

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

**INTRODUCED**

LLS NO. 24-0288.03 Pierce Lively x2059

**HOUSE BILL 24-1313**

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**HOUSE SPONSORSHIP**

**Woodrow and Jodeh,**

**SENATE SPONSORSHIP**

**Hansen and Winter F.,**

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**House Committees**

Transportation, Housing & Local Government

**Senate Committees**

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**A BILL FOR AN ACT**

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

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**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 SATISFIES  
22    THE REQUIREMENTS OF THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C. SEC.  
23    3601 ET SEQ., AS AMENDED, AND INCORPORATES UNIVERSAL DESIGN.

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

26            (I) A DEVELOPMENT PROPOSAL FOR A SPECIFIED PROJECT IS  
27    APPROVED, APPROVED WITH CONDITIONS, OR DENIED BY LOCAL

1 GOVERNMENT ADMINISTRATIVE STAFF BASED SOLELY ON ITS COMPLIANCE  
2 WITH OBJECTIVE STANDARDS SET FORTH IN LOCAL LAWS; AND

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

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

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

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

20 (3) "BUS RAPID TRANSIT SERVICE" MEANS EITHER A BUS RAPID  
21 TRANSIT SERVICE INCLUDED IN A METROPOLITAN PLANNING  
22 ORGANIZATION'S FISCALLY CONSTRAINED LONG RANGE TRANSPORTATION  
23 PLAN OR A BUS-BASED TRANSIT SERVICE THAT INCLUDES AT LEAST THREE  
24 OF THE FOLLOWING:

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

27 (b) DEDICATED LANES OR BUSWAYS;

- 1 (c) TRAFFIC SIGNAL PRIORITY;
- 2 (d) OFF-BOARD FARE COLLECTION;
- 3 (e) ELEVATED PLATFORMS; OR
- 4 (f) ENHANCED STATIONS.
- 5 (4) "COMMUTER BUS RAPID TRANSIT SERVICE" MEANS A BUS RAPID
- 6 TRANSIT SERVICE THAT OPERATES ON A LIMITED-ACCESS HIGHWAY FOR
- 7 THE MAJORITY OF ITS ROUTE.
- 8 (5) "COMMUTER RAIL" MEANS A PASSENGER RAIL TRANSIT SERVICE
- 9 BETWEEN AND WITHIN METROPOLITAN AND SUBURBAN AREAS.
- 10 (6) "COUNTY" MEANS A COUNTY INCLUDING A HOME RULE
- 11 COUNTY.
- 12 (7) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.
- 13 (8) "DISPLACEMENT" MEANS THE INVOLUNTARY RELOCATION OF
- 14 RESIDENTS DUE TO INCREASED REAL ESTATE PRICES, RENTS, OR OTHER
- 15 ECONOMIC FACTORS.
- 16 (9) "LIGHT RAIL" MEANS A PASSENGER RAIL TRANSIT SERVICE
- 17 THAT USES ELECTRICALLY POWERED RAIL-BORNE CARS.
- 18 (10) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, COUNTY, OR
- 19 TRIBAL NATION WITH JURISDICTION IN COLORADO.
- 20 (11) "LOCAL LAW" MEANS ANY CODE, LAW, ORDINANCE, POLICY,
- 21 REGULATION, OR RULE ENACTED BY A LOCAL GOVERNMENT THAT
- 22 GOVERNS THE DEVELOPMENT AND USE OF LAND, INCLUDING BUT NOT
- 23 LIMITED TO LAND USE CODES, ZONING CODES, AND SUBDIVISION CODES.
- 24 (12) "METROPOLITAN PLANNING ORGANIZATION" MEANS A
- 25 METROPOLITAN PLANNING ORGANIZATION UNDER THE "FEDERAL TRANSIT
- 26 ACT OF 1998", 49 U.S.C. SEC. 5301 ET SEQ., AS AMENDED.
- 27 (13) "MUNICIPALITY" MEANS A HOME RULE OR STATUTORY CITY

1 OR TOWN, TERRITORIAL CHARTER CITY OR TOWN, OR CITY AND COUNTY.

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

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

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

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

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

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

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

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

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

24 PART 2

25 TRANSIT-ORIENTED COMMUNITIES

26 **29-35-201. Legislative declaration.** (1) THE GENERAL ASSEMBLY  
27 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

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

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

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

20          (d) COLORADO HAS INVESTED SIGNIFICANTLY IN PUBLIC TRANSIT  
21      IN THE LAST SEVERAL DECADES, FUNDING OVER SIX BILLION DOLLARS  
22      ACROSS EIGHTY-FIVE MILES OF NEW RAIL LINES. THE INVESTMENTS WILL  
23      CONTINUE IN THE COMING YEARS WITH NEW BUS RAPID TRANSIT AND RAIL  
24      SYSTEMS ALONG THE FRONT RANGE. DESPITE THESE INVESTMENTS,  
25      TRANSIT RIDERSHIP LAGS BEHIND PEER AGENCIES AROUND THE COUNTRY,  
26      DUE AT LEAST IN PART TO A LACK OF DENSITY NEAR THESE TRANSIT LINES.  
27      BEFORE THE COVID-19 PANDEMIC, THE REGIONAL TRANSPORTATION

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

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

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

24 (g) LIVING NEAR TRANSIT, JOBS, AND SERVICES ENABLES  
25 HOUSEHOLDS TO ALSO SAVE ON TRANSPORTATION COSTS BY OWNING  
26 FEWER VEHICLES AND REDUCING FUEL CONSUMPTION. COLORADANS  
27 COMMUTE OVER FIFTY MINUTES TO AND FROM WORK ON AVERAGE,

