCRIBED IN THIS SUBSECTION (1)(q).

**SECTION 4.** In Colorado Revised Statutes, 24-46-105, **add** (1)(c) as follows:

**24-46-105. Colorado economic development fund - creation - report - repeal.** (1) (c) (I) ON JULY 1, 2024, THE STATE TREASURER SHALL TRANSFER EIGHT MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

THE COMMISSION SHALL USE THE FUNDS TRANSFERRED PURSUANT TO THIS SUBSECTION (1)(c)(I) TO CONTRACT WITH THE COLORADO HOUSING AND FINANCE AUTHORITY, CREATED IN PART 7 OF ARTICLE 4 OF TITLE 29, FOR THE PURPOSES DESCRIBED IN SECTION 24-46-104 (1)(q).

(II) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JULY 1, 2025.

**SECTION 5.** In Colorado Revised Statutes, 24-67-105, **add** (5.3) as follows:

**24-67-105. Standards and conditions for planned unit development - definitions.** (5.3) (a) IN A SUBJECT JURISDICTION, ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE THAT IS ADOPTED OR APPROVED ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (5.3), AND THAT ALLOWS THE CONSTRUCTION OF ONE OR MORE SINGLE-UNIT DETACHED DWELLINGS, MUST NOT RESTRICT THE CREATION OF AN ACCESSORY DWELLING UNIT AS AN ACCESSORY USE TO ANY SINGLE-UNIT DETACHED DWELLING MORE THAN THE LOCAL LAW THAT APPLIES TO ACCESSORY DWELLING UNIT DEVELOPMENT OUTSIDE OF A PLANNED UNIT DEVELOPMENT OR IN ANY WAY THAT IS PROHIBITED BY SECTION 29-35-103.

(b) IN A SUBJECT JURISDICTION, ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE THAT WAS ADOPTED OR APPROVED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.3), THAT ALLOWS THE CONSTRUCTION OF ONE OR MORE SINGLE-UNIT DETACHED DWELLINGS, AND THAT RESTRICTS THE CONSTRUCTION OF AN ACCESSORY DWELLING UNIT AS AN ACCESSORY USE TO ANY SINGLE-UNIT DETACHED DWELLING MORE THAN THE LOCAL LAW THAT APPLIES TO ACCESSORY DWELLING UNIT DEVELOPMENT OUTSIDE OF A PLANNED UNIT DEVELOPMENT:

(I) SHALL NOT BE INTERPRETED OR ENFORCED TO RESTRICT THE CREATION OF AN ACCESSORY DWELLING UNIT AS AN ACCESSORY USE TO ANY SINGLE-UNIT DETACHED DWELLING UNIT IN ANY WAY THAT IS PROHIBITED BY SECTION 29-35-103; AND

(II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW PURSUANT TO SECTION 29-35-103.

(c) NOTWITHSTANDING SUBSECTION (5.3)(b) OF THIS SECTION, A LOCAL GOVERNMENT MAY ADOPT CONFORMING AMENDMENTS TO ANY SUCH

PLANNED UNIT DEVELOPMENT.

(d) AS USED IN THIS SUBSECTION (5.3), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "ACCESSORY DWELLING UNIT" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-35-102 (2).

(II) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-35-102 (13).

(III) "SUBJECT JURISDICTION" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-35-102 (21).

**SECTION 6.** In Colorado Revised Statutes, 38-33.3-106.5, **add** (4) as follows:

**38-33.3-106.5. Prohibitions contrary to public policy - patriotic, political, or religious expression - public rights-of-way - fire prevention - renewable energy generation devices - affordable housing - drought prevention measures - child care - definitions.** (4) (a) IN A SUBJECT JURISDICTION OR AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION, NO PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT IS ADOPTED ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (4) MAY RESTRICT THE CREATION OF AN ACCESSORY DWELLING UNIT AS AN ACCESSORY USE TO ANY SINGLE-UNIT DETACHED DWELLING IN ANY WAY THAT IS PROHIBITED BY SECTION 29-35-103, AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

(b) IN A SUBJECT JURISDICTION OR AN ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION, NO PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (4) MAY RESTRICT THE CREATION OF AN ACCESSORY DWELLING UNIT AS AN ACCESSORY USE TO ANY SINGLE-UNIT DETACHED DWELLING IN ANY WAY THAT IS PROHIBITED BY SECTION 29-35-103, AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

(c) SUBSECTIONS (4)(a) AND (4)(b) OF THIS SECTION DO NOT APPLY

TO REASONABLE RESTRICTIONS ON ACCESSORY DWELLING UNITS. AS USED IN THIS SUBSECTION (4)(c), "REASONABLE RESTRICTION" MEANS A SUBSTANTIVE CONDITION OR REQUIREMENT THAT DOES NOT UNREASONABLY INCREASE THE COST TO CONSTRUCT, EFFECTIVELY PROHIBIT THE CONSTRUCTION OF, OR EXTINGUISH THE ABILITY TO OTHERWISE CONSTRUCT, AN ACCESSORY DWELLING UNIT CONSISTENT WITH PART 1 OF ARTICLE 35 OF TITLE 29.

(d) AS USED IN THIS SUBSECTION (4), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "ACCESSORY DWELLING UNIT" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-35-102 (2).

(II) "ACCESSORY DWELLING UNIT SUPPORTIVE JURISDICTION" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-35-102 (3).

(III) "SUBJECT JURISDICTION" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-35-102 (21).

**SECTION 7. Appropriation.** (1) For the 2024-25 state fiscal year, \$537,246 is appropriated to the department of local affairs. This appropriation is from the accessory dwelling unit fee reduction and encouragement grant program fund created in section 29-35-105 (7)(a), C.R.S. To implement this act, the department may use this appropriation as follows:


(a) \$467,246 for use by division of local government for accessory dwelling unit fee reduction and encouragement grant program related to local government services, which amount is based on an assumption that the division will require an additional 4.9 FTE; and

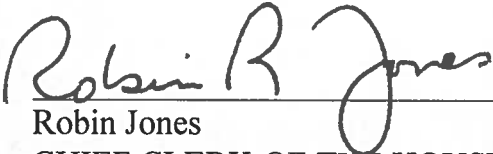
(b) \$70,000 for the purchase of information technology services.

(2) For the 2024-25 state fiscal year, \$70,000 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs under subsection (1)(b) of this section. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.

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

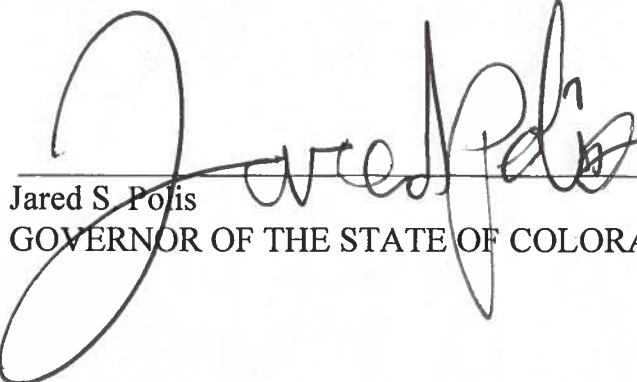
  
Julie McCluskie  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

  
Steve Fenberg  
PRESIDENT OF  
THE SENATE

  
Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

  
Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED Monday, May 13<sup>th</sup>, 2024 at 12:45 pm  
(Date and Time)

  
Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO



# An Act

HOUSE BILL 24-1304

BY REPRESENTATIVE(S) Vigil and Woodrow, Bacon, Boesenecker, deGruy Kennedy, Epps, Froelich, Hernandez, Herod, Jodeh, Joseph, Kipp, Mabrey, Rutinel, Sirota, Lindsay, Mauro, Parenti, Weissman, Willford, McCluskie;  
also SENATOR(S) Priola and Hinrichsen, Cutter, Gonzales, Jaquez Lewis.

CONCERNING PARKING REQUIREMENTS WITHIN METROPOLITAN PLANNING ORGANIZATIONS.

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

**SECTION 1.** In Colorado Revised Statutes, **add** article 36 to title 29 as follows:

## **ARTICLE 36** **Strategic Growth**

**29-36-101. Legislative declaration.** (1) THE GENERAL ASSEMBLY FINDS, DETERMINES, AND DECLARES THAT:

(a) THERE IS AN EXTRATERRITORIAL IMPACT WHEN LOCAL GOVERNMENTS ENACT LAND USE DECISIONS THAT REQUIRE A MINIMUM

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

AMOUNT OF PARKING SPACES;

(b) RESIDENTIAL DEVELOPMENTS FREQUENTLY HAVE MORE PARKING THAN IS UTILIZED, WHICH ADDS TO HOUSING COSTS AND ENCOURAGES ADDITIONAL VEHICLE OWNERSHIP AND VEHICLE MILES TRAVELED. ACCORDING TO THE REGIONAL TRANSPORTATION DISTRICT STUDY TITLED "RESIDENTIAL PARKING IN STATION AREAS: A STUDY OF METRO DENVER", UNSUBSIDIZED HOUSING DEVELOPMENTS NEAR REGIONAL TRANSPORTATION DISTRICT STATIONS PROVIDE FORTY PERCENT MORE PARKING THAN RESIDENTS UTILIZE AT PEAK TIMES, AND INCOME-RESTRICTED HOUSING DEVELOPMENTS PROVIDE FIFTY PERCENT MORE PARKING THAN IS USED.

(c) THE 2021 STUDY "PARKING & AFFORDABLE HOUSING" OF PARKING UTILIZATION AT AFFORDABLE HOUSING DEVELOPMENTS ALONG THE FRONT RANGE FOUND THAT HALF OF PARKING SPACES BUILT ON AVERAGE GO UNUSED, AND THAT REQUIREMENTS CAN BE UP TO FIVE TIMES THE NEED ESPECIALLY FOR BUILDINGS SERVING LOWER AREA MEDIAN INCOMES;

(d) LOCAL GOVERNMENT LAND USE DECISIONS THAT REQUIRE A MINIMUM AMOUNT OF PARKING SPACES BEYOND WHAT IS NECESSARY TO MEET MARKET DEMAND INCREASE VEHICLE MILES TRAVELED AND ASSOCIATED GREENHOUSE GAS EMISSIONS. ACCORDING TO A UNIVERSITY OF CALIFORNIA INSTITUTE OF TRANSPORTATION STUDIES ARTICLE TITLED "WHAT DO RESIDENTIAL LOTTERIES SHOW US ABOUT TRANSPORTATION CHOICES?", HIGHER AMOUNTS OF FREE PARKING PROVIDED IN RESIDENTIAL DEVELOPMENTS CAUSE HIGHER RATES OF VEHICLE OWNERSHIP, HIGHER RATES OF VEHICLE MILES TRAVELED, AND LESS FREQUENT TRANSIT USE.

(e) ACCORDING TO THE STUDY "EFFECTS OF PARKING PROVISION ON AUTOMOBILE USE IN U.S. CITIES: INFERRING CAUSALITY" IN THE JOURNAL TRANSPORTATION RESEARCH RECORD, AN INCREASE IN PARKING PROVISIONS FROM ONE-TENTH TO ONE-HALF PARKING SPACE PER PERSON IS ASSOCIATED WITH AN INCREASE IN AUTOMOBILE MODE SHARE OF ROUGHLY THIRTY PERCENT;

(f) ACCORDING TO THE ARTICLE "HOUSEHOLDS WITH CONSTRAINED OFF-STREET PARKING DRIVE FEWER MILES" IN THE JOURNAL TRANSPORTATION, VEHICLE OWNERSHIP RATES ARE FOURTEEN PERCENT HIGHER FOR HOUSEHOLDS WITH MORE THAN ONE AVAILABLE PARKING SPACE PER UNIT COMPARED TO THOSE WITH ONE OR FEWER, AND FOR EVERY

ADDITIONAL VEHICLE PER HOUSEHOLD, THE HOUSEHOLD TRAVELS ON AVERAGE SEVENTEEN MORE MILES OF TOTAL VEHICLE MILES TRAVELED PER DAY;

(g) COLORADANS DRIVE MORE MILES PER PERSON THAN THEY USED TO, WHICH PUTS STRESS ON TRANSPORTATION INFRASTRUCTURE AND INCREASING HOUSEHOLD COSTS. SINCE 1981, PER CAPITA VEHICLE MILES TRAVELED IN COLORADO HAVE RISEN BY OVER TWENTY PERCENT ACCORDING TO DATA FROM THE FEDERAL HIGHWAY ADMINISTRATION.

(h) INCREASED VEHICLE OWNERSHIP AND THE RESULTING VEHICLE MILES TRAVELED IMPACT NEIGHBORING JURISDICTIONS BY INCREASING CONGESTION, ROADWAY INFRASTRUCTURE MAINTENANCE COSTS, AIR POLLUTION, NOISE, AND GREENHOUSE GAS EMISSIONS;

(i) GIVEN THE CLOSE PROXIMITY AND INTERCONNECTED NATURE OF JURISDICTIONS WITHIN COLORADO'S METROPOLITAN REGIONS, MANY RESIDENTS TRAVEL FREQUENTLY BETWEEN JURISDICTIONS FOR WORK, SHOPPING, RECREATION, AND OTHER TRIPS;

(j) IN COLORADO'S MAJOR CITIES, A SIGNIFICANT SHARE OF EMPLOYEES COMMUTE TO JOBS IN THE CITY BUT LIVE ELSEWHERE, INCLUDING SEVENTY PERCENT OF EMPLOYEES IN DENVER, FORTY-FIVE PERCENT IN COLORADO SPRINGS, SIXTY PERCENT IN FORT COLLINS, FIFTY PERCENT IN PUEBLO, AND SIXTY-FIVE PERCENT IN GRAND JUNCTION, ACCORDING TO 2021 DATA FROM THE FEDERAL CENSUS;

(k) EXCESSIVE PARKING REQUIREMENTS LIMIT COMPACT, WALKABLE DEVELOPMENT BY MANDATING ADDITIONAL SPACE BETWEEN USES, WHICH THEN NECESSITATES DRIVING TO REACH MOST DESTINATIONS;

(l) LOWER DENSITY DEVELOPMENT HAS LOWERED REVENUE AND INCREASED CAPITAL AND MAINTENANCE COSTS COMPARED TO MORE COMPACT DEVELOPMENT. NATIONAL STUDIES, SUCH AS THE ARTICLE "RELATIONSHIPS BETWEEN DENSITY AND PER CAPITA MUNICIPAL SPENDING IN THE UNITED STATES", PUBLISHED IN URBAN SCIENCE, HAVE FOUND THAT LOWER DENSITY COMMUNITIES HAVE HIGHER GOVERNMENT CAPITAL AND MAINTENANCE COSTS FOR WATER, SEWER, AND TRANSPORTATION INFRASTRUCTURE AND LOWER PROPERTY AND SALES TAX REVENUE. THESE INCREASED COSTS ARE OFTEN BORNE BY BOTH STATE AND LOCAL

GOVERNMENTS.

(m) VEHICLE TRAFFIC, WHICH INCREASES WHEN LAND USE PATTERNS ARE MORE DISPERSED, CONTRIBUTES TWENTY PERCENT OF NITROGEN OXIDE EMISSIONS, A KEY OZONE PRECURSOR, ACCORDING TO THE EXECUTIVE SUMMARY OF THE MODERATE AREA OZONE STATE IMPLEMENTATION PLAN FOR THE 2015 OZONE NATIONAL AMBIENT AIR QUALITY STANDARDS BY THE REGIONAL AIR QUALITY COUNCIL;

(n) THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY HAS CLASSIFIED THE DENVER METRO AREA AND THE NORTH FRONT RANGE AREA AS BEING IN SEVERE NONATTAINMENT FOR OZONE AND GROUND LEVEL OZONE, WHICH HAS SERIOUS IMPACTS ON HUMAN HEALTH, PARTICULARLY FOR VULNERABLE POPULATIONS;

(o) ACCORDING TO THE GREENHOUSE GAS POLLUTION REDUCTION ROADMAP, PUBLISHED BY THE COLORADO ENERGY OFFICE AND DATED JANUARY 14, 2021, THE TRANSPORTATION SECTOR IS THE SINGLE LARGEST SOURCE OF GREENHOUSE GAS POLLUTION IN COLORADO;

(p) NEARLY SIXTY PERCENT OF THE GREENHOUSE GAS EMISSIONS FROM THE TRANSPORTATION SECTOR COME FROM LIGHT-DUTY VEHICLES, THE MAJORITY OF CARS AND TRUCKS THAT COLORADANS DRIVE EVERY DAY;

(q) SECTION 43-1-128 (3) DIRECTS THE DEPARTMENT OF TRANSPORTATION TO ESTABLISH GREENHOUSE GAS REDUCTION TARGETS, GUIDELINES, AND PROCEDURES FOR STATE AND REGIONAL TRANSPORTATION PLANS, AND THE RESULTING GREENHOUSE GAS PLANNING RULE AND ASSOCIATED MITIGATION POLICY DIRECTIVES INCLUDE A LIST OF GREENHOUSE GAS MITIGATION MEASURES TO ACHIEVE THOSE TARGETS, INCLUDING THE ELIMINATION OF MINIMUM PARKING REQUIREMENTS AND OTHER PARKING MANAGEMENT STRATEGIES;

(r) LOCAL GOVERNMENT LAND USE DECISIONS THAT REQUIRE A MINIMUM AMOUNT OF PARKING SPACES INCREASE THE COST OF NEW RESIDENTIAL PROJECTS, WHICH INCREASES HOUSING COSTS. ACCORDING TO THE REGIONAL TRANSPORTATION DISTRICT STUDY TITLED "RESIDENTIAL PARKING IN STATION AREAS: A STUDY OF METRO DENVER", STRUCTURED PARKING SPACES IN THE DENVER METROPOLITAN AREA COST TWENTY-FIVE THOUSAND DOLLARS EACH TO BUILD IN 2020 AND USE SPACE THAT WOULD

OTHERWISE BE USED FOR REVENUE GENERATING RESIDENTIAL UNITS, DECREASING THE PROFITABILITY OF RESIDENTIAL DEVELOPMENT. AS A RESULT, PARKING REQUIREMENTS THAT NECESSITATE THE CONSTRUCTION OF STRUCTURED PARKING SPACES MAY DISCOURAGE DEVELOPERS FROM BUILDING NEW RESIDENTIAL PROJECTS, OR, IF THEY DO MOVE FORWARD WITH PROJECTS, FORCE THEM TO RECOUP THE COSTS OF BUILDING EXCESSIVE PARKING BY INCREASING HOUSING PRICES.

(s) OFF-STREET SURFACE PARKING COSTS UP TO TEN THOUSAND DOLLARS PER SPACE, AND EACH SPACE REQUIRES UP TO TWO AND ONE-HALF TIMES ITS SQUARE FOOTAGE TO ACCOMMODATE. AS A RESULT, OFF-STREET SURFACE PARKING REQUIREMENTS ALSO MAY DISCOURAGE DEVELOPERS FROM BUILDING NEW RESIDENTIAL PROJECTS, OR, IF THEY DO MOVE FORWARD WITH PROJECTS, FORCE THEM TO BUILD FEWER UNITS THAN THEY OTHERWISE COULD AND RECOUP THE EXCESSIVE COST BY INCREASING HOME PRICES AND RENTS. AN ANALYSIS CONDUCTED BY THE PARKING REFORM NETWORK FOUND THAT AN OFF-STREET PARKING SPACE CAN ADD BETWEEN TWO HUNDRED AND FIVE HUNDRED DOLLARS PER MONTH IN RENT. WHETHER THESE COSTS ARE NECESSARY VARIES FROM ONE BUILDING PROJECT TO THE NEXT, AND THOSE VARIABLES ARE NOT ACCOUNTED FOR IN MANDATED PARKING MINIMUMS.

(t) MINIMUM PARKING REQUIREMENTS PUT SMALL BUSINESSES AT A DISADVANTAGE RELATIVE TO LARGE CORPORATIONS. LARGE CORPORATIONS HAVE MORE CAPITAL AT THEIR DISPOSAL TO FULFILL COSTLY PARKING REQUIREMENTS AND ARE LESS RELIANT ON FOOT TRAFFIC, HUMAN-SCALE VISIBILITY, AND A SENSE OF PLACE TO ATTRACT CUSTOMERS.

(u) IMPERVIOUS SURFACES SUCH AS THOSE BUILT FOR VEHICLE PARKING CREATE AN URBAN HEAT ISLAND EFFECT, CONTRIBUTING TO RISING TEMPERATURES, INCREASING ENERGY COSTS FOR AIR CONDITIONING, AND WORSENING GROUND LEVEL AIR QUALITY. EXCESSIVE LAND COVERAGE OF THIS KIND MAKES STORMWATER MANAGEMENT DIFFICULT AND EXPENSIVE, AND CONTRIBUTES TO FLASH FLOODING AND EROSION, CAUSING INTERJURISDICTIONAL CONFLICTS AND LEGAL DISPUTES.

(2) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT THE REQUIRED MINIMUM AMOUNT OF PARKING SPACES FOR A REAL PROPERTY IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.

**29-36-102. Definitions.** AS USED IN THIS ARTICLE 36, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ADAPTIVE REUSE" MEANS THE CONVERSION OF AN EXISTING STRUCTURE FROM THE USE FOR WHICH IT WAS CONSTRUCTED TO A NEW USE BY MAINTAINING ELEMENTS OF THE STRUCTURE AND ADAPTING SUCH ELEMENTS TO A NEW USE.

(2) "APPLICABLE TRANSIT PLAN" MEANS A PLAN OF A TRANSIT AGENCY WHOSE SERVICE TERRITORY IS WITHIN A METROPOLITAN PLANNING ORGANIZATION, INCLUDING A SYSTEM OPTIMIZATION PLAN OR A TRANSIT MASTER PLAN THAT:

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

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

(c) IDENTIFIES SPECIFIC TRANSIT ROUTES FOR SHORT-TERM IMPLEMENTATION ACCORDING TO THAT PLAN, OR IMPLEMENTATION BEFORE JANUARY 1, 2027.

(3) "APPLICABLE TRANSIT SERVICE AREA" MEANS AN AREA DESIGNATED BY THE MAP CREATED IN SECTION 29-36-106.

(4) "BUS RAPID TRANSIT SERVICE" MEANS A TRANSIT SERVICE THAT:

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

(b) INCLUDES ANY NUMBER OF THE FOLLOWING:

(I) SERVICE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES OR LESS FOR FOUR HOURS OR MORE ON WEEKDAYS, EXCLUDING SEASONAL SERVICE;

(II) DEDICATED LANES OR BUSWAYS;

(III) TRAFFIC SIGNAL PRIORITY;

(IV) OFF-BOARD FARE COLLECTION;

(V) ELEVATED PLATFORMS; OR

(VI) ENHANCED STATIONS.

(5) "COMMUNITY-BASED ORGANIZATION" MEANS A COLORADO-BASED NONPROFIT ENTITY THAT:

(a) HAS A MISSION TO IMPROVE THE ENVIRONMENTAL, ECONOMIC, SOCIAL, CULTURAL, OR QUALITY OF LIFE CONDITIONS OF A COMMON COMMUNITY OF INTEREST;

(b) IS ACCESSIBLE FOR RESIDENTS OF ALL AGES, INCOMES, LANGUAGES, AND ABILITIES; OR

(c) ADDRESSES THE NEEDS OF DISPROPORTIONATELY IMPACTED AND MARGINALIZED COMMUNITIES IN THE REGION AND CENTERS VOICES OF MARGINALIZED COMMUNITIES IN TRANSPORTATION PLANNING, BOTH IN THEIR COMMUNITY AND AROUND THE REGION.

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

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

(8) "LAND USE APPROVAL" MEANS ANY FINAL ACTION OF A LOCAL GOVERNMENT THAT HAS THE EFFECT OF AUTHORIZING THE USE OR DEVELOPMENT OF A PARTICULAR PARCEL OF REAL PROPERTY.

(9) "LOADING SPACE" MEANS AN OFF-STREET SPACE OR BERTH THAT:

(a) IS ON THE SAME SITE WITH A BUILDING OR CONTIGUOUS TO A GROUP OF BUILDINGS;

(b) IS DESIGNATED FOR THE TEMPORARY PARKING OF EITHER:

(I) A COMMERCIAL VEHICLE WHILE MATERIALS ARE LOADED IN OR UNLOADED FROM THE VEHICLE; OR

(II) A VEHICLE WHILE PASSENGERS BOARD OR DISEMBARK FROM THE VEHICLE; AND

(c) ABUTS UPON A STREET, ALLEY, OR OTHER MEANS OF ACCESS.

(10) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY THAT IS WITHIN A METROPOLITAN PLANNING ORGANIZATION OR A COUNTY THAT HAS UNINCORPORATED AREAS WITHIN A METROPOLITAN PLANNING ORGANIZATION.

(11) "LOCAL LAW" MEANS ANY CODE, LAW, ORDINANCE, POLICY, REGULATION, OR RULE ENACTED BY A LOCAL GOVERNMENT THAT GOVERNS THE DEVELOPMENT AND USE OF LAND, INCLUDING LAND USE CODES, ZONING CODES, AND SUBDIVISION CODES.

(12) "MAXIMUM PARKING REQUIREMENT" MEANS A REQUIREMENT ESTABLISHED IN LOCAL LAW THAT LIMITS THE NUMBER OF PARKING SPACES THAT MAY BE MADE AVAILABLE IN CONNECTION WITH A REAL PROPERTY.

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

(14) "MINIMUM PARKING REQUIREMENT" MEANS A REQUIREMENT ESTABLISHED IN LOCAL LAW THAT A NUMBER OF PARKING SPACES BE MADE AVAILABLE IN CONNECTION WITH A REAL PROPERTY.

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

(16) "PARKING SPACE" MEANS AN OFF-STREET SPACE DESIGNATED FOR MOTOR VEHICLE PARKING. A PARKING SPACE DOES NOT INCLUDE A LOADING SPACE.

(17) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE



HOUSING THAT:

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

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

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

**29-36-103. Limitations on minimum parking requirements.**

(1) ON OR AFTER JUNE 30, 2025, A MUNICIPALITY SHALL NEITHER ENACT NOR ENFORCE LOCAL LAWS THAT ESTABLISH A MINIMUM PARKING REQUIREMENT THAT APPLIES TO A LAND USE APPROVAL FOR A MULTIFAMILY RESIDENTIAL DEVELOPMENT, ADAPTIVE RE-USE FOR RESIDENTIAL PURPOSES, OR ADAPTIVE RE-USE MIXED-USE PURPOSES WHICH INCLUDE AT LEAST FIFTY PERCENT OF USE FOR RESIDENTIAL PURPOSES THAT IS WITHIN THE MUNICIPALITY, A METROPOLITAN PLANNING ORGANIZATION, AND AT LEAST PARTIALLY WITHIN AN APPLICABLE TRANSIT SERVICE AREA.

