## SB213 L.010

## SENATE COMMITTEE OF REFERENCE AMENDMENT Committee on <u>Local Government & Housing</u>. SB23-213 be amended as follows:

Amend printed bill, strike everything below the enacting clause and substitute:

3	"SECTION 1.	In Colorado	Revised	Statutes,	add	part 3	37	tc
4	article 32 of title 24 as follows:							

5	PART 37
6	HOUSING NEEDS PLANNING

**24-32-3701. Definitions.** As used in this part 37, unless the 8 context otherwise requires:

- (1) "ACCESSORY DWELLING UNIT" MEANS AN INTERNAL, ATTACHED, OR DETACHED DWELLING UNIT THAT:
- (a) PROVIDES COMPLETE INDEPENDENT LIVING FACILITIES FOR ONE OR MORE PERSONS;
- (b) IS LOCATED ON THE SAME LOT AS A PROPOSED OR EXISTING PRIMARY RESIDENCE; AND
- (c) Includes provisions for living, sleeping, eating, cooking, and sanitation.
- (2) "AFFORDABLE HOUSING" MEANS HOUSING FOR WHICH LOW-AND MODERATE-INCOME HOUSEHOLDS DO NOT SPEND MORE THAN THIRTY PERCENT OF THEIR HOUSEHOLD INCOME ON HOUSING COSTS.
- (3) "COTTAGE CLUSTER" MEANS A GROUPING OF TWO OR MORE DETACHED DWELLING UNITS EACH UNIT HAVING A FOOTPRINT OF NO MORE THAN NINE HUNDRED SQUARE FEET AND THE GROUPING HAVING A COMMON COURTYARD;
  - (4) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.
- (5) "DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS.
- (6) "DISCRETIONARY APPROVAL PROCESS" MEANS A DECISION-MAKING PROCESS CONDUCTED BY A LOCAL GOVERNMENT TO DETERMINE WHETHER A DEVELOPMENT APPROVAL SHALL BE ISSUED AND THAT REQUIRES A PUBLIC BODY TO MAKE ONE OR MORE SUBJECTIVE DETERMINATIONS, INCLUDING:
  - (a) CONSISTENCY WITH STATE OR LOCAL PLANS; AND
- (b) THE COMPATIBILITY OR HARMONY OF AN APPLICATION WITH SURROUNDING LAND USES OR DEVELOPMENT.
- 35 (7) "DISPLACEMENT" MEANS THE RELOCATION OF RESIDENTS OF A
  36 DWELLING UNIT OR AREA THAT WOULD NOT HAVE OCCURRED IF NOT FOR
  37 INCREASED HOUSING PRICES OR OTHER ECONOMIC FACTORS.
  - (8) "DWELLING UNIT" MEANS A SINGLE UNIT PROVIDING COMPLETE

INDEPENDENT LIVING FACILITIES FOR ONE OR MORE PERSONS, INCLUDING PERMANENT PROVISIONS FOR COOKING, EATING, LIVING, SANITATION, AND SLEEPING.