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

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

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

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

1 REGIONS ACROSS THE STATE;

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

6 (l) COMPARED TO SINGLE-UNIT DETACHED DWELLINGS, SMALL  
7 MULTIFAMILY HOMES USE SIXTY-THREE PERCENT LESS WATER, AND  
8 LARGER MULTIFAMILY HOMES USE EIGHTY-SIX PERCENT LESS WATER,  
9 BASED ON DATA FROM DENVER AND AURORA WATER USERS ANALYZED  
10 FOR THE "COLORADO WATER AND GROWTH DIALOGUE FINAL REPORT" IN  
11 2018;

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

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

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

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

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

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

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

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

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

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

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

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

27           (b) THERE IS AN EXTRATERRITORIAL IMPACT WHEN LOCAL

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

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

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

27 (II) IMPROVE REGIONAL COLLABORATION AND OUTCOMES BY

1 REDUCING THE ABILITY OF INDIVIDUAL LOCAL GOVERNMENTS' LAND USE  
2 RESTRICTIONS TO NEGATIVELY INFLUENCE REGIONAL CONCERNS SUCH AS  
3 HOUSING AFFORDABILITY, OPEN SPACE, TRAFFIC, AND AIR POLLUTION; AND

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

7 (d) COLORADO HAS A LEGITIMATE STATE INTEREST IN MANAGING  
8 POPULATION AND DEVELOPMENT GROWTH AND ENSURING STABLE  
9 QUALITY AND QUANTITY OF HOUSING FOR COLORADANS AS THIS IS AMONG  
10 THE MOST PRESSING PROBLEMS CURRENTLY FACING COMMUNITIES  
11 THROUGHOUT COLORADO.

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

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

24 **29-35-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE  
25 CONTEXT OTHERWISE REQUIRES:

26 (1) "AVERAGE ZONED HOUSING DENSITY" MEANS THE AVERAGE  
27 NET HOUSING DENSITY ALLOWED IN A ZONING DISTRICT OR DISTRICTS BY

1 LOCAL LAW.

2 (2) "EXEMPT PARCEL" MEANS:

3 (a) A PARCEL THAT, AS OF JANUARY 1, 2024, IS NOT SERVED BY A  
4 DOMESTIC WATER AND SEWAGE TREATMENT SYSTEM, AS DEFINED IN  
5 SECTION 24-65.1-104 (5);

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

9 (c) A PARCEL THAT, AS OF JANUARY 1, 2024, IS ZONED OR USED  
10 PRIMARILY FOR INDUSTRIAL USE, WHICH, FOR PURPOSES OF THIS  
11 SUBSECTION (2)(c), MEANS A BUSINESS USE OR ACTIVITY AT A SCALE  
12 GREATER THAN HOME INDUSTRY INVOLVING MANUFACTURING,  
13 FABRICATION, ASSEMBLY, WAREHOUSING, OR STORAGE;

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

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

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

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

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

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

27 (j) A PARCEL THAT, AS OF JANUARY 1, 2024, IS FEDERAL OR STATE

1 OWNED PROPERTY; OR

2 (k) ANY PART OF A PARCEL THAT, AS OF JANUARY 1, 2024,  
3 INCLUDES LAND THAT IS PARK AND OPEN SPACE, AS DEFINED IN SECTION  
4 29-7.5-103 (2).

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

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

12 (5) "NEIGHBORHOOD CENTER" MEANS AN AREA THAT BOTH MEETS  
13 THE REQUIREMENTS OF SECTION 29-35-207 AND IS DESIGNATED AS A  
14 NEIGHBORHOOD CENTER BY A LOCAL GOVERNMENT IN A METROPOLITAN  
15 PLANNING ORGANIZATION.

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

25 (7) (a) "NONQUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS  
26 A TRANSIT-ORIENTED COMMUNITY THAT HAS NOT, AS OF DECEMBER 31,  
27 2026, MET ITS HOUSING OPPORTUNITY GOAL PURSUANT TO SECTION

1 29-35-204 (4).

2 (b) WHEN A TRANSIT-ORIENTED COMMUNITY MEETS ITS HOUSING  
3 OPPORTUNITY GOAL PURSUANT TO SECTION 29-35-204 (4), A  
4 TRANSIT-ORIENTED COMMUNITY IS A "QUALIFIED TRANSIT-ORIENTED  
5 COMMUNITY".

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

12 (9) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE  
13 HOUSING THAT:

14 (a) IS CREATED OR SUPPORTED BY PUBLIC SUBSIDIES, LOCAL  
15 INCLUSIONARY ZONING ORDINANCES, DEED RESTRICTIONS, OR OTHER  
16 REGULATIONS OR PROGRAMS;

17 (b) RESTRICTS OR LIMITS MAXIMUM RENTAL OR SALE PRICE; AND

18 (c) RESTRICTS RESIDENT INCOME LEVELS TO LOW- TO  
19 MODERATE-INCOME HOUSEHOLD LEVELS FOR A SPECIFIED PERIOD.

20 (10) "TRANSIT AREA" MEANS BOTH A TRANSIT STATION AREA, AS  
21 DEFINED IN SUBSECTION (14) OF THIS SECTION, OR A TRANSIT CORRIDOR  
22 AREA, AS DEFINED IN SUBSECTION (12) OF THIS SECTION.

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

26 (12) "TRANSIT CORRIDOR AREA" MEANS THE TOTAL AREA,  
27 MEASURED IN ACRES, WITHIN A TRANSIT-ORIENTED COMMUNITY THAT IS

1        WITHIN ONE-QUARTER MILE OF A PUBLIC BUS ROUTE AND THAT EITHER:

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

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

5            (13) "TRANSIT-ORIENTED COMMUNITY" MEANS A LOCAL  
6        GOVERNMENT THAT:

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

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

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

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

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

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

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

25            (a) COMMUTER BUS RAPID TRANSIT SERVICE;

26            (b) COMMUTER RAIL;

27            (c) LIGHT RAIL; OR

1 (d) A PUBLIC BUS ROUTE THAT HAS A SCHEDULED FREQUENCY OF  
2 FIFTEEN MINUTES OR LESS DURING THE HIGHEST FREQUENCY SERVICE  
3 HOURS AND OPERATES PRIMARILY ON AN INTERSTATE HIGHWAY.