(2) ON OR AFTER JUNE 30, 2025, A COUNTY SHALL NEITHER ENACT NOR ENFORCE LOCAL LAWS THAT ESTABLISH A MINIMUM PARKING REQUIREMENT THAT APPLIES TO A LAND USE APPROVAL FOR A MULTIFAMILY RESIDENTIAL DEVELOPMENT, ADAPTIVE RE-USE FOR RESIDENTIAL PURPOSES, OR ADAPTIVE RE-USE MIXED-USE PURPOSES WHICH INCLUDE AT LEAST FIFTY PERCENT OF USE FOR RESIDENTIAL PURPOSES THAT IS WITHIN THE UNINCORPORATED AREA OF THE COUNTY, A METROPOLITAN PLANNING ORGANIZATION, AND AT LEAST PARTIALLY WITHIN AN APPLICABLE TRANSIT SERVICE AREA.

(3) NOTHING IN THIS SECTION:

(a) LOWERS THE PROTECTIONS PROVIDED FOR PERSONS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING SPACES FOR PERSONS WHO ARE MOBILITY IMPAIRED, UNDER THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24;

(b) PREVENTS A LOCAL GOVERNMENT FROM ENACTING OR ENFORCING LOCAL LAWS THAT ESTABLISH A MAXIMUM PARKING REQUIREMENT;

(c) PREVENTS A LOCAL GOVERNMENT OR A DEVELOPER FROM BEING AWARDED FUNDING FOR AFFORDABLE HOUSING THAT REQUIRES A RATIO OF A CERTAIN NUMBER OF PARKING SPACES;

(d) AFFECTS THE ABILITY OF A LOCAL GOVERNMENT TO ENFORCE ANY AGREEMENT MADE IN CONNECTION WITH A LAND USE APPROVAL PRIOR TO THE EFFECTIVE DATE OF HOUSE BILL 24-1304, ENACTED IN 2024, TO PROVIDE REGULATED AFFORDABLE HOUSING IN EXCHANGE FOR REDUCING MINIMUM PARKING REQUIREMENTS;

(e) PREVENTS A LOCAL GOVERNMENT FROM ENACTING OR ENFORCING LOCAL LAWS THAT ESTABLISH A MINIMUM REQUIREMENT FOR BICYCLE PARKING; OR

(f) PREVENTS A LOCAL GOVERNMENT FROM IMPOSING THE FOLLOWING REQUIREMENTS ON A PARKING SPACE THAT IS VOLUNTARILY PROVIDED IN CONNECTION WITH A LAND USE APPROVAL:

(I) THAT THE OWNERS OF SUCH A PARKING SPACE CHARGE FOR THE USE OF THE SPACE;

(II) THAT THE OWNER OF A SUCH A PARKING SPACE CONTRIBUTE TO A PARKING ENTERPRISE, PERMITTING SYSTEM, OR SHARED PARKING PLAN; AND

(III) THAT SUCH A PARKING SPACE ALLOWS FOR ELECTRIC VEHICLE CHARGING STATIONS IN ACCORDANCE WITH EXISTING LAW.

**29-36-104. Limitations on minimum parking requirements.**

(1) NOTWITHSTANDING SECTION 29-36-103, A LOCAL GOVERNMENT MAY

IMPOSE OR ENFORCE A MINIMUM PARKING REQUIREMENT IN CONNECTION WITH A HOUSING DEVELOPMENT PROJECT THAT IS INTENDED TO CONTAIN TWENTY UNITS OR MORE OR CONTAIN REGULATED AFFORDABLE HOUSING BY REQUIRING NO MORE THAN ONE PARKING SPACE PER DWELLING UNIT IN THE HOUSING DEVELOPMENT.

(2) (a) IN ORDER TO IMPOSE A MINIMUM PARKING REQUIREMENT PURSUANT TO SUBSECTION (1) OF THIS SECTION IN CONNECTION WITH A HOUSING DEVELOPMENT PROJECT, A LOCAL GOVERNMENT MUST, NO LATER THAN NINETY DAYS AFTER RECEIVING A COMPLETED APPLICATION FOR THE HOUSING DEVELOPMENT PROJECT, PUBLICLY PUBLISH WRITTEN FINDINGS THAT FIND THAT NOT IMPOSING OR ENFORCING A MINIMUM PARKING REQUIREMENT IN CONNECTION WITH THE HOUSING DEVELOPMENT PROJECT WOULD HAVE A SUBSTANTIAL NEGATIVE IMPACT.

(b) A LOCAL GOVERNMENT'S WRITTEN FINDINGS PUBLISHED PURSUANT TO SUBSECTION (2)(a) MUST:

(I) BE SUPPORTED BY SUBSTANTIAL EVIDENCE THAT SUPPORTS THE FINDING OF A SUBSTANTIAL NEGATIVE IMPACT ON:

(A) SAFE PEDESTRIAN, BICYCLE, OR EMERGENCY ACCESS TO THE HOUSING DEVELOPMENT PROJECT; OR

(B) EXISTING ON- OR OFF-STREET PARKING SPACES WITHIN ONE EIGHTH-MILE OF THE HOUSING DEVELOPMENT PROJECT;

(II) BE REVIEWED AND APPROVED BY A PROFESSIONAL ENGINEER, AS DEFINED IN SECTION 12-120-202 (7).

(III) INCLUDE PARKING UTILIZATION DATA COLLECTED FROM THE AREA WITHIN ONE EIGHTH-MILE OF THE HOUSING DEVELOPMENT PROJECT; AND

(IV) DEMONSTRATE THAT THE LOCAL GOVERNMENT IMPLEMENTATION OF STRATEGIES TO MANAGE DEMAND FOR ON-STREET PARKING FOR THE AREA WITHIN ONE EIGHTH-MILE OF THE HOUSING DEVELOPMENT PROJECT WOULD NOT BE EFFECTIVE TO MITIGATE A SUBSTANTIAL NEGATIVE IMPACT FOUND PURSUANT TO THIS SECTION.

(3) ON OR BEFORE DECEMBER 31, 2026, AND EVERY DECEMBER 31ST THEREAFTER, IF APPLICABLE, A LOCAL GOVERNMENT SHALL, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT OF LOCAL AFFAIRS, SUBMIT INFORMATION REGARDING A MINIMUM PARKING REQUIREMENT IMPOSED OR ENFORCED PURSUANT TO THIS SECTION TO THE DEPARTMENT OF LOCAL AFFAIRS.

(4) THE DEPARTMENT OF LOCAL AFFAIRS MAY ISSUE POLICIES AND PROCEDURES AS NECESSARY TO IMPLEMENT THIS SECTION.

**29-36-105. Parking management technical assistance.** (1)(a) ON OR BEFORE DECEMBER 31, 2024, THE DEPARTMENT OF LOCAL AFFAIRS, IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, AND THE COLORADO ENERGY OFFICE, SHALL, WITHIN EXISTING RESOURCES, TO THE EXTENT FEASIBLE, DEVELOP AND PUBLISH BEST PRACTICES AND TECHNICAL ASSISTANCE MATERIALS CONCERNING OPTIMIZING PARKING SUPPLY AND MANAGING PARKING IN WAYS THAT INCREASE THE PRODUCTION OF AFFORDABLE HOUSING AND HOUSING SUPPLY. THESE BEST PRACTICES AND TECHNICAL ASSISTANCE MATERIALS MUST INCLUDE, BUT ARE NOT LIMITED TO, ELEMENTS RELATED TO:

(I) THE IMPLEMENTATION OF LOCAL PARKING MAXIMUMS;

(II) SAMPLE LANGUAGE TO REPLACE EXISTING LOCAL PARKING CODES WITH OTHER INCENTIVES FOR THE PRODUCTION OF AFFORDABLE HOUSING, TRANSPORTATION DEMAND MANAGEMENT STRATEGIES, AND OTHER DESIRED OUTCOMES;

(III) THE DESIGN AND IMPLEMENTATION OF PARKING BENEFIT DISTRICTS AND ON-STREET PARKING MANAGEMENT;

(IV) STRATEGIES FOR DEVELOPERS TO MANAGE THE SUPPLY AND PRICE OF PARKING SPACES TO MINIMIZE PARKING DEMAND BASED ON DIFFERENT LOCATION AND LAND USE CHARACTERISTICS AND TAKING INTO CONSIDERATION THE NUMBER OF RESIDENTS WHO NEED ACCESS TO PARKING AND ACCESS TO MASS TRANSIT;

(V) STRATEGIES THAT PRIORITIZE THE TRANSPORTATION NEEDS OF RESIDENTS OF REGULATED AFFORDABLE HOUSING, LOW-INCOME COMMUNITIES, AND COMMUNITIES WITH LOW RATES OF CAR OWNERSHIP;

(VI) STRATEGIES TO OPTIMIZE THE USE OF EXISTING PARKING THROUGH SHARED PARKING AGREEMENTS AND OTHER STRATEGIES; AND

(VII) INFORMATION FROM AFFORDABLE HOUSING PROVIDERS AND EXISTING STUDIES ON PARKING NEEDS FOR RESIDENTS OF REGULATED AFFORDABLE HOUSING BASED ON DIFFERENT LOCATION AND LAND USE CHARACTERISTICS.

(b) (I) IN DEVELOPING THE MATERIALS AND BEST PRACTICES DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS SHALL CONSULT WITH VARIOUS STAKEHOLDERS, INCLUDING LOCAL GOVERNMENTS, METROPOLITAN PLANNING ORGANIZATIONS, DISPROPORTIONATELY IMPACTED COMMUNITIES, COMMUNITY-BASED ORGANIZATIONS, AFFORDABLE HOUSING PROVIDERS, TRANSIT AGENCIES, AND ACTIVE TRANSPORTATION ORGANIZATIONS. IN CONSULTING WITH THESE STAKEHOLDERS, THE DEPARTMENT OF LOCAL AFFAIRS MAY COLLECT THIS FEEDBACK THROUGH MULTIPLE MEANS, INCLUDING ONLINE OR IN-PERSON SURVEYS OR PUBLIC FEEDBACK SESSIONS.

(2) DURING THE FIRST REGULAR SESSION OF THE SEVENTY-FIFTH GENERAL ASSEMBLY, THE DEPARTMENT OF LOCAL AFFAIRS SHALL PRESENT THE MATERIALS AND BEST PRACTICES DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION TO THE LOCAL GOVERNMENT AND HOUSING COMMITTEE OF THE SENATE AND THE TRANSPORTATION, HOUSING AND LOCAL GOVERNMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES OR THEIR SUCCESSOR COMMITTEES.

**29-36-106. Applicable transit service areas map.** (1) ON OR BEFORE SEPTEMBER 30, 2024, THE DEPARTMENT OF LOCAL AFFAIRS, IN CONSULTATION WITH THE DEPARTMENT OF TRANSPORTATION, COLORADO ENERGY OFFICE, METROPOLITAN PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A MAP THAT DESIGNATES APPLICABLE TRANSIT SERVICE AREAS TO BE USED BY LOCAL GOVERNMENTS IN COMPLYING WITH THIS PART 1.

(2) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS SHALL DESIGNATE APPLICABLE TRANSIT SERVICE AREAS AS AREAS THAT ARE WITHIN:

(a) ONE-QUARTER MILE OF EXISTING STATIONS SERVED BY ROUTES IDENTIFIED IN AN APPLICABLE TRANSIT PLAN FOR:

(I) COMMUTER BUS RAPID TRANSIT;

(II) COMMUTER RAIL WITH PLANNED OR SCHEDULED SERVICE THAT IS SCHEDULED TO RUN EVERY THIRTY MINUTES OR MORE FREQUENT BETWEEN SEVEN A.M. AND TEN A.M. AND BETWEEN FOUR P.M. AND SEVEN P.M.;

(III) LIGHT RAIL WITH PLANNED OR SCHEDULED SERVICE THAT IS SCHEDULED TO RUN EVERY THIRTY MINUTES OR MORE FREQUENT BETWEEN SEVEN A.M. AND TEN A.M. AND BETWEEN FOUR P.M. AND SEVEN P.M.; AND

(IV) A PUBLIC BUS ROUTE THAT HAS A PLANNED OR SCHEDULED FREQUENCY OF EVERY THIRTY MINUTES OR MORE FREQUENT FOR FOUR HOURS OR MORE ON WEEKDAYS, EXCLUDING SEASONAL SERVICE;

(b) ONE-QUARTER MILE OF CURRENTLY PLANNED OR EXISTING STATIONS AND STOPS SERVED BY PUBLIC BUS ROUTES THAT:

(I) HAVE A PLANNED OR SCHEDULED FREQUENCY OF EVERY THIRTY MINUTES OR MORE FREQUENT FOR FOUR HOURS OR MORE ON WEEKDAYS, EXCLUDING SEASONAL SERVICE; AND

(II) ARE IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN FOR SHORT-TERM IMPLEMENTATION OR IMPLEMENTATION BEFORE JANUARY 1, 2030, ACCORDING TO THAT PLAN; OR

(c) FOR TRANSIT AGENCIES WITHIN METROPOLITAN PLANNING ORGANIZATIONS THAT DO NOT HAVE APPLICABLE TRANSIT PLANS, ONE-QUARTER MILE OF PUBLIC BUS ROUTES WITH EXISTING TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024, WITH A SCHEDULED FREQUENCY OF EVERY THIRTY MINUTES OR MORE FREQUENT DURING THE FOUR HOURS OR MORE ON WEEKDAYS, EXCLUDING SEASONAL SERVICE.

**SECTION 2.** In Colorado Revised Statutes, 29-20-104, **amend** (1) introductory portion as follows:

**29-20-104. Powers of local governments - definition.** (1) Except

as expressly provided in section 29-20-104.2, ~~or~~ SECTION 29-20-104.5, AND ARTICLE 36 OF THIS TITLE 29, the power and authority granted by this section does not limit any power or authority presently exercised or previously granted. Except as provided in section 29-20-104.2, each local government within its respective jurisdiction has the authority to plan for and regulate the use of land by:

**SECTION 3.** In Colorado Revised Statutes, 30-15-401, **amend** (1)(h)(I)(B) as follows:

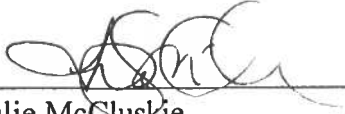
**30-15-401. General regulations - definitions.** (1) In addition to those powers granted by sections 30-11-101 and 30-11-107 and by parts 1, 2, and 3 of this article 15, the board of county commissioners may adopt ordinances for control or licensing of those matters of purely local concern that are described in the following enumerated powers:

(h) (I) To control and regulate the movement and parking of vehicles and motor vehicles on public property; except that:

(B) For the purposes of any minimum parking requirement a board of county commissioners imposes, the board of county commissioners is subject to ~~section 30-28-140~~ ARTICLE 36 OF TITLE 29 AND SECTION 30-28-140; and

**SECTION 4. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in

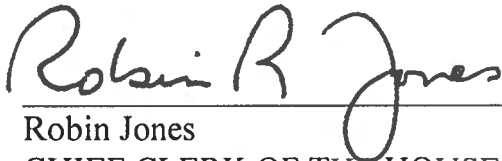
November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.



Julie McCluskie  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES



Steve Fenberg  
PRESIDENT OF  
THE SENATE

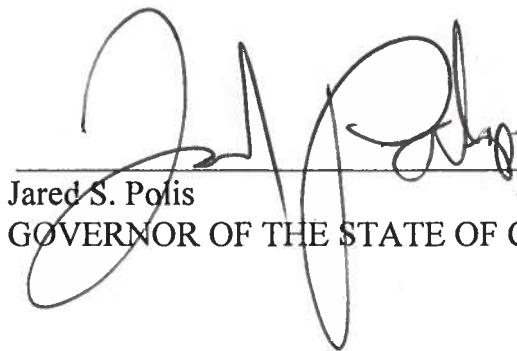


Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES



Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED Friday May 10<sup>th</sup> 2024 at 12:15 PM  
(Date and Time)



Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO



# An Act

HOUSE BILL 24-1313

BY REPRESENTATIVE(S) Woodrow and Jodeh, Bacon, Boesenecker, deGruy Kennedy, Epps, Froelich, Garcia, Hernandez, Herod, Kipp, Lindsay, Lindstedt, Mabrey, McCormick, Parenti, Rutinel, Sirota, Story, Valdez, Vigil, McCluskie, English, Ortiz, Titone, Weissman, Willford; also SENATOR(S) Hansen and Winter F., Cutter, Hinrichsen, Priola.

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

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

**SECTION 1.** In Colorado Revised Statutes, **add** article 37 to title 29 as follows:

## **ARTICLE 37**

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

#### **PART 1**

#### **DEFINITIONS**

**29-37-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 37 IS THE "STATE LAND USE CRITERIA FOR STRATEGIC GROWTH ACT".

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

**29-37-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

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

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

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

(e) ACROSS THE STATE, COLORADO NEEDS MORE HOUSING URGENTLY TO SUPPORT OUR GROWING WORKFORCE, AND HOUSING OPPORTUNITIES ARE NEEDED ACROSS ALL INCOME LEVELS. ADDRESSING THE

CRITICAL ISSUE OF COST AND AVAILABILITY OF HOUSING REQUIRES MAINTAINING AND EXPANDING ACCESS TO AFFORDABLE AND ATTAINABLE HOUSING BY REMOVING BARRIERS TO AND EXPEDITING NEW HOUSING OPPORTUNITIES FOR EVERY COMMUNITY, ESPECIALLY NEAR TRANSIT. AS HOUSING RENTS AND PRICES HAVE INCREASED FASTER THAN WAGES ACROSS THE STATE, INDIVIDUAL HOUSEHOLDS ARE EXPERIENCING DISPLACEMENT FROM HOMES THEY COULD ONCE AFFORD AND HAVING TO LIVE FARTHER FROM WORK WITH INCREASED COMMUTE TIMES. AS STATE AND LOCAL GOVERNMENTS SEEK TO INCREASE HOUSING OPTIONS AND ADDRESS AFFORDABILITY FOR RESIDENTS, IT IS ESSENTIAL TO PROVIDE SOLUTIONS THAT INCORPORATE TRANSIT NEEDS AS WELL.

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

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

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

JOURNAL OF ECONOMIC PERSPECTIVES, AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND AFFORDABILITY", IN THE JOURNAL HOUSING POLICY DEBATE.

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

**29-37-103. Definitions.** AS USED IN THIS ARTICLE 37, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "ACCESSIBLE UNIT" MEANS A HOUSING UNIT THAT:

(a) SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED;

(b) INCORPORATES UNIVERSAL DESIGN; OR

(c) IS A TYPE A DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (10); A TYPE A MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (11); A TYPE B DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (12); OR A TYPE B MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION 9-5-101 (13).

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

(I) A DEVELOPMENT PROPOSAL FOR A SPECIFIED PROJECT IS APPROVED, APPROVED WITH CONDITIONS, OR DENIED BY LOCAL GOVERNMENT ADMINISTRATIVE STAFF BASED SOLELY ON ITS COMPLIANCE

WITH OBJECTIVE STANDARDS SET FORTH IN LOCAL LAWS; AND

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

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

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

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

(3) "APPLICABLE TRANSIT PLAN" MEANS A PLAN OF A TRANSIT AGENCY WHOSE SERVICE TERRITORY IS WITHIN A METROPOLITAN PLANNING ORGANIZATION, INCLUDING A SYSTEM OPTIMIZATION PLAN OR A TRANSIT MASTER PLAN THAT:

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

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

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

(4) "BUS RAPID TRANSIT SERVICE" MEANS A TRANSIT SERVICE:

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

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

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

(II) DEDICATED LANES OR BUSWAYS;

(III) TRAFFIC SIGNAL PRIORITY;

(IV) OFF-BOARD FARE COLLECTION;

(V) ELEVATED PLATFORMS; OR

(VI) ENHANCED STATIONS.

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

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

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

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

(9) "DISPLACEMENT" MEANS:

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

(I) INCREASED REAL ESTATE PRICES, RENTS, PROPERTY

REHABILITATION, REDEVELOPMENT, DEMOLITION, OR OTHER ECONOMIC FACTORS;

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

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

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

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

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

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

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

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

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

(a) IS A DEFINED BENCHMARK OR CRITERION THAT ALLOWS FOR DETERMINATIONS OF COMPLIANCE TO BE CONSISTENTLY DECIDED

REGARDLESS OF THE DECISION MAKER; AND

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

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

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

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

(16) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE HOUSING THAT:

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

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

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

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

(18) "URBAN BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID



TRANSIT SERVICE THAT OPERATES ON A SURFACE STREET FOR THE MAJORITY OF ITS ROUTE.

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

## PART 2 TRANSIT-ORIENTED COMMUNITIES

**29-37-201. Legislative declaration.** (1) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

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

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

(d) COLORADO HAS INVESTED SIGNIFICANTLY IN PUBLIC TRANSIT IN THE LAST SEVERAL DECADES, FUNDING OVER SIX BILLION DOLLARS ACROSS EIGHTY-FIVE MILES OF NEW RAIL LINES. THE INVESTMENTS WILL CONTINUE IN THE COMING YEARS WITH NEW BUS RAPID TRANSIT AND RAIL SYSTEMS ALONG THE FRONT RANGE. DESPITE THESE INVESTMENTS, TRANSIT

RIDERSHIP LAGS BEHIND PEER AGENCIES AROUND THE COUNTRY, DUE AT LEAST IN PART TO A LACK OF DENSITY NEAR THESE TRANSIT LINES. BEFORE THE COVID-19 PANDEMIC, THE REGIONAL TRANSPORTATION DISTRICT HAD TWO AND THREE-TENTHS RIDES PER VEHICLE REVENUE MILE ON THEIR RAIL SYSTEM, COMPARED TO OVER FOUR RIDES PER VEHICLE REVENUE MILE FOR AGENCIES IN MINNEAPOLIS AND PORTLAND AND OVER EIGHT RIDES PER VEHICLE REVENUE MILE IN SEATTLE, ACCORDING TO DATA FROM THE FEDERAL TRANSIT ADMINISTRATION'S NATIONAL TRANSIT DATABASE.

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

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

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

(h) IN COLORADO, HOUSEHOLDS IN MORE DENSE AREAS, WHICH ARE

DEFINED AS CENSUS TRACTS WITH MORE THAN FOUR THOUSAND UNITS PER SQUARE MILE OR ABOUT FIFTEEN UNITS PER ACRE, DRIVE TWENTY PERCENT LESS THAN THE STATE AVERAGE, AND HIGHER DENSITY AREAS, CENSUS TRACTS WITH MORE THAN TEN THOUSAND UNITS PER SQUARE MILE OR ABOUT FORTY UNITS PER ACRE, DRIVE FORTY PERCENT LESS THAN THE STATE AVERAGE, ACCORDING TO DATA FROM THE 2017 NATIONAL HOUSEHOLD TRAVEL SURVEY;

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

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

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

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

(m) NATIONAL STUDIES, SUCH AS THE ARTICLE "RELATIONSHIPS BETWEEN DENSITY AND PER CAPITA MUNICIPAL SPENDING IN THE UNITED STATES", PUBLISHED IN URBAN SCIENCE, HAVE FOUND THAT LOWER DENSITY COMMUNITIES HAVE HIGHER GOVERNMENT CAPITAL AND MAINTENANCE COSTS FOR WATER, SEWER, AND TRANSPORTATION INFRASTRUCTURE AND LOWER PROPERTY AND SALES TAX REVENUE. THESE

INCREASED COSTS ARE OFTEN BORNE BY BOTH STATE AND LOCAL GOVERNMENTS.

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

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

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

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

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

HOUSEHOLD TRAVEL SURVEY";

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

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

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

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

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

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

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

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

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

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

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

(d) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE QUALITY

AND QUANTITY OF HOUSING FOR COLORADANS AS THIS IS AMONG THE MOST PRESSING PROBLEMS CURRENTLY FACING COMMUNITIES THROUGHOUT COLORADO.

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

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

**29-37-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "CERTIFIED TRANSIT-ORIENTED COMMUNITY" MEANS A TRANSIT-ORIENTED COMMUNITY THAT HAS MET THE REQUIREMENTS OF SECTION 29-37-204 (4).

(2) "EXEMPT PARCEL" MEANS:

(a) ANY PARCEL THAT A TRANSIT-ORIENTED COMMUNITY HAS APPLIED TO THE DEPARTMENT FOR QUALIFICATION AS AN EXEMPT PARCEL BECAUSE THE TRANSIT-ORIENTED COMMUNITY BELIEVES THE PARCEL CANNOT BE DEVELOPED FOR REASONS INCLUDING HEALTH AND SAFETY, TOPOGRAPHY, OR PRACTICAL LIMITATIONS AND FOR WHICH THE DEPARTMENT HAS APPROVED THE TRANSIT-ORIENTED COMMUNITY'S APPLICATION ACCORDING TO A PROCESS ESTABLISHED BY POLICIES AND PROCEDURES DEVELOPED BY THE DEPARTMENT;

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

(c) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS LOCATED WITHIN AN UNINCORPORATED AREA AS DEFINED IN SECTION 29-37-202 (12)(d)(II), AND IS SERVED BY A DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN SECTION 24-65.1-104 (5), THAT IS OWNED BY A MUNICIPALITY;

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

(e) A PARCEL THAT, AS OF JANUARY 1, 2024, IS ZONED OR USED PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS SUBSECTION (1)(d), MEANS A BUSINESS USE OR ACTIVITY AT A SCALE GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING, FABRICATION, MINERAL OR GRAVEL EXTRACTION, ASSEMBLY, WAREHOUSING, OR STORAGE, AND PARCELS THAT ARE IDENTIFIED WITHIN THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY'S TOXIC RELEASE INVENTORY;

(f) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024, IS IN A FLOODWAY OR IN A ONE HUNDRED-YEAR FLOODPLAIN, AS IDENTIFIED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY;

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

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

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

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

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

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



(m) A PARCEL THAT IS:

(I) WITHIN A TRANSIT STATION AREA;

(II) SEPARATED BY A STATE-OWNED LIMITED-ACCESS HIGHWAY OR RAILROAD TRACK FROM ALL EXITS TO THE TRANSIT STATION THAT IS USED TO ESTABLISH THE TRANSIT STATION AREA REFERENCED IN SUBSECTION (1)(j)(I) OF THIS SECTION; AND

(III) WHOLLY BEYOND AN AREA THAT IS REACHABLE BY A PERSON WALKING A DISTANCE OF NO MORE THAN ONE-HALF MILE FROM THE TRANSIT STATION REFERENCED IN SUBSECTION (1)(j)(II) OF THIS SECTION, AS DESIGNATED BY THE WALKSHED MAP PUBLISHED BY THE DEPARTMENT PURSUANT TO SECTION 29-35-207 (1)(e);

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

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

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

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

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

(II) AN ENVIRONMENTAL COVENANT PURSUANT TO SECTION 25-15-318 TO SECTION 25-15-323; OR

(III) RESTRICTIONS WITHIN A FLAMMABLE GAS OVERLAY ZONING DISTRICT.