- (9) "FIXED-RAIL TRANSIT STATION" MEANS A STATION FOR BOARDING AND EXITING FOR THE GENERAL PUBLIC OF PASSENGER RAIL TRANSIT THAT USES AND OCCUPIES A SEPARATE RIGHT-OF-WAY OR RAIL LINE, INCLUDING COMMUTER RAIL AND LIGHT RAIL.
- (10) "LOCAL GOVERNMENT" MEANS A HOME RULE, TERRITORIAL, OR STATUTORY COUNTY, CITY AND COUNTY, CITY, OR TOWN.
- (11) "MIDDLE HOUSING" MEANS A TYPE OF HOUSING THAT INCLUDES BETWEEN TWO AND FOUR SEPARATE DWELLING UNITS IN A SINGLE STRUCTURE, A GROUP OF TOWNHOMES, OR A COTTAGE CLUSTER.
- (12) "MIXED-USE DEVELOPMENT" MEANS A DEVELOPMENT THAT INTEGRATES MULTIPLE LAND USE TYPES INCLUDING RESIDENTIAL USES.
- (13) "MULTI-AGENCY ADVISORY COMMITTEE" MEANS AN ADVISORY GROUP WITHIN THE DEPARTMENT OF LOCAL AFFAIRS WITHOUT DECISION-MAKING AUTHORITY COMPOSED OF:
  - (a) THE DIRECTOR, OR THE DIRECTOR'S DESIGNEE;
- (b) The director of the division of housing within the department;
- (c) The director of the division of local government within the department;
- (d) THE DIRECTOR OF THE OFFICE OF SMART GROWTH WITHIN THE DEPARTMENT;
- (e) The director of the Colorado energy office, or the director's designee;
- (f) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TRANSPORTATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;
- (g) THE COMMISSIONER OF THE DEPARTMENT OF AGRICULTURE, OR THE COMMISSIONER'S DESIGNEE;
- (h) THE DIRECTOR OF THE COLORADO WATER CONSERVATION BOARD WITHIN THE DEPARTMENT OF NATURAL RESOURCES; AND
- (i) The state engineer and director of the division of water resources, or their designee.
- (14) "MULTIFAMILY RESIDENTIAL HOUSING" MEANS A BUILDING OR GROUP OF BUILDINGS ON THE SAME LOT WITH FIVE OR MORE SEPARATE DWELLING UNITS.
- (15) "NET DENSITY" MEANS THE NUMBER OF DWELLING UNITS PER ACRE OF TOTAL RESIDENTIAL LAND AREA, EXCLUDING LAND OCCUPIED BY PUBLIC RIGHTS-OF-WAY AND ANY RECREATIONAL, CIVIC, COMMERCIAL, AND OTHER NONRESIDENTIAL USES.
- 42 (16) "OBJECTIVE PROCEDURE" MEANS A REVIEW AND DECISION-MAKING PROCESS CONDUCTED BY A LOCAL GOVERNMENT TO

DETERMINE WHETHER A DEVELOPMENT APPROVAL SHALL BE ISSUED THAT DOES NOT INVOLVE A DISCRETIONARY APPROVAL PROCESS.

- (17) "OBJECTIVE STANDARD" MEANS A STANDARD THAT:
- (a) Does not require a public body to make a personal or subjective judgment; and
- (b) Is verifiable or ascertainable by reference to an established benchmark or criterion that is available to the public.
- (18) "REGULATED AFFORDABLE HOUSING" MEANS AFFORDABLE HOUSING CREATED OR SUPPORTED BY PUBLIC SUBSIDIES OR LAWS THAT RESTRICT RESIDENT INCOME LEVELS TO LOW- OR MODERATE-INCOME HOUSEHOLD LEVELS FOR A SPECIFIED PERIOD.
- (19) "SINGLE-UNIT DETACHED DWELLING" MEANS A DETACHED BUILDING WITH A SINGLE DWELLING UNIT LOCATED ON A SINGLE LOT.
- (20) "TOWNHOME" MEANS A SINGLE-UNIT DWELLING UNIT CONSTRUCTED IN A GROUP OF SIMILAR ATTACHED UNITS IN WHICH EACH UNIT EXTENDS FROM FOUNDATION TO ROOF AND HAS OPEN SPACE ON AT LEAST TWO SIDES.
- (21) "TRANSIT-ORIENTED AREA" MEANS AN AREA OF LAND WHERE ALL PARCELS HAVE AT LEAST TWENTY-FIVE PERCENT OF THEIR AREA WITHIN ONE-HALF MILE OF THE PLATFORM OF A FIXED-RAIL TRANSIT STATION.
- **24-32-3702.** Housing needs assessment methodology. (1) (a) The director shall develop and issue recommended methodologies for developing statewide and local housing needs assessments.
- (b) At a minimum, the methodology for the statewide housing needs assessment must include methods to do the following on a statewide and regional basis:
  - (I) ESTIMATE EXISTING HOUSING STOCK;
  - (II) CONDUCT A HOUSING SHORTAGE ANALYSIS;
- (III) ESTIMATE THE AMOUNT OF HOUSING NECESSARY TO ACCOMMODATE DEMOGRAPHIC AND POPULATION TRENDS FORECAST BY THE STATE DEMOGRAPHER CATEGORIZED BY HOUSEHOLD SIZE; HOUSEHOLD TYPE, INCLUDING SUPPORTIVE, FOR SALE, AND RENTAL HOUSING; AND INCOME LEVEL, INCLUDING EXTREMELY LOW-INCOME, VERY LOW-INCOME, AND LOW-INCOME HOUSEHOLDS AS DEFINED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT;
- (IV) ESTIMATE WATER SUPPLY NEEDS FOR EXISTING HOUSING AND THE AMOUNT OF HOUSING IDENTIFIED IN SUBSECTION (1)(b)(III) OF THIS SECTION:
- 42 (V) ESTIMATE REGIONAL RESOURCES AVAILABLE TO ENABLE THE 43 DEVELOPMENT OF A RANGE OF HOUSING TYPES; AND