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

11 **29-35-203. Department of local affairs collaboration.** AS  
12 DETERMINED TO BE APPROPRIATE BY THE EXECUTIVE DIRECTOR OF THE  
13 DEPARTMENT, THE DEPARTMENT SHALL COLLABORATE WITH THE  
14 DEPARTMENT OF TRANSPORTATION AND THE COLORADO ENERGY OFFICE  
15 IN FULFILLING THE REQUIREMENTS OF THIS PART 2.

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

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

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

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

9           **(2) Housing opportunity goal calculation.** (a)     A  
10    TRANSIT-ORIENTED COMMUNITY SHALL CALCULATE ITS HOUSING  
11    OPPORTUNITY GOAL BY MULTIPLYING THE TOTAL AREA OF THE TRANSIT  
12    AREAS WITHIN THE LOCAL GOVERNMENT'S JURISDICTION, EXCLUSIVE OF  
13    THE EXEMPT PARCELS IN THOSE TRANSIT AREAS, BY AN AVERAGE ZONED  
14    HOUSING DENSITY OF FORTY UNITS PER ACRE.

15          (b) IN DETERMINING WHETHER A PARCEL QUALIFIES AS AN EXEMPT  
16    PARCEL FOR THE PURPOSE OF CALCULATING ITS HOUSING OPPORTUNITY  
17    GOAL, A TRANSIT-ORIENTED COMMUNITY SHALL INTERPRET INFORMATION  
18    INFORMING ITS DETERMINATION IN A MANNER THAT RESULTS IN  
19    DETERMINING THAT THE SMALLEST AREA OF PARCELS AS REASONABLY  
20    POSSIBLE ARE EXEMPT PARCELS.

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

22    (a) ON OR BEFORE JANUARY 31, 2025, A TRANSIT-ORIENTED COMMUNITY  
23    SHALL, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT,  
24    SUBMIT A PRELIMINARY TRANSIT-ORIENTED COMMUNITY ASSESSMENT  
25    REPORT THAT INCLUDES:

26          (I) THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY  
27    GOAL AND THE DATA AND METHOD THE TRANSIT-ORIENTED COMMUNITY

1 USED TO CALCULATE ITS HOUSING OPPORTUNITY GOAL; AND

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

6 (b) 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 THAT  
22 INCORPORATES WATER USAGE DATA FOR DIFFERENT HOUSING TYPES;

23 (II) AN ANALYSIS OF THE DIFFERENCE BETWEEN:

24 (A) AN ESTIMATE OF THE AMOUNT OF HOUSING IN THE TRANSIT  
25 CENTERS THAT THE WATER SUPPLY ENTITY PROVIDES WATER SERVICES TO  
26 AS OF JANUARY 1, 2024; AND

27 (B) THE ZONING CAPACITY THAT EXISTS IN THE TRANSIT CENTERS

1 THAT THE WATER SUPPLY ENTITY PROVIDES, OR IS COMMITTED TO  
2 PROVIDE, WATER SERVICE TO AS OF JANUARY 1, 2024;

3 (III) AN ANALYSIS OF PROJECTED HOUSING AND POPULATION  
4 GROWTH FROM THE STATE DEMOGRAPHY OFFICE OR RELEVANT  
5 METROPOLITAN PLANNING ORGANIZATION IN THE AREA WITHIN THE  
6 TRANSIT-ORIENTED COMMUNITY THAT THE WATER SUPPLY ENTITY  
7 PROVIDES DOMESTIC WATER SERVICES TO;

8 (IV) (A) A COMPARISON OF THE ANALYSES IN SUBSECTIONS  
9 (5)(a)(II), AND (5)(a)(III) OF THIS SECTION AND AN APPLICATION OF THESE  
10 ANALYSES TO THE ESTIMATED WATER NEEDED TO SUPPLY DOMESTIC  
11 WATER SERVICE FOR THE TRANSIT CENTERS THAT THE WATER SUPPLY  
12 ENTITY CURRENTLY PROVIDES WATER SERVICES TO FOR THE  
13 TRANSIT-ORIENTED COMMUNITY TO MEET ITS HOUSING OPPORTUNITY  
14 GOAL; AND

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

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

21 (VI) A PROPOSAL THAT MAY INCLUDE:

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

26 (B) AN ACTION PLAN BASED ON THE ANALYSES IN SUBSECTIONS  
27 (5)(a)(I) THROUGH (5)(a)(IV) OF THIS SECTION.

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

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

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

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

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

27 (C) AN IMPLEMENTATION PLAN DESCRIBING HOW THE

1 TRANSIT-ORIENTED COMMUNITY HAS OR WILL IMPLEMENT THE  
2 AFFORDABILITY STRATEGIES IDENTIFIED PURSUANT TO SUBSECTIONS  
3 (6)(b)(I)(A) AND (6)(b)(I)(B) OF THIS SECTION.