(3) "HOUSING OPPORTUNITY GOAL" MEANS A GOAL FOR THE ZONING

CAPACITY FOR RESIDENTIAL UNITS IN A TRANSIT-ORIENTED COMMUNITY. A LOCAL GOVERNMENT SHALL CALCULATE ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION 29-37-204 (2).

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

(5) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT BOTH MEETS THE REQUIREMENTS OF SECTION 29-37-206 AND IS DESIGNATED AS A NEIGHBORHOOD CENTER BY A LOCAL GOVERNMENT.

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

(7) "OPTIONAL TRANSIT AREA" MEANS THE TOTAL AREA, MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE OR BUS RAPID TRANSIT CORRIDOR AS IDENTIFIED IN THE CRITERIA IN SUBSECTION 29-37-207 (4).

(8) "TRANSIT AREA" MEANS BOTH A TRANSIT STATION AREA, AS DEFINED IN SUBSECTION (12) OF THIS SECTION, OR A TRANSIT CORRIDOR AREA, AS DEFINED IN SUBSECTION (10) OF THIS SECTION.

(9) "TRANSIT CENTER" MEANS AN AREA THAT BOTH MEETS THE REQUIREMENTS OF SECTION 29-37-205 AND IS DESIGNATED AS A TRANSIT CENTER BY A TRANSIT-ORIENTED COMMUNITY.

(10) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA,

MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AS IDENTIFIED IN THE CRITERIA IN SECTION 29-37-207 (3).

(11) "TRANSIT-ORIENTED COMMUNITY" MEANS A LOCAL GOVERNMENT THAT:

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

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

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

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

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

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

(12) "TRANSIT STATION AREA" MEANS THE TOTAL AREA, MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS WITHIN ONE-HALF MILE OF A STATION, AS IDENTIFIED IN THE CRITERIA IN SECTION 29-37-207 (2).

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

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

**29-37-203. Department of local affairs collaboration - goals - transit-oriented community authority.** (1) AS DETERMINED TO BE APPROPRIATE BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, THE DEPARTMENT SHALL COLLABORATE WITH THE DEPARTMENT OF TRANSPORTATION AND THE COLORADO ENERGY OFFICE IN FULFILLING THE REQUIREMENTS AND GOALS OF THIS PART 2.

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

(a) INCREASE OPPORTUNITIES TO CONSTRUCT HOUSING NEAR TRANSIT IN ORDER TO PROVIDE BENEFITS INCLUDING REGULATED AFFORDABLE HOUSING, ACCESSIBLE HOUSING, REGIONAL EQUITY THROUGH A BALANCE OF JOBS AND HOUSING, IMPROVED AND EXPANDED TRANSIT SERVICE, AND MULTIMODAL ACCESS TO DAILY NEEDS WITHIN MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOODS; AND

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

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

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

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

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

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

(e) IMPLEMENTING DISCRETIONARY APPROVAL PROCESSES FOR SUBDIVISIONS, REZONINGS, VARIANCES, OR OTHER PROCESSES IN TRANSIT CENTERS OUTSIDE OF PROJECT-SPECIFIC ZONING STANDARDS;

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

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

(h) NOT PUBLICLY DISCLOSING ANY CONFIDENTIAL INFORMATION RELATED TO WATER SUPPLIES OR FACILITIES;

(i) ALLOWING COMMERCIAL USES, BUSINESS USES, OR MIXED-USE DEVELOPMENT ON A PARCEL IN A DESIGNATED TRANSIT CENTER; AND

(j) DENYING OR CONDITIONING DEVELOPMENT PROJECTS OR BUILDING PERMIT APPROVALS FOR A FAILURE TO MEET THE REQUIREMENTS OF A TRAFFIC STUDY THAT IS CONDUCTED USING OBJECTIVE STANDARDS.

**29-37-204. Transit-oriented community housing opportunity goal calculation - preliminary transit-oriented community assessment report - housing opportunity goal compliance - insufficient water supplies for meeting a housing opportunity goal - affordability and displacement mitigation strategies - housing opportunity goal report - legislative declaration. (1) Legislative declaration.** THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

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

(b) COLORADO HAS AN INTEREST IN ENSURING A STABLE QUANTITY

AND QUALITY OF HOUSING IN ALIGNMENT WITH POPULATION GROWTH AND ENSURING THAT SHARED RESOURCES, INVESTMENTS, AND GOALS SUCH AS ROADS, INFRASTRUCTURE, TRANSIT, AIR QUALITY, WATER, AND GREENHOUSE GAS MITIGATION, ARE PROTECTED IN THE PROCESS; AND

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

(2) **Housing opportunity goal calculation.** A TRANSIT-ORIENTED COMMUNITY SHALL CALCULATE ITS HOUSING OPPORTUNITY GOAL BY MULTIPLYING THE TOTAL AREA OF THE TRANSIT AREAS, AS DEFINED IN THE TRANSIT AREAS MAP CREATED PURSUANT TO SECTION 29-37-207(1), WITHIN THE LOCAL GOVERNMENT'S JURISDICTION, EXCLUSIVE OF THE EXEMPT PARCELS IN THOSE TRANSIT AREAS, BY FORTY DWELLING UNITS PER ACRE.

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

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

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

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

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

(c) THE DEPARTMENT SHALL REVIEW A PRELIMINARY TRANSIT-ORIENTED COMMUNITY ASSESSMENT REPORT SUBMITTED BY A TRANSIT-ORIENTED COMMUNITY PURSUANT TO THIS SUBSECTION (3) AND EITHER PROVIDE WRITTEN NOTICE APPROVING THE REPORT OR PROVIDE

DIRECTION FOR AMENDING AND RESUBMITTING THE REPORT.

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

(a) DESIGNATE AREAS WITHIN THE TRANSIT-ORIENTED COMMUNITY AS TRANSIT CENTERS AND ENSURE THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-37-205;

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

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

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

(5) **Insufficient water supplies for meeting a housing opportunity goal.** (a) ON OR BEFORE DECEMBER 31, 2026, AND EVERY THREE YEARS THEREAFTER, A TRANSIT-ORIENTED COMMUNITY MAY SUBMIT A NOTICE, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, THAT THE SUPPLY OF WATER FROM ALL WATER SUPPLY ENTITIES, AS DEFINED IN SECTION 29-20-302 (2), THAT SERVE THE TRANSIT-ORIENTED COMMUNITY IS INSUFFICIENT DURING THE NEXT THREE-YEAR PERIOD TO PROVIDE THE DOMESTIC WATER SERVICE NECESSARY TO MEET THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL. THE WATER SUPPLY ENTITIES SHALL PROVIDE INFORMATION AND ASSISTANCE AS NECESSARY TO COMPLETE THE NOTICE ALLOWED BY THIS SUBSECTION (5). THE NOTICE ALLOWED BY THIS SUBSECTION (5) MUST INCLUDE, BUT IS NOT LIMITED TO:

(I) AN ANALYSIS OF WATER DEMAND BASED ON:

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

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

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

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

(IV) A PROPOSAL THAT MAY INCLUDE:

(A) EVIDENCE THAT THE WATER SUPPLY ENTITY LACKS ADEQUATE WATER SUPPLY TO PROVIDE THE AMOUNT OF WATER IDENTIFIED IN SUBSECTION (5)(a)(I) OF THIS SECTION; AND

(B) A REQUEST FOR A MODIFICATION OF THE HOUSING OPPORTUNITY GOAL DURING THE NEXT THREE YEAR PERIOD BASED ON THE ANALYSIS OF WATER DEMAND IDENTIFIED IN SUBSECTION (5)(a)(I) OF THIS SECTION.

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

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



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

(A) AT LEAST TWO STRATEGIES INCLUDED IN THE STANDARD AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-37-208 (1) THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT;

(B) AT LEAST ONE STRATEGY INCLUDED IN THE LONG-TERM AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-37-208 (2) THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT; AND

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

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

(A) COUNT ONE OR BOTH OF THE STRATEGIES DESCRIBED IN SECTIONS 29-37-208 (1)(e) AND 29-37-208 (2)(c) TOWARDS SATISFYING THE REQUIREMENTS OF BOTH SUBSECTIONS (6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION; OR

(B) COUNT ANY STRATEGY DESCRIBED IN SECTION 29-37-208 THAT IS OTHERWISE REQUIRED BY STATE LAW.

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

(a) TWO DISPLACEMENT MITIGATION STRATEGIES THAT THE TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE LONG-TERM DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY THE DEPARTMENT PURSUANT TO SECTION 29-37-209 (3) TO MITIGATE

DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL; AND

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

(8) **Housing opportunity goal report.** (a) ON OR BEFORE DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT. IF A TRANSIT-ORIENTED COMMUNITY CANNOT INCLUDE ANY OF THE FOLLOWING ITEMS IN ITS HOUSING OPPORTUNITY GOAL REPORT ON OR BEFORE DECEMBER 31, 2026, THE TRANSIT-ORIENTED COMMUNITY SHALL INDICATE WHY IT CANNOT DO SO AND ITS PROGRESS TOWARDS BEING ABLE TO INCLUDE THOSE ITEMS IN ITS HOUSING OPPORTUNITY GOAL REPORT. THE REPORT MUST INCLUDE THE FOLLOWING, ALONG WITH ANY OTHER ELEMENTS IDENTIFIED BY THE DEPARTMENT:

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

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

(III) A MAP THAT IDENTIFIES THE BOUNDARIES OF ANY TRANSIT CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY AND EVIDENCE THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-37-205;

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

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

(VI) A DESCRIPTION OF COMMUNITY ENGAGEMENT THAT THE

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

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

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

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

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

(c) IF THE DEPARTMENT HAS NOT APPROVED A TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT ON OR BEFORE DECEMBER 31, 2027, THE DEPARTMENT SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE THAT THE TRANSIT-ORIENTED COMMUNITY IS IN NON-COMPLIANCE WITH THIS PART 2 AND IS NOT A CERTIFIED TRANSIT-ORIENTED COMMUNITY.

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

(II) PURSUANT TO SECTION 29-37-210 (6), A CERTIFIED TRANSIT-ORIENTED COMMUNITY IS ELIGIBLE FOR THE AWARD OF A TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE GRANT PROGRAM GRANT.

(III) THE DEPARTMENT SHALL IDENTIFY CERTIFIED TRANSIT-ORIENTED COMMUNITIES, INCLUDING COMPLIANCE WITH THE REQUIREMENTS FOR AFFORDABILITY STRATEGIES IN SUBSECTION (8)(a)(IV) OF THIS SECTION AND DISPLACEMENT MITIGATION STRATEGIES IN SUBSECTION (8)(a)(V) OF THIS SECTION, FOR THE PURPOSES OF ESTABLISHING ELIGIBILITY FOR THE COLORADO AFFORDABLE HOUSING IN TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT IN PART 54 OF ARTICLE 22 OF TITLE 39.

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

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

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

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

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

**29-37-205. Criteria for qualification as a transit center - criteria for qualification as a transit center outside of a transit area.** (1) TO DESIGNATE AN AREA AS A TRANSIT CENTER, A TRANSIT-ORIENTED

COMMUNITY SHALL:

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

(b) (I) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR FOR SUBDISTRICTS WITHIN THE AREA. AS PART OF THE GUIDANCE THE DEPARTMENT DEVELOPS PURSUANT TO SECTION 29-37-207 (7), THE DEPARTMENT SHALL PROVIDE LOCAL GOVERNMENTS WITH SIMPLE AND EFFECTIVE METHODS OF CALCULATING NET HOUSING DENSITY. THE IDENTIFIED NET HOUSING DENSITY MUST:

(A) REFLECT ANY SIGNIFICANT DIMENSIONAL OR OTHER RESTRICTIONS IN LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA, INCLUDING BUT NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND MAXIMUM HEIGHT. WHERE A DIMENSIONAL RESTRICTION HAS MULTIPLE POTENTIAL OUTCOMES WITHIN THE SAME ZONING DISTRICT OR WITHIN RELATED ZONING DISTRICTS, THE AVERAGE OUTCOME OF THE DIMENSIONAL RESTRICTION MAY BE UTILIZED BY THE TRANSIT-ORIENTED COMMUNITY TO MEASURE NET HOUSING DENSITY.

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

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

(II) NOTHING IN THIS SUBSECTION (1)(b) REQUIRES A LOCAL GOVERNMENT TO INCLUDE AREAS OF INDIVIDUAL PARCELS REQUIRED FOR

STORMWATER DRAINAGE OR UTILITY EASEMENTS IN CALCULATING NET HOUSING DENSITY; AND

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

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

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

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

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

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

(2) (a) NOTWITHSTANDING SUBSECTION (1)(e) OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY MAY ONLY DESIGNATE AN AREA AS A TRANSIT CENTER WITHIN AN OPTIONAL TRANSIT AREA AS DESCRIBED IN SECTION 29-37-207 (4), IF THE TRANSIT-ORIENTED COMMUNITY HAS PROVIDED REASONABLE EVIDENCE IN THE HOUSING OPPORTUNITY GOAL REPORT SUBMITTED PURSUANT TO SECTION 29-37-204 (8) THAT:

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

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

(b) FOR PURPOSES OF SUBSECTION (2)(a)(II) OF THIS SECTION, BARRIERS TO HOUSING DEVELOPMENT MAY INCLUDE:

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

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

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

(IV) SITES THAT ARE INFEASIBLE FOR HOUSING DEVELOPMENT.

**29-37-206. Criteria for qualification as a neighborhood center.**

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

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

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

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

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

(b) NOTWITHSTANDING THE REQUIREMENTS FOR A LOCAL GOVERNMENT DESIGNATING AN AREA AS A NEIGHBORHOOD CENTER PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH SEPARATE REQUIREMENTS FOR LOCAL GOVERNMENTS DESIGNATING AREAS WITHIN POTENTIAL TRANSIT AREAS IDENTIFIED BY THE DEPARTMENT OF TRANSPORTATION PURSUANT TO SECTION 29-37-207 (5).

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

**29-37-207. Transit areas map - transit station area criteria - transit corridor area criteria - housing opportunity goals, models, and guidance. (1) Transit areas map.** (a) ON OR BEFORE SEPTEMBER 30, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A TRANSIT AREA MAP, OR TRANSIT AREA MAPS, BASED ON THE CRITERIA IN SUBSECTIONS (2), (3), (4), (5) AND (6), OF THIS SECTION. ONLY TRANSIT AREAS THAT ARE IDENTIFIED PURSUANT TO SUBSECTIONS (2) AND (3) OF THIS SECTION AND IDENTIFIED ON A TRANSIT AREA MAP PURSUANT TO THIS SUBSECTION (1) MUST BE INCLUDED IN THE CALCULATION OF A HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION 29-37-204 (2).

(b) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT SHALL ALSO PUBLISH A WALKSHED MAP THAT IDENTIFIES THE AREAS THAT ARE REACHABLE BY A PERSON WALKING A DISTANCE OF NOT MORE THAN ONE-HALF MILE FROM A TRANSIT STATION WHERE PART OF THE TRANSIT STATION AREA BASED ON THAT TRANSIT STATION IS SEPARATED FROM ANY EXIT TO THE TRANSIT STATION BY A STATE-OWNED LIMITED-ACCESS HIGHWAY OR RAILROAD TRACK, USING SIMPLE AND EFFICIENT GEOSPATIAL ANALYSIS METHODS AND READILY AVAILABLE NETWORK DATA.



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

- (a) COMMUTER BUS RAPID TRANSIT;
- (b) COMMUTER RAIL; AND
- (c) LIGHT RAIL.

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

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

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

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

(II) A PUBLIC BUS ROUTE THAT:

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

(B) IS IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN FOR SHORT-TERM IMPLEMENTATION OR IMPLEMENTATION BEFORE JANUARY 1, 2030, ACCORDING TO THAT PLAN.

(b) FOR TRANSIT AGENCIES WITHIN METROPOLITAN PLANNING ORGANIZATIONS THAT DO NOT HAVE APPLICABLE TRANSIT PLANS, THE DEPARTMENT SHALL DESIGNATE TRANSIT CORRIDOR AREAS, FOR PURPOSES

OF SUBSECTION (1) OF THIS SECTION, BY IDENTIFYING ANY PUBLIC BUS ROUTES WITH EXISTING TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024, WITH A SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR MORE FREQUENT FOR EIGHT HOURS OR MORE ON WEEKDAYS.

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

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

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

(II) PUBLIC BUS ROUTES OTHER THAN THOSE IDENTIFIED IN SUBSECTION (3)(a)(II)(B) OF THIS SECTION THAT OPERATE AT A PLANNED OR SCHEDULED FREQUENCY OF THIRTY MINUTES OR MORE FREQUENT DURING THE HIGHEST FREQUENCY SERVICE HOURS AS IDENTIFIED BY:

(A) EXISTING SERVICE AS OF JANUARY 1, 2024; OR

(B) IDENTIFIED WITHIN AN APPLICABLE TRANSIT PLAN; AND

(III) OTHER AREAS PLANNED AS MIXED-USE PEDESTRIAN ORIENTED NEIGHBORHOODS.

(b) FOR PURPOSES OF SUBSECTION (4)(a)(III) OF THIS SECTION, A TRANSIT ORIENTED COMMUNITY MAY REQUEST THAT THE DEPARTMENT DESIGNATE A MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOOD AS AN OPTIONAL TRANSIT AREA. THE DEPARTMENT SHALL REVIEW AND APPROVE OR REJECT SUCH A REQUEST BASED ON WHETHER THE MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOOD FULFILLS THE GOALS OF THIS PART

2 ESTABLISHED IN SECTION 29-37-203 (2).

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

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

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

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

(c) IN UPDATING THE TRANSIT AREA MAP PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL IDENTIFY ANY NEIGHBORHOOD CENTERS THAT A LOCAL GOVERNMENT HAS DESIGNATED WITHIN A POTENTIAL TRANSIT AREA.

(6) IN IDENTIFYING THE BOUNDARIES OF TRANSIT AREAS AND OPTIONAL TRANSIT AREAS PURSUANT TO THIS SECTION, THE DEPARTMENT SHALL USE:

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

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

**(7) Housing opportunity goals, models, and guidance.** ON OR BEFORE FEBRUARY 28, 2025, THE DEPARTMENT SHALL PUBLISH MODELS AND GUIDANCE TO SATISFY THE GOALS OF THIS PART 2 AS ESTABLISHED IN SECTION 29-37-203 (2) AND INTERPRET THE DENSITY AND DIMENSIONAL STANDARDS ESTABLISHED IN SECTION 29-37-205 (1)(b) OF THIS SECTION

WITH THE INTENT OF PROVIDING SIMPLE AND EFFICIENT METHODS FOR LOCAL GOVERNMENTS TO CALCULATE THE NET HOUSING DENSITY OF TRANSIT CENTERS IN ORDER TO MEET THEIR HOUSING OPPORTUNITY GOALS. IN PUBLISHING MODELS AND GUIDANCE, THE DEPARTMENT SHALL ESTABLISH MODELS, GUIDANCE, AND TYPICAL BUILDING TYPOLOGIES FOR LOCAL GOVERNMENTS WITH FORM-BASED CODES.

**29-37-208. Standard affordability strategies menu - long-term affordability strategies menu - alternative affordability strategies - impact fees. (1) Standard affordability strategies menu.** ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES AND SHALL UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE THE FOLLOWING STRATEGIES:

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

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

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

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

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

(f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED

FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF 29-37-204 (6)(b)(I)(A);

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

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

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

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

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

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

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

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

(e) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY SUCH AS:

(I) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT HOUSING UNITS;

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

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

(IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;  
AND

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

(3) **Alternative affordability strategies.** A TRANSIT-ORIENTED COMMUNITY MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR PROGRAM, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE ADOPTION OF THAT LOCAL LAW OR PROGRAM QUALIFIES AS AN AFFORDABILITY STRATEGY FOR PURPOSES OF SECTION 29-37-204 (6)(a) AND (6)(b), SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL OR GREATER OPPORTUNITY FOR REGULATED AFFORDABLE HOUSING AND ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1) AND (2) OF THIS SECTION.

**29-37-209. Displacement risk assessment - displacement mitigation strategies menu - displacement mitigation strategies menu goals - alternative displacement mitigation strategies.** (1) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL CONDUCT AN ASSESSMENT THAT INCLUDES RECOMMENDATIONS IDENTIFYING THE RESOURCES NECESSARY TO IMPLEMENT THE DISPLACEMENT MITIGATION STRATEGIES IN THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU DESCRIBED IN SUBSECTION (3) OF THIS SECTION. THE ASSESSMENT MUST IDENTIFY:

(a) APPROPRIATE LOCAL, REGIONAL, OR NONPROFIT ENTITIES TO ASSIST RESIDENTS AT ELEVATED RISK OF DISPLACEMENT, WITH A FOCUS ON

RESIDENTS IN LOCAL GOVERNMENTS THAT HAVE A SMALLER POPULATION AND FEWER FINANCIAL RESOURCES THAN OTHER LOCAL GOVERNMENTS WITHIN THE SAME METROPOLITAN PLANNING ORGANIZATION; AND

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

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

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

(I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

(II) IDENTIFY INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY DISPLACEMENT WARNING AND RESPONSE SYSTEMS, OR IF THOSE SYSTEMS ARE UNAVAILABLE, IDENTIFY THE BEST AVAILABLE LOCAL, REGIONAL, STATE, OR FEDERAL DATA THAT CAN BE ANALYZED TO IDENTIFY RESIDENTS AT ELEVATED DISPLACEMENT RISK, WHICH MAY INCLUDE:

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

(B) THE PERCENTAGE OF HOUSEHOLDS THAT ARE RENTERS;

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

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

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

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

(G) THE LOCATION OF MANUFACTURED HOME PARKS;

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

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

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

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

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

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

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



VULNERABLE TO DISPLACEMENT;

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

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

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

(4) IN DEVELOPING THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU DESCRIBED IN SUBSECTION (3) OF THIS SECTION, THE DEPARTMENT'S GOALS MUST BE TO SUPPORT:

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

(b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING STOCK;

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

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

**29-37-210. Transit-oriented communities infrastructure grant program - transit-oriented communities infrastructure fund - definitions.** (1) **Grant program created.** THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE

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

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

(a) ON-SITE INFRASTRUCTURE FOR AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

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

(c) PUBLIC INFRASTRUCTURE PROJECTS THAT BENEFIT AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

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

(e) INFRASTRUCTURE PROJECT DELIVERY, PLANNING, AND COMMUNITY ENGAGEMENT; AND

(f) ACTIVITIES CONTRACTED BY AN AREA AGENCY ON AGING, AS DEFINED IN SECTION 26-11-201 (2), TO A TRANSIT-ORIENTED COMMUNITY TO PROVIDE SERVICES WITHIN, OR THAT BENEFIT, TRANSIT CENTERS AND NEIGHBORHOOD CENTERS, AND THAT FURTHER THE GOALS OF THIS PART 2.

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

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

NECESSARY TO IMPLEMENT THE GRANT PROGRAM.

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

(6) **Grant program criteria.** THE DEPARTMENT SHALL REVIEW THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION AND SHALL ONLY AWARD GRANTS TO CERTIFIED TRANSIT-ORIENTED COMMUNITIES. IN AWARDING GRANTS, THE DEPARTMENT SHALL CONSIDER THE FOLLOWING CRITERIA:

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

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

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

(II) ADOPTED AFFORDABILITY STRATEGIES FROM THE AFFORDABILITY STRATEGIES MENUS IN SECTION 29-37-208 BASED ON THE LOCAL GOVERNMENT'S DEMONSTRATED HOUSING NEEDS, INCLUDING HOUSING NEEDS FOR RENTAL AND FOR-SALE HOUSING AND FOR LOW-, MODERATE-, AND MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND

PERMANENT SUPPORTIVE HOUSING;

(III) ADOPTED DISPLACEMENT MITIGATION STRATEGIES FROM THE DISPLACEMENT MITIGATION STRATEGIES MENU IN SECTION 29-37-209; AND

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

(c) INFORMATION CONTAINED IN THE REPORTS SUBMITTED BY A LOCAL GOVERNMENT PURSUANT TO SECTION 29-37-204 THAT PROVIDES EVIDENCE THAT THE LOCAL GOVERNMENT HAS MET THE REQUIREMENTS OF SECTION 29-37-204.

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

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

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

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

(9) **Reporting.** (a) ON OR BEFORE JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM, THE DEPARTMENT SHALL SUBMIT A SUMMARIZED REPORT TO THE HOUSE OF REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING

COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, ON RELEVANT INFORMATION REGARDING THE GRANT PROGRAM.

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

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

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

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

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

**24-67-105. Standards and conditions for planned unit development - definitions.** (5.5) (a) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-37-205, OR AS A NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-37-206.

(b) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) AND THAT RESTRICTS THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-37-205, OR AS A NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-37-206:

(I) MUST NOT BE INTERPRETED OR ENFORCED TO RESTRICT THE

DEVELOPMENT OF MULTIFAMILY RESIDENTIAL DWELLING UNITS SO THAT A TRANSIT-ORIENTED COMMUNITY COULD NOT DESIGNATE AN AREA AS A TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT WOULD OTHERWISE QUALIFY AS SUCH; AND

(II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF A TRANSIT CENTER PURSUANT TO SECTION 29-37-205, OR AS A NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-37-206.

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

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

(I) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-102 (12).

(II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (5).

(III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (10).

**SECTION 3.** In Colorado Revised Statutes, 29-20-203, **add** (1.5) as follows:

**29-20-203. Conditions on land-use approvals.** (1.5) WHEN REQUIRING AN OWNER OF PRIVATE PROPERTY TO DEDICATE REAL PROPERTY TO THE PUBLIC, IF THE SUBJECT PROPERTY DOES NOT MEET LOCAL GOVERNMENT STANDARDS FOR DEDICATION AS DETERMINED BY THE LOCAL GOVERNMENT, INCLUDING DEDICATION TO THE PARKS, TRAILS, OR OPEN SPACE SYSTEMS, A LOCAL GOVERNMENT SHALL PROVIDE THE PRIVATE PROPERTY OWNER THE OPTION OF PAYING A FEE IN LIEU OF DEDICATION.

