

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

PREAMENDED

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

LLS NO. 24-0288.03 Pierce Lively x2059

HOUSE BILL 24-1313

HOUSE SPONSORSHIP

Woodrow and Jodeh,

SENATE SPONSORSHIP

Hansen and Winter F.,

House Committees

Transportation, Housing & Local Government
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO INCREASE THE AFFORDABILITY OF**
102 **HOUSING IN TRANSIT-ORIENTED COMMUNITIES.**

Bill Summary

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

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

- Is entirely within a metropolitan planning organization;
- Has a population of 4,000 or more; and
- Contains at least 75 acres of certain transit-related areas; or

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 SOLUTIONS THAT INCORPORATE TRANSIT NEEDS AS WELL.

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

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

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

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

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

19 **29-35-103. Definitions.** AS USED IN THIS ARTICLE 35, UNLESS THE
20 CONTEXT OTHERWISE REQUIRES:

- 21 (1) "ACCESSIBLE UNIT" MEANS A HOUSING UNIT THAT:
- 22 (a) SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR
23 HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED;
- 24 (b) INCORPORATES UNIVERSAL DESIGN; OR
- 25 (c) IS A TYPE A DWELLING UNIT, AS DEFINED IN SECTION 9-5-101
26 (10); A TYPE A MULTISTORY DWELLING UNIT, AS DEFINED IN SECTION
27 9-5-101 (11); A TYPE B DWELLING UNITY, AS DEFINED IN SECTION 9-5-101

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

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

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

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

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

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

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

26 (3) "BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID TRANSIT
27 SERVICE:

1 (a) AS IDENTIFIED IN A METROPOLITAN PLANNING ORGANIZATION'S
2 FISCALLY CONSTRAINED LONG RANGE TRANSPORTATION PLAN OR A
3 TRANSIT AGENCY'S MASTER PLAN; AND

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

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

7 (II) DEDICATED LANES OR BUSWAYS;

8 (III) TRAFFIC SIGNAL PRIORITY;

9 (IV) OFF-BOARD FARE COLLECTION;

10 (V) ELEVATED PLATFORMS; OR

11 (VI) ENHANCED STATIONS.

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

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

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

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

21 (8) "DISPLACEMENT" MEANS:

22 (a) THE INVOLUNTARY RELOCATION, DUE TO INCREASED REAL
23 ESTATE PRICES, RENTS, PROPERTY REHABILITATION, REDEVELOPMENT,
24 DEMOLITION, OR OTHER ECONOMIC FACTORS, OF LOW-INCOME RESIDENTS
25 OR LOCALLY-OWNED COMMUNITY-SERVICE BUSINESSES AND INSTITUTIONS
26 IN LOW-INCOME AREAS; AND

27 (b) INDIRECT DISPLACEMENT RESULTING FROM CHANGES IN

1 NEIGHBORHOOD POPULATION, IF, WHEN LOW-INCOME HOUSEHOLDS MOVE
2 OUT OF HOUSING UNITS, THOSE SAME HOUSING UNITS DO NOT REMAIN
3 AFFORDABLE TO OTHER LOW-INCOME HOUSEHOLDS.

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

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

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

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

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

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

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

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

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

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

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

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

6 (16) "URBAN BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID
7 TRANSIT SERVICE THAT OPERATES ON A SURFACE STREET FOR THE
8 MAJORITY OF ITS ROUTE.

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

12 PART 2

13 TRANSIT-ORIENTED COMMUNITIES

14 **29-35-201. Legislative declaration.** (1) THE GENERAL ASSEMBLY
15 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

21 (b) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT IS
22 IMPORTANT FOR THE COST EFFECTIVENESS AND AVAILABILITY OF
23 AFFORDABLE HOUSING. AN ANALYSIS OF OVER SIXTY AFFORDABLE
24 HOUSING PROJECTS FUNDED BY THE U.S. DEPARTMENT OF HOUSING AND
25 URBAN DEVELOPMENT IN TRANSIT-ORIENTED AREAS IN COLORADO SINCE
26 2010 FOUND THAT HALF WERE DEVELOPED AT OVER FIFTY UNITS PER ACRE,
27 AND TWENTY PERCENT WERE OVER ONE HUNDRED UNITS PER ACRE.

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

8 (d) COLORADO HAS INVESTED SIGNIFICANTLY IN PUBLIC TRANSIT
9 IN THE LAST SEVERAL DECADES, FUNDING OVER SIX BILLION DOLLARS
10 ACROSS EIGHTY-FIVE MILES OF NEW RAIL LINES. THE INVESTMENTS WILL
11 CONTINUE IN THE COMING YEARS WITH NEW BUS RAPID TRANSIT AND RAIL
12 SYSTEMS ALONG THE FRONT RANGE. DESPITE THESE INVESTMENTS,
13 TRANSIT RIDERSHIP LAGS BEHIND PEER AGENCIES AROUND THE COUNTRY,
14 DUE AT LEAST IN PART TO A LACK OF DENSITY NEAR THESE TRANSIT LINES.
15 BEFORE THE COVID-19 PANDEMIC, THE REGIONAL TRANSPORTATION
16 DISTRICT HAD TWO AND THREE-TENTHS RIDES PER VEHICLE REVENUE MILE
17 ON THEIR RAIL SYSTEM, COMPARED TO OVER FOUR RIDES PER VEHICLE
18 REVENUE MILE FOR AGENCIES IN MINNEAPOLIS AND PORTLAND AND OVER
19 EIGHT RIDES PER VEHICLE REVENUE MILE IN SEATTLE, ACCORDING TO
20 DATA FROM THE FEDERAL TRANSIT ADMINISTRATION'S NATIONAL TRANSIT
21 DATABASE.

22 (e) ALLOWING HIGHER DENSITY RESIDENTIAL DEVELOPMENT NEAR
23 TRANSIT IS IMPORTANT FOR INCREASING TRANSIT RIDERSHIP AND
24 IMPROVING THE COST EFFECTIVENESS OF TRANSIT SERVICES.
25 RESEARCHERS HAVE FOUND THAT HIGHER BUILT GROSS DENSITIES
26 CITYWIDE INCREASE COST-EFFECTIVENESS FOR LIGHT RAIL AND BUS RAPID
27 TRANSIT SERVICES, AS DESCRIBED IN THE ARTICLE, "COST OF A RIDE: THE

1 EFFECTS OF DENSITIES ON FIXED-GUIDEWAY TRANSIT RIDERSHIP AND
2 COSTS" BY ERICK GUERRA AND ROBERT CERVERO.

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

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

22 (h) IN COLORADO, HOUSEHOLDS IN MORE DENSE AREAS, WHICH
23 ARE DEFINED AS CENSUS TRACTS WITH MORE THAN FOUR THOUSAND UNITS
24 PER SQUARE MILE OR ABOUT FIFTEEN UNITS PER ACRE, DRIVE TWENTY
25 PERCENT LESS THAN THE STATE AVERAGE, AND HIGHER DENSITY AREAS,
26 CENSUS TRACTS WITH MORE THAN TEN THOUSAND UNITS PER SQUARE MILE
27 OR ABOUT FORTY UNITS PER ACRE, DRIVE FORTY PERCENT LESS THAN THE

1 STATE AVERAGE, ACCORDING TO DATA FROM THE 2017 NATIONAL
2 HOUSEHOLD TRAVEL SURVEY;

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

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

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

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

26 (m) NATIONAL STUDIES, SUCH AS THE ARTICLE "RELATIONSHIPS
27 BETWEEN DENSITY AND PER CAPITA MUNICIPAL SPENDING IN THE UNITED

1 STATES", PUBLISHED IN URBAN SCIENCE, HAVE FOUND THAT LOWER
2 DENSITY COMMUNITIES HAVE HIGHER GOVERNMENT CAPITAL AND
3 MAINTENANCE COSTS FOR WATER, SEWER, AND TRANSPORTATION
4 INFRASTRUCTURE AND LOWER PROPERTY AND SALES TAX REVENUE. THESE
5 INCREASED COSTS ARE OFTEN BORNE BY BOTH STATE AND LOCAL
6 GOVERNMENTS.

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

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

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

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

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

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

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

26 (u) THE GREENHOUSE GAS TRANSPORTATION PLANNING STANDARD
27 ADOPTED BY THE TRANSPORTATION COMMISSION OF COLORADO IN 2021

1 SET A STATEWIDE TARGET TO REDUCE TRANSPORTATION GREENHOUSE GAS
2 EMISSIONS THROUGH THE TRANSPORTATION PLANNING PROCESS BY ONE
3 MILLION FIVE HUNDRED THOUSAND TONS BY 2030; AND

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

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

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

22 (b) THERE IS AN EXTRATERRITORIAL IMPACT WHEN LOCAL
23 GOVERNMENTS RESTRICT HOUSING DEVELOPMENT WITHIN THEIR
24 JURISDICTIONS. THE CALL FOR JOB GROWTH IN ONE COMMUNITY THAT
25 DOES NOT ALSO ADDRESS THE NEED FOR ADDITIONAL HOUSING AFFECTS
26 THE DEMAND OF HOUSING DEVELOPMENT IN NEIGHBORING JURISDICTIONS.
27 IN COLORADO, THE NUMBER OF JOBS WITHIN LARGE MUNICIPALITIES IS

1 GENERALLY CORRELATED TO THE MUNICIPALITY'S TRANSIT SERVICE, AND
2 RESEARCH HAS SHOWN THAT REGIONAL IMBALANCES BETWEEN JOBS AND
3 HOUSING HAVE A SIGNIFICANT IMPACT ON VEHICLE MILES TRAVELED AND
4 COMMUTE TIMES ACROSS JURISDICTIONS, ACCORDING TO STUDIES SUCH AS
5 "WHICH REDUCES VEHICLE TRAVEL MORE: JOBS-HOUSING BALANCE OR
6 RETAIL-HOUSING MIXING?", PUBLISHED IN THE JOURNAL OF THE
7 AMERICAN PLANNING ASSOCIATION. WHEN PEOPLE ARE UNABLE TO LIVE
8 NEAR WHERE THEY WORK, WORKERS HAVE NO OPTIONS BUT TO SPEND
9 MORE HOURS ON THE ROAD COMMUTING TO AND FROM WORK. THE
10 LONGER COMMUTE INCREASES VEHICLE TRAFFIC AND PUTS ADDITIONAL
11 STRAIN ON COLORADO'S ROADS AND INCREASES POLLUTION.