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

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

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

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

16 (a) ANY DISPLACEMENT MITIGATION STRATEGIES THAT THE  
17 TRANSIT-ORIENTED COMMUNITY HAS ADOPTED OR WILL ADOPT FROM THE  
18 DISPLACEMENT MITIGATION STRATEGIES MENU DEVELOPED BY THE  
19 DEPARTMENT PURSUANT TO SECTION 29-35-210 (2) TO MITIGATE  
20 DISPLACEMENT RISKS WHILE MEETING ITS HOUSING OPPORTUNITY GOAL;  
21 AND

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

26 (8) **Housing opportunity goal report.** (a) ON OR BEFORE  
27 DECEMBER 31, 2026, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A

1 HOUSING OPPORTUNITY GOAL REPORT TO THE DEPARTMENT IN A FORM  
2 AND MANNER DETERMINED BY THE DEPARTMENT. THE REPORT MUST  
3 INCLUDE THE FOLLOWING, ALONG WITH ANY OTHER ELEMENTS IDENTIFIED  
4 BY THE DEPARTMENT:

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

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

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

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

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

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

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

26 (I) APPROVES THE REPORT AND AFFIRMS THAT THE  
27 TRANSIT-ORIENTED COMMUNITY HAS SATISFIED THE RELEVANT

1 REQUIREMENTS OF THIS SECTION AND IS THEREFORE CONSIDERED A  
2 QUALIFIED TRANSIT-ORIENTED COMMUNITY; OR

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

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

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

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

1 IS IN NON-COMPLIANCE WITH THIS PART 2, AND THE DEPARTMENT MAY  
2 SEEK AN INJUNCTION FROM A DISTRICT COURT REQUIRING THE  
3 TRANSIT-ORIENTED COMMUNITY TO COMPLY WITH THE REQUIREMENTS OF  
4 THIS PART 2.

5 (9) **Progress report.** (a) EVERY THREE YEARS AFTER SUBMITTING  
6 A HOUSING OPPORTUNITY GOAL REPORT PURSUANT TO SUBSECTION (8)(a)  
7 OF THIS SECTION, A TRANSIT-ORIENTED COMMUNITY SHALL SUBMIT A  
8 PROGRESS REPORT TO THE DEPARTMENT IN A FORM AND MANNER  
9 DETERMINED BY THE DEPARTMENT THAT:

10 (I) CONFIRMS THAT THE TRANSIT-ORIENTED COMMUNITY'S  
11 HOUSING OPPORTUNITY GOAL AS DETERMINED PURSUANT TO SUBSECTION  
12 (2) OF THIS SECTION IS STILL BEING MET;

13 (II) INCLUDES ANY UPDATED INFORMATION ABOUT THE ELEMENTS  
14 OF THE TRANSIT-ORIENTED COMMUNITY'S HOUSING OPPORTUNITY GOAL  
15 REPORT REQUIRED PURSUANT TO SUBSECTIONS (8)(a)(II) THROUGH  
16 (8)(a)(VI) OF THIS SECTION; AND

17 (III) PROVIDES DATA REGARDING RESIDENTIAL AND MIXED-USE  
18 RESIDENTIAL DEVELOPMENT PROJECTS BUILT IN THE TRANSIT-ORIENTED  
19 COMMUNITY AND WITHIN TRANSIT CENTERS IN THE PREVIOUS THREE  
20 YEARS, INCLUDING FOR EACH DEVELOPMENT THE NUMBER OF HOUSING  
21 UNITS BUILT, THE NUMBER OF REGULATED AFFORDABLE HOUSING UNITS  
22 BUILT, AND THE NET HOUSING DENSITY.

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

27 (I) APPROVES THE REPORT AND AFFIRMS THAT THE

1 TRANSIT-ORIENTED COMMUNITY HAS SATISFIED THE RELEVANT  
2 REQUIREMENTS OF THIS SECTION AND IS THEREFORE CONSIDERED A  
3 QUALIFIED TRANSIT-ORIENTED COMMUNITY; OR

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

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

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

24 **29-35-205. Nonqualified transit-oriented communities**  
25 **reporting - highway users tax fund allocation.** (1) ON OR AFTER  
26 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER DURING WHICH A  
27 LOCAL GOVERNMENT FIRST QUALIFIES AS EITHER A QUALIFIED

1 TRANSIT-ORIENTED COMMUNITY OR A NONQUALIFIED TRANSIT-ORIENTED  
2 COMMUNITY, THE DEPARTMENT SHALL PROVIDE THE STATE TREASURER  
3 WITH A LIST OF LOCAL GOVERNMENTS THAT ARE NONQUALIFIED  
4 TRANSIT-ORIENTED COMMUNITIES.

5 (2) NOTWITHSTANDING ANY LAW TO THE CONTRARY, BEGINNING  
6 DECEMBER 31, 2026, AND EVERY MONTH THEREAFTER, THE STATE  
7 TREASURER SHALL TRANSFER TO THE TRANSIT-ORIENTED COMMUNITIES  
8 HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION 29-35-211 (8)(b),  
9 INSTEAD OF TO THE LOCAL GOVERNMENT ANY MONEY THAT A LOCAL  
10 GOVERNMENT THAT IS ON THE MOST RECENT LIST PROVIDED TO THE STATE  
11 TREASURER, PURSUANT TO SUBSECTION (1) OF THIS SECTION, WOULD  
12 OTHERWISE HAVE BEEN ALLOCATED FROM THE HIGHWAY USERS TAX FUND  
13 PURSUANT TO SECTIONS 43-4-205 AND 43-4-207 OR SECTIONS 43-4-205  
14 AND 43-4-208.

15 (3) (a) NOTWITHSTANDING SUBSECTION (2) OF THIS SECTION, THE  
16 DEPARTMENT MAY NOT EXPEND MONEY FROM THE TRANSIT-ORIENTED  
17 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION  
18 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO A SPECIFIC NONQUALIFIED  
19 TRANSIT-ORIENTED COMMUNITY'S INCLUSION IN THE LIST DESCRIBED IN  
20 SUBSECTION (1) OF THIS SECTION UNTIL ONE HUNDRED EIGHTY DAYS  
21 AFTER THE NONQUALIFIED TRANSIT-ORIENTED COMMUNITY HAS FIRST  
22 APPEARED ON THE LIST.