**SECTION 4.** In Colorado Revised Statutes, 38-33.3-106.5, **add** (5) as follows:

**38-33.3-106.5. Prohibitions contrary to public policy - patriotic, political, or religious expression - public rights-of-way - fire prevention - renewable energy generation devices - affordable housing - drought prevention measures - child care - definitions.** (5) (a) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, AN ASSOCIATION SHALL NOT ADOPT A PROVISION OF A DECLARATION, BYLAW, OR RULE ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (5) THAT RESTRICTS THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER, AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

(b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5) MAY RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER, AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

(c) AS USED IN THIS SUBSECTION (5), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "LOCAL LAW" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-102 (11).

(II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (5).

(III) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN SECTION 29-37-202 (10).

**SECTION 5.** In Colorado Revised Statutes, 43-1-1103, **add** (5.5) as follows:

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

(a) POLICY BARRIERS AND OPPORTUNITIES WITHIN THE DEPARTMENT THAT INCLUDES AN EXAMINATION OF POLICIES WITHIN THE STATE ACCESS

CODE, ROADWAY DESIGN STANDARDS, AND THE TREATMENT OF PEDESTRIAN AND BICYCLE CROSSINGS. THE STUDY SHALL EXAMINE THE IMPACT OF THESE POLICIES ON NEIGHBORHOOD CENTERS AND TRANSIT CENTERS, INCLUDING THE IMPACT ON HOUSING PRODUCTION, THE IMPLEMENTATION OF CONTEXT-SENSITIVE DESIGN, COMPLETE STREETS, AND PEDESTRIAN-BICYCLE SAFETY MEASURES; AND

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

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

(2) For the 2024-25 state fiscal year, \$70,000 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs from the transit-oriented communities infrastructure fund created in section 29-37-210 (8)(a)(I), C.R.S. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.

**SECTION 7. Safety clause.** The general assembly finds, determines, and declares that this act is necessary for the immediate



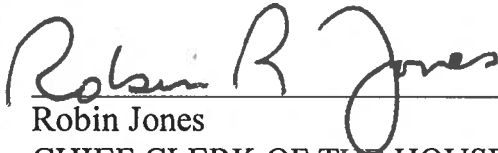
preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.



Julie McCluskie  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES



Steve Fenberg  
PRESIDENT OF  
THE SENATE

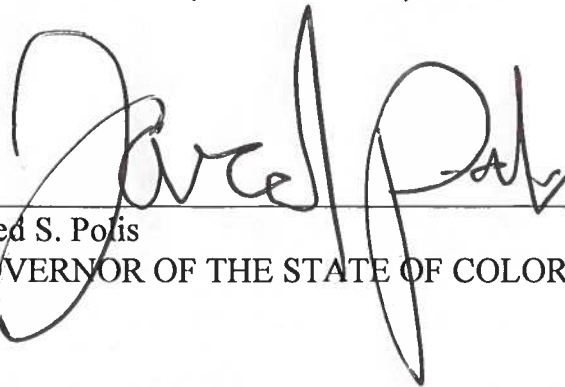


Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES



Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED Monday, May 13<sup>th</sup>, 2024 at 2:00 pm  
(Date and Time)



Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO

# An Act

SENATE BILL 24-174

BY SENATOR(S) Kirkmeyer and Zenzinger, Bridges, Baisley, Gardner, Ginal, Liston, Lundeen, Pelton B., Pelton R., Rich, Simpson, Smallwood, Will, Buckner, Coleman, Exum, Gonzales, Hansen, Marchman, Michaelson Jenet, Mullica, Priola, Roberts;  
also REPRESENTATIVE(S) Bird and Pugliese, Armagost, Bradfield, Evans, Frizell, Lynch, Taggart, Weinberg, Wilson, Winter T., Amabile, Bacon, Boesenecker, Brown, Clifford, Daugherty, Duran, English, Jodeh, Joseph, Lindsay, Lukens, Martinez, Marvin, Mauro, McCormick, McLachlan, Sirota, Snyder, Story, Titone, Valdez, Velasco, Weissman, Willford, Young, McCluskie.

CONCERNING STATE SUPPORT FOR SUSTAINABLE AFFORDABLE HOUSING,  
AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

**SECTION 1.** In Colorado Revised Statutes, **add** part 37 to article 32 of title 24 as follows:

PART 37  
HOUSING NEEDS PLANNING

**24-32-3701. Definitions.** AS USED IN THIS PART 37, UNLESS THE

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

CONTEXT OTHERWISE REQUIRES:

(1) "ACCESSIBLE HOUSING" OR "ACCESSIBLE UNIT" MEANS HOUSING THAT SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED, AND INCORPORATES UNIVERSAL DESIGN.

(2) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

(3) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS.

(4) "DISPLACEMENT" MEANS:

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

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

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

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

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

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

(6) "DWELLING UNIT" MEANS A SINGLE UNIT PROVIDING COMPLETE INDEPENDENT LIVING FACILITIES FOR ONE OR MORE INDIVIDUALS, INCLUDING PERMANENT PROVISIONS FOR COOKING, EATING, LIVING, SANITATION, AND SLEEPING.

(7) "LOCAL GOVERNMENT" MEANS A HOME RULE, TERRITORIAL, OR STATUTORY COUNTY, CITY AND COUNTY, CITY, OR TOWN.

(8) "MAJOR TRANSIT STOP" MEANS A STATION FOR BOARDING AND EXITING GENERAL PUBLIC PASSENGER RAIL, INCLUDING COMMUTER RAIL AND LIGHT RAIL, OR A STOP ON A BUS ROUTE WITH A SERVICE FREQUENCY OF FIFTEEN MINUTES OR LESS FOR EIGHT HOURS OR MORE ON WEEKDAYS, EXCLUDING SEASONAL SERVICE.

(9) "MULTIFAMILY RESIDENTIAL HOUSING" MEANS A BUILDING OR GROUP OF BUILDINGS ON A LOT WITH FIVE OR MORE SEPARATE DWELLING UNITS.

(10) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT MEETS THE FOLLOWING CRITERIA:

(a) ALLOWS A REASONABLE NET HOUSING DENSITY WITHIN ZONING THAT SUPPORTS MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOODS, THE DEVELOPMENT OF REGULATED AFFORDABLE HOUSING, AND INCREASED PUBLIC TRANSIT RIDERSHIP, AS APPLICABLE;

(b) USES AN EFFICIENT DEVELOPMENT REVIEW PROCESS FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT ARE NO LARGER THAN A SIZE DETERMINED BY THE DEPARTMENT; AND

(c) INCLUDES ASPECTS OF MIXED-USE PEDESTRIAN-ORIENTED NEIGHBORHOODS, AS DETERMINED BY CRITERIA ESTABLISHED BY THE DEPARTMENT.

(11) "PUBLIC FACILITIES" MEANS PUBLIC STREETS, ROADS, HIGHWAYS, SIDEWALKS, STREET- AND ROAD-LIGHTING SYSTEMS, TRAFFIC SIGNALS, DOMESTIC WATER SYSTEMS, STORM AND SANITARY SEWER SYSTEMS, PARKS AND RECREATIONAL FACILITIES, BUILDINGS USED IN THE PROVISION OF PUBLIC SERVICES, AND SCHOOLS.

(12) "PUBLIC SERVICES" MEANS FIRE PROTECTION AND SUPPRESSION, LAW ENFORCEMENT, PUBLIC HEALTH, EDUCATION, RECREATION, ENVIRONMENTAL PROTECTION, STORMWATER MANAGEMENT, WASTEWATER MANAGEMENT, PUBLIC TRANSPORTATION, PUBLIC INFRASTRUCTURE MAINTENANCE, WATER, SOCIAL SERVICES, AND OTHER SERVICES TRADITIONALLY PROVIDED BY GOVERNMENT.

(13) "REGION" OR "REGIONAL" MEANS A DEFINED GEOGRAPHIC AREA CONSISTING OF TERRITORY FROM MORE THAN ONE LOCAL GOVERNMENT WITH A SUBSTANTIAL INTERCONNECTION IN COMMUTING PATTERNS, ECONOMY, WORKFORCE, TRANSPORTATION AND TRANSIT SYSTEMS, PUBLIC SERVICES, COMMUNITIES OF INTEREST, OR OTHER FACTORS RELATED TO POPULATION AND HOUSING.

(14) "REGIONAL ENTITY" MEANS A COUNCIL OF GOVERNMENTS, A PUBLIC ENTITY FORMED BY THE VOLUNTARY AGREEMENT OF LOCAL GOVERNMENTS IN THE REGION, OR A REGIONAL PLANNING COMMISSION.

(15) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE HOUSING THAT:

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

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

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

(16) "SINGLE-UNIT DETACHED DWELLING" MEANS A DETACHED BUILDING WITH A SINGLE DWELLING UNIT LOCATED ON A SINGLE LOT.

(17) "SUPPORTIVE HOUSING" OR "SUPPORTIVE UNIT" MEANS A COMBINATION OF HOUSING AND SERVICES INTENDED AS A COST-EFFECTIVE WAY TO HELP PEOPLE LIVE MORE STABLE, PRODUCTIVE LIVES, AND TYPICALLY COMBINES AFFORDABLE HOUSING WITH INTENSIVE COORDINATED SERVICES TO HELP PEOPLE MAINTAIN STABLE HOUSING AND RECEIVE APPROPRIATE HEALTH CARE.

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

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

**24-32-3702. Housing needs assessment methodology - statewide housing needs assessment - displacement risk guidance.** (1) (a) NO LATER THAN DECEMBER 31, 2024, THE DIRECTOR SHALL DEVELOP REASONABLE METHODOLOGIES FOR CONDUCTING STATEWIDE, REGIONAL, AND LOCAL HOUSING NEEDS ASSESSMENTS. THE METHODOLOGIES DESCRIBED IN THIS SUBSECTION (1)(a) MUST ESTABLISH BASELINE STANDARDS THAT SEEK TO PRODUCE ACCURATE DATA FOR INTERNAL STATE AGENCY PLANNING AND GRANT PROGRAMS AND EFFICIENTLY PROCURE DATA FOR USE BY REGIONS AND LOCAL GOVERNMENTS FOR PLANNING PURPOSES, BUT MUST ALSO BE DESIGNED TO MINIMIZE THE FISCAL BURDEN ON LOCAL GOVERNMENTS AND REGIONAL ENTITIES CONDUCTING HOUSING NEEDS ASSESSMENTS. IN DEVELOPING THE METHODOLOGIES AND GUIDANCE DESCRIBED IN THIS SECTION, THE DIRECTOR SHALL CONSULT WITH LOCAL GOVERNMENTS AND EXPERTS IN PLANNING AND ZONING, AFFORDABLE HOUSING, DISABILITY RIGHTS, HOMELESSNESS RESOLUTION AND PREVENTION, TENANTS' RIGHTS, EXPERTS WITH DEMONSTRATED EXPERIENCE IN CONDUCTING HIGH-QUALITY HOUSING NEEDS ASSESSMENTS AND ENGAGEMENT OF UNDERREPRESENTED COMMUNITIES, AND OTHER FIELDS FOCUSED ON HOUSING NEEDS PLANNING. PRIOR TO FINALIZING THE ASSESSMENT METHODOLOGY AND DISPLACEMENT RISK MITIGATION STRATEGIES DIRECTORY CREATED PURSUANT TO SECTION 24-32-3706 (4), THE DIVISION OF LOCAL GOVERNMENT SHALL ENGAGE IN TARGETED OUTREACH WITH FOCUS GROUPS FOR HISTORICALLY UNDERCONSULTED AND DISPROPORTIONATELY IMPACTED STAKEHOLDERS, RESIDENTS, AND BUSINESSES TO IDENTIFY THE PRIMARY REASONS FOR DISPLACEMENT

INCLUDED AMONG THOSE IDENTIFIED IN SECTION 24-32-3701 (4).

(b) NO LATER THAN NOVEMBER 30, 2027, AND EVERY SIX YEARS THEREAFTER, THE DIRECTOR SHALL CONDUCT A STATEWIDE HOUSING NEEDS ASSESSMENT THAT ANALYZES EXISTING AND FUTURE STATEWIDE HOUSING NEEDS. THE DIRECTOR SHALL PUBLISH A REPORT BASED ON THE STATEWIDE HOUSING NEEDS ASSESSMENT AND REGIONAL AND LOCAL HOUSING NEEDS ASSESSMENTS ACCEPTED BY THE DEPARTMENT PURSUANT TO SECTION 24-32-3703 (3) OR 24-32-3704 (3) THAT IDENTIFIES CURRENT HOUSING STOCK AND ESTIMATES THE NUMBER AND TYPE OF DWELLING UNITS NEEDED TO ACCOMMODATE FUTURE HOUSING NEEDS OF THE STATE BASED ON POPULATION CHANGE PROJECTIONS. THE REPORT SHALL CATEGORIZE STATEWIDE HOUSING NEEDS BY HOUSEHOLD SIZE; HOUSEHOLD TYPE, INCLUDING ACCESSIBLE, VISITABLE, SUPPORTIVE, FOR-SALE, AND RENTAL HOUSING; AND INCOME LEVELS, INCLUDING EXTREMELY LOW-, VERY LOW-, LOW-, MODERATE-, AND MIDDLE-INCOME HOUSEHOLDS AS DESIGNATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(c) THE METHODOLOGY FOR CONDUCTING A REGIONAL HOUSING NEEDS ASSESSMENT MUST INCLUDE METHODS FOR A REGIONAL ENTITY TO:

(I) ESTIMATE EXISTING HOUSING STOCK IN THE REGION AND IN EACH LOCAL JURISDICTION THAT FORMS THE REGION;

(II) ESTIMATE HOUSING NEEDS IN THE REGION AND EACH LOCAL GOVERNMENT'S JURISDICTION THAT FORMS THE REGION, SORTED BY INCOME LEVEL AND DWELLING TYPE, INCLUDING ACCESSIBLE UNITS, SUPPORTIVE UNITS, FOR-SALE UNITS, AND RENTAL UNITS;

(III) ESTIMATE THE NUMBER OF HOUSEHOLDS IN THE REGION AND EACH LOCAL GOVERNMENT'S JURISDICTION THAT FORMS THE REGION;

(IV) ESTIMATE THE NUMBER OF JOBS IN THE REGION AND EACH LOCAL GOVERNMENT'S JURISDICTION THAT FORMS THE REGION, SORTED BY ANNUAL SALARY AND WAGE;

(V) ESTIMATE AN ALLOCATION OF HOUSING NEEDS IDENTIFIED IN SUBSECTION (1)(c)(II) OF THIS SECTION TO EACH LOCAL GOVERNMENT IN THE REGION OR CONTRIBUTING TO HOUSING NEEDS IN THE REGION BASED ON THE NUMBER OF JOBS AND EACH LOCAL GOVERNMENT'S DEPENDENCE ON

JOBS IN THE REGION, AMONG OTHER FACTORS, TO PROMOTE A BALANCE OF JOBS AT ALL SALARY LEVELS AND HOMES AFFORDABLE TO PERSONS IN THE REGION HOLDING JOBS AT ALL INCOME LEVELS IN THE REGION;

(VI) IDENTIFY AREAS AT ELEVATED RISK OF DISPLACEMENT IN THE REGION AND EACH LOCAL GOVERNMENT'S JURISDICTION THAT FORMS THE REGION;

(VII) ESTIMATE THE WATER SUPPLY NEEDS FOR THE DWELLING UNITS IDENTIFIED IN SUBSECTIONS (1)(c)(I) AND (1)(c)(II) OF THIS SECTION USING PER CAPITA WATER USE RATES IDENTIFIED IN CONSULTATION WITH THE DEPARTMENT OF NATURAL RESOURCES; AND

(VIII) ASSESS MARKET LIMITATIONS ON THE DEVELOPMENT OF FOR-SALE MULTIFAMILY RESIDENTIAL HOUSING IN THE REGION.

(d) THE METHODOLOGY FOR CONDUCTING A LOCAL HOUSING NEEDS ASSESSMENT MUST INCLUDE METHODS AND ACCEPTABLE PUBLICLY AVAILABLE DATA SOURCES FOR A LOCAL GOVERNMENT TO:

(I) ESTIMATE EXISTING HOUSING STOCK IN THE LOCAL GOVERNMENT'S JURISDICTION;

(II) ESTIMATE HOUSING NEEDS WITHIN THE LOCAL GOVERNMENT'S JURISDICTION, SORTED BY INCOME LEVEL AND DWELLING TYPE, INCLUDING ACCESSIBLE UNITS, VISITABLE UNITS, SUPPORTIVE UNITS, FOR-SALE UNITS, AND RENTAL UNITS;

(III) ESTIMATE THE NUMBER OF HOUSEHOLDS IN THE LOCAL GOVERNMENT'S JURISDICTION;

(IV) ESTIMATE THE NUMBER OF JOBS IN THE LOCAL GOVERNMENT'S JURISDICTION SORTED BY ANNUAL SALARY AND WAGE;

(V) INCORPORATE A PORTION OF HOUSING NEEDS IDENTIFIED IN ANY APPLICABLE STATE AND REGIONAL HOUSING NEEDS ASSESSMENT FOR THE LOCAL GOVERNMENT, AS APPROPRIATE, BASED ON THE NUMBER OF JOBS AND EACH LOCAL GOVERNMENT'S DEPENDENCE ON JOBS IN THE REGION, AMONG OTHER FACTORS, TO PROMOTE A BALANCE OF JOBS AT ALL SALARY LEVELS AND HOMES AFFORDABLE TO PERSONS IN THE REGION HOLDING JOBS AT ALL



INCOME LEVELS;

(VI) IDENTIFY AREAS AT ELEVATED RISK OF DISPLACEMENT IN THE LOCAL GOVERNMENT'S JURISDICTION;

(VII) ESTIMATE WATER SUPPLY NEEDS FOR THE DWELLING UNITS IDENTIFIED IN SUBSECTIONS (1)(d)(I) AND (1)(d)(II) OF THIS SECTION USING PER CAPITA WATER USE RATES IDENTIFIED IN CONSULTATION WITH THE DEPARTMENT OF NATURAL RESOURCES; AND

(VIII) ASSESS MARKET LIMITATIONS ON THE DEVELOPMENT OF HOUSING IN THE LOCAL GOVERNMENT'S JURISDICTION.

(e) THE METHODOLOGIES FOR REGIONAL AND LOCAL HOUSING NEEDS ASSESSMENTS MUST INCLUDE THE FOLLOWING:

(I) A REQUIREMENT THAT HOUSING NEEDS ASSESSMENTS INCLUDE RECOMMENDED POLICY AND PROGRAMMATIC RESPONSES TO THE FINDINGS OF THE HOUSING NEEDS ASSESSMENT, INCLUDING THE ASSESSMENT OF DISPLACEMENT RISK; AND

(II) GUIDANCE REGARDING HOUSING ACTION PLANS CREATED PURSUANT TO SECTION 24-32-3705, INCLUDING THE INCLUSION OF RECOMMENDATIONS FOR HOUSING ACTION PLANS IN HOUSING NEEDS ASSESSMENTS AND THE SEQUENCING OF HOUSING NEEDS ASSESSMENTS AND HOUSING ACTION PLANS.

(2) THE METHODOLOGIES FOR ESTIMATING HOUSING NEEDS IN HOUSING NEEDS ASSESSMENTS MUST BE BASED ON THE FOLLOWING BASELINE COMPONENTS FOR EACH REGION AND LOCAL GOVERNMENT:

(a) EXISTING AND PROJECTED HOUSING SHORTAGES AND SURPLUSES FOR DIFFERENT HOUSEHOLD TYPES AND INCOME LEVELS, INCLUDING EXTREMELY LOW-, VERY LOW-, LOW-, MODERATE-, AND MIDDLE-INCOME HOUSEHOLDS AS DESIGNATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT;

(b) EXISTING HOUSING DIVERSITY AND STOCK;

(c) CURRENT JOBS BY INCOME LEVEL;

(d) CURRENT MEDIAN INCOME;

(e) POPULATION CHANGE PROJECTIONS, JOB GROWTH PROJECTIONS, AND DEMOGRAPHIC TRENDS FORECASTED BY THE STATE DEMOGRAPHY OFFICE;

(f) POPULATION AND DEMOGRAPHICS;

(g) MEASURES OF LOCAL RESOURCES DEDICATED TO THE DEVELOPMENT OF AFFORDABLE HOUSING;

(h) VACANCY RATES;

(i) MEASURES OF HOMELESSNESS AND HOUSING INSTABILITY; AND

(j) THE JOB-HOUSING BALANCE, INCLUDING THE AVAILABILITY OF HOUSING FOR LOW-INCOME WORKERS.

(3) NO LATER THAN DECEMBER 31, 2024, THE DIRECTOR SHALL DEVELOP GUIDANCE FOR REGIONS AND LOCAL GOVERNMENTS TO CONDUCT A DISPLACEMENT RISK ASSESSMENT. IN DEVELOPING THE GUIDANCE, THE DEPARTMENT SHALL INCLUDE METHODS, WITH VARIATIONS FOR DIFFERENT LOCAL CONTEXTS INCLUDING THE SIZE AND RESOURCE LEVELS OF LOCAL GOVERNMENTS, FOR LOCAL GOVERNMENTS TO USE TO:

(a) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT;

(b) IDENTIFY INFORMATION FROM NEIGHBORHOOD-LEVEL EARLY DISPLACEMENT WARNING AND RESPONSE SYSTEMS OR, IF THOSE SYSTEMS ARE UNAVAILABLE, IDENTIFY THE BEST AVAILABLE LOCAL, REGIONAL, STATE, OR FEDERAL DATA THAT CAN BE ANALYZED TO IDENTIFY RESIDENTS AT ELEVATED DISPLACEMENT RISK, WHICH MAY INCLUDE:

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

(II) THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS;

(III) THE PERCENTAGE OF COST-BURDENED HOUSEHOLDS, DEFINED

AS HOUSEHOLDS THAT SPEND MORE THAN THIRTY PERCENT OF THE HOUSEHOLD'S INCOME ON HOUSING NEEDS;

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

(V) THE PERCENTAGE OF HOUSEHOLDS IN WHICH ENGLISH IS NOT THE PRIMARY SPOKEN LANGUAGE;

(VI) THE NUMBER OF SINGLE HEADS OF HOUSEHOLD WITH CHILDREN UNDER EIGHTEEN YEARS OF AGE;

(VII) DATA REGARDING RENTS OR HOME VALUES THAT ARE INCREASING AT A SUBSTANTIALLY HIGHER RATE THAN ADJACENT NEIGHBORHOODS IN THE REGION OR LOCAL GOVERNMENT'S JURISDICTION;

(VIII) DATA REGARDING NEIGHBORHOODS WITH HIGH VOLUME OF SALES OF OWNER-OCCUPIED OR INVESTOR-OWNED HOUSING;

(IX) DATA REGARDING INCREASED SALES AND USE TAXES GENERATED FROM COMMERCIAL AND RETAIL ACTIVITY;

(X) DATA REGARDING BUSINESS CLOSURES; AND

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

(c) IDENTIFY THE LOCATION OF MANUFACTURED HOME PARKS;

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

(e) IDENTIFY AREAS THAT WILL EXPERIENCE INCREASED ZONING CAPACITY ON OR AFTER JANUARY 1, 2025.

(4) ANY METHODOLOGY OR GUIDANCE DEVELOPED BY THE DIRECTOR PURSUANT TO THIS SECTION MUST PERMIT THE SUBSTITUTION OF AN ASSESSMENT OF HOUSING NEEDS OR DISPLACEMENT RISK CONDUCTED PURSUANT TO THE REQUIREMENTS OF ANY OTHER FEDERAL OR STATE LAW

OR REGULATION.

**24-32-3703. Local housing needs assessments - procedure - exempt local governments.** (1) (a) NO LATER THAN DECEMBER 31, 2026, EACH LOCAL GOVERNMENT SHALL CONDUCT AND PUBLISH A LOCAL HOUSING NEEDS ASSESSMENT THAT CONFORMS TO THE METHODOLOGY FOR CONDUCTING LOCAL HOUSING NEEDS ASSESSMENTS DEVELOPED BY THE DIRECTOR PURSUANT TO SECTION 24-32-3702 (1)(d) FOR THE TERRITORY COVERED BY THE LOCAL GOVERNMENT'S MASTER PLAN.

(b) A HOUSING NEEDS ASSESSMENT CONDUCTED BY OR ON BEHALF OF A LOCAL GOVERNMENT AFTER JANUARY 1, 2022, QUALIFIES AS HAVING SATISFIED THE REQUIREMENT OF SUBSECTION (1)(a) OF THIS SECTION, IF THE LOCAL GOVERNMENT SUBMITS THE ASSESSMENT TO THE DEPARTMENT NO LATER THAN DECEMBER 31, 2024, AND THE DEPARTMENT DETERMINES THAT THE MOST RECENT VERSION OF THE ASSESSMENT CONFORMS TO THE METHODOLOGY FOR CONDUCTING A REGIONAL HOUSING NEEDS ASSESSMENT OR LOCAL HOUSING NEEDS ASSESSMENT PURSUANT TO SECTION 24-32-3702. THE DEPARTMENT SHALL REVIEW A HOUSING NEEDS ASSESSMENT AND MAKE SUCH A DETERMINATION WITHIN NINETY DAYS OF A LOCAL GOVERNMENT SUBMITTING THE HOUSING NEEDS ASSESSMENT TO THE DEPARTMENT.

(2) BEGINNING ON DECEMBER 31, 2026, A LOCAL GOVERNMENT SHALL COMPLETE A HOUSING NEEDS ASSESSMENT NO LESS OFTEN THAN EVERY SIX YEARS, EXCEPT AS PROVIDED IN THIS SECTION.