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

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

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

26 (III) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING
27 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE

1 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS; AND

2 (d) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING
3 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE
4 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS AS THIS IS AMONG
5 THE MOST PRESSING PROBLEMS CURRENTLY FACING COMMUNITIES
6 THROUGHOUT COLORADO.

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

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

19 **29-35-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE
20 CONTEXT OTHERWISE REQUIRES:

21 ■ ■

22 (1) "EXEMPT PARCEL" MEANS:

23 (a) A PARCEL THAT, AS OF JANUARY 1, 2024, IS NOT SERVED BY A
24 DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN
25 SECTION 24-65.1-104 (5), AND NOT SERVED BY A WELL WITH A PERMIT
26 THAT CAN SUPPLY AN ADDITIONAL DWELLING UNIT;

27 (b) A PARCEL THAT, AS OF JANUARY 1, 2024, IS IN AN

1 AGRICULTURAL, FORESTRY, NATURAL RESOURCE PRESERVATION, OR OPEN
2 SPACE ZONING DISTRICT;

3 (c) A PARCEL THAT, AS OF JANUARY 1, 2024, IS ZONED OR USED
4 PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS
5 SUBSECTION (1)(c), MEANS A BUSINESS USE OR ACTIVITY AT A SCALE
6 GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING,
7 FABRICATION, ASSEMBLY, WAREHOUSING, OR STORAGE;

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

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

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

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

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

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

21 (j) A PARCEL THAT, AS OF JANUARY 1, 2024, IS FEDERAL OR STATE
22 OWNED PROPERTY; OR

23 (k) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024,
24 INCLUDES LAND THAT IS PARK AND OPEN SPACE, AS DEFINED IN SECTION
25 29-7.5-103 (2).

26 (2) "HOUSING OPPORTUNITY GOAL" MEANS A GOAL FOR THE
27 ZONING CAPACITY FOR RESIDENTIAL UNITS IN A TRANSIT-ORIENTED

1 COMMUNITY. A LOCAL GOVERNMENT SHALL CALCULATE ITS HOUSING
2 OPPORTUNITY GOAL PURSUANT TO SECTION 29-35-204 (2).

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

6 (4) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT BOTH MEETS
7 THE REQUIREMENTS OF SECTION 29-35-207 AND IS DESIGNATED AS A
8 NEIGHBORHOOD CENTER BY A LOCAL GOVERNMENT IN A METROPOLITAN
9 PLANNING ORGANIZATION.

10 (5) "NET HOUSING DENSITY" MEANS THE NUMBER OF RESIDENTIAL
11 UNITS ALLOWED PER ACRE OF LAND ON PARCELS THAT ALLOW FOR
12 RESIDENTIAL DEVELOPMENT. IN CALCULATING NET HOUSING DENSITY FOR
13 AN AREA, A LOCAL GOVERNMENT SHALL INCORPORATE ANY DIMENSIONAL
14 OR OTHER RESTRICTIONS IN LOCAL LAWS USED TO REGULATE ALLOWED
15 DENSITY IN THE AREA, INCLUDING BUT NOT LIMITED TO RESTRICTIONS
16 RELATED TO UNITS PER ACRE, LOT AREA PER UNIT, LOT COVERAGE, SITE
17 LEVEL OPEN SPACE REQUIREMENTS, FLOOR AREA RATIOS, SETBACKS,
18 MINIMUM PARKING REQUIREMENTS, AND MAXIMUM HEIGHT.

19 (6) (a) "NONQUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS
20 A TRANSIT-ORIENTED COMMUNITY THAT HAS NOT, AS OF DECEMBER 31,
21 2026, MET ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION
22 29-35-204 (4).

23 (b) WHEN A TRANSIT-ORIENTED COMMUNITY MEETS ITS HOUSING
24 OPPORTUNITY GOAL PURSUANT TO SECTION 29-35-204 (4), A
25 TRANSIT-ORIENTED COMMUNITY IS A "QUALIFIED TRANSIT-ORIENTED
26 COMMUNITY".

27 (7) "QUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS A

1 TRANSIT-ORIENTED COMMUNITY THAT HAS BOTH MET ITS HOUSING
2 OPPORTUNITY GOAL AND HAD THE DEPARTMENT APPROVE EITHER THE
3 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL
4 PURSUANT TO SECTION 29-35-204 (8), OR THE TRANSIT-ORIENTED
5 COMMUNITY'S PROGRESS REPORT PURSUANT TO SECTION 29-35-204 (9).

6 (8) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE
7 HOUSING THAT:

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

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

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

22 (9) "TRANSIT AREA" MEANS BOTH A TRANSIT STATION AREA, AS
23 DEFINED IN SUBSECTION (13) OF THIS SECTION, OR A TRANSIT CORRIDOR
24 AREA, AS DEFINED IN SUBSECTION (11) OF THIS SECTION.

25 (10) "TRANSIT CENTER" MEANS AN AREA THAT BOTH MEETS THE
26 REQUIREMENTS OF SECTION 29-35-206 AND IS DESIGNATED AS A TRANSIT
27 CENTER BY A TRANSIT-ORIENTED COMMUNITY.

1 (11) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA,
2 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS
3 WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AND THAT EITHER:

4 (a) HAS A SCHEDULED FREQUENCY OF FIFTEEN MINUTES OR LESS
5 DURING THE HIGHEST FREQUENCY SERVICE HOURS; OR

6 (b) IS AN URBAN BUS RAPID TRANSIT SERVICE.

7 (12) "TRANSIT-ORIENTED COMMUNITY" MEANS A LOCAL
8 GOVERNMENT THAT:

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

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

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

14 AND

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

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

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

23 (13) "TRANSIT STATION AREA" MEANS THE TOTAL AREA,
24 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS
25 WITHIN ONE-HALF MILE OF A STATION THAT SERVES ONE OR MORE OF THE
26 FOLLOWING:

27 (a) COMMUTER BUS RAPID TRANSIT SERVICE;

- 1 (b) COMMUTER RAIL;
- 2 (c) LIGHT RAIL; OR
- 3 (d) A PUBLIC BUS ROUTE THAT HAS A SCHEDULED FREQUENCY OF
- 4 FIFTEEN MINUTES OR LESS DURING THE HIGHEST FREQUENCY SERVICE
- 5 HOURS AND OPERATES PRIMARILY ON AN INTERSTATE HIGHWAY.

6 (14) "ZONING CAPACITY" MEANS THE TOTAL NUMBER OF HOUSING
7 UNITS ALLOWED IN AN AREA, AS LIMITED BY THE RESTRICTIONS IN LOCAL
8 LAW THAT REGULATE DENSITY IN THAT AREA, INCLUDING BUT NOT
9 LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA PER
10 UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR
11 AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND
12 MAXIMUM HEIGHT.

13 **29-35-203. Department of local affairs collaboration.** AS
14 DETERMINED TO BE APPROPRIATE BY THE EXECUTIVE DIRECTOR OF THE
15 DEPARTMENT, THE DEPARTMENT SHALL COLLABORATE WITH THE
16 DEPARTMENT OF TRANSPORTATION AND THE COLORADO ENERGY OFFICE
17 IN FULFILLING THE REQUIREMENTS OF THIS PART 2.

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

- 25 (a) TRANSIT RIDERSHIP, LAND USE DEVELOPMENT PATTERNS,
- 26 AFFORDABILITY AND AVAILABILITY OF HOUSING, ROADS, AND
- 27 GREENHOUSE GAS EMISSIONS FROM THE TRANSPORTATION SECTOR ARE

1 INTERCONNECTED ISSUES THAT HAVE IMPACTS AND CONCERNS WELL
2 BEYOND THE BORDERS OF A SINGLE LOCAL COMMUNITY;

3 (b) COLORADO HAS AN INTEREST IN ENSURING A STABLE QUANTITY
4 AND QUALITY OF HOUSING IN ALIGNMENT WITH POPULATION GROWTH AND
5 ENSURING THAT SHARED RESOURCES, INVESTMENTS, AND GOALS SUCH AS
6 ROADS, INFRASTRUCTURE, TRANSIT, AIR QUALITY, WATER, AND
7 GREENHOUSE GAS MITIGATION, ARE PROTECTED IN THE PROCESS; AND

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

11 (2) **Housing opportunity goal calculation.** [REDACTED] A
12 TRANSIT-ORIENTED COMMUNITY SHALL CALCULATE ITS HOUSING
13 OPPORTUNITY GOAL BY MULTIPLYING THE TOTAL AREA OF THE TRANSIT
14 AREAS WITHIN THE LOCAL GOVERNMENT'S JURISDICTION, EXCLUSIVE OF
15 THE EXEMPT PARCELS IN THOSE TRANSIT AREAS, BY [REDACTED] FORTY UNITS PER
16 ACRE. [REDACTED]

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

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

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

25 (II) A MAP OF EXISTING ZONING DISTRICTS WITHIN THE
26 TRANSIT-ORIENTED COMMUNITY THAT MAY QUALIFY AS TRANSIT CENTERS
27 AND PRELIMINARY EVIDENCE FOR THIS QUALIFICATION INCLUDING THE

1 STANDARDS APPLICABLE TO THESE ZONING DISTRICTS.

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

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

11 (4) **Housing opportunity goal compliance.** (a) IF A
12 TRANSIT-ORIENTED COMMUNITY DOES NOT MEET ITS HOUSING
13 OPPORTUNITY GOAL ON OR BEFORE DECEMBER 31, 2026, THE
14 DEPARTMENT SHALL DESIGNATE THE TRANSIT-ORIENTED COMMUNITY AS
15 A NONQUALIFIED TRANSIT-ORIENTED COMMUNITY.

16 (b) ON OR BEFORE DECEMBER 31, 2027, A TRANSIT-ORIENTED
17 COMMUNITY SHALL MEET ITS HOUSING OPPORTUNITY GOAL.

