

**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

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

3 **ARTICLE 35**

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

5 PART 1

6 DEFINITIONS

7 **29-35-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 35 IS
8 THE "STATE LAND USE CRITERIA FOR STRATEGIC GROWTH ACT".

9 **29-35-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY
10 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

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

27 (c) IN EXPERIENCING SIGNIFICANT POPULATION GROWTH AT A TIME

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 UNIT, 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 WATER
2 SERVICE FOR THE TRANSIT CENTERS THAT THE WATER SUPPLY ENTITY
3 CURRENTLY PROVIDES WATER SERVICES TO FOR THE TRANSIT-ORIENTED
4 COMMUNITY TO MEET ITS HOUSING OPPORTUNITY GOAL; AND

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

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

11 (V) A PROPOSAL THAT MAY INCLUDE:

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

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

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

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

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

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

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

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

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

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

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

27 (B) COUNT ANY STRATEGY DESCRIBED IN SECTION 29-35-209 THAT

1 IS OTHERWISE REQUIRED BY STATE LAW.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 (III) IF THE DEPARTMENT HAS NOT APPROVED A

1 TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL REPORT
2 ON OR BEFORE DECEMBER 31, 2027, THE TRANSIT-ORIENTED COMMUNITY
3 IS IN NON-COMPLIANCE WITH THIS PART 2, AND THE DEPARTMENT MAY
4 SEEK AN INJUNCTION FROM A DISTRICT COURT REQUIRING THE
5 TRANSIT-ORIENTED COMMUNITY TO COMPLY WITH THE REQUIREMENTS OF
6 THIS PART 2.

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

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

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

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

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

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

17 **29-35-205. Nonqualified transit-oriented communities**
18 **reporting - highway users tax fund allocation.** (1) ON OR AFTER
19 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER DURING WHICH A
20 LOCAL GOVERNMENT FIRST QUALIFIES AS EITHER A QUALIFIED
21 TRANSIT-ORIENTED COMMUNITY OR A NONQUALIFIED TRANSIT-ORIENTED
22 COMMUNITY, THE DEPARTMENT SHALL PROVIDE THE STATE TREASURER
23 WITH A LIST OF LOCAL GOVERNMENTS THAT ARE NONQUALIFIED
24 TRANSIT-ORIENTED COMMUNITIES.

25 (2) NOTWITHSTANDING ANY LAW TO THE CONTRARY, BEGINNING
26 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER, THE STATE
27 TREASURER SHALL TRANSFER TO THE TRANSIT-ORIENTED COMMUNITIES

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

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

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

25 **29-35-206. Criteria for qualification as a transit center -**
26 **criteria for qualification as a transit center outside of a transit area.**

27 (1) TO DESIGNATE AN AREA AS A TRANSIT CENTER, A TRANSIT-ORIENTED

1 COMMUNITY SHALL:

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

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

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

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

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

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

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

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

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

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

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

27 (II) REMOVED DIMENSIONAL AND OTHER RESTRICTIONS IN LOCAL

1 LAWS IN ORDER TO MAXIMIZE FUTURE HOUSING PRODUCTION THAT IS
2 REASONABLY EXPECTED TO OCCUR IN THE AREA; AND

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

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

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

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

23 **29-35-207. Criteria for qualification as a neighborhood center.**

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

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

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

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

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

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

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

26 **29-35-208. Transit areas map - housing opportunity goals,**
27 **models, and guidance. (1) Transit areas map. (a) ON OR BEFORE JULY**

1 31, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN
2 PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE
3 WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A MAP
4 THAT DESIGNATES TRANSIT AREAS TO BE USED BY TRANSIT-ORIENTED
5 COMMUNITIES IN CALCULATING HOUSING OPPORTUNITY GOALS.

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

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

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

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

17 (II) A PLAN FOR TRANSIT SERVICE THAT:

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

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

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

25 (III) IF THE INFORMATION IN SUBSECTIONS (1)(b)(I) AND (1)(b)(II)
26 OF THIS SECTION IS NOT AVAILABLE TO THE DEPARTMENT, EXISTING
27 TRANSIT SERVICE LEVELS AS OF JANUARY 1, 2024.

