

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

PREAMENDED

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

LLS NO. 26-0572.01 Caroline Martin x5902

HOUSE BILL 26-1114

HOUSE SPONSORSHIP

Stewart R. and Woodrow,

SENATE SPONSORSHIP

Ball,

House Committees

Transportation, Housing & Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN ALLOWED MINIMUM LOT SIZE FOR SUBJECT**
102 **JURISDICTIONS.**

Bill Summary

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

The bill requires that, on or after October 1, 2031, a subject jurisdiction shall not require that a parcel have an area larger than 2,000 square feet if the parcel's residential use is limited to a single family home. The bill exempts certain types of parcels from this requirement.

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

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 5 to article
3 35 of title 29 as follows:

4 PART 5

5 MINIMUM LOT SIZE

6 **29-35-501. Legislative declaration.**

7 (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

8 (a) HOUSING AFFORDABILITY IS A MAJOR ISSUE THAT AFFECTS ALL
9 COLORADANS. HOUSING AFFORDABILITY AFFECTS WHERE PEOPLE ARE
10 ABLE TO LIVE, WHICH IN TURN AFFECTS TRANSIT, COMMUTING, THE
11 WORKFORCE, AND THE ENVIRONMENT, THEREBY AFFECTING THE
12 WELL-BEING OF PEOPLE ACROSS COLORADO;

13 (b) RISING LAND COSTS ARE A SIGNIFICANT DRIVER OF
14 UNAFFORDABLE HOUSING IN COLORADO, WITH LAND VALUES RISING FROM
15 THIRTY-ONE PERCENT OF COLORADO HOME VALUES IN 2012 TO
16 FIFTY-EIGHT PERCENT IN 2024, ACCORDING TO THE AMERICAN
17 ENTERPRISE INSTITUTE;

18 (c) LAND VALUE MODELING SHOWS THAT, IN THE MAJORITY OF
19 CORE-BASED STATISTICAL AREAS IN COLORADO, IT IS FEASIBLE TO BUILD
20 A SINGLE FAMILY STARTER HOME THAT CAN BE SOLD FOR LESS THAN FIVE
21 HUNDRED THOUSAND DOLLARS ON A LOT THAT IS TWO THOUSAND SQUARE
22 FEET OR SMALLER;

23 (d) THE SMALLER THE LOT SIZE, THE MORE AFFORDABLE SINGLE
24 FAMILY STARTER HOMES CAN BE. IN ORDER FOR DEVELOPERS TO BUILD
25 STARTER HOMES THAT COLORADANS CAN AFFORD, THEY MUST BE ABLE TO
26 BUILD ON SMALLER LOTS. IN MANY JURISDICTIONS, DEVELOPERS ARE NOT
27 ABLE TO BUILD ON SMALLER LOTS DUE TO UNNECESSARILY LARGE

1 MINIMUM LOT SIZE REQUIREMENTS; AND

2 (e) THERE IS COLORADO-SPECIFIC GUIDANCE FOR SUBJECT
3 JURISDICTIONS TO FOLLOW IN IMPLEMENTING THE NEW MINIMUM LOT SIZE
4 ALLOWANCE. THE COLORADO STARTER HOME INITIATIVE IS PUBLISHING
5 A STARTER HOME ZONING TEMPLATE, WHICH IS A FLEXIBLE ROADMAP THAT
6 WILL HELP COMMUNITIES CREATE CONDITIONS FOR THE DEVELOPMENT OF
7 MORE AFFORDABLE HOUSING, AND INCLUDES GUIDANCE RELATED TO LOT
8 SIZES.

9 (2) THEREFORE, THE GENERAL ASSEMBLY FINDS, DETERMINES, AND
10 DECLARES THAT:

11 (a) ALLOWING A CONSISTENT MINIMUM LOT SIZE FOR SINGLE
12 FAMILY RESIDENTIAL LOTS WILL HELP TO INCREASE HOUSING
13 AFFORDABILITY, THEREBY HELPING ALL COLORADANS;

14 (b) THE GENERAL ASSEMBLY DOES NOT INTEND TO CREATE ANY
15 ADDITIONAL BURDEN ON SUBJECT JURISDICTIONS IN ALLOWING MINIMUM
16 LOT SIZE REQUIREMENTS, AND THEREFORE HAS PROVIDED THAT
17 IMPLEMENTATION MAY HAPPEN AT ANY POINT BEFORE OCTOBER 1, 2031,
18 WHICH ALLOWS SUBJECT JURISDICTIONS TO IMPLEMENT THE REQUIREMENT
19 AS A PART OF AN EXISTING PROCESS; AND