18 (c) TO ENSURE THAT A TRANSIT-ORIENTED COMMUNITY MEETS ITS
19 HOUSING OPPORTUNITY GOAL, A TRANSIT-ORIENTED COMMUNITY SHALL:

20 (I) DESIGNATE AREAS WITHIN THE TRANSIT-ORIENTED COMMUNITY
21 AS TRANSIT CENTERS AND ENSURE THAT THOSE AREAS SATISFY THE
22 REQUIREMENTS IN SECTION 29-35-206;

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

27 (III) SUBMIT A HOUSING OPPORTUNITY GOAL REPORT AND HAVE

1 THE REPORT APPROVED BY THE DEPARTMENT PURSUANT TO SUBSECTION
2 (8) OF THIS SECTION.

3 (5) **Insufficient water supplies for meeting a housing**
4 **opportunity goal.** (a) ON OR BEFORE DECEMBER 31, 2026, AND EVERY
5 THREE YEARS THEREAFTER, A TRANSIT-ORIENTED COMMUNITY MAY
6 NOTIFY THE DEPARTMENT, IN A FORM AND MANNER DETERMINED BY THE
7 DEPARTMENT, THAT A WATER SUPPLY ENTITY, AS DEFINED IN SECTION
8 29-20-302 (2), THAT SUPPLIES WATER TO AN AREA WITHIN THE
9 TRANSIT-ORIENTED COMMUNITY HAS DETERMINED THAT THE WATER
10 SUPPLY ENTITY DOES NOT HAVE SUFFICIENT AVAILABLE WATER SUPPLIES
11 DURING THE MOST RECENT THREE-YEAR PERIOD TO PROVIDE THE
12 DOMESTIC WATER SERVICE NECESSARY TO MEET THE TRANSIT-ORIENTED
13 COMMUNITY'S HOUSING OPPORTUNITY GOAL IN THAT AREA. THE WATER
14 SUPPLY ENTITY SHALL PROVIDE INFORMATION AND ASSISTANCE AS
15 NECESSARY TO COMPLETE THE NOTICE ALLOWED BY THIS SUBSECTION (5).
16 THE NOTICE ALLOWED BY THIS SUBSECTION (5) MUST INCLUDE, BUT IS NOT
17 LIMITED TO:

18 (I) AN ANALYSIS OF THE WATER SUPPLY ENTITY'S ABILITY TO
19 ADOPT A PREFERENCE POLICY FOR WATER SUPPLY ALLOCATIONS FOR
20 REGULATED AFFORDABLE HOUSING AND MULTIFAMILY HOUSING WITHIN
21 TRANSIT CENTERS IN THE TRANSIT-ORIENTED COMMUNITY; ■ ■

22 (II) AN ANALYSIS OF PROJECTED HOUSING AND POPULATION
23 GROWTH FROM THE STATE DEMOGRAPHY OFFICE OR RELEVANT
24 METROPOLITAN PLANNING ORGANIZATION IN THE AREA WITHIN THE
25 TRANSIT-ORIENTED COMMUNITY THAT THE WATER SUPPLY ENTITY
26 PROVIDES DOMESTIC WATER SERVICES TO;

27 (III) (A) AN APPLICATION OF THE ANALYSIS IN SUBSECTION

1 (5)(a)(II) TO THE ESTIMATED WATER NEEDED TO SUPPLY DOMESTIC TO THE
2 ESTIMATED WATER NEEDED TO SUPPLY DOMESTIC WATER SERVICE FOR THE
3 TRANSIT CENTERS THAT THE WATER SUPPLY ENTITY CURRENTLY PROVIDES
4 WATER SERVICES TO FOR THE TRANSIT-ORIENTED COMMUNITY TO MEET ITS
5 HOUSING OPPORTUNITY GOAL; AND

6 (B) ANY DATA, PROFESSIONAL OPINIONS, OR OTHER INFORMATION
7 USED TO CREATE THE ANALYSIS IN THIS SUBSECTION (5)(a)(III);

8 (IV) DOCUMENTATION DEMONSTRATING BOTH AN UP-TO-DATE
9 WATER SUPPLY PLAN THAT COMPLIES WITH SECTION 29-20-304 (3) AND AN
10 UP-TO-DATE WATER EFFICIENCY PLAN THAT COMPLIES WITH SECTION
11 37-60-126 (1) THROUGH (5); AND

12 (V) A PROPOSAL THAT MAY INCLUDE:

13 (A) A REQUEST FOR AN AMOUNT OF ADDITIONAL TIME FOR THE
14 TRANSIT-ORIENTED COMMUNITY TO MEET ITS HOUSING OPPORTUNITY
15 GOAL IN A MANNER THAT WILL ALLOW THE WATER SUPPLY ENTITY TO
16 PROVIDE THE NECESSARY DOMESTIC WATER SERVICES; AND

17 (B) AN ACTION PLAN BASED ON THE ANALYSES IN SUBSECTIONS
18 (5)(a)(I) THROUGH (5)(a)(III) OF THIS SECTION.

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

23 (6) **Affordability strategies.** (a) ON OR BEFORE DECEMBER 31,
24 2026, A TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY
25 STRATEGIES THAT IT WILL IMPLEMENT OR HAS ALREADY IMPLEMENTED
26 WHILE MEETING ITS HOUSING OPPORTUNITY GOAL. IN SO DOING, THE
27 TRANSIT-ORIENTED COMMUNITY SHALL IDENTIFY AFFORDABILITY

1 STRATEGIES BASED ON THE DEMONSTRATED HOUSING NEEDS WITHIN THE
2 TRANSIT-ORIENTED COMMUNITY INCLUDING FOR-SALE AND RENTAL
3 HOUSING NEEDS AND THE HOUSING NEEDS OF LOW-, MODERATE-, AND
4 MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE UNITED STATES
5 DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

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

10 (A) AT LEAST TWO STRATEGIES INCLUDED IN THE STANDARD
11 AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-35-209 (1)
12 THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO
13 SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT;

14 (B) AT LEAST ONE STRATEGY INCLUDED IN THE LONG-TERM
15 AFFORDABILITY STRATEGIES MENU DESCRIBED IN SECTION 29-35-209 (2)
16 THAT THE TRANSIT-ORIENTED COMMUNITY IDENTIFIED PURSUANT TO
17 SUBSECTION (6)(a) OF THIS SECTION AND INTENDS TO IMPLEMENT; AND

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

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

24 (A) COUNT ONE OR BOTH OF THE STRATEGIES DESCRIBED IN
25 SECTIONS 29-35-209 (1)(e) AND 29-35-209 (2)(c) TOWARDS SATISFYING
26 THE REQUIREMENTS OF BOTH SUBSECTIONS (6)(b)(I)(A) AND (6)(b)(I)(B)
27 OF THIS SECTION; OR

1 (B) COUNT ANY STRATEGY DESCRIBED IN SECTION 29-35-209 THAT
2 IS OTHERWISE REQUIRED BY STATE LAW.

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

7 (a) ANY DISPLACEMENT MITIGATION STRATEGIES THAT THE
8 TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE
9 DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY THE
10 DEPARTMENT PURSUANT TO SECTION 29-35-210 (3) TO MITIGATE
11 DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL;
12 AND

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

17 (8) **Housing opportunity goal report.** (a) ON OR BEFORE
18 DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A
19 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM
20 AND MANNER DETERMINED BY THE DEPARTMENT. PURSUANT TO SECTION
21 29-35-211 (5), UPON THE SUBMISSION AND APPROVAL BY THE
22 DEPARTMENT OF THE REPORT, A TRANSIT-ORIENTED COMMUNITY BECOMES
23 ELIGIBLE FOR THE AWARD OF A TRANSIT-ORIENTED COMMUNITIES
24 INFRASTRUCTURE GRANT PROGRAM GRANT. THE REPORT MUST INCLUDE
25 THE FOLLOWING, ALONG WITH ANY OTHER ELEMENTS IDENTIFIED BY THE
26 DEPARTMENT:

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

1 GOAL;

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

5 (III) A MAP THAT IDENTIFIES THE BOUNDARIES OF ANY TRANSIT
6 CENTERS WITHIN THE TRANSIT-ORIENTED COMMUNITY AND EVIDENCE
7 THAT THOSE AREAS SATISFY THE REQUIREMENTS IN SECTION 29-35-206;

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

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

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

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

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

1 NOTICE THAT EITHER:

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

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

10 (c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A
11 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT PURSUANT TO
12 SUBSECTION (8)(a) OF THIS SECTION OR FAILS TO SUBMIT AN AMENDED
13 HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(b)(II)
14 OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE THE
15 TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE STATING THAT THE
16 TRANSIT-ORIENTED COMMUNITY WILL BE DEEMED A NONQUALIFIED
17 TRANSIT-ORIENTED COMMUNITY UNLESS THE TRANSIT-ORIENTED
18 COMMUNITY SUBMITS A HOUSING OPPORTUNITY GOAL REPORT OR AN
19 AMENDED HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT
20 WITHIN NINETY DAYS OF RECEIVING THE NOTICE.

21 (II) IF A TRANSIT-ORIENTED COMMUNITY DOES NOT SUBMIT A
22 HOUSING OPPORTUNITY GOAL REPORT OR AN AMENDED HOUSING
23 OPPORTUNITY GOAL REPORT WITHIN NINETY DAYS OF RECEIVING THE
24 WRITTEN NOTICE DESCRIBED IN SUBSECTION (8)(c)(I) OF THIS SECTION,
25 THE DEPARTMENT SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY
26 WRITTEN NOTICE THAT IT IS A NONQUALIFIED TRANSIT-ORIENTED
27 COMMUNITY.

1 (III) IF THE DEPARTMENT HAS NOT APPROVED A
2 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT
3 ON OR BEFORE DECEMBER 31, 2027, THE TRANSIT-ORIENTED COMMUNITY
4 IS IN NON-COMPLIANCE WITH THIS PART 2, AND THE DEPARTMENT MAY
5 SEEK AN INJUNCTION FROM A DISTRICT COURT REQUIRING THE
6 TRANSIT-ORIENTED COMMUNITY TO COMPLY WITH THE REQUIREMENTS OF
7 THIS PART 2.

8 (9) **Progress report.** (a) EVERY THREE YEARS AFTER SUBMITTING
9 A HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(a)
10 OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A
11 PROGRESS REPORT TO THE DEPARTMENT IN A FORM AND MANNER
12 DETERMINED BY THE DEPARTMENT THAT CONFIRMS THAT THE
13 TRANSIT-ORIENTED COMMUNITY IS STILL MEETING THE REQUIRED
14 ELEMENTS OF THE TRANSIT-ORIENTED COMMUNITY'S HOUSING
15 OPPORTUNITY GOAL REPORT REQUIRED PURSUANT TO SUBSECTIONS
16 (8)(a)(II) THROUGH (8)(a)(VI) OF THIS SECTION.