- (VI) ENSURE BROAD LOCAL GOVERNMENT INPUT AND COORDINATION.
- (c) At a minimum, the methodology for local housing needs assessments must include methods to:
  - (I) ESTIMATE EXISTING HOUSING STOCK IN THE JURISDICTION;
- (II) CONDUCT A HOUSING SHORTAGE ANALYSIS IN EACH JURISDICTION;
- (III) ESTIMATE THE AMOUNT OF HOUSING NECESSARY TO ACCOMMODATE DEMOGRAPHIC AND POPULATION TRENDS IN EACH JURISDICTION FORECAST BY THE STATE DEMOGRAPHER CATEGORIZED BY HOUSEHOLD SIZE; HOUSEHOLD TYPE, INCLUDING SUPPORTIVE, FOR SALE, AND RENTAL HOUSING; AND INCOME LEVEL, INCLUDING EXTREMELY LOW-INCOME, VERY LOW-INCOME, AND LOW-INCOME HOUSEHOLDS AS DEFINED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT;
- (IV) ESTIMATE WATER SUPPLY NEEDS FOR EXISTING HOUSING AND THE AMOUNT OF HOUSING IDENTIFIED IN SUBSECTION (1)(c)(III) OF THIS SECTION;
- (V) ESTIMATE LOCAL RESOURCES AVAILABLE TO ENABLE THE DEVELOPMENT OF A RANGE OF HOUSING TYPES;
- (VI) CONSIDER INTERGOVERNMENTAL COORDINATION TO ADDRESS INTERLOCAL HOUSING NEEDS; AND
- (VII) ENSURE BROAD LOCAL GOVERNMENT INPUT AND COORDINATION.
- (2) No later than December 31, 2024, and every five years thereafter, in accordance with the methodologies established in subsection (1) of this section, the director shall produce statewide and local housing needs assessments, with twenty-year planning forecasts, and shall include in each, for the relevant area, estimates of:
- (a) Housing needs sorted by income levels, including extremely low-income, very low-income, and low-income households as defined by the United States department of housing and urban development;
  - (b) THE NUMBER OF HOUSEHOLDS AND JOBS;
  - (c) POPULATION AND DEMOGRAPHICS;
  - (d) Existing housing stock;
- 38 (e) WATER SUPPLY NEEDS FOR CURRENT AND NEEDED RESIDENTIAL 39 USES; AND
- 40 (f) Deficiencies in resources needed for the development 41 of a range of housing types.
- **24-32-3703. Housing needs plan guidance.** (1) No later than December 31,2024, the director shall develop and issue guidance