20 (c) ALLOWING A CONSISTENT MINIMUM LOT SIZE FOR SINGLE
21 FAMILY RESIDENTIAL LOTS IS A MATTER OF MIXED STATE AND LOCAL
22 CONCERN. THE AFFORDABILITY OF HOUSING IN ONE COMMUNITY AFFECTS
23 NEIGHBORING COMMUNITIES, AND COLORADO'S HOUSING SUPPLY IMPACTS
24 TRANSIT, TRANSPORTATION, EMPLOYMENT, ECONOMY, ENERGY, WATER,
25 AND INFRASTRUCTURE AND REQUIRES COLLABORATIVE SOLUTIONS.

26 **29-35-502. Definitions.**

27 AS USED IN THIS PART 5, UNLESS THE CONTEXT OTHERWISE

1 REQUIRES:

2 (1) "EXEMPT LOT" MEANS A LOT THAT IS:

3 (a) NOT SERVED BY A DOMESTIC WATER AND SEWAGE TREATMENT
4 SYSTEM, AS DEFINED IN SECTION 24-65.1-104 (5);

5 (b) SERVED BY A WELL THAT IS NOT CONNECTED TO A WATER
6 DISTRIBUTION SYSTEM, AS DEFINED IN SECTION 25-9-102 (6);

7 (c) SERVED BY A SEPTIC TANK, AS DEFINED IN SECTION 25-10-103
8 (18);

9 (d) LOCATED WITHIN A COMMON INTEREST COMMUNITY, AS
10 DEFINED IN SECTION 38-33.3-103 (8), THAT IS LOCATED WITHIN A SUBJECT
11 JURISDICTION AND WAS CREATED BEFORE THE SUBJECT JURISDICTION
12 CAME INTO COMPLIANCE WITH THIS PART 5; OR

13 (e) A HISTORIC PROPERTY THAT IS LOCATED OUTSIDE OF A
14 HISTORIC DISTRICT.

15 (2) "SUBJECT JURISDICTION" HAS THE MEANING SET FORTH IN
16 SECTION 29-35-402 (21).

17 **29-35-503. Permitted minimum lot size for subject**
18 **jurisdictions.**

19 (1) ON OR AFTER OCTOBER 1, 2031, A SUBJECT JURISDICTION
20 SHALL NOT REQUIRE THAT A LOT HAVE AN AREA LARGER THAN TWO
21 THOUSAND SQUARE FEET IF THE LOT'S RESIDENTIAL USE IS LIMITED TO A
22 SINGLE FAMILY HOME. THIS SECTION DOES NOT APPLY TO EXEMPT LOTS.

23 (2) SUBSECTION (1) OF THIS SECTION APPLIES TO A LOT WITH A
24 RESIDENTIAL USE THAT IS LIMITED TO A SINGLE FAMILY HOME REGARDLESS
25 OF WHETHER THE RESIDENTIAL USE ALLOWS ACCESSORY DWELLING UNITS
26 OR GROUP HOMES.

27 (3) NOTHING IN THIS SECTION PREVENTS A SUBJECT JURISDICTION

1 FROM:

2 (a) APPLYING AND ENFORCING A LOCAL INFRASTRUCTURE
3 STANDARD, INCLUDING A STANDARD RELATED TO UTILITIES,
4 TRANSPORTATION, OR PUBLIC WORKS CODE;

5 (b) APPLYING AND ENFORCING A LOCAL LIFE SAFETY CODE,
6 INCLUDING A BUILDING, FIRE, UTILITY, OR STORMWATER CODE;

7 (c) APPLYING AND ENFORCING A REGULATION RELATED TO HUMAN
8 AND ENVIRONMENTAL HEALTH AND SAFETY, INCLUDING OIL AND GAS
9 SETBACKS, FLOODPLAIN REGULATIONS, AND AIRPORT INFLUENCE AREAS;

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

14 (e) REQUIRING A STATEMENT BY A WATER OR WASTEWATER
15 SERVICE PROVIDER REGARDING THE PROVIDER'S CAPACITY TO SERVICE A
16 LOT; OR

17 (f) APPLYING THE DESIGN STANDARDS AND PROCEDURES OF A
18 HISTORIC DISTRICT TO A LOT LOCATED WITHIN A HISTORIC DISTRICT.

19 **SECTION 2. Safety clause.** The general assembly finds,
20 determines, and declares that this act is necessary for the immediate
21 preservation of the public peace, health, or safety or for appropriations for
22 the support and maintenance of the departments of the state and state
23 institutions.