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

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

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

1 NOTICE.

2 (c) (I) IF A TRANSIT-ORIENTED COMMUNITY FAILS TO SUBMIT A
3 PROGRESS REPORT TO THE DEPARTMENT PURSUANT TO SUBSECTION (9)(a)
4 OF THIS SECTION OR FAILS TO SUBMIT AN AMENDED PROGRESS REPORT
5 PURSUANT TO SUBSECTION (9)(b)(II) OF THIS SECTION, THE DEPARTMENT
6 SHALL PROVIDE THE TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE
7 STATING THAT THE TRANSIT-ORIENTED COMMUNITY WILL BE DEEMED A
8 NONQUALIFIED TRANSIT-ORIENTED COMMUNITY UNLESS THE
9 TRANSIT-ORIENTED COMMUNITY SUBMITS A PROGRESS REPORT OR AN
10 AMENDED PROGRESS REPORT TO THE DEPARTMENT WITHIN NINETY DAYS
11 OF RECEIVING THE NOTICE.

12 (II) IF A TRANSIT-ORIENTED COMMUNITY DOES NOT SUBMIT A
13 PROGRESS REPORT OR AN AMENDED PROGRESS REPORT WITHIN NINETY
14 DAYS OF RECEIVING THE WRITTEN NOTICE DESCRIBED IN SUBSECTION
15 (9)(c)(I) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE THE
16 TRANSIT-ORIENTED COMMUNITY WRITTEN NOTICE THAT IT IS A
17 NONQUALIFIED TRANSIT-ORIENTED COMMUNITY.

18 **29-35-205. Nonqualified transit-oriented communities**
19 **reporting - highway users tax fund allocation.** (1) ON OR AFTER
20 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER DURING WHICH A
21 LOCAL GOVERNMENT FIRST QUALIFIES AS EITHER A QUALIFIED
22 TRANSIT-ORIENTED COMMUNITY OR A NONQUALIFIED TRANSIT-ORIENTED
23 COMMUNITY, THE DEPARTMENT SHALL PROVIDE THE STATE TREASURER
24 WITH A LIST OF LOCAL GOVERNMENTS THAT ARE NONQUALIFIED
25 TRANSIT-ORIENTED COMMUNITIES.

26 (2) NOTWITHSTANDING ANY LAW TO THE CONTRARY, BEGINNING
27 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER, THE STATE

1 TREASURER SHALL TRANSFER TO THE TRANSIT-ORIENTED COMMUNITIES
2 HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION 29-35-211 (8)(b),
3 INSTEAD OF TO THE LOCAL GOVERNMENT ANY MONEY THAT A LOCAL
4 GOVERNMENT THAT IS ON THE MOST RECENT LIST PROVIDED TO THE STATE
5 TREASURER, PURSUANT TO SUBSECTION (1) OF THIS SECTION, WOULD
6 OTHERWISE HAVE BEEN ALLOCATED FROM THE HIGHWAY USERS TAX FUND
7 PURSUANT TO SECTIONS 43-4-205 AND 43-4-207 OR SECTIONS 43-4-205
8 AND 43-4-208.

9 (3) (a) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION, THE
10 DEPARTMENT MAY NOT EXPEND MONEY FROM THE TRANSIT-ORIENTED
11 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION
12 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO A SPECIFIC NONQUALIFIED
13 TRANSIT-ORIENTED COMMUNITY'S INCLUSION IN THE LIST DESCRIBED IN
14 SUBSECTION (1) OF THIS SECTION UNTIL ONE HUNDRED EIGHTY DAYS
15 AFTER THE NONQUALIFIED TRANSIT-ORIENTED COMMUNITY HAS FIRST
16 APPEARED ON THE LIST.

17 (b) IF A LOCAL GOVERNMENT IS NO LONGER A NONQUALIFIED
18 TRANSIT-ORIENTED COMMUNITY WITHIN ONE HUNDRED EIGHTY DAYS
19 AFTER THE NONQUALIFIED LOCAL GOVERNMENT FIRST APPEARS ON THE
20 LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE STATE
21 TREASURER SHALL ISSUE A WARRANT TO THAT LOCAL GOVERNMENT
22 EQUAL TO THE AMOUNT OF MONEY IN THE TRANSIT-ORIENTED
23 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION
24 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO THE LOCAL GOVERNMENT'S
25 INCLUSION ON THE LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

26 **29-35-206. Criteria for qualification as a transit center -**
27 **criteria for qualification as a transit center outside of a transit area.**

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

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

8 (b) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR
9 FOR SUBDISTRICTS WITHIN THE AREA. THE IDENTIFIED NET HOUSING
10 DENSITY MUST:

11 (I) INCORPORATE ANY DIMENSIONAL OR OTHER RESTRICTIONS IN
12 LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA, INCLUDING BUT
13 NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA
14 PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR
15 AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND
16 MAXIMUM HEIGHT;

17 (II) ASSUME MINIMUM PARKING REQUIREMENTS ARE MET WITH
18 SURFACE PARKING; EXCEPT THAT SEVEN-TENTHS OF PARKING SPACES PER
19 DWELLING UNIT MAY BE COUNTED AS STRUCTURED PARKING WITHIN THE
20 BUILDING FOOTPRINT; AND

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

27 (c) EXCLUDE ANY AREA WHERE LOCAL LAW EXCLUSIVELY

1 RESTRICTS HOUSING OCCUPANCY BASED ON AGE OR OTHER FACTORS;

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

11 (e) ENSURE THAT THE AREA IS LOCATED WHOLLY OR PARTIALLY
12 WITHIN A TRANSIT AREA, AND THAT THE DESIGNATED TRANSIT CENTER IS
13 COMPRISED OF PARCELS THAT ARE CONTIGUOUS AND DOES NOT EXTEND
14 MORE THAN ONE-QUARTER MILE FROM THE EDGE OF THE TRANSIT AREA.

15 (2) NOTWITHSTANDING SUBSECTION (1)(e) OF THIS SECTION, A
16 TRANSIT-ORIENTED COMMUNITY MAY DESIGNATE AN AREA AS A TRANSIT
17 CENTER IN A LOCATION OTHER THAN WHAT IS ALLOWED PURSUANT TO
18 SUBSECTION (1)(e) OF THIS SECTION, BY FILING A REQUEST FOR
19 LOCATIONAL FLEXIBILITY WITH THE DEPARTMENT, IN A FORM AND
20 MANNER DETERMINED BY THE DEPARTMENT, DEMONSTRATING THAT:

21 (a) WITHIN THE TRANSIT AREAS IN THE TRANSIT-ORIENTED
22 COMMUNITY, THE TRANSIT-ORIENTED COMMUNITY HAS:

23 (I) ADOPTED A PLAN TO ENCOURAGE AND SUPPORT FUTURE
24 INVESTMENT AND EXPANSION OF INFRASTRUCTURE TO SERVE
25 MULTIFAMILY HOUSING AND ESTABLISHED ZONING CAPACITY THAT IS AS
26 HIGH AS PRACTICABLE TO PROVIDE OPPORTUNITIES FOR MULTIFAMILY
27 HOUSING; AND

1 (II) REMOVED DIMENSIONAL AND OTHER RESTRICTIONS IN LOCAL
2 LAWS IN ORDER TO MAXIMIZE FUTURE HOUSING PRODUCTION THAT IS
3 REASONABLY EXPECTED TO OCCUR IN THE AREA; AND

4 (b) THE AREA THAT THE TRANSIT-ORIENTED COMMUNITY IS
5 REQUESTING LOCATIONAL FLEXIBILITY TO DESIGNATE AS A TRANSIT
6 CENTER:

7 (I) HAS A REASONABLE OPPORTUNITY FOR NEW MULTIFAMILY
8 HOUSING, INCLUDING PLANNED OR EXISTING INFRASTRUCTURE AND
9 PLANNED OR EXISTING MULTIMODAL ACCESS TO A TRANSIT STATION; AND

10 (II) IF DESIGNATED AS A TRANSIT CENTER BY THE
11 TRANSIT-ORIENTED COMMUNITY, WOULD PROVIDE BENEFITS CONSISTENT
12 WITH THE PURPOSES OF THIS PART 2 THAT MAY INCLUDE REGULATED
13 AFFORDABLE HOUSING, MULTIMODAL MOBILITY, TRANSIT-SUPPORTIVE
14 DENSITY TO INCREASE OR EXPAND TRANSIT SERVICE, EXPANDED HOUSING
15 ACCESS IN HIGH-OPPORTUNITY AREAS, IMPROVED BALANCE OF HOUSING
16 AND JOBS IN THE AREA OR REGION, ACCESSIBLE HOUSING, AND ACCESS TO
17 DAILY NEEDS WITHIN A MIXED-USE PEDESTRIAN-ORIENTED
18 NEIGHBORHOOD.

19 (c) THE DEPARTMENT MAY REVIEW A TRANSIT-ORIENTED
20 COMMUNITY'S REQUEST TO DESIGNATE AN AREA AS A TRANSIT CENTER
21 PURSUANT TO THIS SUBSECTION (2) AND APPROVE OR DENY THE REQUEST
22 BASED ON CONSISTENCY WITH THE GOALS IN SUBSECTION (2)(b)(II) OF
23 THIS SECTION.

24 **29-35-207. Criteria for qualification as a neighborhood center.**

25 (1) (a) TO DESIGNATE AN AREA AS A NEIGHBORHOOD CENTER, A LOCAL
26 GOVERNMENT IN A METROPOLITAN PLANNING ORGANIZATION SHALL, IN
27 ACCORDANCE WITH POLICIES AND PROCEDURES ADOPTED BY THE

1 DEPARTMENT:

2 (I) ENSURE THAT THE AREA ALLOWS A NET HOUSING DENSITY TO
3 BE ESTABLISHED BY THE DEPARTMENT THAT SUPPORTS
4 PEDESTRIAN-ORIENTED MIXED-USE NEIGHBORHOODS, THE DEVELOPMENT
5 OF REGULATED AFFORDABLE HOUSING, AND INCREASED PUBLIC TRANSIT
6 RIDERSHIP;

7 (II) ESTABLISH AN ADMINISTRATIVE APPROVAL PROCESS FOR
8 MULTIFAMILY RESIDENTIAL DEVELOPMENT ON PARCELS IN THE AREA THAT
9 ARE NO LARGER THAN A SIZE DETERMINED BY THE DEPARTMENT;

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

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

16 (b) NOTWITHSTANDING THE REQUIREMENTS FOR A LOCAL
17 GOVERNMENT DESIGNATING AN AREA AS A NEIGHBORHOOD CENTER
18 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, THE DEPARTMENT
19 SHALL ESTABLISH SEPARATE REQUIREMENTS FOR LOCAL GOVERNMENTS
20 DESIGNATING AREAS WITHIN OPTIONAL TRANSIT AREAS IDENTIFIED BY THE
21 DEPARTMENT PURSUANT TO SECTION 29-35-208 (1)(c).