23 (b) IF A LOCAL GOVERNMENT IS NO LONGER A NONQUALIFIED  
24 TRANSIT-ORIENTED COMMUNITY WITHIN ONE HUNDRED EIGHTY DAYS  
25 AFTER THE NONQUALIFIED LOCAL GOVERNMENT FIRST APPEARS ON THE  
26 LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION, THE STATE  
27 TREASURER SHALL ISSUE A WARRANT TO THAT LOCAL GOVERNMENT

1 EQUAL TO THE AMOUNT OF MONEY IN THE TRANSIT-ORIENTED  
2 COMMUNITIES HIGHWAY USERS TAX ACCOUNT CREATED IN SECTION  
3 29-35-211 (8)(b) THAT IS ATTRIBUTABLE TO THE LOCAL GOVERNMENT'S  
4 INCLUSION ON THE LIST DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

5 **29-35-206. Criteria for qualification as a transit center -**  
6 **criteria for qualification as a transit center outside of a transit area.**

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

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

14 (b) IDENTIFY A NET HOUSING DENSITY ALLOWED FOR THE AREA OR  
15 FOR SUBDISTRICTS WITHIN THE AREA. THE IDENTIFIED NET HOUSING  
16 DENSITY MUST:

17 (I) INCORPORATE ANY DIMENSIONAL OR OTHER RESTRICTIONS IN  
18 LOCAL LAWS USED TO REGULATE DENSITY IN THE AREA, INCLUDING BUT  
19 NOT LIMITED TO RESTRICTIONS RELATED TO UNITS PER ACRE, LOT AREA  
20 PER UNIT, LOT COVERAGE, SITE LEVEL OPEN SPACE REQUIREMENTS, FLOOR  
21 AREA RATIOS, SETBACKS, MINIMUM PARKING REQUIREMENTS, AND  
22 MAXIMUM HEIGHT;

23 (II) ASSUME MINIMUM PARKING REQUIREMENTS ARE MET WITH  
24 SURFACE PARKING, UNLESS MINIMUM PARKING REQUIREMENTS ARE LESS  
25 THAN SEVEN-TENTHS PER DWELLING UNIT; AND

26 (III) ASSUME AN AVERAGE HOUSING UNIT SIZE THAT IS  
27 REPRESENTATIVE OF THE AVERAGE MULTIFAMILY HOUSING IN THE

1 JURISDICTION;

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

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

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

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

22 (a) WITHIN THE TRANSIT AREAS IN THE TRANSIT-ORIENTED  
23 COMMUNITY:

24 (I) THE AREA PROPOSED FOR DESIGNATION AS A TRANSIT CENTER  
25 HAS A REASONABLE OPPORTUNITY TO PROVIDE ADEQUATE  
26 INFRASTRUCTURE TO SERVE MULTIFAMILY HOUSING;

27 (II) THE TRANSIT-ORIENTED COMMUNITY HAS ADOPTED A PLAN TO

1 INVEST IN AND EXPAND INFRASTRUCTURE TO SERVE MULTIFAMILY  
2 HOUSING; AND

3 (III) THE AREA PROPOSED FOR DESIGNATION AS A TRANSIT CENTER  
4 HAS A NET HOUSING DENSITY ALLOWED BY DIMENSIONAL AND OTHER  
5 RESTRICTIONS IN LOCAL LAWS THAT MAXIMIZES FUTURE HOUSING  
6 PRODUCTION THAT IS REASONABLY EXPECTED TO OCCUR IN THE AREA;  
7 AND

8 (b) THE AREA THAT THE TRANSIT-ORIENTED COMMUNITY IS  
9 REQUESTING TO DESIGNATE AS A TRANSIT CENTER:

10 (I) HAS A REASONABLE OPPORTUNITY FOR NEW MULTIFAMILY  
11 HOUSING, INCLUDING ADEQUATE INFRASTRUCTURE; AND

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

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

25 **29-35-207. Criteria for qualification as a neighborhood center.**

26 (1) (a) TO DESIGNATE AN AREA AS A NEIGHBORHOOD CENTER, A LOCAL  
27 GOVERNMENT IN A METROPOLITAN PLANNING ORGANIZATION SHALL, IN

1 ACCORDANCE WITH POLICIES AND PROCEDURES ADOPTED BY THE  
2 DEPARTMENT:

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

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

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

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

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

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

1           **29-35-208. Transit areas map - housing opportunity goals,**  
2           **models, and guidance. (1) Transit areas map. (a)** ON OR BEFORE JULY  
3           31, 2024, THE DEPARTMENT, IN CONSULTATION WITH METROPOLITAN  
4           PLANNING ORGANIZATIONS, AND TRANSIT AGENCIES THAT OPERATE  
5           WITHIN METROPOLITAN PLANNING ORGANIZATIONS, SHALL PUBLISH A MAP  
6           THAT DESIGNATES TRANSIT AREAS TO BE USED BY TRANSIT-ORIENTED  
7           COMMUNITIES IN CALCULATING HOUSING OPPORTUNITY GOALS.