FOR THE CREATION OF HOUSING NEEDS PLANS BY LOCAL GOVERNMENTS. THE GUIDANCE MUST INCLUDE:

- (a) RECOMMENDATIONS FOR THE USE OF THE STATEWIDE AND LOCAL HOUSING NEEDS ASSESSMENT;
- (b) Opportunities for interlocal coordination in the creation of the housing needs plan, including the joint exercise of planning, zoning, subdivision, building, and related regulations pursuant to section 29-20-105; and
- (c) METHODS FOR COMMUNITY EDUCATION AND ENGAGEMENT IN THE CREATION OF THE HOUSING NEEDS PLAN.
- **24-32-3704.** Housing affordability strategies. (1) No later than December 31, 2023, the director shall develop and publish a menu of affordability strategies to guide local governments in the creation of laws and policies to encourage the development of a range of housing types primarily focused on creating greater affordability of housing, including:
- (a) THE ADOPTION OF REGULATIONS TO PROMOTE THE CONSTRUCTION OF NEW AFFORDABLE HOUSING UNITS IN ACCORDANCE WITH SECTION 29-20-104 (1)(e.5);
- (b) The adoption of regulations to increase the overall number and density of dwelling units as identified in Section 29-20-104 (1)(e.7);
- (c) THE ELIMINATION OF RESTRICTIONS ON RESIDENTIAL OCCUPANCY DEPENDING ON THE EXISTENCE OF A FAMILIAL RELATIONSHIP BETWEEN OCCUPANTS;
- (d) Creating or modifying zoning districts that permit single-unit detached dwellings to allow accessory dwelling units or middle housing in a substantial portion of the jurisdiction;
- (e) Creating or modifying zoning districts in transit-oriented areas to enable multifamily residential housing meeting a minimum net density recommended by the director;
- (f) THE CREATION OF PROGRAMS TO SUBSIDIZE OR OTHERWISE REDUCE LOCAL DEVELOPMENT FEES FOR REGULATED AFFORDABLE HOUSING DEVELOPMENT;
- (g) THE CREATION OF EXPEDITED OR STREAMLINED DEVELOPMENT REVIEW PROCESSES FOR REGULATED AFFORDABLE HOUSING DEVELOPMENT;
- (h) THE CREATION OF POLICIES OR PLANS TO LEVERAGE PUBLICLY-OWNED LAND OR PROPERTIES FOR REGULATED AFFORDABLE HOUSING DEVELOPMENT;
  - (i) THE ESTABLISHMENT OF DEDICATED LOCAL REVENUE SOURCES