(3) UPON CONDUCTING A LOCAL GOVERNMENT HOUSING NEEDS ASSESSMENT PURSUANT TO SUBSECTION (1) OF THIS SECTION, A LOCAL GOVERNMENT'S GOVERNING BODY SHALL CONSIDER THE LOCAL HOUSING NEEDS ASSESSMENT AT A PUBLIC MEETING. WITHIN SIXTY DAYS OF CONSIDERING THE LOCAL HOUSING NEEDS ASSESSMENT AT A PUBLIC MEETING, THE LOCAL GOVERNMENT SHALL SUBMIT THE HOUSING NEEDS ASSESSMENT ALONG WITH ANY COMMENTS OF THE LOCAL GOVERNMENT'S GOVERNING BODY TO THE DEPARTMENT. THE DEPARTMENT SHALL NOT ACCEPT A HOUSING NEEDS ASSESSMENT FROM A LOCAL GOVERNMENT THAT DOES NOT INCLUDE THE ELEMENTS LISTED IN SECTION 24-32-3702 (1)(d)(I) THROUGH (VI) AND DEMONSTRATE CONSIDERATION OF THE BASELINE COMPONENTS LISTED IN SECTION 24-32-3702 (2). THE DEPARTMENT SHALL NOTIFY A LOCAL GOVERNMENT IF IT DOES NOT ACCEPT AN ASSESSMENT. THE DEPARTMENT SHALL POST THE HOUSING NEEDS ASSESSMENT ON ITS WEBSITE

AFTER ACCEPTING THE ASSESSMENT.

(4) A LOCAL GOVERNMENT IS EXEMPT FROM THE REQUIREMENTS OF THIS SECTION IF:

(a) THE LOCAL GOVERNMENT PARTICIPATES IN THE CREATION OF A REGIONAL HOUSING NEEDS ASSESSMENT PURSUANT TO SECTION 24-32-3704 THAT IS UPDATED NO LESS OFTEN THAN EVERY SIX YEARS, PROVIDED THAT, TO BE EXEMPT FROM THE REQUIREMENT TO CONDUCT AND PUBLISH A LOCAL HOUSING NEEDS ASSESSMENT BY DECEMBER 31, 2026, THE REGIONAL HOUSING NEEDS ASSESSMENT MUST BE COMPLETED BY DECEMBER 31, 2026; OR

(b) THE LOCAL GOVERNMENT HAS A POPULATION OF LESS THAN ONE THOUSAND, OR HAS EXPERIENCED A NEGATIVE POPULATION CHANGE OF AT LEAST ONE PERCENT IN THE MOST RECENT DECENNIAL CENSUS, UNLESS THE LOCAL GOVERNMENT RECEIVES FUNDING TO CONDUCT A LOCAL HOUSING NEEDS ASSESSMENT FROM THE DEPARTMENT PURSUANT TO SECTION 24-32-3710.

(5) (a) POPULATION AND OTHER DATA BY WHICH A LOCAL GOVERNMENT IS DETERMINED TO BE SUBJECT TO THE PROVISIONS OF THIS SECTION MUST BE DETERMINED TWO YEARS PRIOR TO THE DATE THAT THE LOCAL GOVERNMENT IS REQUIRED TO COMPLETE A HOUSING NEEDS ASSESSMENT PURSUANT TO THIS SECTION.

(b) FOR THE PURPOSES OF BOTH THIS SECTION AND SECTION 24-32-3705, A COUNTY'S POPULATION INCLUDES ONLY THE POPULATION WITHIN A COUNTY'S UNINCORPORATED TERRITORY.

**24-32-3704. Regional housing needs assessments.** (1) A REGIONAL ENTITY MAY CONDUCT AND PUBLISH A REGIONAL HOUSING NEEDS ASSESSMENT THAT CONFORMS TO THE METHODOLOGY FOR CONDUCTING REGIONAL HOUSING NEEDS ASSESSMENTS DEVELOPED BY THE DIRECTOR PURSUANT TO SECTION 24-32-3702 (1)(c) FOR THE TERRITORY COVERED BY THE MASTER PLAN OF ANY LOCAL GOVERNMENT IN THE REGION.

(2) UPON CONDUCTING A REGIONAL HOUSING NEEDS ASSESSMENT PURSUANT TO SUBSECTION (1) OF THIS SECTION, A REGIONAL ENTITY SHALL PROVIDE THE REGIONAL HOUSING NEEDS ASSESSMENT TO EACH LOCAL

GOVERNMENT INCLUDED IN THE REGION. WITHIN SIXTY DAYS OF RECEIVING THE REGIONAL HOUSING NEEDS ASSESSMENT, A LOCAL GOVERNMENT'S GOVERNING BODY SHALL REVIEW THE ASSESSMENT AT A PUBLIC MEETING AND SHALL SUBMIT COMMENTS TO THE REGIONAL ENTITY.

(3) WITHIN SIXTY DAYS OF RECEIVING THE LOCAL GOVERNMENTS' COMMENTS ON THE REGIONAL HOUSING NEEDS ASSESSMENT PURSUANT TO SUBSECTION (2) OF THIS SECTION, A REGIONAL ENTITY SHALL SUBMIT THE HOUSING NEEDS ASSESSMENT ALONG WITH THE COMMENTS OF EACH LOCAL GOVERNMENT TO THE DEPARTMENT. THE DEPARTMENT SHALL NOT ACCEPT A HOUSING NEEDS ASSESSMENT FROM A REGIONAL ENTITY THAT DOES NOT INCLUDE THE ELEMENTS LISTED IN SECTION 24-32-3702 (1)(c)(I) THROUGH (VI) AND DEMONSTRATE CONSIDERATION OF THE BASELINE COMPONENTS LISTED IN SECTION 24-32-3702 (2). THE DEPARTMENT SHALL NOTIFY A REGIONAL ENTITY IF IT DOES NOT ACCEPT AN ASSESSMENT. THE DEPARTMENT SHALL POST THE HOUSING NEEDS ASSESSMENT ON ITS WEBSITE AFTER ACCEPTING THE ASSESSMENT.

**24-32-3705. Housing action plan.** (1) (a) BY JANUARY 1, 2028, AND NO LESS THAN EVERY SIX YEARS THEREAFTER, A LOCAL GOVERNMENT SHALL MAKE A HOUSING ACTION PLAN, WHICH PLAN IS SUBJECT TO APPROVAL BY THE GOVERNING BODY FOLLOWING A PUBLIC HEARING. A HOUSING ACTION PLAN MUST BE RESPONSIVE TO AN ACCEPTED HOUSING NEEDS ASSESSMENT AND DEMONSTRATE THE LOCAL GOVERNMENT'S COMMITMENT TO ADDRESS DEMONSTRATED HOUSING NEEDS AND GUIDES THE LOCAL GOVERNMENT IN DEVELOPING LEGISLATIVE ACTIONS, PROMOTING REGIONAL COORDINATION, AND INFORMING THE PUBLIC OF THE LOCAL GOVERNMENT'S EFFORTS TO ADDRESS HOUSING NEEDS IN THE LOCAL GOVERNMENT'S JURISDICTION.

(b) THE REQUIREMENTS OF THIS SECTION ONLY APPLY TO A LOCAL GOVERNMENT THAT HAS A POPULATION OF:

(I) FIVE THOUSAND OR MORE; OR

(II) ONE THOUSAND OR MORE AND EITHER PARTICIPATED IN A REGIONAL HOUSING NEEDS ASSESSMENT OR WOULD HAVE BEEN DEEMED, AS OF JANUARY 1, 2024, TO BE A RURAL RESORT COMMUNITY AS DEFINED IN SECTION 29-32-101 (10).

(c) THE REQUIREMENTS OF THIS SECTION DO NOT APPLY TO A LOCAL GOVERNMENT THAT HAS EXPERIENCED A NEGATIVE POPULATION CHANGE OF AT LEAST ONE PERCENT IN THE MOST RECENT DECENNIAL CENSUS.

(2) A LOCAL GOVERNMENT SHALL MAKE A HOUSING ACTION PLAN THROUGH AN INCLUSIVE PROCESS WITH PUBLIC OUTREACH AND ENGAGEMENT THROUGHOUT THE PROCESS, INCLUDING OUTREACH TO AND ENGAGEMENT OF COMMUNITIES AT RISK OF DISPLACEMENT AND CONSIDERATION FOR PARTICIPATION BY PERSONS UNABLE TO ATTEND MEETINGS IN PERSON OR AT THE LOCAL GOVERNMENT'S REGULAR MEETING TIMES. A HOUSING ACTION PLAN MUST CONSIDER ANY APPLICABLE HOUSING NEEDS ASSESSMENTS, APPLICABLE REGIONAL AND LOCAL PLANS, AND ANY AVAILABLE ASSESSMENTS OF THE ADEQUACY OF PUBLIC SERVICES AND PUBLIC FACILITIES IN THE LOCAL GOVERNMENT'S JURISDICTION. A PROPOSED HOUSING ACTION PLAN MUST BE POSTED PUBLICLY ON A LOCAL GOVERNMENT'S WEBSITE AT LEAST THIRTY DAYS BEFORE THE PUBLIC HEARING ON THE PLAN.

(3) A HOUSING ACTION PLAN MUST INCLUDE THE FOLLOWING BASELINE COMPONENTS:

(a) A SUMMARY REPORT OF THE LOCAL GOVERNMENT'S PROGRESS TOWARDS ADDRESSING THE FINDINGS OF THE APPLICABLE HOUSING NEEDS ASSESSMENT WITHIN THE LOCAL GOVERNMENT'S JURISDICTION. THE SUMMARY REPORT MUST INCLUDE THE NUMBER OF DWELLING UNITS CONSTRUCTED OR PERMITTED IN THE LOCAL GOVERNMENT'S JURISDICTION DURING THE PRECEDING SIX YEARS, IF SUCH INFORMATION IS AVAILABLE.

(b) A DESCRIPTION OF HOW THE LOCAL GOVERNMENT'S HOUSING ACTION PLAN ADDRESSES THE ALLOCATION OF REGIONAL HOUSING NEEDS TO THE LOCAL GOVERNMENT IN ANY APPLICABLE REGIONAL HOUSING NEEDS ASSESSMENT;

(c) AN ASSESSMENT OF THE EFFECT OF EXISTING ZONING AND DENSITY PERMITTED IN THE LOCAL GOVERNMENT'S JURISDICTION ON THE DEVELOPMENT OF THE NUMBER AND TYPES OF DWELLING UNITS IDENTIFIED IN THE APPLICABLE HOUSING NEEDS ASSESSMENT;

(d) A PLAN TO PROMOTE THE EQUITABLE AND EFFICIENT DEVELOPMENT OF THE NUMBER AND TYPES OF DWELLING UNITS IDENTIFIED

THROUGH ANY APPLICABLE HOUSING NEEDS ASSESSMENT AS NECESSARY TO SATISFY HOUSING NEEDS IN THE LOCAL GOVERNMENT'S JURISDICTION AT DIFFERENT INCOME LEVELS, INCLUDING EXTREMELY LOW-, VERY LOW-, MODERATE-, AND MIDDLE-INCOME HOUSEHOLDS AS DESIGNATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, SUBJECT TO THE AVAILABILITY OF ADEQUATE PUBLIC FACILITIES, PUBLIC SERVICES, AND WATER SUPPLY;

(e) LOCALLY-APPROPRIATE GOALS, STRATEGIES, AND ACTIONS FOR PROMOTING THE PRODUCTION AND PRESERVATION OF AFFORDABLE HOUSING DEVELOPMENT AND REGULATED AFFORDABLE HOUSING, INCLUDING AT LEAST TWO STRATEGIES INCLUDED IN THE STANDARD AFFORDABILITY STRATEGIES DIRECTORY DESCRIBED IN SECTION 24-32-3706 (1) AND ONE STRATEGY INCLUDED IN THE LONG-TERM AFFORDABILITY STRATEGIES DIRECTORY DESCRIBED IN SECTION 24-32-3706 (2) THAT ARE SELECTED TO ADDRESS THE DEMONSTRATED HOUSING NEEDS IN THE LOCAL GOVERNMENT'S JURISDICTION AND ARE SUITABLE FOR THE JURISDICTION OR, IF THE LOCAL GOVERNMENT PARTICIPATED IN A REGIONAL HOUSING NEEDS ASSESSMENT, THE DEMONSTRATED HOUSING NEEDS OF THE APPLICABLE REGION AND ANY REGIONAL HOUSING NEEDS ALLOCATED TO THE LOCAL GOVERNMENT;

(f) A NARRATIVE ANALYSIS OF ANY AREA OR COMMUNITY THAT THE LOCAL GOVERNMENT HAS IDENTIFIED AS BEING AT ELEVATED RISK OF DISPLACEMENT AND A PLAN TO MITIGATE DISPLACEMENT IN THAT AREA OR COMMUNITY, INCLUDING THE IDENTIFICATION OF AT LEAST ONE DISPLACEMENT MITIGATION STRATEGY INCLUDED IN THE DISPLACEMENT RISK MITIGATION STRATEGIES DIRECTORY DESCRIBED IN SECTION 24-32-3706 (4) THAT THE LOCAL GOVERNMENT SELECTS TO ADDRESS THE FINDINGS OF THE LOCAL GOVERNMENT'S NARRATIVE ANALYSIS AND IS SUITABLE FOR THE JURISDICTION;

(g) A PLAN FOR THE LEGISLATIVE CONSIDERATION FOR ADOPTION OF THE STRATEGIES IDENTIFIED IN SUBSECTIONS (3)(e) AND (3)(f) OF THIS SECTION;

(h) ANY RECOMMENDED CHANGES TO LOCAL LAWS AFFECTING ZONING AND DENSITY IN THE LOCAL GOVERNMENT'S JURISDICTION BEFORE THE LOCAL GOVERNMENT CONDUCTS THE NEXT HOUSING ACTION PLAN;



(i) AN ANALYSIS OF OPPORTUNITIES TO ACHIEVE THE DEVELOPMENT OF HIGHER-DENSITY AND REGULATED AFFORDABLE HOUSING WITHIN A REASONABLE DISTANCE OF MAJOR TRANSIT STOPS IN THE JURISDICTION;

(j) A NARRATIVE DESCRIPTION OF THE PUBLIC OUTREACH AND ENGAGEMENT PROCESS FOR THE HOUSING ACTION PLAN; AND

(k) A DESCRIPTION OF OPPORTUNITIES FOR INTERGOVERNMENTAL COORDINATION TO ADDRESS LOCAL AND REGIONAL HOUSING NEEDS AND ANY SUCH INTERGOVERNMENTAL COORDINATION EFFORTS UNDERTAKEN BY THE LOCAL GOVERNMENT.

(4) WITHIN SIXTY DAYS OF APPROVAL BY THE GOVERNING BODY, THE LOCAL GOVERNMENT SHALL SUBMIT THE HOUSING ACTION PLAN DEVELOPED PURSUANT TO SUBSECTION (3) OF THIS SECTION TO THE DEPARTMENT AND, IF APPLICABLE, TO THE REGIONAL ENTITY THAT CONDUCTED A REGIONAL HOUSING NEEDS ASSESSMENT THAT APPLIES TO THE LOCAL GOVERNMENT. THE DEPARTMENT SHALL NOT ACCEPT A HOUSING ACTION PLAN THAT DOES NOT INCLUDE THE COMPONENTS REQUIRED BY SECTION 24-32-3705 (3). THE DEPARTMENT SHALL NOTIFY A LOCAL GOVERNMENT IF IT DOES NOT ACCEPT A HOUSING ACTION PLAN. THE DEPARTMENT SHALL POST THE HOUSING ACTION PLAN ON THE DEPARTMENT'S WEBSITE AFTER ACCEPTING THE PLAN.

(5) A LOCAL GOVERNMENT THAT ADOPTED A PLAN THAT SUBSTANTIALLY MEETS THE REQUIREMENTS OF SUBSECTION (3) OF THIS SECTION AND WAS THE SUBJECT OF A PUBLIC HEARING HELD NO EARLIER THAN JANUARY 1, 2024, AND NO LATER THAN JULY 1, 2024, IS NOT REQUIRED TO CONDUCT A HOUSING ACTION PLAN UNTIL FIVE YEARS AFTER THE DATE OF THE ADOPTION OF THE PLAN THAT SUBSTANTIALLY MEETS THE REQUIREMENTS OF SUBSECTION (3) OF THIS SECTION, NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION.

(6) THREE YEARS AFTER ADOPTING A HOUSING ACTION PLAN, A LOCAL GOVERNMENT SHALL REPORT PROGRESS TO THE DEPARTMENT REGARDING THE ADOPTION OF ANY STRATEGIES OR CHANGES TO LOCAL LAWS IDENTIFIED IN THE HOUSING ACTION PLAN OR THE MOST RECENT UPDATED HOUSING ACTION PLAN. THE DEPARTMENT SHALL NOT ACCEPT SUCH A PROGRESS REPORT, IF THE REPORT DOES NOT DEMONSTRATE THAT THE LOCAL GOVERNMENT ADOPTED THE STRATEGIES AND CHANGES TO LOCAL LAWS IDENTIFIED IN THE HOUSING ACTION PLAN OR THE MOST RECENT

UPDATED HOUSING ACTION PLAN, UNLESS THE DEPARTMENT DETERMINES THAT THE LOCAL GOVERNMENT HAS BOTH MADE A GOOD FAITH EFFORT TO ADOPT THESE STRATEGIES OR CHANGES TO LOCAL LAW AND HAS PROVIDED THE DEPARTMENT WITH A PLAN FOR THE ADOPTION OF ALTERNATIVE STRATEGIES OR CHANGES TO LOCAL LAWS IN ACCORDANCE WITH THIS SECTION.

(7) A LOCAL GOVERNMENT MAY UPDATE A HOUSING ACTION PLAN AT ANY TIME BY FOLLOWING THE PROCESS IN SUBSECTION (2) OF THIS SECTION. A LOCAL GOVERNMENT SHALL SUBMIT ANY UPDATE TO A HOUSING ACTION PLAN TO THE DEPARTMENT AND, IF APPLICABLE, A REGIONAL ENTITY AS PROVIDED IN SUBSECTION (4) OF THIS SECTION. THE DEPARTMENT SHALL NOT ACCEPT ANY UPDATE THAT WOULD RESULT IN A HOUSING ACTION PLAN THAT DOES NOT INCLUDE THE COMPONENTS REQUIRED BY SECTION 24-32-3705 (3). THE DEPARTMENT SHALL NOTIFY THE LOCAL GOVERNMENT IF IT DOES NOT ACCEPT AN UPDATE. THE DEPARTMENT SHALL POST THE UPDATE ON ITS WEBSITE, AFTER ACCEPTING THE UPDATE.

(8) POPULATION BY WHICH A LOCAL GOVERNMENT IS DETERMINED TO BE SUBJECT TO THE PROVISIONS OF THIS SECTION MUST BE DETERMINED TWO YEARS PRIOR TO THE DATE THAT THE LOCAL GOVERNMENT IS REQUIRED TO COMPLETE A HOUSING ACTION PLAN PURSUANT TO THIS SECTION.

**24-32-3706. Directories of housing and land use strategies - development of housing and increasing housing affordability - displacement impact mitigation.** (1) NO LATER THAN JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY STRATEGIES DIRECTORY THAT INCLUDES THE FOLLOWING STRATEGIES:

(a) IMPLEMENTING A LOCAL INCLUSIONARY ZONING ORDINANCE THAT CONSIDERS LOCAL HOUSING MARKET CONDITIONS THAT IS CRAFTED TO SUBSTANTIALLY INCREASE AFFORDABLE HOUSING INCLUDING REGULATED AFFORDABLE HOUSING PRODUCTION AND COMPLIES WITH THE REQUIREMENTS OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7);

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

(c) CREATING OR EXPANDING A PROGRAM TO SUBSIDIZE OR

OTHERWISE REDUCE IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES FOR REGULATED AFFORDABLE HOUSING DEVELOPMENT;

(d) ESTABLISHING A DENSITY BONUS PROGRAM THAT GRANTS INCREASED FLOOR AREA RATIO, DENSITY, OR HEIGHT OF REGULATED AFFORDABLE HOUSING UNITS;

(e) CREATING A PROGRAM TO PRIORITIZE AND EXPEDITE DEVELOPMENT APPROVALS FOR REGULATED AFFORDABLE HOUSING DEVELOPMENT, EXCEPT THAT IF THE LOCAL GOVERNMENT HAS DONE SO PURSUANT TO SECTION 29-32-105 (2), THIS STRATEGY DOES NOT COUNT AS AN ELIGIBLE STANDARD AFFORDABILITY STRATEGY FOR PURPOSES OF SECTION 29-32-3705 (3)(e);

(f) CREATING OR EXPANDING A PROGRAM TO SUBSIDIZE OR OTHERWISE REDUCE PERMIT FEES OTHER THAN IMPACT FEES OR SIMILAR DEVELOPMENT CHARGES FOR REGULATED AFFORDABLE HOUSING;

(g) ENACTING LOCAL LAWS THAT INCENTIVIZE THE CONSTRUCTION AND PRESERVATION OF AFFORDABLE HOUSING UNITS DESIGNED TO SERVE RESIDENTS FACING PARTICULAR CHALLENGES SECURING AFFORDABLE HOUSING, INCLUDING ACCESSIBLE AND VISITABLE UNITS AND MULTI-BEDROOM UNITS; AND

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

(2) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A LONG-TERM AFFORDABILITY STRATEGIES DIRECTORY THAT INCLUDES THE FOLLOWING STRATEGIES:

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

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

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

(d) AMENDING ZONING ORDINANCES THAT ALLOW THE CONSTRUCTION OF SINGLE-UNIT DETACHED DWELLINGS TO ALLOW EITHER ACCESSORY DWELLING UNITS OR DUPLEXES, TRIPLEXES, QUADPLEXES, AND TOWNHOMES IN A SUBSTANTIAL PORTION OF THE JURISDICTION;

(e) AMENDING LOCAL LAWS TO ESTABLISH THE USE OF ADMINISTRATIVE PROCESSES FOR THE REVIEW AND APPROVAL OF HOUSING DEVELOPMENT THAT DO NOT INCLUDE A REQUIREMENT OF A PUBLIC HEARING;

(f) INCENTIVIZING OR CREATING A DEDICATED LOCAL PROGRAM THAT FACILITATES INVESTMENT IN LAND BANKING OR COMMUNITY LAND TRUSTS;

(g) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY SUCH AS:

(I) ESTABLISHING A RIGHT OF FIRST REFUSAL PROGRAM OR PROGRAMS THAT TRANSITION EXISTING HOUSING STOCK TO REGULATED AFFORDABLE HOUSING;

(II) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;

(III) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT HOUSING UNITS;

(IV) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE HOME BUYERS; OR

(V) ESTABLISHING AN AFFORDABLE RENT-TO-OWN PROGRAM; AND

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

(3) A LOCAL GOVERNMENT MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR PROGRAM, IN A FORM AND MANNER DETERMINED BY THE

DEPARTMENT, TO THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE ADOPTION OF THAT LOCAL LAW OR PROGRAM QUALIFIES AS AN AFFORDABILITY STRATEGY FOR PURPOSES OF THIS SECTION, SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL OR GREATER HOUSING AFFORDABILITY AND ACCESSIBILITY AS THE STRATEGIES DESCRIBED IN SUBSECTIONS (1) AND (2) OF THIS SECTION.

(4) NO LATER THAN JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A DISPLACEMENT RISK MITIGATION STRATEGIES DIRECTORY. THE DIRECTORY MUST INCLUDE THE FOLLOWING STRATEGIES:

(a) CREATING A LOCALLY FUNDED AND ADMINISTERED RENTAL AND MORTGAGE ASSISTANCE PROGRAM;

(b) CREATING AN EVICTION AND FORECLOSURE NO-COST LEGAL REPRESENTATION PROGRAM;

(c) ESTABLISHING A HOUSING COUNSELING AND NAVIGATION PROGRAM OR FUNDING A COMMUNITY-BASED HOUSING COUNSELING AND NAVIGATION PROGRAM;

(d) CREATING A PROPERTY TAX AND DOWN PAYMENT ASSISTANCE PROGRAM;

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

(f) PRIORITIZING LOCAL MONEY TOWARD REGULATED AFFORDABLE HOUSING UNIT PRESERVATION OR IMPLEMENTING OR CONTINUING DEED RESTRICTIONS FOR AFFORDABLE HOUSING UNITS;

(g) REQUIRING MULTIFAMILY DEVELOPERS BUILDING IN AREAS IDENTIFIED AS BEING AT RISK OF DISPLACEMENT TO CREATE A COMMUNITY BENEFITS AGREEMENT WITH AFFECTED POPULATIONS WITHIN ONE-QUARTER MILE OF THE DEVELOPMENT THAT THE MULTIFAMILY DEVELOPER IS BUILDING;

(h) PROVIDING A PRIORITIZATION POLICY FOR CURRENT RESIDENTS IN THIRTY PERCENT OF ANY NEW MULTIFAMILY DEVELOPMENT; AND

(i) OTHER STRATEGIES IDENTIFIED BY THE DEPARTMENT THAT PROVIDE DISPLACEMENT MITIGATION THAT IS EQUIVALENT TO THE OTHER STRATEGIES DESCRIBED IN THIS SUBSECTION (4).

(5) A LOCAL GOVERNMENT MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR PROGRAM, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE ADOPTION OF THE LOCAL LAW OR PROGRAM QUALIFIES AS A DISPLACEMENT RISK MITIGATION STRATEGY FOR PURPOSES OF THIS SECTION, SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL OR GREATER MITIGATION OF DISPLACEMENT RISK AS THE STRATEGIES DESCRIBED IN SUBSECTION (4) OF THIS SECTION.

(6) NOTWITHSTANDING THE ABSENCE OF SPECIFIC AUTHORIZATION IN ANY OTHER LAW, A LOCAL GOVERNMENT HAS THE AUTHORITY TO ENACT ORDINANCES OR RESOLUTIONS TO ADOPT AND IMPLEMENT THE STRATEGIES IDENTIFIED IN THIS SECTION.

**24-32-3707. Statewide strategic growth report.** (1) NO LATER THAN OCTOBER 31, 2025, THE DIRECTOR SHALL SUBMIT TO THE GENERAL ASSEMBLY A STATEWIDE STRATEGIC GROWTH REPORT. THE REPORT MUST SUPPLEMENT THE STATEWIDE CLIMATE PREPAREDNESS STRATEGIC PLAN AND ROADMAP PUBLISHED PURSUANT TO SECTION 24-38.8-103 AND ANY OTHER CURRENT REPORT OF A STATE AGENCY OR TASK FORCE ADDRESSING THE MATTERS COVERED IN THIS SECTION.