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

11          (I) AN URBAN BUS RAPID TRANSIT SERVICE OR COMMUTER BUS  
12          RAPID TRANSIT SERVICE THAT IS IDENTIFIED WITHIN A METROPOLITAN  
13          PLANNING ORGANIZATION'S FISCALLY-CONSTRAINED LONG RANGE  
14          TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1, 2024, AND  
15          PLANNED FOR IMPLEMENTATION, ACCORDING TO THAT PLAN, PRIOR TO  
16          JANUARY 1, 2030;

17          (II) TRANSIT SERVICE LEVELS PLANNED AND APPROVED BY THE  
18          BOARD OF A TRANSIT AGENCY AS OF JANUARY 1, 2024, AND INTENDED FOR  
19          IMPLEMENTATION BEFORE JANUARY 1, 2030; OR

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

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

26          (I) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT  
27          ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S

1 FISCALLY-CONSTRAINED LONG-RANGE TRANSPORTATION PLAN ADOPTED  
2 PRIOR TO JANUARY 1, 2024, AND INTENDED FOR IMPLEMENTATION AFTER  
3 JANUARY 1, 2030, AND BEFORE DECEMBER 31, 2050;

4 (II) TRANSIT AREAS BASED ON BUS RAPID TRANSIT SERVICES THAT  
5 ARE IDENTIFIED WITHIN A METROPOLITAN PLANNING ORGANIZATION'S  
6 LONG-RANGE TRANSPORTATION PLAN ADOPTED PRIOR TO JANUARY 1,  
7 2024, THAT ARE INTENDED FOR IMPLEMENTATION BEFORE JANUARY 1,  
8 2030, AND THAT ARE WITHIN A TRANSIT-ORIENTED COMMUNITY THAT HAS  
9 DESIGNATED TWENTY PERCENT OR MORE OF ITS AREA AS MANUFACTURED  
10 HOME ZONING DISTRICTS AS OF JANUARY 1, 2024; AND

11 (III) OTHER AREAS AS DETERMINED BY THE DEPARTMENT  
12 THROUGH REGULAR UPDATES.

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

15 (I) GEOSPATIAL DATA FROM RELEVANT TRANSIT AGENCIES AND  
16 METROPOLITAN PLANNING ORGANIZATIONS; AND

17 (II) ROADWAY LOCATIONS BASED UPON THE CENTERLINE OF THE  
18 ROADWAY.

19 (2) **Housing opportunity goals, models, and guidance.** ON OR  
20 BEFORE DECEMBER 1, 2024, THE DEPARTMENT SHALL PUBLISH MODELS  
21 AND GUIDANCE TO ASSIST LOCAL GOVERNMENTS IN MEETING THEIR  
22 HOUSING OPPORTUNITY GOALS AND IN CALCULATING THE DENSITY AND  
23 DIMENSIONAL STANDARDS ESTABLISHED IN SECTION 29-35-206 (1)(b).

24 **29-35-209. Standard affordability strategies menu - long-term**  
25 **affordability strategies menu - alternative affordability strategies. (1)**  
26 **Standard affordability strategies menu.** ON OR BEFORE JUNE 30, 2025,  
27 THE DEPARTMENT SHALL DEVELOP A STANDARD AFFORDABILITY

1 STRATEGIES MENU FOR TRANSIT-ORIENTED COMMUNITIES THAT INCLUDES  
2 THE FOLLOWING STRATEGIES:

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

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

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

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

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

20 (f) REDUCING LOCAL PARKING REQUIREMENTS FOR REGULATED  
21 AFFORDABLE HOUSING TO ONE-HALF SPACE PER UNIT OF REGULATED  
22 AFFORDABLE HOUSING, WITHOUT LOWERING THE PROTECTIONS PROVIDED  
23 FOR INDIVIDUALS WITH DISABILITIES, INCLUDING THE NUMBER OF PARKING  
24 SPACES FOR INDIVIDUALS WHO ARE MOBILITY IMPAIRED, UNDER THE  
25 FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.  
26 12101 ET SEQ., AND PARTS 6 AND 8 OF ARTICLE 34 OF TITLE 24; EXCEPT  
27 THAT, UPON THE PASSAGE OF HOUSE BILL 24-1304, THIS SUBSECTION

1 (1)(f) SHALL NOT BE IDENTIFIED BY A TRANSIT-ORIENTED COMMUNITY AS  
2 AN AFFORDABILITY STRATEGY THAT SATISFIES THE REQUIREMENTS OF  
3 29-35-204 (6)(b)(I)(A);

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

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

8 (2) **Long-term affordability strategies menu.** ON OR BEFORE  
9 JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP A LONG-TERM  
10 AFFORDABILITY STRATEGIES MENU THAT INCLUDES THE FOLLOWING  
11 STRATEGIES:

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

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

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

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

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

27 (I) ACQUIRING OR PRESERVING DEED RESTRICTIONS ON CURRENT

1 HOUSING UNITS;

2 (II) ESTABLISHING AN INCENTIVE PROGRAM TO ENCOURAGE

3 REALTORS TO WORK WITH LOW-INCOME AND MINORITY PROSPECTIVE

4 HOME BUYERS; OR

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

6 AND

7 (f) ANY OTHER STRATEGY DESIGNATED BY THE DEPARTMENT THAT

8 OFFERS A COMPARABLE IMPACT ON LOCAL HOUSING AFFORDABILITY.

9 (3) **Alternative affordability strategies.** A TRANSIT-ORIENTED

10 COMMUNITY MAY SUBMIT AN EXISTING OR PROPOSED LOCAL LAW, IN A

11 FORM AND MANNER DETERMINED BY THE DEPARTMENT, TO THE

12 DEPARTMENT, AND THE DEPARTMENT MAY DETERMINE THAT THE

13 ADOPTION OF THAT LOCAL LAW QUALIFIES AS AN AFFORDABILITY

14 STRATEGY FOR PURPOSES OF SECTION 29-35-204 (6)(a) AND (6)(b), SO

15 LONG AS THE LOCAL LAW SUPPORTS EQUAL OR GREATER HOUSING

16 AFFORDABILITY AND ACCESSIBILITY THAN THE STRATEGIES DESCRIBED IN

17 SUBSECTIONS (1) AND (2) OF THIS SECTION.

18 **29-35-210. Displacement risk assessment - displacement**

19 **mitigation strategies menu - displacement mitigation strategies menu**

20 **goals - alternative displacement mitigation strategies.** (1) (a) NO

21 LATER THAN JUNE 30, 2025, THE DEPARTMENT SHALL DEVELOP GUIDANCE

22 FOR TRANSIT-ORIENTED COMMUNITIES IN CONDUCTING A DISPLACEMENT

23 RISK ASSESSMENT AND IMPLEMENTING DISPLACEMENT MITIGATION

24 STRATEGIES.

25 (b) IN CREATING GUIDANCE FOR THE DISPLACEMENT RISK

26 ASSESSMENT DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION, THE

27 DEPARTMENT SHALL DEVELOP A METHODOLOGY, WITH VARIATIONS FOR

1 DIFFERENT LOCAL CONTEXTS INCLUDING THE SIZE AND RESOURCE LEVELS  
2 OF LOCAL GOVERNMENTS, FOR TRANSIT-ORIENTED COMMUNITIES WITHIN  
3 METROPOLITAN PLANNING ORGANIZATION BOUNDARIES TO USE TO:

4 (I) GATHER FEEDBACK THROUGH COMMUNITY ENGAGEMENT; AND

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

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

14 (B) THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS;

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

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

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

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

24 (G) THE LOCATION OF MANUFACTURED HOME PARKS;

25 (H) AREAS THAT QUALIFY AS DISADVANTAGED AS DETERMINED  
26 WITH THE CLIMATE AND ECONOMIC JUSTICE SCREENING TOOL DEVELOPED  
27 BY THE COUNCIL ON ENVIRONMENTAL QUALITY IN THE OFFICE OF THE

1 PRESIDENT OF THE UNITED STATES; AND

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

5 (2) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL  
6 DEVELOP A DISPLACEMENT MITIGATION STRATEGIES MENU THAT INCLUDES  
7 THE FOLLOWING STRATEGIES:

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

10 (b) CREATING A LOCALLY FUNDED AND ADMINISTERED RENTAL  
11 AND MORTGAGE ASSISTANCE PROGRAM;

12 (c) CREATING AN EVICTION AND FORECLOSURE NO-COST LEGAL  
13 REPRESENTATION PROGRAM;

14 (d) ESTABLISHING A HOUSING COUNSELING AND NAVIGATION  
15 PROGRAM;

16 (e) CREATING A PROPERTY TAX AND DOWN PAYMENT ASSISTANCE  
17 PROGRAM;

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

21 (g) PRIORITIZING LOCAL MONEY TOWARD REGULATED  
22 AFFORDABLE HOUSING UNIT PRESERVATION OR IMPLEMENTING OR  
23 CONTINUING DEED RESTRICTIONS FOR AFFORDABLE HOUSING UNITS;

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

26 (i) OTHER STRATEGIES IDENTIFIED BY THE DEPARTMENT THAT  
27 PROVIDE DISPLACEMENT MITIGATION EQUIVALENT TO THE OTHER

1 STRATEGIES DESCRIBED IN THIS SUBSECTION (2).

2 (3) IN DEVELOPING THE DISPLACEMENT RISK MITIGATION  
3 STRATEGIES MENU DESCRIBED IN SUBSECTION (2) OF THIS SECTION, THE  
4 DEPARTMENT'S GOALS MUST BE TO SUPPORT:

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

8 (b) THE PRESERVATION OF REGULATED AFFORDABLE HOUSING  
9 STOCK;

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

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

19 **29-35-211. Transit-oriented communities infrastructure grant**  
20 **program - transit-oriented communities infrastructure fund -**  
21 **transit-oriented communities highway users tax account - definitions.**

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

27 (2) **Allowable purposes.** GRANT RECIPIENTS MAY USE MONEY

1 RECEIVED THROUGH THE GRANT PROGRAM TO FUND:

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

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

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

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

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

13 (3) **Grant program administration.** THE DEPARTMENT SHALL  
14 ADMINISTER THE GRANT PROGRAM AND, SUBJECT TO AVAILABLE  
15 APPROPRIATIONS, AWARD GRANTS AS PROVIDED IN SUBSECTION (7) OF THIS  
16 SECTION AND PROVIDE TECHNICAL ASSISTANCE TO LOCAL GOVERNMENTS  
17 IN COMPLYING WITH THE REQUIREMENTS OF THIS PART 2. SUBJECT TO  
18 SECTION 18 OF ARTICLE X OF THE STATE CONSTITUTION, WHICH REQUIRES  
19 THE PROCEEDS OF MOTOR FUEL TAXES AND MOTOR VEHICLE LICENSING  
20 AND REGISTRATION FEES AND OTHER CHARGES TO BE USED EXCLUSIVELY  
21 FOR THE CONSTRUCTION, MAINTENANCE, AND SUPERVISION OF PUBLIC  
22 HIGHWAYS, GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES  
23 DESCRIBED IN SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION  
24 MAY BE PAID OUT OF THE FUND, INCLUDING OUT OF THE ACCOUNT.  
25 GRANTS AWARDED BY THE DEPARTMENT FOR THE PURPOSES DESCRIBED  
26 IN SUBSECTIONS (2)(a) AND (2)(b) OF THIS SECTION MAY BE PAID OUT OF  
27 MONEY IN THE FUND AND NOT IN THE ACCOUNT AND SHALL NOT BE PAID

1 OUT OF THE ACCOUNT.

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

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

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

13 (a) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL  
14 GOVERNMENT WOULD FUND WITH A GRANT AWARD ON THE DEVELOPMENT  
15 OF REGULATED AFFORDABLE HOUSING, MIXED-USE DEVELOPMENT,  
16 ACCESSIBLE OR VISITABLE HOUSING UNITS, OR THE CREATION OR  
17 ENHANCEMENT OF HOME OWNERSHIP OPPORTUNITIES WITHIN A TRANSIT  
18 CENTER OR NEIGHBORHOOD CENTER;

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

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

27 (II) ADOPTED AFFORDABILITY STRATEGIES FROM THE

1 AFFORDABILITY STRATEGIES MENUS IN SECTION 29-35-209 BASED ON THE  
2 LOCAL GOVERNMENT'S DEMONSTRATED HOUSING NEEDS, INCLUDING  
3 HOUSING NEEDS FOR RENTAL AND FOR-SALE HOUSING AND FOR LOW-,  
4 MODERATE-, AND MEDIUM-INCOME HOUSEHOLDS, AS DESIGNATED BY THE  
5 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT;

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

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

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

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

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

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

26 (II) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
27 DEPARTMENT FOR THE PURPOSE OF IMPLEMENTING THE GRANT PROGRAM,

1 AND THE DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY  
2 IN THE FUND, EXCLUSIVE OF MONEY IN THE ACCOUNT, FOR COSTS  
3 INCURRED BY THE DEPARTMENT IN ADMINISTERING THE GRANT PROGRAM.