- (j) The adoption of regulations relating to short-term rentals or second homes;
- (k) THE ESTABLISHMENT OF PARKING PERMIT PROGRAMS AND ALTERNATIVE PARKING OPTIONS; AND
- (1) Commitments to develop affordable housing to retain eligibility for the statewide affordable housing fund created in section 29-32-102 (1).
- (2) THE MENU OF AFFORDABILITY STRATEGIES MUST IDENTIFY WHICH STRATEGIES MAY BE MOST EFFECTIVE FOR TYPES OF LOCAL GOVERNMENT DEPENDING ON REGION, SIZE, RESOURCES, AND OPPORTUNITIES FOR INTERGOVERNMENTAL COORDINATION.
- **24-32-3705. Displacement mitigation.** (1) No later than December 31,2023, the director shall develop guidance to assist Local governments in identifying areas at the highest risks for displacement based on neighborhood or census tract. The guidance must include factors to identify the:
  - (a) PERCENTAGE OF RESIDENTS WHO ARE LOW-INCOME RESIDENTS;
  - (b) PERCENTAGE OF RESIDENTS WHO RENT THEIR DWELLING UNIT;
- (c) PERCENTAGE OF RESIDENTS WHO LIVE IN MULTIGENERATIONAL HOUSEHOLDS;
  - (d) Percentage of cost-burdened households;
- (e) PERCENTAGE OF RESIDENTS WHO HAVE RESIDED IN THE AREA FOR MORE THAN TWENTY YEARS;
- (f) Number of adults who are twenty-five years of age or older who have not earned at least a high school diploma;
- (g) PERCENTAGE OF HOUSEHOLDS IN WHICH A LANGUAGE OTHER THAN ENGLISH IS SPOKEN;
  - (h) EMPLOYMENT RATE; AND
- (i) PERCENTAGE OF HOUSEHOLDS THAT DO NOT HAVE INTERNET ACCESS.
- (2) NO LATER THAN DECEMBER 31, 2023, THE DIRECTOR SHALL DEVELOP AND PUBLISH A MENU OF DISPLACEMENT MITIGATION STRATEGIES TO GUIDE LOCAL GOVERNMENTS IN THE CREATION OF LAWS AND POLICIES TO PREVENT DISPLACEMENT FROM AREAS AT A HIGH RISK FOR DISPLACEMENT. IN ADDITION TO THOSE STRATEGIES IDENTIFIED BY THE DEPARTMENT, THE DEPARTMENT SHOULD IDENTIFY TYPES OF LAWS OR POLICIES THAT INCREASE THE RISK OF DISPLACEMENT OR THAT REDUCE THE RISK OF DISPLACEMENT.
- (3) THE MENU OF DISPLACEMENT MITIGATION STRATEGIES SHOULD IDENTIFY WHICH STRATEGIES MAY BE MOST EFFECTIVE FOR DIFFERENT POPULATIONS AT A HIGH RISK OF DISPLACEMENT AND DIFFERENT TYPES OF LOCAL GOVERNMENTS BASED ON REGION, SIZE, RESOURCES, AND

OPPORTUNITIES FOR INTERGOVERNMENTAL COORDINATION.

24-32-3706. Community engagement strategies. (1) No Later than December 31, 2023, the director shall develop and publish a menu of community engagement strategies designed to facilitate the adoption of land use law reforms, the adoption of affordable housing strategies and displacement mitigation strategies, and community support and understanding of the reforms and strategies.

- (2) THE DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE AND FUNDING TO SUPPORT LOCAL GOVERNMENTS IN IDENTIFYING AND IMPLEMENTING APPROPRIATE COMMUNITY ENGAGEMENT STRATEGIES TO FURTHER THE ENACTMENT OF LAND USE LAW REFORMS AND THE ADOPTION OF AFFORDABLE HOUSING STRATEGIES AND DISPLACEMENT MITIGATION STRATEGIES.
- **24-32-3707.** Model residential development codes. (1) No later than December 31, 2024, the director shall develop and publish a series of model codes related to the development of the following types of residential dwelling units:
  - (a) ACCESSORY DWELLING UNITS;
- (b) MIDDLE HOUSING, INCLUDING SINGLE STRUCTURES CONTAINING UP TO SIX DWELLING UNITS, TOWNHOMES, AND COTTAGE CLUSTERS;
  - (c) MULTIFAMILY RESIDENTIAL HOUSING;
  - (d) MIXED-INCOME MULTIFAMILY RESIDENTIAL HOUSING; AND
  - (e) Modular homes as defined in section 24-32-3302 (25).
  - (2) THE MODEL CODES MUST:
- (a) PROMOTE THE USE OF HOUSING AFFORDABILITY AND DISPLACEMENT MITIGATION STRATEGIES IDENTIFIED IN SECTIONS 24-32-3704 AND 24-32-3705;
- (b) PROMOTE THE USE OF OBJECTIVE PROCESSES AND OBJECTIVE STANDARDS, PARTICULARLY FOR DEVELOPMENT APPROVALS NOT INCLUDING POLICY DETERMINATIONS, AND FOR THE ASSESSMENT OF FINITE PUBLIC RESOURCES AND CAPACITY;
- (c) PROMOTE THE ELIMINATION OR REDUCTION OF THE USE OF DISCRETIONARY APPROVAL PROCESSES;
- (d) PROMOTE MEASURES TO REDUCE COSTS OR DELAYS IN THE SITING AND APPROVAL OF RESIDENTIAL DWELLING UNITS;
- (e) PROMOTE MEASURES TO REDUCE SITE REQUIREMENTS THAT MIGHT INHIBIT THE DEVELOPMENT OF ACCESSORY DWELLING UNITS AND MIDDLE HOUSING, INCLUDING PARKING REQUIREMENTS, MINIMUM LOT SIZES, FLOOR TO AREA RATIO REQUIREMENTS, LOT DEPTH OR WIDTH STANDARDS, AND HEIGHT RESTRICTIONS;
  - (f) PROMOTE THE APPLICATION OF DESIGN GUIDELINES, BUILDING