(2) THE STRATEGIC GROWTH REPORT DESCRIBED IN SUBSECTION (1) OF THIS SECTION MUST:

(a) INCLUDE AN ANALYSIS OF POLICY-DRIVEN LAND USE SCENARIOS, INCLUDING A STRATEGIC GROWTH SCENARIO, AND EXAMINE THE IMPACTS OF THESE SCENARIOS ON THE COST AND AVAILABILITY OF HOUSING, INFRASTRUCTURE, CLIMATE AND AIR QUALITY, WATER SUPPLY, TRANSPORTATION AND TRANSIT, PARKS AND OPEN SPACE, RESOURCE LANDS, WILDFIRE RISK, AND CRITICAL AREAS;

(b) INCLUDE AN ANALYSIS OF THE IMPACT OF EXISTING STATE POLICIES AND PROGRAMS ON LAND USE DEVELOPMENT PATTERNS AND THE ENCOURAGEMENT OF SPRAWL;

(c) CONSIDER THE CONTEXT OF DIFFERENT REGIONS AND COMMUNITIES ACROSS THE STATE, EMPOWER AND PROMOTE LOCAL INITIATIVES AND IDEAS THAT LEAD TO STRATEGIC GROWTH, AND RECOGNIZE THAT ALL COMMUNITIES HAVE UNIQUE NEEDS THAT OFTEN CALL FOR ADDITIONAL FLEXIBILITY WHEN APPLYING STRATEGIC GROWTH GOALS, ESPECIALLY COMMUNITIES OUTSIDE OF METROPOLITAN AREAS AND COMMUNITIES VULNERABLE TO DISPLACEMENT; AND

(d) INCLUDE RECOMMENDATIONS FOR STATE LEGISLATION AND LOCAL LAWS, TO ENCOURAGE ENVIRONMENTALLY AND FISCALLY SUSTAINABLE GROWTH, INCLUDING BUT NOT LIMITED TO ECONOMIC INCENTIVES, FINANCING TOOLS, ACCESS CHARGES, URBAN GROWTH AREAS, THREE MILE PLANS, TRANSFER OF DEVELOPMENT RIGHTS, ANNEXATION, AND SPECIAL DISTRICTS.

(3) IN DEVELOPING THE STRATEGIC GROWTH REPORT DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE DIRECTOR SHALL CONSULT WITH STATE AGENCIES AND LOCAL GOVERNMENTS WITH FUNCTIONS OR JURISDICTION REGARDING THE MATTERS COVERED IN THIS SECTION AND LOCAL GOVERNMENTS, REGIONAL PLANNING AGENCIES, WATER PROVIDERS, UTILITY PROVIDERS, ECONOMIC DEVELOPMENT ENTITIES, AND EXPERTS IN FIELDS RELATED TO STRATEGIC GROWTH.

**24-32-3708. Natural land and agricultural interjurisdictional opportunities report.** (1) NO LATER THAN DECEMBER 31, 2025, THE DIRECTOR, IN CONSULTATION WITH RELEVANT STATE AGENCIES INCLUDING THE DEPARTMENT OF AGRICULTURE, THE DIVISION OF PARKS AND WILDLIFE IN THE DEPARTMENT OF NATURAL RESOURCES, THE OUTDOOR RECREATION INDUSTRY OFFICE IN THE OFFICE OF ECONOMIC DEVELOPMENT, AND THE COLORADO TOURISM OFFICE, SHALL DEVELOP AND PUBLISH A NATURAL LAND AND AGRICULTURAL INTERJURISDICTIONAL OPPORTUNITIES REPORT THAT MUST INCLUDE:

(a) OPPORTUNITIES FOR LOCAL GOVERNMENTS AND METROPOLITAN PLANNING ORGANIZATIONS TO ACHIEVE CONNECTIVITY TO OPEN SPACE, WILDLIFE HABITAT, AND OTHER PRIORITY LANDSCAPES;

(b) OPPORTUNITIES FOR LOCAL GOVERNMENTS AND METROPOLITAN PLANNING ORGANIZATIONS TO ACHIEVE THE PRESERVATION OF AGRICULTURAL LAND, HISTORIC AND CULTURAL RESOURCES, URBAN PARKS

AND GREEN SPACES, EXURBAN OPEN SPACES, RECREATIONAL RESOURCES, WILDLIFE HABITATS, AND ECOSYSTEMS WITH THE GREATEST NEED FOR CONSERVATION AND MITIGATION OF HAZARDS; AND

(c) BEST PRACTICES, TOOLS, AND RESOURCES RELATED TO SUBSECTIONS (1)(a) AND (1)(b) OF THIS SECTION.

(2) THE NATURAL LAND AND AGRICULTURAL INTERJURISDICTIONAL OPPORTUNITIES REPORT MUST INTEGRATE AND INCLUDE INFORMATION FROM RELEVANT STATE, REGIONAL, AND LOCAL PLANS THAT ADDRESS THE SUBJECT MATTERS IDENTIFIED IN SUBSECTION (1) OF THIS SECTION.

**24-32-3709. Technical assistance.** (1) THE DIVISION OF LOCAL GOVERNMENT SHALL PROVIDE TECHNICAL ASSISTANCE, MATERIALS, BRIEFINGS, CONSULTING SERVICES, TEMPLATES, TOOLS, TRAININGS, WEBINARS, OR OTHER GUIDANCE TO ASSIST LOCAL GOVERNMENTS IN:

(a) ESTABLISHING REGIONAL ENTITIES THAT PROMOTE STATEWIDE COVERAGE OF LOCAL GOVERNMENTS BY HOUSING NEEDS ASSESSMENTS WITHOUT UNNECESSARY DUPLICATION FOR THE PURPOSE OF CONDUCTING REGIONAL HOUSING NEEDS ASSESSMENTS AND DISPLACEMENT RISK ASSESSMENTS;

(b) CREATING HOUSING NEEDS ASSESSMENTS PURSUANT TO SECTIONS 24-32-3703 AND 24-32-3704;

(c) CONDUCTING A DISPLACEMENT RISK ANALYSIS WITH A STATE-CREATED TOOL;

(d) IDENTIFYING AND IMPLEMENTING STRATEGIES, INCLUDING IN THE DIRECTORIES DESCRIBED IN SECTION 24-32-3706;

(e) MAKING AND ADOPTING A HOUSING ACTION PLAN IN ACCORDANCE WITH SECTION 24-32-3705;

(f) ENACTING LAWS AND POLICIES PURSUANT TO ACCEPTED HOUSING NEEDS ASSESSMENTS AND ACCEPTED HOUSING ACTION PLANS THAT ENCOURAGE THE DEVELOPMENT OF A RANGE OF HOUSING TYPES, INCLUDING REGULATED AFFORDABLE HOUSING, OR MITIGATE THE IMPACT OF DISPLACEMENT IN ACCORDANCE WITH SECTION 24-32-3706; AND



(g) CREATING STRATEGIC GROWTH ELEMENTS IN MASTER PLANS AS DESCRIBED IN SECTION 30-28-106 (3)(a.5)(III) OR SECTION 31-23-206 (1.5)(d).

(2) IN DETERMINING TO WHOM IT WILL PROVIDE ASSISTANCE PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE DIVISION OF LOCAL GOVERNMENT SHALL PRIORITIZE REQUESTS FOR TECHNICAL ASSISTANCE RELATED TO:

(a) CONDUCTING REGIONAL HOUSING NEEDS ASSESSMENTS, IF THE DEPARTMENT DETERMINES THAT THE REGIONAL ENTITY MEETS THE REQUIREMENTS OF THIS SECTION AND THE ASSESSMENT WOULD PROMOTE STATEWIDE COVERAGE OF LOCAL GOVERNMENTS BY HOUSING NEEDS ASSESSMENTS WITHOUT UNNECESSARY DUPLICATION;

(b) CONDUCTING HOUSING NEEDS ASSESSMENTS AND CREATING HOUSING ACTION PLANS CONTEMPORANEOUSLY; AND

(c) ENACTING LAWS AND POLICIES TO PRESERVE OR CREATE REGULATED AFFORDABLE HOUSING, MITIGATE DISPLACEMENT, OR INCREASE OPPORTUNITIES FOR MULTIFAMILY RESIDENTIAL HOUSING NEAR MAJOR TRANSIT STOPS.

(3) (a) IN ASSISTING LOCAL GOVERNMENTS PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE DIVISION OF LOCAL GOVERNMENT SHALL PROVIDE FUNDING THROUGH EITHER A GRANT PROGRAM, THE PROVISION OF CONSULTANT SERVICES, OR BOTH DIRECTLY TO LOCAL GOVERNMENTS OR THROUGH A REGIONAL ENTITY AND SHALL PRIORITIZE FUNDING AND GRANT PROGRAMS ADMINISTERED BY THE DEPARTMENT FOR THE PURPOSES OF THIS SECTION, SO LONG AS DOING SO IS NOT INCONSISTENT WITH FEDERAL OR STATE LAW.

(b) ANY CONSULTANT RETAINED BY THE DEPARTMENT TO PROVIDE TECHNICAL ASSISTANCE PURSUANT TO THIS SECTION RELATING TO HOUSING NEEDS ASSESSMENTS AND HOUSING ACTION PLANS SHALL HAVE DEMONSTRATED EXPERIENCE CONDUCTING HIGH-QUALITY HOUSING NEEDS ASSESSMENTS AND STRATEGIC HOUSING PLANS AND ENGAGING UNDERREPRESENTED COMMUNITIES, RESIDENTS, AND WORKERS WITH DISPROPORTIONATE HOUSING NEEDS AND CHALLENGES.

(c) THE DEPARTMENT SHALL REQUIRE, AS A CONDITION OF ANY FUNDING AWARDED TO A LOCAL GOVERNMENT TO CONDUCT HOUSING NEEDS ASSESSMENTS OR CREATE HOUSING ACTION PLANS PURSUANT TO THIS SECTION, THAT:

(I) UNLESS NO SUCH PERSON IS AVAILABLE, ANY PERSON PROVIDING SERVICES TO THE LOCAL GOVERNMENT THAT WILL BE FUNDED BY THE AWARD MEETS THE REQUIREMENTS OF SUBSECTION (3)(b) OF THIS SECTION; AND

(II) THE LOCAL GOVERNMENT USE A PORTION OF THE FUNDS AWARDED BY THE DEPARTMENT TO CONDUCT HOUSING NEEDS ASSESSMENTS OR CREATING HOUSING ACTION PLANS PURSUANT TO THIS SECTION TO ENGAGE UNDERREPRESENTED AND UNDERRECOGNIZED COMMUNITIES.

(4) BEGINNING JANUARY 1, 2025, AND EVERY YEAR THEREAFTER, THE DIVISION OF LOCAL GOVERNMENT SHALL PROVIDE A REPORT ON THE ASSISTANCE REQUESTED BY LOCAL GOVERNMENTS PURSUANT TO THIS SECTION, WHETHER OR NOT ADEQUATE STATE FUNDING IS AVAILABLE TO PROVIDE THE ASSISTANCE REQUESTED BY LOCAL GOVERNMENTS, AND ANY ADDITIONAL RESOURCES THAT THE DIVISION OF LOCAL GOVERNMENT OR LOCAL GOVERNMENTS HAVE IDENTIFIED THAT WOULD ASSIST LOCAL GOVERNMENTS IN IDENTIFYING AND IMPLEMENTING LAWS AND POLICIES THAT WOULD INCREASE THE AVAILABILITY OF HOUSING IN COLORADO.

(5) (a) THE DIVISION OF LOCAL GOVERNMENT SHALL SERVE AS A CLEARINGHOUSE, FOR THE BENEFIT OF LOCAL GOVERNMENTS AND REGIONAL ENTITIES, OF INFORMATION RELATING TO THIS PART 37 AND SHALL REFER LOCAL GOVERNMENTS TO STATE AND FEDERAL RESOURCES AND APPROPRIATE DEPARTMENTS OR AGENCIES OF THE STATE OR FEDERAL GOVERNMENT FOR ADVICE, ASSISTANCE, OR AVAILABLE SERVICES RELATING TO THIS PART 37.

(b) THE DIVISION OF LOCAL GOVERNMENT SHALL IDENTIFY OPPORTUNITIES FOR, ENCOURAGE, AND, WHEN SO REQUESTED, ASSIST COOPERATIVE EFFORTS AMONG LOCAL GOVERNMENTS IN SOLVING COMMON PROBLEMS RELATED TO POPULATION CHANGE AND THE IMPLEMENTATION OF THIS PART 37.

(c) THE DEPARTMENT MAY ATTEMPT TO MEDIATE DISPUTES BETWEEN

LOCAL GOVERNMENTS REGARDING THE ENACTMENT OF LOCAL LAWS OR POLICIES RELATED TO THE CREATION OF HOUSING NEEDS ASSESSMENTS AND HOUSING ACTION PLANS PURSUANT TO THIS PART 37, INTERJURISDICTIONAL COORDINATION OR DISPUTES REGARDING THE DEVELOPMENT OF LAND FOR RESIDENTIAL USES, INCLUDING REGULATED AFFORDABLE HOUSING USES AND THE PROVISION OF WATER AND SEWER SERVICES, AND ANYTHING ELSE COVERED BY THIS PART 37 OR REFER LOCAL GOVERNMENTS TO THE LIST OF MEDIATORS MAINTAINED PURSUANT TO SECTION 24-32-3209 TO ASSIST IN THE RESOLUTION OF SUCH DISPUTES.

(6)(a) THE HOUSING NEEDS PLANNING TECHNICAL ASSISTANCE FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF GIFTS, GRANTS, AND DONATIONS CREDITED TO THE FUND AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE HOUSING NEEDS PLANNING TECHNICAL ASSISTANCE FUND TO THE FUND.

(b) MONEY IN THE HOUSING NEEDS PLANNING TECHNICAL ASSISTANCE FUND IS CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT FOR THE PURPOSES OF PROVIDING TECHNICAL ASSISTANCE AND IMPLEMENTING A GRANT PROGRAM PURSUANT TO THIS SECTION.

(c)(I) ON JULY 1, 2024, THE STATE TREASURER SHALL TRANSFER TO THE HOUSING NEEDS PLANNING TECHNICAL ASSISTANCE FUND:

(A) NOTWITHSTANDING THE ALLOCATION OF FUNDS DESCRIBED IN SECTION 39-29-110, OR ANY OTHER LAW TO THE CONTRARY, TEN MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE LOCAL GOVERNMENT SEVERANCE TAX FUND CREATED IN SECTION 39-29-110; AND

(B) NOTWITHSTANDING THE ALLOCATION OF FUNDS DESCRIBED IN SECTION 34-63-102, OR ANY OTHER LAW TO THE CONTRARY, FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE LOCAL GOVERNMENT MINERAL IMPACT FUND CREATED IN SECTION 34-63-102 (5).

(II) THIS SUBSECTION (6)(c) IS REPEALED, EFFECTIVE JULY 1, 2025.

**24-32-3710. Prioritization for conformity with planning expectations.** (1) ON OR AFTER DECEMBER 1, 2027, ANY GRANT PROGRAM

ADMINISTERED BY THE DEPARTMENT, THE COLORADO ENERGY OFFICE, THE OFFICE OF ECONOMIC DEVELOPMENT, THE DEPARTMENT OF TRANSPORTATION, THE DEPARTMENT OF NATURAL RESOURCES, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, OR THE DEPARTMENT OF PERSONNEL AND ADMINISTRATION THAT AWARDS GRANTS TO COUNTIES AND MUNICIPALITIES FOR THE PRIMARY PURPOSE OF SUPPORTING LAND USE PLANNING OR HOUSING, EXCLUDING LAND USE PLANNING OR HOUSING PURSUANT TO ARTICLE 32 OF TITLE 29, MUST, SO LONG AS DOING SO IS NOT INCONSISTENT WITH FEDERAL LAW OR THE STATE CONSTITUTION, INCLUDE PRIORITIZATION CRITERIA THAT CONSIDER WHETHER:

(a) A CURRENT LOCAL OR REGIONAL HOUSING NEEDS ASSESSMENT HAS BEEN COMPLETED FOR THE LOCAL GOVERNMENT AND HAS BEEN ACCEPTED BY THE DEPARTMENT PURSUANT TO SECTION 24-32-3703 OR 24-32-3704;

(b) A HOUSING ACTION PLAN HAS BEEN ADOPTED BY THE LOCAL GOVERNMENT AND ACCEPTED BY THE DEPARTMENT PURSUANT TO SECTION 24-32-3705;

(c) A REPORT HAS BEEN SUBMITTED BY THE LOCAL GOVERNMENT AND ACCEPTED BY THE DEPARTMENT PURSUANT TO SECTION 24-32-3705 (6); AND

(d) THE MASTER PLAN FOR THE LOCAL GOVERNMENT INCLUDES A WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT AS DESCRIBED IN SECTIONS 30-28-106 (3)(a.5) AND 31-23-206 (1.5).

(2) IN CONSIDERING AWARDED A GRANT TO A LOCAL GOVERNMENT THAT IS NOT SUBJECT TO ANY OF THE PROVISIONS IDENTIFIED IN THE PRIORITIZATION CRITERIA DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT SHALL TREAT THE LOCAL GOVERNMENT AS IF IT HAS SATISFIED THE PRIORITIZATION CRITERIA IN SUBSECTION (1) OF THIS SECTION.

**24-32-3711. Neighborhood centers - grant program prioritization.** (1) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL ADOPT REASONABLE CRITERIA FOR THE DESIGNATION OF NEIGHBORHOOD CENTERS IN ACCORDANCE WITH SECTION 24-32-3701 (10), INCLUDING CRITERIA FOR VARYING REGIONAL CONTEXTS. THE DEPARTMENT SHALL

DESIGN THE CRITERIA ADOPTED PURSUANT TO THIS SUBSECTION (1) TO MINIMIZE THE FISCAL BURDEN ON LOCAL GOVERNMENTS. THE CRITERIA ADOPTED BY THE DEPARTMENT PURSUANT TO THIS SUBSECTION (1) MUST NOT:

(a) LIMIT OR RESTRICT THE AUTHORITY OF A LOCAL GOVERNMENT, INCLUDING AUTHORITY RELATING TO ZONING, REGULATION OF THE USE OF LAND, AND THE IMPOSITION OF FEES, CHARGES, AND TAXES, NOTWITHSTANDING THE EXERCISE OF THAT AUTHORITY TO ESTABLISH A NEIGHBORHOOD CENTER; OR

(b) REQUIRE THE MODIFICATION OF A CHARTER ADOPTED PURSUANT TO ARTICLE XX OF THE STATE CONSTITUTION.

(2) A LOCAL GOVERNMENT MAY DESIGNATE A NEIGHBORHOOD CENTER PURSUANT TO THIS SECTION AND SUBMIT A REPORT TO THE DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT. THE DEPARTMENT SHALL NOT ACCEPT A REPORT DESIGNATING A NEIGHBORHOOD CENTER THAT DOES NOT COMPLY WITH THE CRITERIA ADOPTED BY THE DEPARTMENT. THE DEPARTMENT SHALL NOTIFY A LOCAL GOVERNMENT IF IT DOES NOT ACCEPT THE LOCAL GOVERNMENT'S REPORT.

(3) AS OF DECEMBER 31, 2026, EXCLUDING GRANT PROGRAMS GOVERNED BY ARTICLE 32 OF TITLE 29, THE DEPARTMENTS, OFFICES, AND AGENCIES IDENTIFIED IN SECTION 24-32-3710 SHALL UPDATE GRANT AWARD CRITERIA TO INCLUDE CONSIDERATION AND PRIORITIZATION OF, TO THE EXTENT CONSISTENT WITH THE PURPOSE OF THE GRANT PROGRAM AND ANY APPLICABLE PROVISION OF FEDERAL LAW OR THE STATE CONSTITUTION, PROJECTS THAT MEET ONE OF THE FOLLOWING CRITERIA:

(a) THE PROJECT IS IN OR SUPPORTS A NEIGHBORHOOD CENTER DESIGNATED IN A REPORT ACCEPTED BY THE DEPARTMENT PURSUANT TO SUBSECTION (2) OF THIS SECTION; OR

(b) THE PROJECT CONCERNS AN AREA THAT WOULD NOT MEET THE CRITERIA FOR DESIGNATION AS A NEIGHBORHOOD CENTER.

**SECTION 2.** In Colorado Revised Statutes, 30-28-106, **amend** (1); **repeal and reenact, with amendments**, (3)(a); and **add** (3)(a.3), (3)(a.5), (3)(a.7), (3)(a.9), and (8) as follows:

**30-28-106. Master plan - definition.** (1) It is the duty of a county planning commission to make and adopt a master plan for the physical development of the unincorporated territory of the county, SUBJECT TO THE APPROVAL OF THE COUNTY COMMISSION HAVING JURISDICTION THEREOF. When a county planning commission decides to adopt a master plan, the commission shall conduct public hearings, after notice of such public hearings has been published in a newspaper of general circulation in the county in a manner sufficient to notify the public of the time, place, and nature of the public hearing, prior to final adoption of a master plan in order to encourage public participation in and awareness of the development of such plan and shall accept and consider oral and written public comments throughout the process of developing the plan.

(3) (a) THE MASTER PLAN OF A COUNTY OR REGION, WITH THE ACCOMPANYING MAPS, PLATS, CHARTS, AND DESCRIPTIVE AND EXPLANATORY MATTER, MUST SHOW THE COUNTY OR REGIONAL PLANNING COMMISSION'S RECOMMENDATIONS FOR THE DEVELOPMENT OF THE TERRITORY COVERED BY THE MASTER PLAN. THE MASTER PLAN OF A COUNTY OR REGION IS AN ADVISORY DOCUMENT TO GUIDE LAND DEVELOPMENT DECISIONS; HOWEVER, THE MASTER PLAN OR ANY PART THEREOF MAY BE MADE BINDING BY INCLUSION IN THE COUNTY'S OR REGION'S ADOPTED SUBDIVISION, ZONING, PLATTING, PLANNED UNIT DEVELOPMENT, OR OTHER SIMILAR LAND DEVELOPMENT REGULATIONS AFTER SATISFYING NOTICE, DUE PROCESS, AND HEARING REQUIREMENTS FOR LEGISLATIVE OR QUASI-JUDICIAL PROCESSES AS APPROPRIATE.

(a.3) (I) THE COUNTY OR REGIONAL PLANNING COMMISSION SHALL FOLLOW THE PROCEDURES IN SECTION 24-32-3209. FOR PURPOSES OF THIS SECTION, ANY SPECIAL DISTRICT THAT SUPPLIES WATER TO THE AREA COVERED BY THE MASTER PLAN IS A NEIGHBORING JURISDICTION AS DEFINED IN SECTION 24-32-3209 (1)(h).

(II) IN ADOPTING OR AMENDING A MASTER PLAN, THE COUNTY OR REGIONAL PLANNING COMMISSION SHALL CONSIDER THE FOLLOWING, WHERE APPLICABLE OR APPROPRIATE, AND ANY OTHER INFORMATION DEEMED RELEVANT BY THE COUNTY OR REGIONAL PLANNING COMMISSION:

(A) THE APPLICABLE HOUSING NEEDS ASSESSMENTS PUBLISHED PURSUANT TO SECTIONS 24-32-3702 (1)(b), 24-32-3703, AND 24-32-3704;

(B) THE STATEWIDE STRATEGIC GROWTH REPORT CREATED PURSUANT TO SECTION 24-32-3707;

(C) THE NATURAL LAND AND AGRICULTURAL OPPORTUNITIES REPORT PUBLISHED PURSUANT TO SECTION 24-32-3708; AND

(D) THE COLORADO WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3.

(a.5) THE MASTER PLAN MUST INCLUDE:

(I) A NARRATIVE DESCRIPTION OF THE PROCEDURE USED FOR THE DEVELOPMENT AND ADOPTION OF THE MASTER PLAN, INCLUDING A SUMMARY OF ANY OBJECTIONS TO THE MASTER PLAN MADE BY NEIGHBORING JURISDICTIONS AS DEFINED IN SECTION 24-32-3209 (1)(h) AND A DESCRIPTION OF THE RESOLUTION OR OUTCOME OF THE OBJECTIONS;

(II) (A) A WATER SUPPLY ELEMENT DEVELOPED IN CONSULTATION WITH ENTITIES THAT SUPPLY WATER FOR USE WITHIN THE COUNTY OR REGION TO ENSURE COORDINATION ON WATER SUPPLY AND FACILITY PLANNING. NOTHING IN THIS SECTION REQUIRES THE PUBLIC DISCLOSURE OF CONFIDENTIAL INFORMATION RELATED TO WATER SUPPLY OR FACILITIES.

(B) THE WATER SUPPLY ELEMENT MUST ESTIMATE A RANGE OF WATER SUPPLIES AND FACILITIES NEEDED TO SUPPORT THE POTENTIAL PUBLIC AND PRIVATE DEVELOPMENT DESCRIBED IN THE MASTER PLAN, AND INCLUDE WATER CONSERVATION POLICIES, TO BE DETERMINED BY THE COUNTY OR LOCAL GOVERNMENTS WITHIN A REGION, WHICH MAY INCLUDE GOALS SPECIFIED IN THE COLORADO WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3 AND POLICIES TO IMPLEMENT WATER CONSERVATION AND OTHER COLORADO WATER PLAN GOALS AS A CONDITION OF DEVELOPMENT APPROVAL, FOR SUBDIVISIONS, PLANNED UNIT DEVELOPMENTS, SPECIAL USE PERMITS, AND ZONING CHANGES.

(C) A COUNTY OR REGION WITH A MASTER PLAN THAT INCLUDES A WATER SUPPLY ELEMENT SHALL ENSURE THAT ITS MASTER PLAN INCLUDES WATER CONSERVATION POLICIES AT THE FIRST AMENDING OF THE MASTER PLAN, BUT NOT LATER THAN JULY 1, 2025.

(D) NOTHING IN THIS SUBSECTION (3)(a.5)(II) SUPERSEDES,

ABROGATES, OR OTHERWISE IMPAIRS THE ALLOCATION OF WATER PURSUANT TO THE STATE CONSTITUTION OR ANY OTHER PROVISION OF LAW, THE RIGHT TO BENEFICIALLY USE WATER PURSUANT TO DECREES, CONTRACTS, OR OTHER WATER USE AGREEMENTS, OR THE OPERATION, MAINTENANCE, REPAIR, REPLACEMENT, OR USE OF ANY WATER FACILITY.

(E) THE DEPARTMENT OF LOCAL AFFAIRS MAY HIRE AND EMPLOY ONE FULL-TIME EMPLOYEE TO PROVIDE EDUCATIONAL RESOURCES AND ASSISTANCE TO A COUNTY OR REGION THAT INCLUDES WATER CONSERVATION POLICIES IN THE WATER SUPPLY ELEMENTS OF MASTER PLANS AS REQUIRED BY THIS SUBSECTION (3)(a.5)(II).