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

27 **29-35-208. Transit areas map - housing opportunity goals,**

1 **models, and guidance. (1) Transit areas map. (a)** ON OR BEFORE JULY
2 31, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN
3 PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE
4 WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A MAP
5 THAT DESIGNATES TRANSIT AREAS TO BE USED BY TRANSIT-ORIENTED
6 COMMUNITIES IN CALCULATING HOUSING OPPORTUNITY GOALS.

7 (b) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF
8 THIS SECTION, THE DEPARTMENT SHALL DESIGNATE TRANSIT AREAS BASED
9 ON:

10 (I) AN URBAN BUS RAPID TRANSIT SERVICE OR COMMUTER BUS
11 RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN:

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

16 (B) THE TRANSIT MASTER PLAN OF A TRANSIT AGENCY PLANNED
17 FOR SHORT-TERM IMPLEMENTATION, ACCORDING TO THAT PLAN;".

18 (II) A PLAN FOR TRANSIT SERVICE THAT:

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

21 (B) IDENTIFIES THE FREQUENCY OF TRANSIT SERVICE ON SPECIFIC
22 TRANSIT ROUTES; AND

23 (C) IDENTIFIES ROUTES IN SUBSECTION (1)(b)(II)(B) OF THIS
24 SECTION FOR SHORT-TERM IMPLEMENTATION OR IMPLEMENTATION BEFORE
25 JANUARY 1, 2030; OR

26 (III) IF THE INFORMATION IN SUBSECTIONS (1)(b)(I) AND (1)(b)(II)
27 OF THIS SECTION IS NOT AVAILABLE TO THE DEPARTMENT, EXISTING

1 TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024.

2 (c) IN PUBLISHING THE MAP DESCRIBED IN SUBSECTION (1)(a) OF
3 THIS SECTION, THE DEPARTMENT SHALL DESIGNATE THE FOLLOWING
4 OPTIONAL TRANSIT AREAS FOR PLANNING OF FUTURE TRANSIT SERVICE:

5 (I) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT
6 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S
7 FISCALLY-CONSTRAINED LONG-RANGE TRANSPORTATION PLAN ADOPTED
8 PRIOR TO JANUARY 1, 2024, AND INTENDED FOR IMPLEMENTATION AFTER
9 JANUARY 1, 2030, AND BEFORE DECEMBER 31, 2050;

10 (II) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT
11 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S
12 LONG-RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1,
13 2024, THAT ARE INTENDED FOR IMPLEMENTATION BEFORE JANUARY 1,
14 2030, AND THAT ARE WITHIN A TRANSIT-ORIENTED COMMUNITY THAT HAS
15 DESIGNATED TWENTY PERCENT OR MORE OF ITS AREA AS MANUFACTURED
16 HOME ZONING DISTRICTS AS OF JANUARY 1, 2024; AND

17 (III) OTHER AREAS AS DETERMINED BY THE DEPARTMENT
18 THROUGH REGULAR UPDATES.

19 (d) IN IDENTIFYING THE BOUNDARIES OF TRANSIT AREAS AND
20 OPTIONAL TRANSIT AREAS, THE DEPARTMENT SHALL USE:

21 (I) GEOSPATIAL DATA FROM RELEVANT TRANSIT AGENCIES AND
22 METROPOLITAN PLANNING ORGANIZATIONS; AND

23 (II) ROADWAY LOCATIONS BASED UPON THE CENTERLINE OF THE
24 ROADWAY.

25 (2) **Housing opportunity goals, models, and guidance.** ON OR
26 BEFORE DECEMBER 1, 2024, THE DEPARTMENT SHALL PUBLISH MODELS
27 AND GUIDANCE TO ASSIST LOCAL GOVERNMENTS IN MEETING THEIR

1 HOUSING OPPORTUNITY GOALS AND IN CALCULATING THE DENSITY AND
2 DIMENSIONAL STANDARDS ESTABLISHED IN SECTION 29-35-206 (1)(b),
3 INCLUDING MODELS AND GUIDANCE FOR LOCAL GOVERNMENTS WITH
4 FORM-BASED CODES.

5 **29-35-209. Standard affordability strategies menu - long-term**
6 **affordability strategies menu - alternative affordability strategies. (1)**
7 **Standard affordability strategies menu.** ON OR BEFORE JUNE 30, 2025,
8 THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY
9 STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES AND SHALL
10 UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE: THE
11 FOLLOWING STRATEGIES:

12 (a) IMPLEMENTING A LOCAL INCLUSIONARY ZONING ORDINANCE
13 THAT ACCOUNTS FOR LOCAL HOUSING MARKET CONDITIONS, IS CRAFTED
14 TO MAXIMIZE REGULATED AFFORDABLE HOUSING PRODUCTION BY
15 LEVERAGING PUBLIC RESOURCES, AND COMPLIES WITH THE REQUIREMENTS
16 OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7);

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

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

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

27 (e) CREATING A PROGRAM TO PRIORITIZE AND EXPEDITE

1 DEVELOPMENT APPROVALS FOR REGULATED AFFORDABLE HOUSING
2 DEVELOPMENT;

3 (f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED
4 AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED
5 AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED
6 FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING
7 SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE
8 FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.
9 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT
10 THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION
11 (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS
12 AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF
13 29-35-204 (6)(b)(I)(A);

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

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

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

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

27 (b) REGULATING SHORT-TERM RENTALS, SECOND HOMES, OR

1 OTHER UNDERUTILIZED OR VACANT UNITS IN A WAY, SUCH AS VACANCY
2 FEES FOR UNDERUTILIZED UNITS, THAT PROMOTES MAXIMIZING THE USE OF
3 LOCAL HOUSING STOCK FOR LOCAL HOUSING NEEDS;

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

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

9 (e) ESTABLISHING AN AFFORDABLE HOMEOWNERSHIP STRATEGY
10 SUCH AS:

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

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

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

17 (IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;

18 AND

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

21 (3) **Alternative affordability strategies.** A TRANSIT-ORIENTED
22 COMMUNITY MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW OR
23 PROGRAM, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO
24 THE DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE
25 ADOPTION OF THAT LOCAL LAW OR PROGRAM QUALIFIES AS AN
26 AFFORDABILITY STRATEGY FOR PURPOSES OF SECTION 29-35-204 (6)(a)
27 AND (6)(b), SO LONG AS THE LOCAL LAW OR PROGRAM SUPPORTS EQUAL

1 OR GREATER OPPORTUNITY FOR REGULATED AFFORDABLE HOUSING AND
2 ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1)
3 AND (2) OF THIS SECTION.

4 **29-35-210. Displacement risk assessment - displacement**
5 **mitigation strategies menu - displacement mitigation strategies menu**
6 **goals - alternative displacement mitigation strategies.** (1) ON OR
7 BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL CONDUCT AN
8 ASSESSMENT THAT INCLUDES RECOMMENDATIONS IDENTIFYING THE
9 RESOURCES NECESSARY TO IMPLEMENT THE DISPLACEMENT MITIGATION
10 STRATEGIES IN THE DISPLACEMENT RISK MITIGATION STRATEGIES MENU
11 DESCRIBED IN SUBSECTION (3) OF THIS SECTION. THE ASSESSMENT MUST
12 IDENTIFY:

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

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

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

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

7 (I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

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

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

17 (B) THE PERCENTAGE OF RESIDENTS WHO ARE HOUSEHOLDS;

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

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

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

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

27 (G) THE LOCATION OF MANUFACTURED HOME PARKS;

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

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

8 (3) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL
9 DEVELOP A DISPLACEMENT RISK MITIGATION STRATEGIES MENU AND
10 SHALL UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE THE
11 FOLLOWING STRATEGIES:

12 (a) DESIGNATING TRANSIT CENTERS THAT INCLUDE HIGH INCOME
13 CENSUS TRACTS IN THE TRANSIT-ORIENTED COMMUNITY;

14 (b) CREATING A LOCALLY FUNDED AND ADMINISTERED RENTAL
15 AND MORTGAGE ASSISTANCE PROGRAM;

16 (c) CREATING AN EVICTION AND FORECLOSURE NO-COST LEGAL
17 REPRESENTATION PROGRAM;

18 (d) ESTABLISHING A HOUSING COUNSELING AND NAVIGATION
19 PROGRAM;

20 (e) CREATING A PROPERTY TAX AND DOWN PAYMENT ASSISTANCE
21 PROGRAM;

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

25 (g) PRIORITIZING LOCAL MONEY TOWARD REGULATED
26 AFFORDABLE HOUSING UNIT PRESERVATION OR IMPLEMENTING OR
27 CONTINUING DEED RESTRICTIONS FOR AFFORDABLE HOUSING UNITS;

1 (h) IDENTIFYING PARTNERSHIPS WITH REGIONAL AND NON-PROFIT
2 ENTITIES TO IMPLEMENT STRATEGIES; AND

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

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

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

12 (b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING
13 STOCK;

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

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

23 **29-35-211. Transit-oriented communities infrastructure grant**
24 **program - transit-oriented communities infrastructure fund -**
25 **transit-oriented communities highway users tax account - definitions.**

26 (1) **Grant program created.** THE TRANSIT-ORIENTED COMMUNITIES
27 INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE DEPARTMENT. THE

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

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

6 (a) ON-SITE INFRASTRUCTURE FOR [REDACTED] AFFORDABLE HOUSING,
7 INCLUDING REGULATED AFFORDABLE HOUSING, WITHIN A TRANSIT CENTER
8 OR NEIGHBORHOOD CENTER;

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

11 (c) PUBLIC INFRASTRUCTURE PROJECTS THAT BENEFIT [REDACTED]
12 AFFORDABLE HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING, IN
13 A TRANSIT CENTER OR NEIGHBORHOOD CENTER;

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

17 (e) INFRASTRUCTURE PROJECT DELIVERY, PLANNING, AND
18 COMMUNITY ENGAGEMENT.