MATERIALS REQUIREMENTS, AND LANDSCAPING STANDARDS FOR ACCESSORY DWELLING UNITS AND MIDDLE HOUSING THAT ARE NOT MORE RESTRICTIVE THAN SIMILAR STANDARDS FOR SINGLE-UNIT DETACHED DWELLINGS;

- (g) PROMOTE THE APPLICATION OF LAND USE STANDARDS FOR ACCESSORY DWELLING UNITS AND MIDDLE HOUSING THAT ARE NOT MORE RESTRICTIVE THAN SIMILAR STANDARDS FOR SINGLE-UNIT DETACHED DWELLINGS;
- (h) PROMOTE A MINIMUM NET DENSITY PROXIMATE TO TRANSIT SYSTEMS;
- (i) PROMOTE THE EFFICIENT USE AND REUSE OF WATER IN RESIDENTIAL USES AND LANDSCAPING REQUIREMENTS; AND
  - (j) BE CAPABLE OF INTEGRATION INTO LAND DEVELOPMENT LAWS OF LOCAL GOVERNMENTS.
  - **24-32-3708. State strategic growth objectives.** (1) (a) No Later than March 31, 2024, the director shall publish a report that identifies multi-agency implementation principles to achieve state strategic growth objectives. The director shall update this report every five years.
  - (b) The director shall develop state strategic growth objectives to serve as broad guidance to state agencies and other entities engaged in the implementation of Senate Bill 23-213, enacted in 2013, and in the development of multi-agency implementation principles. The state strategic growth objectives must, at a minimum:
  - (I) Consider the Colorado water plan adopted pursuant to section 37-60-106.3;
  - (II) CONSIDER THE DIFFERENT CONTEXTS AND NEEDS OF STRATEGIC GROWTH AREAS IN RURAL, RURAL RESORT, AND URBAN AREAS OF THE STATE;
  - (III) PROMOTE STRATEGIC GROWTH AREAS THAT HAVE A VARIETY OF HOUSING TYPES, TRANSIT-SUPPORTIVE DENSITIES IN NEW OR EXISTING TRANSIT CORRIDORS, MIDDLE HOUSING AND MULTIFAMILY RESIDENTIAL HOUSING IN EXISTING OR NEW WALKABLE MIXED-USE NEIGHBORHOODS;
  - (IV) PROMOTE STRATEGIC GROWTH AREAS THAT HAVE IDENTIFIED AND SECURED SUFFICIENT WATER SUPPLIES AND ALLOCATED WATER RESOURCES FOR AFFORDABLE AND WATER-EFFICIENT HOUSING TYPES;
  - (V) IDENTIFY WHERE GROWTH IS OCCURRING OUTSIDE OF EXISTING CENSUS URBANIZED AREAS, DIFFERENTIATING BETWEEN STRATEGIC GROWTH AREAS, GENERAL GROWTH AREAS, AND CONSERVATION AREAS;
- 41 (VI) PROMOTE STATE AND PRIVATE INVESTMENTS THAT SUPPORT 42 THE DEVELOPMENT OF HOUSING AND TRANSIT IN STRATEGIC GROWTH 43 AREAS;