(III) A STRATEGIC GROWTH ELEMENT THAT INTEGRATES ELEMENTS OF THE MASTER PLAN TO DISCOURAGE SPRAWL AND PROMOTE THE DEVELOPMENT OR REDEVELOPMENT OF VACANT AND UNDERUTILIZED PARCELS IN URBAN AREAS TO ADDRESS THE DEMONSTRATED HOUSING NEEDS OF THE COUNTY OR REGION AND MITIGATE THE NEED FOR EXTENSION OF INFRASTRUCTURE AND PUBLIC SERVICES TO DEVELOP NATURAL AND AGRICULTURAL LANDS FOR RESIDENTIAL USES. THE STRATEGIC GROWTH ELEMENT MUST INCLUDE:

(A) A DESCRIPTION OF EXISTING AND POTENTIAL POLICIES AND TOOLS TO PROMOTE STRATEGIC GROWTH AND PREVENT SPRAWL;

(B) AN ANALYSIS OF VACANT AND UNDERUTILIZED SITES THAT IDENTIFIES VACANT, PARTIALLY VACANT, AND UNDERUTILIZED LAND NEAR EXISTING OR PLANNED TRANSIT OR JOB CENTERS THAT COULD BE USED FOR INFILL DEVELOPMENT, REDEVELOPMENT, AND NEW DEVELOPMENT OF HOUSING; ASSESSES THE GENERAL FEASIBILITY OF THE DEVELOPMENT OR REDEVELOPMENT OF SUCH SITES FOR RESIDENTIAL USE BASED ON EXISTING AND NEEDED INFRASTRUCTURE, TRANSPORTATION CAPACITY, ACCESS TO PUBLIC TRANSIT, AND PUBLIC FACILITIES AND SERVICES TO SERVE SUCH SITES; DESCRIBES THE PUBLIC BENEFITS OF THE DEVELOPMENT OR REDEVELOPMENT OF SUCH SITES TO THE COUNTY OR REGION AS AN ALTERNATIVE TO THE DEVELOPMENT OF PREVIOUSLY UNDEVELOPED NATURAL OR AGRICULTURAL LAND; AND IN A MANNER THAT IS CONSISTENT WITH THE MASTER PLAN, DESIGNATES SUCH SITES FOR WHICH DEVELOPMENT OR REDEVELOPMENT IS DEEMED TO BE GENERALLY FEASIBLE FOR FUTURE USES THAT INCLUDE RESIDENTIAL USES IN A MANNER THAT ADDRESSES THE DEMONSTRATED HOUSING NEEDS OF THE COUNTY OR REGION AT ALL INCOME



LEVELS; AND

(C) AN ANALYSIS OF UNDEVELOPED SITES THAT IDENTIFIES PREVIOUSLY UNDEVELOPED PARCELS THAT ARE NOT ADJACENT TO DEVELOPED LAND, INCLUDING EXISTING NATURAL AND AGRICULTURAL LAND, UNDER CONSIDERATION FOR FUTURE DEVELOPMENT, AND, FOR A COUNTY OR REGION IN A METROPOLITAN PLANNING ORGANIZATION ESTABLISHED UNDER THE "FEDERAL TRANSIT ACT OF 1998," 49 U.S.C. SEC. 5301 ET SEQ., AS AMENDED, LAND OUTSIDE OF CENSUS URBAN AREAS AS DEFINED BY THE UNITED STATES BUREAU OF THE CENSUS; ASSESSES THE GENERAL FEASIBILITY OF THE DEVELOPMENT OF SUCH SITES FOR RESIDENTIAL USE BASED ON EXISTING AND NEEDED INFRASTRUCTURE, TRANSPORTATION CAPACITY, ACCESS TO PUBLIC TRANSIT, AND PUBLIC FACILITIES AND SERVICES TO SERVE SUCH SITES; AND DESCRIBES THE LONG-TERM FISCAL IMPACT TO THE COUNTY OR REGION OF THE CONSTRUCTION, OWNERSHIP, MAINTENANCE, AND REPLACEMENT OF INFRASTRUCTURE AND PUBLIC FACILITIES AND THE PROVISION OF PUBLIC SERVICES TO SERVE DEVELOPMENT OF SUCH SITES;

(IV) THE MOST RECENT HOUSING ACTION PLAN OR PLANS ADOPTED BY THE COUNTY OR MUNICIPALITIES WITHIN THE REGION PURSUANT TO SECTION 24-32-3705; AND

(V) FOR A MASTER PLAN BY A REGIONAL PLANNING COMMISSION, THE MOST RECENT VERSION OF THE MASTER PLAN REQUIRED BY SECTION 31-12-105 (1)(e) BY EACH MUNICIPALITY THAT IS PART OF THE REGIONAL PLANNING COMMISSION AND A DESCRIPTION OF HOW EACH JURISDICTION WILL INTEGRATE THAT PLAN INTO THE MASTER PLAN.

(a.7) (I) A COUNTY OR REGION WITH A MASTER PLAN SHALL ENSURE THAT ITS MASTER PLAN INCLUDES A WATER SUPPLY ELEMENT AND A STRATEGIC GROWTH ELEMENT AS REQUIRED BY SUBSECTION (3)(a.5) OF THIS SECTION AT THE FIRST AMENDING OF THE MASTER PLAN THAT OCCURS ON OR AFTER JANUARY 1, 2026, BUT NOT LATER THAN DECEMBER 31, 2026. THE MASTER PLAN OF A COUNTY OR REGION ADOPTED OR AMENDED AFTER DECEMBER 31, 2026, MUST INCLUDE A WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT AS REQUIRED BY SUBSECTION (3)(a.5) OF THIS SECTION. THE COUNTY OR REGION MUST UPDATE THE WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT NO LESS FREQUENTLY THAN EVERY FIVE YEARS.

(II) A COUNTY OR REGION WITH A MASTER PLAN IS NOT REQUIRED TO INCLUDE A STRATEGIC GROWTH ELEMENT, IF THE COUNTY OR REGION HAS NOT RECEIVED FUNDING TO INCLUDE THE STRATEGIC GROWTH ELEMENT PURSUANT TO SECTION 24-32-3710 AND EITHER:

(A) HAS A POPULATION OF TWENTY THOUSAND OR LESS IN THE COUNTY'S UNINCORPORATED TERRITORY AND HAS EXPERIENCED NEGATIVE POPULATION CHANGE IN THE MOST RECENT DECENNIAL CENSUS; OR

(B) HAS A POPULATION OF FIVE THOUSAND OR LESS IN THE COUNTY'S UNINCORPORATED TERRITORY.

(a.9) THE MASTER PLAN MAY INCLUDE, WHERE APPLICABLE OR APPROPRIATE:

(I) THE GENERAL LOCATION, CHARACTER, AND EXTENT OF EXISTING, PROPOSED, OR PROJECTED STREETS OR ROADS, RIGHTS-OF-WAY, VIADUCTS, BRIDGES, WATERWAYS, WATERFRONTS, PARKWAYS, HIGHWAYS, MASS TRANSIT ROUTES AND CORRIDORS, AND ANY TRANSPORTATION PLAN PREPARED BY ANY METROPOLITAN PLANNING ORGANIZATION THAT COVERS ALL OR A PORTION OF THE COUNTY OR REGION AND THAT THE COUNTY OR REGION HAS RECEIVED NOTIFICATION OF OR, IF THE COUNTY OR REGION IS NOT LOCATED IN AN AREA COVERED BY A METROPOLITAN PLANNING ORGANIZATION, ANY TRANSPORTATION PLAN PREPARED BY THE DEPARTMENT OF TRANSPORTATION THAT THE COUNTY OR REGION HAS RECEIVED NOTIFICATION OF AND THAT APPLIES TO THE COUNTY OR REGION;

(II) THE GENERAL LOCATION OF PUBLIC PLACES OR FACILITIES, INCLUDING PUBLIC SCHOOLS; CULTURALLY, HISTORICALLY, OR ARCHAEOLOGICALLY SIGNIFICANT BUILDINGS, SITES, AND OBJECTS; PLAYGROUNDS, FORESTS, RESERVATIONS, SQUARES, PARKS, AIRPORTS, AVIATION FIELDS, MILITARY INSTALLATIONS; AND OTHER PUBLIC WAYS, GROUNDS, OPEN SPACES, TRAILS, AND DESIGNATED FEDERAL, STATE, AND LOCAL WILDLIFE AREAS. FOR PURPOSES OF THIS SECTION, "MILITARY INSTALLATION" HAS THE SAME MEANING AS SPECIFIED IN SECTION 29-20-105.6 (2)(b).

(III) THE GENERAL LOCATION AND EXTENT OF PUBLIC UTILITIES, TERMINALS, CAPITAL FACILITIES, AND TRANSFER FACILITIES, WHETHER PUBLICLY OR PRIVATELY OWNED, FOR WATER, LIGHT, POWER, SANITATION,

TRANSPORTATION, COMMUNICATION, HEAT, AND OTHER PURPOSES AND ANY PROPOSED OR PROJECTED NEEDS FOR CAPITAL FACILITIES AND UTILITIES, INCLUDING THE PRIORITIES, ANTICIPATED COSTS, AND FUNDING PROPOSALS FOR SUCH FACILITIES AND UTILITIES;

(IV) THE ACCEPTANCE, WIDENING, REMOVAL, EXTENSION, RELOCATION, NARROWING, VACATION, ABANDONMENT, MODIFICATION, OR CHANGE OF USE OF ANY OF THE PUBLIC WAYS, RIGHTS-OF-WAY, INCLUDING THE COORDINATION OF SUCH RIGHTS-OF-WAY WITH THE RIGHTS-OF-WAY OF OTHER COUNTIES, REGIONS, OR MUNICIPALITIES, GROUNDS, OPEN SPACES, BUILDINGS, PROPERTIES, UTILITIES, OR TERMINALS REFERRED TO IN SUBSECTIONS (3)(a.5)(II)(C), (3)(a.9)(I), (3)(a.9)(II), AND (3)(a.9)(III) OF THIS SECTION;

(V) METHODS FOR ASSURING ACCESS TO APPROPRIATE CONDITIONS FOR SOLAR, WIND, OR OTHER ALTERNATIVE ENERGY SOURCES, INCLUDING GEOTHERMAL ENERGY USED FOR WATER HEATING OR SPACE HEATING OR COOLING IN A SINGLE BUILDING, FOR SPACE HEATING FOR MORE THAN ONE BUILDING THROUGH A PIPELINE NETWORK, OR FOR ELECTRICITY GENERATION;

(VI) THE GENERAL CHARACTER, LOCATION, AND EXTENT OF COMMUNITY CENTERS, TOWNSITES, HOUSING DEVELOPMENTS, WHETHER PUBLIC OR PRIVATE; THE EXISTING, PROPOSED, OR PROJECTED LOCATION OF RESIDENTIAL NEIGHBORHOODS AND SUFFICIENT LAND FOR FUTURE HOUSING DEVELOPMENT FOR THE EXISTING AND PROJECTED ECONOMIC AND OTHER NEEDS OF ALL CURRENT AND ANTICIPATED RESIDENTS OF THE COUNTY OR REGION; AND URBAN CONSERVATION OR REDEVELOPMENT AREAS. IF A COUNTY OR REGION HAS ENTERED INTO A REGIONAL PLANNING AGREEMENT, THE AGREEMENT MAY BE INCORPORATED BY REFERENCE INTO THE MASTER PLAN.

(VII) THE GENERAL LOCATION AND EXTENT OF FORESTS, AGRICULTURAL AREAS, FLOOD CONTROL AREAS, AND OPEN DEVELOPMENT AREAS FOR PURPOSES OF CONSERVATION, FOOD AND WATER SUPPLY, SANITARY AND DRAINAGE FACILITIES, FLOOD CONTROL, OR THE PROTECTION OF URBAN DEVELOPMENT;

(VIII) A LAND CLASSIFICATION AND UTILIZATION PROGRAM;

(IX) PROJECTIONS OF POPULATION CHANGE AND HOUSING NEEDS TO ACCOMMODATE THE PROJECTED POPULATION FOR SPECIFIED INCREMENTS OF TIME. THE COUNTY OR REGION MAY BASE THESE PROJECTIONS UPON DATA FROM THE DEPARTMENT OF LOCAL AFFAIRS AND UPON THE COUNTY'S OR REGION'S LOCAL OBJECTIVES.

(X) THE LOCATION OF AREAS CONTAINING STEEP SLOPES, GEOLOGICAL HAZARDS, ENDANGERED OR THREATENED SPECIES, WETLANDS, FLOODPLAINS, FLOODWAYS, AND FLOOD RISK ZONES, HIGHLY ERODIBLE LAND OR UNSTABLE SOILS, AND WILDFIRE HAZARDS. FOR PURPOSES OF DETERMINING THE LOCATION OF SUCH AREAS, THE PLANNING COMMISSION SHOULD CONSIDER THE FOLLOWING SOURCES FOR GUIDANCE:

(A) THE COLORADO GEOLOGICAL SURVEY FOR DEFINING AND MAPPING GEOLOGICAL HAZARDS;

(B) THE UNITED STATES FISH AND WILDLIFE SERVICE OF THE UNITED STATES DEPARTMENT OF THE INTERIOR AND THE PARKS AND WILDLIFE COMMISSION CREATED IN SECTION 33-9-101 FOR LOCATING AREAS INHABITED BY ENDANGERED OR THREATENED SPECIES;

(C) THE UNITED STATES ARMY CORPS OF ENGINEERS AND THE UNITED STATES FISH AND WILDLIFE SERVICE NATIONAL WETLANDS INVENTORY FOR DEFINING AND MAPPING WETLANDS;

(D) THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR DEFINING AND MAPPING FLOODPLAINS, FLOODWAYS, AND FLOOD RISK ZONES;

(E) THE NATURAL RESOURCES CONSERVATION SERVICE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE FOR DEFINING AND MAPPING UNSTABLE SOILS AND HIGHLY ERODIBLE LAND; AND

(F) THE COLORADO STATE FOREST SERVICE FOR LOCATING WILDFIRE HAZARD AREAS.

(8) A COUNTY OR REGIONAL PLANNING COMMISSION SHALL SUBMIT THE MASTER PLAN AND ANY SEPARATELY APPROVED WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT TO THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS. THE DIVISION OF LOCAL GOVERNMENT SHALL REVIEW MASTER PLANS AND MAY PROVIDE

COMMENTS TO THE COMMISSION.

**SECTION 3.** In Colorado Revised Statutes, 31-23-206, **repeal and reenact, with amendments, (1); and add (1.3), (1.5), (1.7), (1.9), and (8)** as follows:

**31-23-206. Master plan.** (1) IT IS THE DUTY OF THE COMMISSION TO MAKE AND ADOPT A MASTER PLAN FOR THE PHYSICAL DEVELOPMENT OF THE MUNICIPALITY, INCLUDING ANY AREAS OUTSIDE ITS BOUNDARIES, SUBJECT TO THE APPROVAL OF THE GOVERNMENTAL BODY HAVING JURISDICTION THEREOF, THAT IN THE COMMISSION'S JUDGMENT BEAR RELATION TO THE PLANNING OF THE MUNICIPALITY. THE MASTER PLAN OF A MUNICIPALITY IS AN ADVISORY DOCUMENT TO GUIDE LAND DEVELOPMENT DECISIONS; HOWEVER, THE MASTER PLAN OR ANY PART THEREOF MAY BE MADE BINDING BY INCLUSION IN THE MUNICIPALITY'S ADOPTED SUBDIVISION, ZONING, PLATTING, PLANNED UNIT DEVELOPMENT, OR OTHER SIMILAR LAND DEVELOPMENT REGULATIONS AFTER SATISFYING NOTICE, DUE PROCESS, AND HEARING REQUIREMENTS FOR LEGISLATIVE OR QUASI-JUDICIAL PROCESSES AS APPROPRIATE. THE MASTER PLAN, WITH THE ACCOMPANYING MAPS, PLATS, CHARTS, AND DESCRIPTIVE MATTER, MUST SHOW THE COMMISSION'S RECOMMENDATIONS FOR THE DEVELOPMENT OF THE MUNICIPALITY AND OUTLYING AREAS.

(1.3) (a) WHEN A COMMISSION DECIDES TO ADOPT A MASTER PLAN, THE COMMISSION SHALL CONDUCT PUBLIC HEARINGS, AFTER NOTICE OF SUCH PUBLIC HEARINGS HAS BEEN PUBLISHED IN A NEWSPAPER OF GENERAL CIRCULATION IN THE MUNICIPALITY IN A MANNER SUFFICIENT TO NOTIFY THE PUBLIC OF THE TIME, PLACE, AND NATURE OF THE PUBLIC HEARING, PRIOR TO FINAL ADOPTION OF A MASTER PLAN IN ORDER TO ENCOURAGE PUBLIC PARTICIPATION IN AND AWARENESS OF THE DEVELOPMENT OF THE MASTER PLAN AND SHALL ACCEPT AND CONSIDER ORAL AND WRITTEN PUBLIC COMMENTS THROUGHOUT THE PROCESS OF DEVELOPING THE MASTER PLAN.

(b) THE COMMISSION SHALL FOLLOW THE PROCEDURES IN SECTION 24-32-3209. FOR PURPOSES OF THIS SECTION, ANY SPECIAL DISTRICT THAT SUPPLIES WATER TO THE AREA COVERED BY THE MASTER PLAN IS A NEIGHBORING JURISDICTION AS DEFINED IN SECTION 24-32-3209 (1)(h).

(c) FOR ANY MASTER PLAN ADOPTED AFTER JANUARY 1, 2026, THE COMMISSION SHALL CONSIDER THE FOLLOWING, WHERE APPLICABLE OR

APPROPRIATE, AND ANY OTHER INFORMATION DEEMED RELEVANT BY THE COMMISSION:

(I) THE APPLICABLE HOUSING NEEDS ASSESSMENTS PUBLISHED PURSUANT TO SECTION 24-32-3702 (1)(b), 24-32-3703, OR 24-32-3704;

(II) THE STATEWIDE STRATEGIC GROWTH REPORT CREATED PURSUANT TO SECTION 24-32-3707;

(III) THE NATURAL LAND AND AGRICULTURAL OPPORTUNITIES REPORT PUBLISHED PURSUANT TO SECTION 24-32-3708; AND

(IV) THE COLORADO WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3.

(1.5) THE MASTER PLAN MUST INCLUDE:

(a) A NARRATIVE DESCRIPTION OF THE PROCEDURE USED FOR THE DEVELOPMENT AND ADOPTION OF THE MASTER PLAN, INCLUDING A SUMMARY OF ANY OBJECTIONS TO THE MASTER PLAN MADE BY NEIGHBORING JURISDICTIONS PURSUANT TO SECTION 24-32-3209 AND A DESCRIPTION OF THE RESOLUTION OR OUTCOME OF THE OBJECTIONS;

(b) THE MOST RECENT VERSION OF THE MASTER PLAN REQUIRED BY SECTION 31-12-105 (1)(e) OR A SIMILAR MASTER PLAN FOR AREAS OF POTENTIAL GROWTH WITHIN THREE MILES OF THE MUNICIPALITY'S EXISTING BOUNDARIES AND A DESCRIPTION OF HOW THE MUNICIPALITY INTENDS TO INTEGRATE THAT PLAN INTO THE MASTER PLAN;

(c) (I) A WATER SUPPLY ELEMENT DEVELOPED IN CONSULTATION WITH ENTITIES THAT SUPPLY WATER FOR USE WITHIN THE MUNICIPALITY TO ENSURE COORDINATION ON WATER SUPPLY AND FACILITY PLANNING. NOTHING IN THIS SECTION REQUIRES THE PUBLIC DISCLOSURE OF CONFIDENTIAL INFORMATION RELATED TO WATER SUPPLY OR FACILITIES.

(II) THE WATER SUPPLY ELEMENT MUST:

(A) ESTIMATE A RANGE OF WATER SUPPLIES AND FACILITIES NEEDED TO SUPPORT THE POTENTIAL PUBLIC AND PRIVATE DEVELOPMENT DESCRIBED IN THE MASTER PLAN; AND

(B) INCLUDE WATER CONSERVATION POLICIES, TO BE DETERMINED BY THE MUNICIPALITY, WHICH MAY INCLUDE GOALS SPECIFIED IN THE COLORADO WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3 AND POLICIES TO IMPLEMENT WATER CONSERVATION AND OTHER COLORADO WATER PLAN GOALS AS A CONDITION OF DEVELOPMENT APPROVAL, INCLUDING SUBDIVISIONS, PLANNED UNIT DEVELOPMENTS, SPECIAL USE PERMITS, AND ZONING CHANGES.

(III) A MUNICIPALITY WITH A MASTER PLAN THAT INCLUDES A WATER SUPPLY ELEMENT SHALL ENSURE THAT ITS MASTER PLAN INCLUDES WATER CONSERVATION POLICIES AT THE FIRST AMENDING OF THE MASTER PLAN, BUT NOT LATER THAN JULY 1, 2025;

(IV) NOTHING IN THIS SUBSECTION (1.5)(c) SUPERSEDES, ABROGATES, OR OTHERWISE IMPAIRS THE ALLOCATION OF WATER PURSUANT TO THE STATE CONSTITUTION OR ANY OTHER PROVISION OF LAW, THE RIGHT TO BENEFICIALLY USE WATER PURSUANT TO DECREES, CONTRACTS, OR OTHER WATER USE AGREEMENTS, OR THE OPERATION, MAINTENANCE, REPAIR, REPLACEMENT, OR USE OF ANY WATER FACILITY; AND

(V) THE DEPARTMENT OF LOCAL AFFAIRS MAY HIRE AND EMPLOY ONE FULL-TIME EMPLOYEE TO PROVIDE EDUCATIONAL RESOURCES AND ASSISTANCE TO MUNICIPALITIES THAT INCLUDE WATER CONSERVATION POLICIES IN THE WATER SUPPLY ELEMENTS OF MASTER PLANS AS REQUIRED BY THIS SUBSECTION (1.5)(c).

(d) A STRATEGIC GROWTH ELEMENT THAT INTEGRATES ELEMENTS OF THE MASTER PLAN TO DISCOURAGE SPRAWL AND PROMOTE THE DEVELOPMENT OR REDEVELOPMENT OF VACANT AND UNDERUTILIZED PARCELS IN URBAN AREAS TO ADDRESS THE MUNICIPALITY'S DEMONSTRATED HOUSING NEEDS AND MITIGATE THE NEED FOR EXTENSION OF INFRASTRUCTURE AND PUBLIC SERVICES TO DEVELOP NATURAL AND AGRICULTURAL LANDS FOR RESIDENTIAL USES. THE STRATEGIC GROWTH ELEMENT MUST INCLUDE:

(I) A DESCRIPTION OF EXISTING AND POTENTIAL POLICIES AND TOOLS TO PROMOTE STRATEGIC GROWTH AND PREVENT SPRAWL;

(II) AN ANALYSIS OF VACANT AND UNDERUTILIZED SITES THAT:

(A) IDENTIFIES VACANT, PARTIALLY VACANT, AND UNDERUTILIZED LAND NEAR EXISTING OR PLANNED TRANSIT OR JOB CENTERS THAT COULD BE USED FOR INFILL DEVELOPMENT, REDEVELOPMENT, AND NEW DEVELOPMENT OF HOUSING;

(B) ASSESSES THE GENERAL FEASIBILITY OF THE DEVELOPMENT OR REDEVELOPMENT OF SUCH SITES FOR RESIDENTIAL USE BASED ON EXISTING AND NEEDED INFRASTRUCTURE, TRANSPORTATION CAPACITY, ACCESS TO PUBLIC TRANSIT, AND PUBLIC FACILITIES AND SERVICES TO SERVE SUCH SITES;

(C) DESCRIBES THE PUBLIC BENEFITS OF THE DEVELOPMENT OR REDEVELOPMENT OF SUCH SITES TO THE MUNICIPALITY AS AN ALTERNATIVE TO THE DEVELOPMENT OF PREVIOUSLY UNDEVELOPED NATURAL OR AGRICULTURAL LAND; AND

(D) IN A MANNER THAT IS CONSISTENT WITH THE MASTER PLAN, DESIGNATES SUCH SITES FOR WHICH DEVELOPMENT OR REDEVELOPMENT IS DEEMED TO BE GENERALLY FEASIBLE FOR FUTURE USES THAT INCLUDE RESIDENTIAL USES IN A MANNER THAT ADDRESSES THE MUNICIPALITY'S DEMONSTRATED HOUSING NEEDS AT ALL INCOME LEVELS; AND

(III) AN ANALYSIS OF UNDEVELOPED SITES THAT:

(A) IDENTIFIES PREVIOUSLY UNDEVELOPED PARCELS THAT ARE NOT ADJACENT TO DEVELOPED LAND, INCLUDING EXISTING NATURAL AND AGRICULTURAL LAND, UNDER CONSIDERATION FOR FUTURE DEVELOPMENT, AND, FOR A MUNICIPALITY IN A METROPOLITAN PLANNING ORGANIZATION ESTABLISHED UNDER THE "FEDERAL TRANSIT ACT OF 1998," 49 U.S.C. SEC. 5301 ET SEQ., AS AMENDED, LAND OUTSIDE OF CENSUS URBAN AREAS AS DEFINED BY THE UNITED STATES BUREAU OF THE CENSUS;

(B) ASSESSES THE GENERAL FEASIBILITY OF THE DEVELOPMENT OF SUCH SITES FOR RESIDENTIAL USE BASED ON EXISTING AND NEEDED INFRASTRUCTURE, TRANSPORTATION CAPACITY, ACCESS TO PUBLIC TRANSIT, AND PUBLIC FACILITIES AND SERVICES TO SERVE SUCH SITES; AND

(C) DESCRIBES THE LONG-TERM FISCAL IMPACT TO THE MUNICIPALITY OF THE CONSTRUCTION, OWNERSHIP, MAINTENANCE, AND REPLACEMENT OF INFRASTRUCTURE AND PUBLIC FACILITIES AND THE



PROVISION OF PUBLIC SERVICES TO SERVE DEVELOPMENT OF SUCH SITES; AND

(e) THE MOST RECENT HOUSING ACTION PLAN ADOPTED BY THE MUNICIPALITY PURSUANT TO SECTION 24-32-3705.

(1.7)(a) A MUNICIPALITY WITH A MASTER PLAN SHALL ENSURE THAT ITS MASTER PLAN INCLUDES A WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT AS REQUIRED BY SUBSECTION (1.5) OF THIS SECTION AT THE FIRST AMENDING OF THE MASTER PLAN THAT OCCURS ON OR AFTER JANUARY 1, 2026, BUT NOT LATER THAN DECEMBER 31, 2026. THE MASTER PLAN OF A MUNICIPALITY ADOPTED OR AMENDED AFTER DECEMBER 31, 2026, MUST INCLUDE A WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT AS REQUIRED BY SUBSECTION (1.5) OF THIS SECTION. A MUNICIPALITY SHALL UPDATE THE WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT AS REQUIRED BY SUBSECTION (1.5) OF THIS SECTION NO LESS FREQUENTLY THAN EVERY FIVE YEARS.