19 (3) **Grant program administration.** THE DEPARTMENT SHALL
20 ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE
21 APPROPRIATIONS, AWARD GRANTS AS PROVIDED IN SUBSECTION (7) OF THIS
22 SECTION AND PROVIDE TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS
23 IN COMPLYING WITH THE REQUIREMENTS OF THIS PART 2. SUBJECT TO
24 SECTION 18 OF ARTICLE X OF THE STATE CONSTITUTION, WHICH REQUIRES
25 THE PROCEEDS OF MOTOR FUEL TAXES AND MOTOR VEHICLE LICENSING
26 AND REGISTRATION FEES AND OTHER CHARGES TO BE USED EXCLUSIVELY
27 FOR THE CONSTRUCTION, MAINTENANCE, AND SUPERVISION OF PUBLIC

1 HIGHWAYS, GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES
2 DESCRIBED IN SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION
3 MAY BE PAID OUT OF THE FUND, INCLUDING OUT OF THE ACCOUNT.
4 GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES DESCRIBED
5 IN SUBSECTIONS (2)(a) AND (2)(b) OF THIS SECTION MAY BE PAID OUT OF
6 MONEY IN THE FUND AND NOT IN THE ACCOUNT AND SHALL NOT BE PAID
7 OUT OF THE ACCOUNT.

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

12 (5) **Grant application.** TO RECEIVE A GRANT, A LOCAL
13 GOVERNMENT MUST SUBMIT AN APPLICATION TO THE DEPARTMENT IN
14 ACCORDANCE WITH POLICIES AND PROCEDURES DEVELOPED BY THE
15 DEPARTMENT. A TRANSIT-ORIENTED COMMUNITY MAY ONLY SUBMIT AN
16 APPLICATION TO THE DEPARTMENT AFTER THE DEPARTMENT HAS
17 APPROVED THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY
18 GOAL REPORT PURSUANT TO SECTION 29-35-204 (8).

19 (6) **Grant program criteria.** THE DEPARTMENT SHALL REVIEW
20 THE APPLICATIONS RECEIVED PURSUANT TO THIS SECTION. IN AWARDING
21 GRANTS, THE DEPARTMENT SHALL CONSIDER THE FOLLOWING CRITERIA:

22 (a) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL
23 GOVERNMENT WOULD FUND WITH A GRANT AWARD ON THE DEVELOPMENT
24 OF REGULATED AFFORDABLE HOUSING, MIXED-USE DEVELOPMENT,
25 ACCESSIBLE OR VISITABLE HOUSING UNITS, OR THE CREATION OR
26 ENHANCEMENT OF HOME OWNERSHIP OPPORTUNITIES WITHIN A TRANSIT
27 CENTER OR NEIGHBORHOOD CENTER;

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

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

9 (II) ADOPTED AFFORDABILITY STRATEGIES FROM THE
10 AFFORDABILITY STRATEGIES MENUS IN SECTION 29-35-209 BASED ON THE
11 LOCAL GOVERNMENT'S DEMONSTRATED HOUSING NEEDS, INCLUDING
12 HOUSING NEEDS FOR RENTAL AND FOR-SALE HOUSING AND FOR LOW-,
13 MODERATE-, AND MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE
14 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
15 AND PERMANENT SUPPORTIVE HOUSING;

16 (III) ADOPTED DISPLACEMENT MITIGATION STRATEGIES FROM THE
17 DISPLACEMENT MITIGATION STRATEGIES MENU IN SECTION 29-35-210; AND

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

20 (c) INFORMATION CONTAINED IN THE REPORTS SUBMITTED BY A
21 LOCAL GOVERNMENT PURSUANT TO SECTION 29-35-204 THAT PROVIDES
22 EVIDENCE THAT THE LOCAL GOVERNMENT HAS MET THE REQUIREMENTS
23 OF SECTION 29-35-204.

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

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

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

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

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

16 (b) (I) THE TRANSIT-ORIENTED COMMUNITIES HIGHWAY USERS TAX
17 ACCOUNT IS CREATED IN THE FUND. THE ACCOUNT CONSISTS OF GIFTS,
18 GRANTS, AND DONATIONS, MONEY THAT THE STATE TREASURER
19 TRANSFERS TO THE FUND PURSUANT TO SECTION 29-35-205 (2), AND ANY
20 OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
21 TRANSFER TO THE ACCOUNT. THE STATE TREASURER SHALL CREDIT ALL
22 INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF
23 MONEY IN THE ACCOUNT TO THE ACCOUNT.

24 (II) MONEY IN THE ACCOUNT IS CONTINUOUSLY APPROPRIATED TO
25 THE DEPARTMENT FOR AWARDED GRANTS FOR PURPOSES DESCRIBED IN
26 SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION, AND THE
27 DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY

1 APPROPRIATED OR TRANSFERRED BY THE GENERAL ASSEMBLY TO THE
2 ACCOUNT PURSUANT TO THIS SUBSECTION (8)(b) FOR THE
3 ADMINISTRATIVE COSTS INCURRED BY THE DEPARTMENT IN AWARDING
4 GRANTS FOR SUCH PURPOSES.

5 (III) NOTWITHSTANDING SUBSECTION (8)(b)(II) OF THIS SECTION,
6 THE DEPARTMENT SHALL COMPLY WITH THE REQUIREMENTS OF SECTION
7 29-35-205 (3) IN EXPENDING MONEY IN THE ACCOUNT.

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

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

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

20 (a) "ACCOUNT" MEANS THE TRANSIT-ORIENTED COMMUNITIES
21 HIGHWAY USERS TAX ACCOUNT CREATED WITHIN THE FUND IN SUBSECTION
22 (8)(b) OF THIS SECTION.

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

25 (c) "GRANT PROGRAM" MEANS THE TRANSIT-ORIENTED
26 COMMUNITIES INFRASTRUCTURE GRANT PROGRAM CREATED IN THIS
27 SECTION.

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

3 **24-67-105. Standards and conditions for planned unit**
4 **development - definitions.** (5.5) (a) ANY PLANNED UNIT DEVELOPMENT
5 RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR
6 NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL
7 GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
8 (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER
9 THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN
10 AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
11 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

12 (b) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR
13 ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD
14 CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT
15 BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) AND THAT
16 RESTRICTS THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS
17 INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A
18 TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
19 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207:

20 (I) MUST NOT BE INTERPRETED OR ENFORCED TO RESTRICT THE
21 DEVELOPMENT OF MULTIFAMILY RESIDENTIAL DWELLING UNITS SO THAT
22 A TRANSIT-ORIENTED COMMUNITY COULD NOT DESIGNATE AN AREA AS A
23 TRANSIT CENTER OR NEIGHBORHOOD CENTER THAT WOULD OTHERWISE
24 QUALIFY AS SUCH; AND

25 (II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW
26 ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF
27 A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A

1 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

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

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

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

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

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

13 **SECTION 3.** In Colorado Revised Statutes, 38-33.3-106.5, **add**
14 (3) as follows:

15 **38-33.3-106.5. Prohibitions contrary to public policy -**
16 **patriotic, political, or religious expression - public rights-of-way - fire**
17 **prevention - renewable energy generation devices - affordable**
18 **housing - drought prevention measures - child care - definitions.**

19 (3) (a) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, AN
20 ASSOCIATION SHALL NOT ADOPT A PROVISION OF A DECLARATION, BYLAW,
21 OR RULE ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (3) THAT
22 RESTRICTS THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW
23 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,
24 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES
25 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

26 (b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO
27 PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT

1 IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (3) MAY
2 RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW
3 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,
4 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES
5 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

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

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

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

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

14 **SECTION 4.** In Colorado Revised Statutes, 39-22-2102, **add**
15 **(7)(a.7) and (7.5) as follows:**

16 **39-22-2102. Credit against tax - affordable housing**
17 **developments - legislative declaration.** (7) During each calendar year
18 of the period beginning January 1, 2015, and ending December 31, 2031,
19 the authority may allocate a credit, the full amount of which may be
20 claimed against the taxes imposed by this article 22 for each taxable year
21 of the six-year credit period. The aggregate amount of all credits allocated
22 by the authority in each calendar year of the period beginning January 1,
23 2015, and ending December 31, 2031, shall not exceed the amount of:

24 (a.7) IN ADDITION TO THE AMOUNT DESCRIBED IN SUBSECTION
25 (7)(A.5) OF THIS SECTION:

26 (I) EIGHT MILLION THREE HUNDRED THOUSAND DOLLARS FOR
27 CREDITS ALLOCATED IN CALENDAR YEAR 2024, PURSUANT TO SUBSECTION

1 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

2 (II) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR
3 CREDITS ALLOCATED IN CALENDAR YEAR 2025, PURSUANT TO SUBSECTION
4 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

5 (III) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR
6 CREDITS ALLOCATED IN CALENDAR YEAR 2026, PURSUANT TO SUBSECTION
7 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

8 (IV) FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS FOR
9 CREDITS ALLOCATED IN CALENDAR YEAR 2027, PURSUANT TO SUBSECTION
10 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

11 (V) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN CALENDAR
12 YEAR 2028, PURSUANT TO SUBSECTION (1) OF THIS SECTION AND SECTION
13 39-22-2105 COMBINED;

14 (VI) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
15 CALENDAR YEAR 2029, PURSUANT TO SUBSECTION (1) OF THIS SECTION
16 AND SECTION 39-22-2105 COMBINED;

17 (VII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
18 CALENDAR YEAR 2030, PURSUANT TO SUBSECTION (1) OF THIS SECTION
19 AND SECTION 39-22-2105 COMBINED; AND

20 (VIII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
21 CALENDAR YEAR 2031, PURSUANT TO SUBSECTION (1) OF THIS SECTION
22 AND SECTION 39-22-2105 COMBINED;

23 (7.5) THE TAXPAYER SHALL NOT CLAIM A CREDIT ALLOCATED AS
24 PART OF THE CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF
25 THIS SECTION RATABLY OVER THE CREDIT PERIOD. INSTEAD, SUCH A
26 CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT MUST BE CLAIMED
27 AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER THE CREDIT

1 PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

2 (a) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
3 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
4 THAT A TAXPAYER CLAIMS IN THE FIRST YEAR OF THE CREDIT PERIOD MUST
5 EQUAL SEVENTY PERCENT OF THE TOTAL AMOUNT OF THAT CREDIT THAT
6 THE AUTHORITY ALLOCATES TO THE TAXPAYER; AND

7 (b) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
8 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
9 THAT A TAXPAYER CLAIMS IN THE SECOND YEAR THROUGH SIXTH YEAR OF
10 THE CREDIT PERIOD MUST EACH YEAR EQUAL SIX PERCENT OF THE TOTAL
11 AMOUNT OF THAT CREDIT THAT THE AUTHORITY ALLOCATES TO THE
12 TAXPAYER;

13 **SECTION 5.** In Colorado Revised Statutes, **add** part 54 to article
14 22 in title 39 as follows:

15 **PART 54**

16 **COLORADO AFFORDABLE HOUSING IN**

17 **TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT**

18 **39-22-5401. Tax preference performance statement.** (1) IN
19 ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL
20 THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE
21 PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE
22 DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE
23 PURPOSE OF THE TAX CREDIT PROVIDED IN THIS SECTION IS TO INDUCE
24 CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS BY SUPPORTING THE
25 DEVELOPMENT OF AFFORDABLE HOUSING WITHIN TRANSIT-ORIENTED
26 COMMUNITIES.