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

6 (b)(I) THE TRANSIT-ORIENTED COMMUNITIES HIGHWAY USERS TAX  
7 ACCOUNT IS CREATED IN THE FUND. THE ACCOUNT CONSISTS OF GIFTS,  
8 GRANTS, AND DONATIONS, MONEY THAT THE STATE TREASURER  
9 TRANSFERS TO THE FUND PURSUANT TO SECTION 29-35-205 (2), AND ANY  
10 OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR  
11 TRANSFER TO THE ACCOUNT. THE STATE TREASURER SHALL CREDIT ALL  
12 INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF  
13 MONEY IN THE ACCOUNT TO THE ACCOUNT.

14 (II) MONEY IN THE ACCOUNT IS CONTINUOUSLY APPROPRIATED TO  
15 THE DEPARTMENT FOR AWARDED GRANTS FOR PURPOSES DESCRIBED IN  
16 SUBSECTIONS (2)(c), (2)(d), AND (2)(e) OF THIS SECTION, AND THE  
17 DEPARTMENT MAY EXPEND UP TO SIX PERCENT OF ANY MONEY  
18 APPROPRIATED OR TRANSFERRED BY THE GENERAL ASSEMBLY TO THE  
19 ACCOUNT PURSUANT TO THIS SUBSECTION (8)(b) FOR THE  
20 ADMINISTRATIVE COSTS INCURRED BY THE DEPARTMENT IN AWARDED  
21 GRANTS FOR SUCH PURPOSES.

22 (III) NOTWITHSTANDING SUBSECTION (8)(b)(II) OF THIS SECTION,  
23 THE DEPARTMENT SHALL COMPLY WITH THE REQUIREMENTS OF SECTION  
24 29-35-205 (3) IN EXPENDING MONEY IN THE ACCOUNT.

25 (9) **Reporting.** (a) ON OR BEFORE JANUARY 1, 2025, AND EACH  
26 JANUARY 1 THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM, THE  
27 DEPARTMENT SHALL SUBMIT A SUMMARIZED REPORT TO THE HOUSE OF

1 REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT  
2 COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND HOUSING  
3 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, ON RELEVANT  
4 INFORMATION REGARDING THE GRANT PROGRAM.

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

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

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

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

15 (c) "GRANT PROGRAM" MEANS THE TRANSIT-ORIENTED  
16 COMMUNITIES INFRASTRUCTURE GRANT PROGRAM CREATED IN THIS  
17 SECTION.

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

20 **24-67-105. Standards and conditions for planned unit**  
21 **development - definitions.** (5.5) (a) ANY PLANNED UNIT DEVELOPMENT  
22 RESOLUTION OR ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR  
23 NEIGHBORHOOD CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL  
24 GOVERNMENT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION  
25 (5.5) MUST NOT RESTRICT THE DEVELOPMENT OF HOUSING IN ANY MANNER  
26 THAT IS INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN  
27 AREA AS A TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A

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

2 (b) ANY PLANNED UNIT DEVELOPMENT RESOLUTION OR  
3 ORDINANCE THAT APPLIES WITHIN A TRANSIT CENTER OR NEIGHBORHOOD  
4 CENTER THAT IS ADOPTED OR APPROVED BY A LOCAL GOVERNMENT  
5 BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (5.5) AND THAT  
6 RESTRICTS THE DEVELOPMENT OF HOUSING IN ANY MANNER THAT IS  
7 INCONSISTENT WITH THE REQUIREMENTS FOR DESIGNATING AN AREA AS A  
8 TRANSIT CENTER PURSUANT TO SECTION 29-35-206, OR AS A  
9 NEIGHBORHOOD CENTER PURSUANT TO SECTION 29-35-207:

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

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

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

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

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

26 (II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET  
27 FORTH IN SECTION 29-35-202 (5).

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

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

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

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

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

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

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

27 (II) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET

1 FORTH IN SECTION 29-35-202 (5).

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

4 **SECTION 4.** In Colorado Revised Statutes, 39-22-2101, **add**  
5 (7.5) and (12) as follows:

6 **39-22-2101. Definitions.** As used in this part 21, unless the  
7 context otherwise requires:

8 (7.5) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET  
9 FORTH IN SECTION 29-35-202 (5).

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

12 **SECTION 5.** In Colorado Revised Statutes, 39-22-2102, **add**  
13 (7.5) as follows:

14 **39-22-2102. Credit against tax - affordable housing**  
15 **developments - legislative declaration.** (7.5) (a) SEPARATE FROM THE  
16 CREDITS THE AUTHORITY OTHERWISE ALLOCATES PURSUANT TO THIS  
17 SECTION, THE AUTHORITY SHALL ALLOCATE CREDITS FOR QUALIFIED  
18 DEVELOPMENTS THAT ARE LOCATED IN TRANSIT CENTERS OR  
19 NEIGHBORHOOD CENTERS.

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

26 **SECTION 6. Safety clause.** The general assembly finds,  
27 determines, and declares that this act is necessary for the immediate

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