(b) A MUNICIPALITY WITH A MASTER PLAN IS NOT REQUIRED TO INCLUDE A STRATEGIC GROWTH ELEMENT IF THE MUNICIPALITY HAS NOT RECEIVED FUNDING TO INCLUDE THE STRATEGIC GROWTH ELEMENT PURSUANT TO SECTION 24-32-3710 AND EITHER:

(I) HAS A POPULATION OF TWENTY THOUSAND OR LESS AND HAS EXPERIENCED NEGATIVE POPULATION CHANGE IN THE MOST RECENT DECENNIAL CENSUS; OR

(II) HAS A POPULATION OF TWO THOUSAND OR LESS.

(1.9) THE MASTER PLAN MAY INCLUDE, WHERE APPLICABLE OR APPROPRIATE:

(a) THE GENERAL LOCATION, CHARACTER, AND EXTENT OF EXISTING, PROPOSED, OR PROJECTED STREETS, ROADS, RIGHTS-OF-WAY, BRIDGES, WATERWAYS, WATERFRONTS, PARKWAYS, HIGHWAYS, MASS TRANSIT ROUTES AND CORRIDORS, AND ANY TRANSPORTATION PLAN PREPARED BY ANY METROPOLITAN PLANNING ORGANIZATION THAT COVERS ALL OR A PORTION OF THE MUNICIPALITY AND THAT THE MUNICIPALITY HAS RECEIVED NOTIFICATION OF OR, IF THE MUNICIPALITY IS NOT LOCATED IN AN AREA COVERED BY A METROPOLITAN PLANNING ORGANIZATION, ANY TRANSPORTATION PLAN PREPARED BY THE DEPARTMENT OF

TRANSPORTATION THAT THE MUNICIPALITY HAS RECEIVED NOTIFICATION OF AND THAT COVERS ALL OR A PORTION OF THE MUNICIPALITY;

(b) THE GENERAL LOCATION OF PUBLIC PLACES OR FACILITIES, INCLUDING PUBLIC SCHOOLS, CULTURALLY, HISTORICALLY, OR ARCHAEOLOGICALLY SIGNIFICANT BUILDINGS, SITES, AND OBJECTS, PLAYGROUNDS, SQUARES, PARKS, AIRPORTS, AVIATION FIELDS, MILITARY INSTALLATIONS, AND OTHER PUBLIC WAYS, GROUNDS, OPEN SPACES, TRAILS, AND DESIGNATED FEDERAL, STATE, AND LOCAL WILDLIFE AREAS. FOR PURPOSES OF THIS SECTION, "MILITARY INSTALLATION" HAS THE SAME MEANING AS SPECIFIED IN SECTION 29-20-105.6 (2)(b).

(c) THE GENERAL LOCATION AND EXTENT OF PUBLIC UTILITIES TERMINALS, CAPITAL FACILITIES, AND TRANSFER FACILITIES, WHETHER PUBLICLY OR PRIVATELY OWNED OR OPERATED, FOR WATER, LIGHT, SANITATION, TRANSPORTATION, COMMUNICATION, POWER, AND OTHER PURPOSES AND ANY PROPOSED OR PROJECTED NEEDS FOR CAPITAL FACILITIES AND UTILITIES, INCLUDING THE PRIORITIES, ANTICIPATED COSTS, AND FUNDING PROPOSALS FOR SUCH FACILITIES AND UTILITIES;

(d) THE ACCEPTANCE, REMOVAL, RELOCATION, WIDENING, NARROWING, VACATING, ABANDONMENT, MODIFICATION, CHANGE OF USE, OR EXTENSION OF ANY OF THE PUBLIC WAYS, RIGHTS-OF-WAY, INCLUDING THE COORDINATION OF SUCH RIGHTS-OF-WAY WITH THE RIGHTS-OF-WAY OF OTHER MUNICIPALITIES, COUNTIES, OR REGIONS, GROUNDS, OPEN SPACES, BUILDINGS, PROPERTY, UTILITY, OR TERMINALS REFERRED TO IN SUBSECTIONS (1.5)(c), (1.7)(a), AND (1.7)(b) OF THIS SECTION;

(e) A ZONING PLAN FOR THE CONTROL OF THE HEIGHT, AREA, BULK, LOCATION, AND USE OF BUILDINGS AND PREMISES. SUCH A ZONING PLAN MAY PROTECT AND ASSURE ACCESS TO APPROPRIATE CONDITIONS FOR SOLAR, WIND, OR OTHER ALTERNATIVE ENERGY SOURCES, INCLUDING GEOTHERMAL ENERGY USED FOR WATER HEATING OR SPACE HEATING OR COOLING IN A SINGLE BUILDING, FOR SPACE HEATING FOR MORE THAN ONE BUILDING THROUGH A PIPELINE NETWORK, OR FOR ELECTRICITY GENERATION; HOWEVER, REGULATIONS AND RESTRICTIONS OF THE HEIGHT, NUMBER OF STORIES, SIZE OF BUILDINGS AND OTHER STRUCTURES, AND THE HEIGHT AND LOCATION OF TREES AND OTHER VEGETATION SHALL NOT APPLY TO EXISTING BUILDINGS, STRUCTURES, TREES, OR VEGETATION EXCEPT FOR NEW GROWTH ON SUCH VEGETATION;

(f) THE GENERAL CHARACTER, LOCATION, AND EXTENT OF COMMUNITY CENTERS, HOUSING DEVELOPMENTS, WHETHER PUBLIC OR PRIVATE; THE EXISTING, PROPOSED, OR PROJECTED LOCATION OF RESIDENTIAL NEIGHBORHOODS AND SUFFICIENT LAND FOR FUTURE HOUSING DEVELOPMENT FOR THE EXISTING AND PROJECTED ECONOMIC AND OTHER NEEDS OF ALL CURRENT AND ANTICIPATED RESIDENTS OF THE MUNICIPALITY; AND REDEVELOPMENT AREAS. IF A MUNICIPALITY HAS ENTERED INTO A REGIONAL PLANNING AGREEMENT, THE AGREEMENT MAY BE INCORPORATED BY REFERENCE INTO THE MASTER PLAN.

(g) A PLAN FOR THE EXTRACTION OF COMMERCIAL MINERAL DEPOSITS PURSUANT TO SECTION 34-1-304;

(h) A PLAN FOR THE LOCATION AND PLACEMENT OF PUBLIC UTILITIES THAT FACILITATES THE PROVISION OF SUCH UTILITIES TO ALL EXISTING, PROPOSED, OR PROJECTED DEVELOPMENTS IN THE MUNICIPALITY;

(i) PROJECTIONS OF POPULATION CHANGE AND HOUSING NEEDS TO ACCOMMODATE THE PROJECTED POPULATION FOR SPECIFIED INCREMENTS OF TIME. THE MUNICIPALITY MAY BASE THESE PROJECTIONS UPON DATA FROM THE DEPARTMENT OF LOCAL AFFAIRS AND UPON THE MUNICIPALITY'S LOCAL OBJECTIVES;

(j) THE AREAS CONTAINING STEEP SLOPES, GEOLOGICAL HAZARDS, ENDANGERED OR THREATENED SPECIES, WETLANDS, FLOODPLAINS, FLOODWAYS, AND FLOOD RISK ZONES, HIGHLY ERODIBLE LAND OR UNSTABLE SOILS, AND WILDFIRE HAZARDS. FOR PURPOSES OF DETERMINING THE LOCATION OF SUCH AREAS, THE PLANNING COMMISSION SHOULD CONSIDER THE FOLLOWING SOURCES FOR GUIDANCE:

(I) THE COLORADO GEOLOGICAL SURVEY FOR DEFINING AND MAPPING GEOLOGICAL HAZARDS;

(II) THE UNITED STATES FISH AND WILDLIFE SERVICE OF THE UNITED STATES DEPARTMENT OF THE INTERIOR AND THE PARKS AND WILDLIFE COMMISSION CREATED IN SECTION 33-9-101 FOR LOCATING AREAS INHABITED BY ENDANGERED OR THREATENED SPECIES;

(III) THE UNITED STATES ARMY CORPS OF ENGINEERS AND THE UNITED STATES FISH AND WILDLIFE SERVICE NATIONAL WETLANDS

INVENTORY FOR DEFINING AND MAPPING WETLANDS;

(IV) THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR DEFINING AND MAPPING FLOODPLAINS, FLOODWAYS, AND FLOOD RISK ZONES;

(V) THE NATURAL RESOURCES CONSERVATION SERVICE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE FOR DEFINING AND MAPPING UNSTABLE SOILS AND HIGHLY ERODIBLE LAND; AND

(VI) THE COLORADO STATE FOREST SERVICE FOR LOCATING WILDFIRE HAZARD AREAS.

(8) THE COMMISSION SHALL SUBMIT THE MASTER PLAN AND ANY SEPARATELY APPROVED WATER SUPPLY ELEMENT AND STRATEGIC GROWTH ELEMENT TO THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS. THE DIVISION OF LOCAL GOVERNMENT SHALL REVIEW MASTER PLANS AND MAY PROVIDE COMMENTS TO THE COMMISSION.

**SECTION 4.** In Colorado Revised Statutes, 38-33.3-106.5, **add** (6) as follows:

**38-33.3-106.5. Prohibitions contrary to public policy - patriotic, political, or religious expression - public rights-of-way - fire prevention - renewable energy generation devices - affordable housing - drought prevention measures - child care - definitions.** (6) (a) AN ASSOCIATION SHALL NOT PROHIBIT OR RESTRICT THE CONSTRUCTION OF ACCESSORY DWELLING UNITS OR MIDDLE HOUSING IF THE ZONING LAWS OF THE LOCAL JURISDICTION WOULD OTHERWISE ALLOW SUCH USES ON A PROPERTY. THIS SUBSECTION (6)(a) APPLIES ONLY TO ANY DECLARATION RECORDED ON OR AFTER JULY 1, 2024, OR IN ANY BYLAWS OR RULES AND REGULATIONS OF THE ASSOCIATION ADOPTED OR AMENDED ON OR AFTER JULY 1, 2024, UNLESS THE DECLARATION, BYLAWS, OR RULES AND REGULATIONS CONTAINED SUCH A RESTRICTION AS OF THE EFFECTIVE DATE OF THIS SUBSECTION (6)(a).

(b) AS USED IN THIS SUBSECTION (6), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "ACCESSORY DWELLING UNIT" MEANS AN INTERNAL, ATTACHED, OR DETACHED DWELLING UNIT THAT IS LOCATED ON THE SAME LOT AS A

PROPOSED OR EXISTING PRIMARY RESIDENCE.

(II) "MIDDLE HOUSING" MEANS A RESIDENTIAL STRUCTURE OR STRUCTURES THAT INCLUDE BETWEEN TWO AND FOUR SEPARATE DWELLING UNITS IN A STRUCTURE, A TOWNHOME BUILDING, OR A COTTAGE CLUSTER OF UP TO FOUR UNITS.

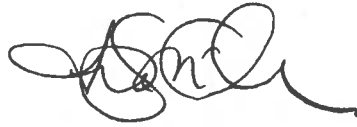
**SECTION 5. Appropriation.** For the 2024-25 state fiscal year, \$583,864 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of local affairs from the housing needs planning technical assistance fund created in section 24-32-3709 (6)(a), C.R.S. To implement this act, the office may use this appropriation to provide information technology services for the department of local affairs.

**SECTION 6. Safety clause.** The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for

the support and maintenance of the departments of the state and state institutions.



Steve Fenberg  
PRESIDENT OF  
THE SENATE



Julie McCluskie  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

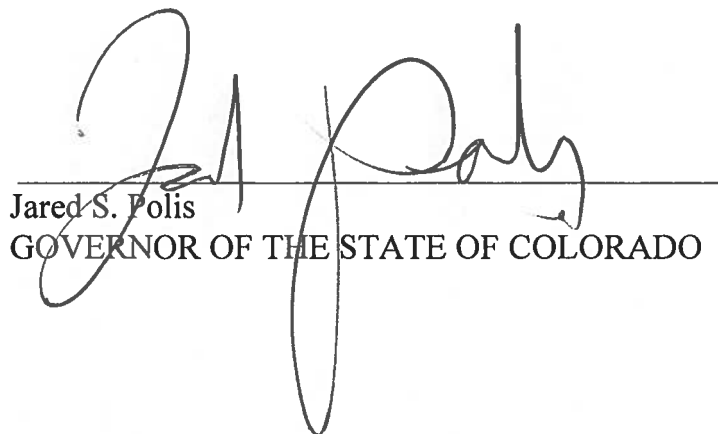


Cindi L. Markwell  
SECRETARY OF  
THE SENATE



Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED Thursday May 30<sup>th</sup> 2024 at 11:20 AM  
(Date and Time)



Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO

# STATE PLANNING LEGISLATION: INTRODUCTION

City Council Study Session June 17, 2024

Purpose:

Overview of four key bills and their potential impacts and relation to the UDC in advance of the CML conference

# New State Planning Legislation

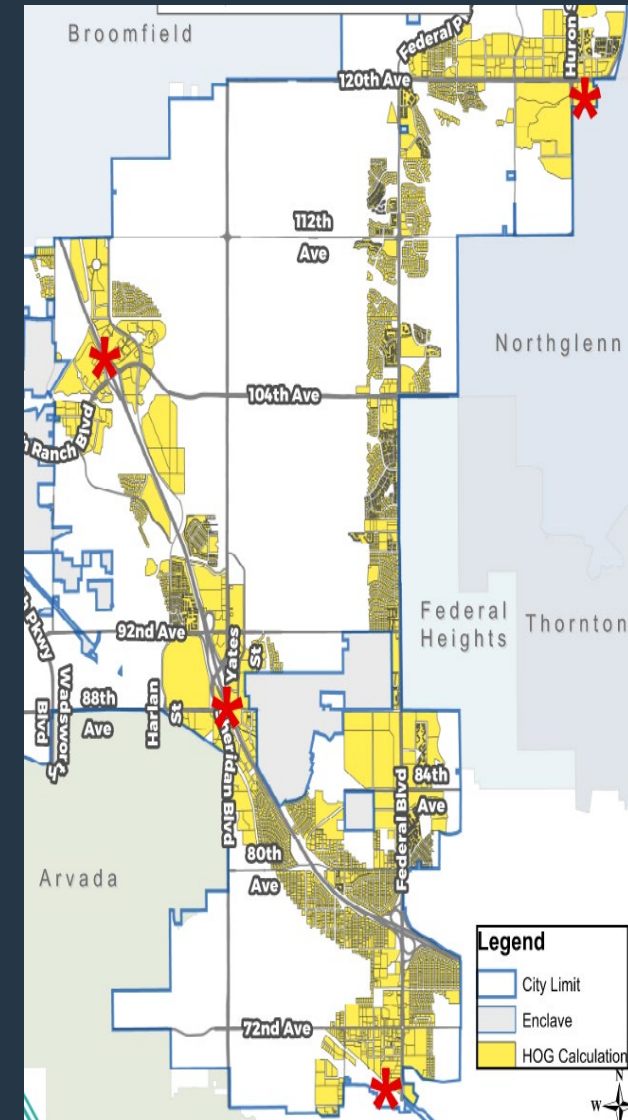
- **ADUs - HB24-1152:** Accessory Dwelling Units (ADUs) to be allowed with single-family detached lots; prescriptive on setbacks, parking
- **Parking - HB24-1304:** Exempts minimum parking for residential, mixed use and adaptive reuses near transit areas
- **Transit Oriented Communities (TOC)- HB24-1313:** Requires accommodating the Housing Opportunity Goal (HOG) within defined areas through updates to the Comprehensive Plan, formation of affordability and displacement mitigation strategies, and rezoning
- **Sustainable Affordable Housing - SB24-174:** Requires housing needs assessments and revisions to the City's Comprehensive Plan and Water Supply Plan to conform to the prescriptive requirements of the bill and new analysis of vacant land and natural areas. Also requires a Housing Action Plan and establishes reporting requirements



# Housing Opportunity Goal

- Mathematical calculation of the additional housing units for which zoning capacity is necessary
  - Neither the construction of the housing nor affordability are required
  - Existing housing and zoning irrelevant to the calculation
- Analysis of existing plans and zoning and exemptions
  - 2,265 to 3,178 acres multiplied by 40 units per acre
  - Exemptions - floodplains, Open Space, schools
  - Alternative option to report to State on insufficiency of water supply, must reassess every 3 years

| Housing  | Units             |
|--|-------------------|
| Westminster's Current Units*<br><i>citywide</i>                            | 50,338            |
| Potential HOG Zoning Capacity<br><i>in yellow (&lt;15% of city's area)</i> | 90,600 to 127,120 |



\*2022 Census ACS

# Actions Required by Legislation 2024-2027

**TIME SENSITIVE**

**Comprehensive Plan**  
*New Prescribed  
Contents*  
(1313 and 174)

**Water Supply Plan**  
*Prescribed Methodology*  
(174)

**Housing Action Plan**  
*Prescribed Methodology*  
(174)

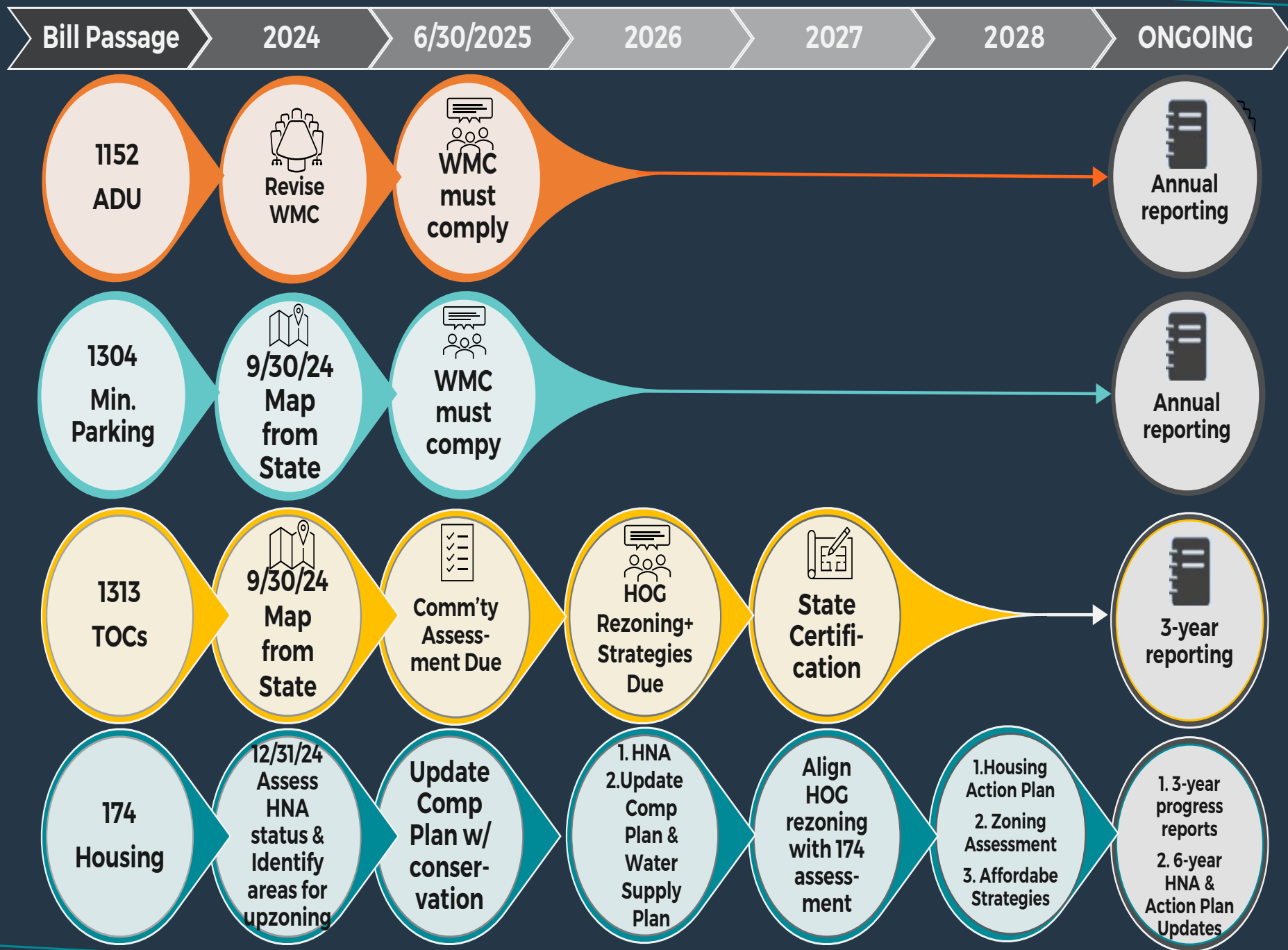
**Housing Needs  
Assessment(s)**  
*Prescribed Methodology*  
(174)

**Affordable Housing &  
Displacement  
Mitigation Programs**  
(1313 and 174)

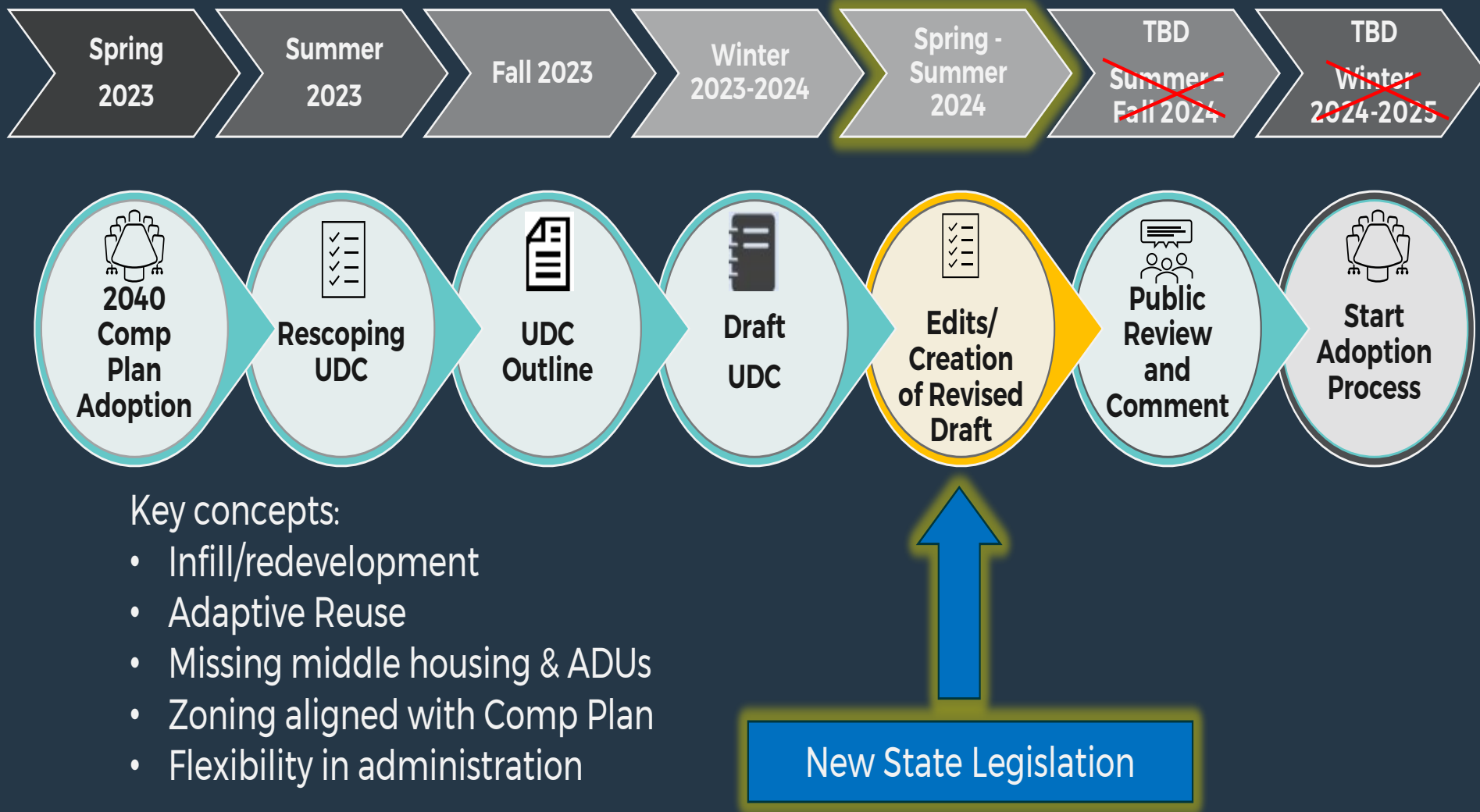
**W.M.C./  
Future UDC**  
*ADU, Parking, new high  
density zoning districts*  
(1152, 1304, 1313)



**Revise procedures for  
approval of multi-family  
projects**



# UDC Process



# Inflection Point

- Westminster Comprehensive Plans correlate with infrastructure and resources
- Decoupling land use planning from infrastructure and resources is a departure from past planning practices
  - First-in obtains resources, no ability to prioritize projects aligned with the City's Vision Statement
- Uncertainty about how the development sector, housing market, and transit services will respond





# Next Steps

- July – September: Assess impacts
  - Budget and staffing
    - Community Services - Planning, Housing, Parking
    - Public Works and Utilities - Engineering, GIS
    - Supplemental work for consultants, as needed
  - Assess approaches of peer communities and compare potential impacts
  - Potential other impacts to public services
    - Streets; public safety; Parks, Recreation and Libraries
- September 30: Receive official maps from DOLA for the calculating HOG and applicable areas for the minimum parking bill

# Near Term Actions

1. Prioritize legislative analysis over the UDC and other priorities in the near term
2. Bring forward standalone ADU ordinance - tentatively August 12, 2024



# Longer Term Actions

1. Return to City Council later in 2024
  - a. Work from official DOLA maps for calculating HOG and minimum parking bill
    - September 30, 2024 deadline
  - a. Brief on potential resource impacts and modifications to UDC scope of work
  - b. Identify areas for potential up-zoning, per 174
2. Return to City Council in the spring of 2025
  - a. Determine if legislative updates are underway, or if additional requirements are created by new legislation
  - b. Work from DOLA published strategies for meeting HOG
    - February 28, 2025 deadline
  - a. Revise parking requirements in WMC
  - b. Update Comprehensive Plan with conservation, per 174
3. Additional City Council check-ins with an eye toward full compliance by end of 2026