27 (2) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL

1 MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE
2 SPECIFIED IN SUBSECTION (1) OF THIS SECTION BASED ON THE NUMBER AND
3 VALUE OF CREDITS ISSUED AND HOUSING UNITS BUILT.

4 **39-22-5402. Definitions.** AS USED IN THIS PART 54, UNLESS THE
5 CONTEXT OTHERWISE REQUIRES:

6 (1) "ALLOCATION CERTIFICATE" MEANS A STATEMENT ISSUED BY
7 THE AUTHORITY CERTIFYING THAT A GIVEN DEVELOPMENT QUALIFIES FOR
8 THE CREDIT AND SPECIFYING THE AMOUNT OF THE CREDIT ALLOWED.

9 (2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED
10 BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND
11 PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO
12 THIS PART 54.

13 (3) "AUTHORITY" MEANS THE COLORADO HOUSING AND FINANCE
14 AUTHORITY CREATED PURSUANT TO SECTION 29-4-704.

15 (4) "COMPLIANCE PERIOD" MEANS THE PERIOD OF FIFTEEN YEARS
16 BEGINNING WITH THE FIRST TAXABLE YEAR OF A CREDIT PERIOD.

17 (5) "CREDIT" MEANS THE COLORADO TRANSIT-ORIENTED
18 COMMUNITY HOUSING INCOME TAX CREDIT ALLOWED PURSUANT TO THIS
19 PART 54.

20 (6) "CREDIT PERIOD" MEANS THE PERIOD OF FIVE INCOME TAX
21 YEARS BEGINNING WITH THE INCOME TAX YEAR IN WHICH A QUALIFIED
22 DEVELOPMENT IS PLACED IN SERVICE. IF A QUALIFIED DEVELOPMENT IS
23 COMPRISED OF MORE THAN ONE BUILDING, THE DEVELOPMENT IS DEEMED
24 TO BE PLACED IN SERVICE IN THE INCOME TAX YEAR DURING WHICH THE
25 LAST BUILDING OF THE QUALIFIED DEVELOPMENT IS PLACED IN SERVICE.

26 (7) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

27 (8) "DIVISION" MEANS THE DIVISION OF LOCAL GOVERNMENT OF

1 THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-32-103.

2 (9) "FEDERAL TAX CREDIT" MEANS THE FEDERAL LOW-INCOME
3 HOUSING TAX CREDIT PROVIDED BY SECTION 42 OF THE INTERNAL
4 REVENUE CODE.

5 (10) "METROPOLITAN PLANNING ORGANIZATION" HAS THE SAME
6 MEANING AS SET FORTH IN SECTION 29-35-103 (12).

7 (11) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET
8 FORTH IN SECTION 29-35-202 (5).

9 (12) "QUALIFIED BASIS" MEANS THE QUALIFIED BASIS OF THE
10 DEVELOPMENT AS DETERMINED PURSUANT TO SECTION 42 OF THE
11 INTERNAL REVENUE CODE.

12 (13) "QUALIFIED DEVELOPMENT" MEANS A "QUALIFIED
13 LOW-INCOME HOUSING PROJECT", AS THAT TERM IS DEFINED IN SECTION 42
14 OF THE INTERNAL REVENUE CODE, THAT IS:

15 (a) LOCATED IN COLORADO;

16 (b) DETERMINED BY THE AUTHORITY TO BE ELIGIBLE FOR A
17 FEDERAL TAX CREDIT WHETHER OR NOT A FEDERAL TAX CREDIT IS
18 ALLOCATED WITH RESPECT TO SAID DEVELOPMENT; AND

19 (c) LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED
20 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN
21 A METROPOLITAN PLANNING ORGANIZATION.

22 (14) "QUALIFIED TAXPAYER" MEANS AN INDIVIDUAL, A PERSON,
23 FIRM, CORPORATION, OR OTHER ENTITY THAT OWNS AN INTEREST, DIRECT
24 OR INDIRECT, IN A QUALIFIED DEVELOPMENT AND IS SUBJECT TO THE
25 TAXES IMPOSED BY THIS ARTICLE 22.

26 (15) "QUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS:

27 (a) IN CALENDAR YEARS 2024 AND 2025, A TRANSIT-ORIENTED

1 COMMUNITY AS DEFINED IN SECTION 29-35-202 (13); AND

2 (b) IN CALENDAR YEAR 2026 AND EACH SUBSEQUENT CALENDAR
3 YEAR, A TRANSIT-ORIENTED COMMUNITY, AS DEFINED IN SECTION
4 29-35-202(13), THAT HAS BOTH SUBMITTED THE HOUSING OPPORTUNITY
5 GOAL REPORT DESCRIBED IN SECTION 29-35-204 (10) TO THE DIVISION AND
6 HAD THE DIVISION CONFIRM THAT THE TRANSIT-ORIENTED COMMUNITY
7 HAS MET ITS HOUSING OPPORTUNITY GOAL.

8 (16) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN
9 SECTION 29-35-202 (11).

10 **39-22-5403. Credit against tax - affordable housing located in**
11 **a transit-oriented community.** (1) FOR INCOME TAX YEARS DURING THE
12 CREDIT PERIOD, THERE IS ALLOWED TO ANY QUALIFIED TAXPAYER A
13 CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE
14 22 IN THE AMOUNT DETERMINED BY THE AUTHORITY PURSUANT TO THIS
15 PART 54.

16 (2) THE AGGREGATE AMOUNT OF CREDITS ALLOCATED BY THE
17 AUTHORITY IN EACH OF THE 2025 THROUGH 2029 CALENDAR YEARS, MUST
18 NOT EXCEED THE AGGREGATE AMOUNT OF:

19 (a) CREDITS AUTHORIZED AS FOLLOWS:

20 (I) FOR THE 2025 CALENDAR YEAR, EIGHT MILLION SIX HUNDRED
21 THOUSAND DOLLARS;

22 (II) FOR THE 2026 CALENDAR YEAR, SEVEN MILLION TWO
23 HUNDRED THOUSAND DOLLARS;

24 (III) FOR THE 2027 CALENDAR YEAR, FIVE MILLION SIX HUNDRED
25 THOUSAND DOLLARS;

26 (IV) FOR THE 2028 CALENDAR YEAR, FIVE MILLION DOLLARS; AND

27 (V) FOR THE 2029 CALENDAR YEAR, THREE MILLION SIX HUNDRED

1 THOUSAND DOLLARS; PLUS

2 (b) UNALLOCATED CREDITS, IF ANY, FOR THE IMMEDIATELY
3 PRECEDING CALENDAR YEAR; AND

4 (c) ANY CREDIT RECAPTURED OR OTHERWISE RETURNED TO THE
5 AUTHORITY IN THE CALENDAR YEAR.

6 (3) THE AUTHORITY MAY ALLOCATE A CREDIT TO AN OWNER OF A
7 QUALIFIED DEVELOPMENT BY ISSUING TO THE OWNER AN ALLOCATION
8 CERTIFICATE. THE AUTHORITY MAY DETERMINE THE TIME AT WHICH SUCH
9 ALLOCATION CERTIFICATE IS ISSUED. THE CREDIT MUST BE IN AN AMOUNT
10 DETERMINED BY THE AUTHORITY, SUBJECT TO THE FOLLOWING
11 GUIDELINES:

12 (a) THE CREDIT MUST BE NECESSARY FOR THE FINANCIAL
13 FEASIBILITY OF SUCH DEVELOPMENT;

14 (b) ALL ALLOCATIONS MUST BE MADE PURSUANT TO THE
15 ALLOCATION PLAN; AND

16 (c) THE AGGREGATE SUM OF CREDITS ALLOCATED ANNUALLY
17 MUST NOT EXCEED THE LIMITS SET FORTH IN SUBSECTION (2) OF THIS
18 SECTION.

19 (4) (a) ON OR AFTER JANUARY 1, 2025, BUT PRIOR TO DECEMBER
20 31, 2029, THE AUTHORITY MAY ALLOCATE A TOTAL AMOUNT OF THIRTY
21 MILLION DOLLARS IN CREDITS.

22 (b) THE TAXPAYER SHALL NOT CLAIM THE CREDIT RATABLY OVER
23 THE CREDIT PERIOD. INSTEAD, THE CREDIT MUST BE ACCELERATED AND
24 THE FULL AMOUNT MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY
25 THIS ARTICLE 22 OVER THE CREDIT PERIOD ACCORDING TO THE FOLLOWING
26 SCHEDULE:

27 (I) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE

1 FIRST YEAR OF THE CREDIT PERIOD MUST EQUAL SEVENTY PERCENT OF THE
2 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
3 TAXPAYER;

4 (II) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
5 SECOND YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF THE
6 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
7 TAXPAYER;

8 (III) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN
9 THE THIRD YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF
10 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
11 TAXPAYER;

12 (IV) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN
13 THE FOURTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF
14 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
15 TAXPAYER; AND

16 (V) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
17 FIFTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF THE
18 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
19 TAXPAYER.

20 (5) IF AN OWNER OF A QUALIFIED DEVELOPMENT RECEIVING AN
21 ALLOCATION OF A CREDIT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY,
22 S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE OWNER MAY
23 ALLOCATE THE CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS,
24 OR OTHER QUALIFIED TAXPAYERS IN ANY MANNER AGREED TO BY SUCH
25 PERSONS REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A
26 PARTNER FOR FEDERAL INCOME TAX PURPOSES. THE OWNER SHALL
27 CERTIFY TO THE DEPARTMENT THE AMOUNT OF CREDIT ALLOCATED TO

1 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER.
2 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER
3 ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED
4 TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX RETURN
5 CLAIMING THE CREDIT IS ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO
6 ANY RESTRICTIONS SET FORTH IN THIS PART 54.