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

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

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

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

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

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

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

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

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

4 **29-35-209. Standard affordability strategies menu - long-term**
5 **affordability strategies menu - alternative affordability strategies. (1)**
6 **Standard affordability strategies menu.** ON OR BEFORE JUNE 30, 2025,
7 THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY
8 STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES AND SHALL
9 UPDATE THIS MENU AS NECESSARY. THE MENU MUST INCLUDE: THE
10 FOLLOWING STRATEGIES:

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

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

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

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

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

1 DEVELOPMENT;

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

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

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

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

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

26 (b) REGULATING SHORT-TERM RENTALS, SECOND HOMES, OR
27 OTHER UNDERUTILIZED OR VACANT UNITS IN A WAY, SUCH AS VACANCY

1 FEES FOR UNDERUTILIZED UNITS, THAT PROMOTES MAXIMIZING THE USE OF
2 LOCAL HOUSING STOCK FOR LOCAL HOUSING NEEDS;

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

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

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

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

12 (II) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE
13 REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE
14 HOME BUYERS; [REDACTED]

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

16 (IV) INCENTIVIZING AFFORDABLE CONDOMINIUM DEVELOPMENTS;

17 AND

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

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

1 ACCESSIBLE UNITS THAN THE STRATEGIES DESCRIBED IN SUBSECTIONS (1)
2 AND (2) OF THIS SECTION.

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

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

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

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

27 (b) IN CREATING GUIDANCE FOR THE DISPLACEMENT RISK

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

6 (I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

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

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

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

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

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

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

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

26 (G) THE LOCATION OF MANUFACTURED HOME PARKS;

27 (H) AREAS THAT QUALIFY AS DISADVANTAGED AS DETERMINED

1 WITH THE CLIMATE AND ECONOMIC JUSTICE SCREENING TOOL DEVELOPED
2 BY THE COUNCIL ON ENVIRONMENTAL QUALITY IN THE OFFICE OF THE
3 PRESIDENT OF THE UNITED STATES; AND

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

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

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

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

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

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

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

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

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

27 (h) IDENTIFYING PARTNERSHIPS WITH REGIONAL AND NON-PROFIT

1 ENTITIES TO IMPLEMENT STRATEGIES; AND

2 (i) OTHER STRATEGIES IDENTIFIED BY THE DEPARTMENT THAT

3 PROVIDE DISPLACEMENT MITIGATION EQUIVALENT TO THE OTHER

4 STRATEGIES DESCRIBED IN THIS SUBSECTION (3).

5 (4) IN DEVELOPING THE DISPLACEMENT RISK MITIGATION

6 STRATEGIES MENU DESCRIBED IN SUBSECTION (3). OF THIS SECTION, THE

7 DEPARTMENT'S GOALS MUST BE TO SUPPORT:

8 (a) RESOURCES, SERVICES, AND INVESTMENTS THAT SERVE

9 VULNERABLE HOMEOWNERS AND RENTERS WITH ELEVATED RISK OF

10 DISPLACEMENT;

11 (b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING

12 STOCK;

13 (c) LOCAL GOVERNMENT PLANNING AND LAND USE DECISIONS

14 THAT INCORPORATE INCLUSIVE AND EQUITABLE DISPLACEMENT

15 MITIGATION STRATEGIES, AND THE EMPOWERMENT OF LOW-INCOME

16 PERSONS AND COMMUNITIES OF COLOR TO PARTICIPATE IN THOSE

17 DECISIONS; AND

18 (d) THE ABILITY OF VULNERABLE RESIDENTS TO REMAIN IN OR

19 RETURN TO THEIR NEIGHBORHOODS OR COMMUNITIES BY ACCESSING NEW

20 AFFORDABLE HOUSING OPPORTUNITIES IN THEIR NEIGHBORHOODS OR

21 COMMUNITIES.

22 **29-35-211. Transit-oriented communities infrastructure grant**

23 **program - transit-oriented communities infrastructure fund -**

24 **transit-oriented communities highway users tax account - definitions.**

25 (1) **Grant program created.** THE TRANSIT-ORIENTED COMMUNITIES

26 INFRASTRUCTURE GRANT PROGRAM IS CREATED IN THE DEPARTMENT. THE

27 PURPOSE OF THE GRANT PROGRAM IS TO ASSIST LOCAL GOVERNMENTS IN

1 UPGRADING INFRASTRUCTURE AND SUPPORTING REGULATED AFFORDABLE
2 HOUSING IN TRANSIT CENTERS AND NEIGHBORHOOD CENTERS.

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

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

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

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

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

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

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

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

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

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

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

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

27 (b) IN RESPONSE TO DEMONSTRATED NEEDS, THE EXTENT TO

1 WHICH THE LOCAL GOVERNMENT HAS:

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

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

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

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

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

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

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

27 (a) (I) THE TRANSIT-ORIENTED COMMUNITIES INFRASTRUCTURE FUND IS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 as follows:

2 **24-67-105. Standards and conditions for planned unit**
3 **development - definitions. (5.5)** (a) ANY PLANNED UNIT DEVELOPMENT
4 RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR
5 NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL
6 GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
7 (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER
8 THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN
9 AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
10 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

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

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

24 (II) MAY BE SUPERSEDED BY THE ADOPTION OF A LOCAL LAW
25 ADOPTED IN ACCORDANCE WITH THE REQUIREMENTS FOR DESIGNATION OF
26 A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A
27 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207.

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

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

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

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

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

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

14 **38-33.3-106.5. Prohibitions contrary to public policy -**
15 **patriotic, political, or religious expression - public rights-of-way - fire**
16 **prevention - renewable energy generation devices - affordable**
17 **housing - drought prevention measures - child care - definitions.**

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

25 (b) IN A TRANSIT CENTER OR NEIGHBORHOOD CENTER, NO
26 PROVISION OF A DECLARATION, BYLAW, OR RULE OF AN ASSOCIATION THAT
27 IS ADOPTED BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (3) MAY

1 RESTRICT THE DEVELOPMENT OF HOUSING MORE THAN THE LOCAL LAW
2 THAT APPLIES WITHIN THE TRANSIT CENTER OR NEIGHBORHOOD CENTER,
3 AND ANY PROVISION OF A DECLARATION, BYLAW, OR RULE THAT INCLUDES
4 SUCH A RESTRICTION IS VOID AS A MATTER OF PUBLIC POLICY.

5 (c) AS USED IN THIS SUBSECTION (3), 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 4.** In Colorado Revised Statutes, 39-22-2101, **add**
14 (7.5) and (12) as follows:

15 **39-22-2101. Definitions.** As used in this part 21, unless the
16 context otherwise requires:

17 (7.5) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET
18 FORTH IN SECTION 29-35-202 (4)

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

21 **SECTION 5.** In Colorado Revised Statutes, 39-22-2102, **add**
22 (7.5) as follows:

23 **39-22-2102. Credit against tax - affordable housing**
24 **developments - legislative declaration.** (7.5) (a) SEPARATE FROM THE
25 CREDITS THE AUTHORITY OTHERWISE ALLOCATES PURSUANT TO THIS
26 SECTION, THE AUTHORITY SHALL ALLOCATE CREDITS FOR QUALIFIED
27 DEVELOPMENTS THAT ARE LOCATED IN TRANSIT CENTERS OR

1 NEIGHBORHOOD CENTERS.

2 (b) NOTWITHSTANDING SUBSECTION (7) OF THIS SECTION, THE
3 AGGREGATE AMOUNT OF ALL CREDITS ALLOCATED BY THE AUTHORITY
4 PURSUANT TO SUBSECTION (7.5)(a) OF THIS SECTION SHALL NOT EXCEED
5 A TOTAL OF THIRTY MILLION DOLLARS FOR TAX CREDITS ALLOCATED
6 ANNUALLY BY THE AUTHORITY BEGINNING ON JANUARY 1, 2024, AND
7 ENDING ON DECEMBER 31, 2031.

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