7 (6) NO CREDIT SHALL BE ALLOCATED PURSUANT TO THIS PART 54
8 UNLESS THE QUALIFIED DEVELOPMENT IS THE SUBJECT OF A RECORDED
9 RESTRICTIVE COVENANT REQUIRING THE DEVELOPMENT TO BE
10 MAINTAINED AND OPERATED AS A QUALIFIED DEVELOPMENT, AND IS IN
11 ACCORDANCE WITH THE ACCESSIBILITY AND ADAPTABILITY
12 REQUIREMENTS OF THE FEDERAL TAX CREDITS AND TITLE VIII OF THE
13 "CIVIL RIGHTS ACT OF 1968", AS AMENDED BY THE "FAIR HOUSING
14 AMENDMENTS ACT OF 1988", FOR A PERIOD OF FIFTEEN INCOME TAX
15 YEARS, OR SUCH LONGER PERIOD AS MAY BE AGREED TO BETWEEN THE
16 AUTHORITY AND THE OWNER, BEGINNING WITH THE FIRST TAXABLE YEAR
17 OF THE CREDIT PERIOD UNLESS CORRECTED WITHIN THE TIME THAT IS
18 APPLICABLE TO DEVELOPMENTS RECEIVING FEDERAL TAX CREDITS
19 PURSUANT TO SECTION 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS
20 APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (6).

21 (7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE
22 TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE
23 CREDIT PERIOD AS SET FORTH IN SUBSECTION (4) OF THIS SECTION. ANY
24 AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX
25 YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME
26 TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE
27 APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE

1 CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

2 (8) UNLESS OTHERWISE PROVIDED IN THIS PART 54 OR THE
3 CONTEXT CLEARLY REQUIRES OTHERWISE, THE AUTHORITY SHALL
4 DETERMINE ELIGIBILITY FOR A CREDIT AND ALLOCATE CREDITS IN
5 ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET FORTH IN
6 THE ALLOCATION PLAN; HOWEVER, THE AUTHORITY SHALL ADMINISTER
7 THE CREDIT ALLOWED PURSUANT TO THIS PART 54 CONSISTENTLY WITH
8 THE CREDIT PURSUANT TO PART 21 OF THIS ARTICLE 22 EXCEPT TO THE
9 EXTENT THE ALLOCATION PLAN IS INCONSISTENT WITH PART 21 OF THIS
10 ARTICLE 22, IN WHICH CASE THE ALLOCATION PLAN CONTROLS.
11 NOTWITHSTANDING THE FOREGOING, ANY COMBINATION OF FEDERAL AND
12 STATE CREDITS, OR STANDALONE AMOUNT OF STATE CREDITS, ALLOWED
13 MUST BE THE LEAST AMOUNT NECESSARY TO ENSURE THE FINANCIAL
14 FEASIBILITY OF A QUALIFIED DEVELOPMENT.

15 **39-22-5404. Recapture.** (1) AS OF THE LAST DAY OF ANY
16 TAXABLE YEAR DURING THE COMPLIANCE PERIOD, IF THE AMOUNT OF THE
17 QUALIFIED BASIS OF A QUALIFIED DEVELOPMENT WITH RESPECT TO A
18 TAXPAYER IS LESS THAN THE AMOUNT OF THE QUALIFIED BASIS AS OF THE
19 LAST DAY OF THE PRIOR TAXABLE YEAR, THEN THE AMOUNT OF THE
20 TAXPAYER'S STATE INCOME TAX LIABILITY FOR THAT TAXABLE YEAR MUST
21 BE INCREASED BY THE CREDIT RECAPTURE AMOUNT.

22 (2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE
23 CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE
24 DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS
25 PART 54 FOR ALL PRIOR TAXABLE YEARS THAT WOULD HAVE RESULTED IF
26 THE ACCELERATED PORTION OF THE CREDIT WERE NOT ALLOWED BY
27 REASON OF THIS PART 54 WERE NOT ALLOWED FOR ALL PRIOR TAXABLE

1 YEARS WITH RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS
2 DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

3 (3) FOR PURPOSES OF SUBSECTION (2) OF THIS SECTION, THE
4 ACCELERATED PORTION OF THE CREDIT FOR THE PRIOR TAXABLE YEARS
5 WITH RESPECT TO ANY AMOUNT OF QUALIFIED BASIS IS THE DIFFERENCE
6 BETWEEN:

7 (a) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED PURSUANT
8 TO THIS PART 54, NOTWITHSTANDING THIS SUBSECTION (3), FOR THE YEARS
9 WITH RESPECT TO SUCH QUALIFIED BASIS; AND

10 (b) THE AGGREGATE AMOUNT OF THE CREDIT THAT WOULD BE
11 ALLOWED PURSUANT TO THIS PART 54 FOR SUCH YEARS WITH RESPECT TO
12 THE QUALIFIED BASIS IF THE AGGREGATE CREDIT THAT WOULD HAVE BEEN
13 ALLOWABLE, BUT FOR THIS SUBSECTION (3), FOR THE ENTIRE COMPLIANCE
14 PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

15 (4) IN THE EVENT THAT RECAPTURE OF ANY CREDIT IS REQUIRED
16 IN ANY TAX YEAR, THE RETURN SUBMITTED FOR THAT TAX YEAR TO THE
17 DEPARTMENT SHALL INCLUDE THE PROPORTION OF CREDIT REQUIRED TO
18 BE RECAPTURED, THE IDENTITY OF EACH TAXPAYER SUBJECT TO THE
19 RECAPTURE, AND THE AMOUNT OF CREDIT PREVIOUSLY ALLOCATED TO
20 SUCH TAXPAYER.

21 (5) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, CREDITS
22 ISSUED PURSUANT TO THIS PART 54 MUST NOT BE RECAPTURED IF A
23 QUALIFIED DEVELOPMENT, AFTER THE INITIAL AWARD OF CREDITS, CEASES
24 BEING LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED
25 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN
26 A METROPOLITAN PLANNING ORGANIZATION.

27 **39-22-5405. Filing requirements.** AN OWNER OF A QUALIFIED

1 DEVELOPMENT TO WHICH A CREDIT HAS BEEN ALLOCATED AND EACH
2 QUALIFIED TAXPAYER TO WHICH SUCH OWNER HAS ALLOCATED A PORTION
3 OF SAID CREDIT, IF ANY, SHALL FILE WITH THEIR STATE INCOME TAX
4 RETURN A COPY OF THE ALLOCATION CERTIFICATE ISSUED BY THE
5 AUTHORITY WITH RESPECT TO SUCH DEVELOPMENT AND A COPY OF THE
6 OWNER'S CERTIFICATION TO THE DEPARTMENT AS TO THE ALLOCATION OF
7 THE CREDIT AMONG THE QUALIFIED TAXPAYERS HAVING OWNERSHIP
8 INTERESTS IN THE DEVELOPMENT.

9 **39-22-5406. Parallel credits - insurance premium taxes.**

10 (1) ANY TAXPAYER WHO IS SUBJECT TO THE TAX ON INSURANCE
11 PREMIUMS ESTABLISHED BY SECTIONS 10-3-209, 10-5-111, AND 10-6-128
12 AND THEREFORE EXEMPT FROM THE PAYMENT OF INCOME TAX AND WHO
13 IS OTHERWISE ELIGIBLE TO CLAIM A CREDIT PURSUANT TO THIS PART 54
14 MAY CLAIM SUCH CREDIT AND CARRY SUCH CREDIT FORWARD AGAINST
15 SUCH INSURANCE PREMIUM TAX ON ITS CALENDAR QUARTER ESTIMATED
16 TAX PAYMENTS MADE IN ACCORDANCE WITH SECTION 10-3-209 TO THE
17 SAME EXTENT AS THE TAXPAYER WOULD HAVE BEEN ABLE TO CLAIM OR
18 CARRY FORWARD SUCH CREDIT OR REFUND AGAINST INCOME TAX. ALL
19 OTHER PROVISIONS OF THIS PART 54 WITH RESPECT TO THE CREDIT,
20 INCLUDING THE AMOUNT, ALLOCATION, AND RECAPTURE OF THE CREDIT
21 AND THE YEARS FOR WHICH THE CREDIT MAY BE CLAIMED, APPLY TO A
22 CREDIT CLAIMED PURSUANT TO THIS SECTION.

23 (2) FOR PURPOSES OF ADMINISTERING THIS SECTION, ANY
24 REFERENCE IN THIS ARTICLE 22 TO "INCOME TAX YEAR" MEANS CALENDAR
25 YEAR.

26 **39-22-5407. Compliance monitoring.** THE AUTHORITY, IN
27 CONSULTATION WITH THE DEPARTMENT, SHALL MONITOR AND OVERSEE

1 COMPLIANCE WITH THIS PART 54 AND SHALL REPORT SPECIFIC
2 OCCURRENCES OF NONCOMPLIANCE TO THE DEPARTMENT.

3 **39-22-5408. Repeal.** THIS PART 54 IS REPEALED, EFFECTIVE
4 DECEMBER 31, 2049.

5 **SECTION 6.** In Colorado Revised Statutes, 39-26-123, **amend**
6 (3)(b)(II)(B) and (3)(b)(II)(C); and **add** (3)(b)(II)(D) as follows:

7 **39-26-123. Receipts - disposition - transfers of general fund**
8 **surplus - sales tax holding fund - creation - definitions.** (3) For any
9 state fiscal year commencing on or after July 1, 2013, the state treasurer
10 shall credit eighty-five percent of all net revenue collected under this
11 article 26 to the old age pension fund created in section 1 of article XXIV
12 of the state constitution. The state treasurer shall credit to the general fund
13 the remaining fifteen percent of the net revenue, less:

14 (b) (II) The amount credited to the housing development grant
15 fund created in section 24-32-721 (1) under subsection (3)(b)(I) of this
16 section is reduced by the following amounts:

17 (B) Forty million three hundred twenty-three thousand one
18 hundred fifty-eight dollars for the state fiscal year 2020-21; and

19 (C) Nine hundred eighty-five thousand three hundred thirty-five
20 dollars for the state fiscal year YEARS 2021-22, and each state fiscal year
21 thereafter 2022-23, AND 2023-24; AND

22 (D) THIRTY-FIVE MILLION NINE HUNDREDEIGHTY-FIVE THOUSAND
23 THREE HUNDRED THIRTY-FIVE DOLLARS FOR THE STATE FISCAL YEAR
24 2024-25 AND EACH STATE FISCAL YEAR THEREAFTER.

25 **SECTION 7. Safety clause.** The general assembly finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.