- (VII) IDENTIFY RESOURCES TO PROMOTE INCREASES IN INFRASTRUCTURE, SERVICE LEVELS, AND USE OF TRANSIT;
- (VIII) ESTABLISH PERFORMANCE MEASURES AND PERFORMANCE TARGETS FOR STATE AGENCIES IN IMPLEMENTING THESE STATE STRATEGIC GROWTH OBJECTIVES;
- (IX) PROMOTE THE STREAMLINING OF AGENCY REVIEW AND PERMITTING PROCESSES TO SUPPORT THE DEVELOPMENT OF TRANSIT AND HOUSING IN STATE STRATEGIC GROWTH AREAS;
- (X) RECOMMEND PROJECT PRIORITIZATION PROCESSES FOR STATE PROJECTS AND GRANT PROGRAMS TO SUPPORT THE DEVELOPMENT OF TRANSIT AND HOUSING IN STATE STRATEGIC GROWTH AREAS; AND
- (XI) PROMOTE THE PRESERVATION OF OPEN SPACE AND AGRICULTURAL LAND.
  - **24-32-3709.** Water supply forecast. (1) No later than June 30, 2025, the director in consultation with the Colorado water conservation board shall submit a joint report to the general assembly conforming to the Colorado water plan adopted in January 2023 that assesses:
- (a) THE AVAILABILITY AND SUFFICIENCY OF WATER SUPPLIES IN COUNTIES TO PROVIDE FOR ANTICIPATED GROWTH AND DEVELOPMENT;
- (b) A FRAMEWORK TO GUIDE INVESTMENTS IN DEVELOPMENT AND CONSERVATION; AND
- (c) A range of policy options to maximize efficiency of existing water supply and identify impacts of future development.
- (2) THE DIRECTOR SHALL CONSULT WATER PROVIDERS AND PUBLISHED WATER SUPPLY MASTER PLANS IN THE PREPARATION OF THE REPORT.

## 24-32-3710. Natural land and agricultural priorities report.

- (1) No later than December 31, 2024, the office of climate preparedness created in Section 24-38.8-102 (1), in consultation with the department of agriculture, the division of Parks and Wildlife within the department of Natural Resources, the outdoor recreation industry office in the office of economic development, and the Colorado tourism office, shall develop and Publish a Natural Land and agricultural priorities report that identifies interjurisdictional priorities that metropolitan Planning organizations should apply to achieve both:
  - (a) CONNECTIVITY TO OPEN SPACE AND NATURAL LANDS; AND
  - (b) Preservation of agricultural land and open space.
- **24-32-3711. Public comment process.** (1) STATE AGENCIES SHALL FOLLOW THE PROCESS SET FORTH IN THIS SECTION TO DEVELOP AND ISSUE THE FOLLOWING:

- (a) METHODOLOGIES FOR STATEWIDE AND LOCAL HOUSING NEEDS ASSESSMENTS PURSUANT TO SECTION 24-32-3702 (1);
- (b) STATEWIDE AND LOCAL HOUSING NEEDS ASSESSMENTS PURSUANT TO SECTION 24-32-3702 (2);
- (c) Housing Needs Plan Guidance Pursuant to Section 24-32-3703 (1);
- (d) A MENU OF HOUSING AFFORDABILITY STRATEGIES PURSUANT TO SECTION 24-32-3704;
- (e) AMENU OF DISPLACEMENT MITIGATION STRATEGIES PURSUANT TO SECTION 24-32-3705;
- 11 (f) Model residential development codes pursuant to section 24-32-3707;
  - (g) STATE STRATEGIC GROWTH OBJECTIVES PURSUANT TO SECTION 24-32-3708; AND
  - (h) A NATURAL LAND AND AGRICULTURAL PRIORITIES REPORT PURSUANT TO SECTION 24-32-3710.
  - (2) Before issuing drafts of the items described in subsection (1) of this section, an agency shall consult with and obtain feedback from local governments, the multi-agency advisory committee, regional planning agencies, residential construction professionals, affordable housing and fair housing advocates, experts in disability rights, and statewide associations of such groups.
  - (3) AFTER ISSUING DRAFTS OF THE ITEMS DESCRIBED IN SUBSECTION (1) OF THIS SECTION, AN AGENCY SHALL PROVIDE PUBLIC NOTICE OF AND HOLD AT LEAST TWO PUBLIC HEARINGS ON THE ITEMS AT WHICH MEMBERS OF THE PUBLIC AND ANY OF THE ENTITIES IDENTIFIED IN SUBSECTION (2) OF THIS SECTION HAVE AN OPPORTUNITY TO COMMENT AND ACCEPT WRITTEN COMMENTS. THIS COMMENT AND HEARING PROCESSES MUST INCLUDE TRANSLATED MATERIALS AND INTERPRETATION SERVICES.
  - 24-32-3712. Technical assistance. (1) The division of local government within the department of local affairs shall provide technical assistance materials, briefings, consulting services, templates, tools, trainings, webinars, or other guidance to aid local governments in identifying and implementing housing affordability strategies, displacement mitigation strategies, community engagement strategies, and in amending and adopting laws and policies to enact local laws incorporating the model residential development codes published pursuant to section 24-32-3707 and creating the housing element of master plans.
    - (2) THE DIVISION OF LOCAL GOVERNMENT WITHIN THE

DEPARTMENT SHALL PROVIDE TECHNICAL ASSISTANCE FUNDING THROUGH EITHER A GRANT PROGRAM OR THE PROVISION OF CONSULTANT SERVICES OR BOTH DIRECTLY TO LOCAL GOVERNMENTS OR THROUGH A METROPOLITAN PLANNING ORGANIZATION.

- (3) BEGINNING JANUARY 1, 2026, AND EVERY YEAR THEREAFTER, THE DEPARTMENT SHALL PROVIDE A REPORT ON THE ASSISTANCE REQUESTED BY LOCAL GOVERNMENTS PURSUANT TO THIS SECTION, WHETHER OR NOT ADEQUATE STATE FUNDING IS AVAILABLE TO PROVIDE THE ASSISTANCE REQUESTED BY LOCAL GOVERNMENTS, AND ANY ADDITIONAL RESOURCES THAT THE DEPARTMENT OR LOCAL GOVERNMENTS HAVE IDENTIFIED THAT WOULD ASSIST IN IDENTIFYING AND IMPLEMENTING HOUSING AFFORDABILITY STRATEGIES, DISPLACEMENT MITIGATION STRATEGIES, COMMUNITY ENGAGEMENT STRATEGIES, AND IN AMENDING AND ADOPTING LOCAL LAWS AND POLICIES TO ENACT MODEL CODES PUBLISHED PURSUANT TO THIS PART 37.
- (4) THE DIRECTOR OR THE DIRECTOR'S DESIGNEE SHALL ATTEND AND PARTICIPATE IN MEETINGS OF COUNTY, MUNICIPAL, AND REGIONAL PLANNING BODIES, INTERSTATE AGENCIES, AND OTHER CONFERENCES OF SUCH BODIES, AGENCIES, AND RELATED ENTITIES TO RAISE AWARENESS OF THE MODEL CODES AND GUIDELINES ENACTED PURSUANT TO THIS PART 37 AND THE TECHNICAL ASSISTANCE MADE AVAILABLE PURSUANT TO THIS PART 37.
- (5) (a) THE DEPARTMENT SHALL SERVE AS A CLEARING HOUSE, FOR THE BENEFIT OF LOCAL GOVERNMENTS, OF INFORMATION RELATING TO THE MATTERS ADDRESSED IN THIS PART 37 AND REFER LOCAL GOVERNMENTS TO STATE AND FEDERAL RESOURCES AND APPROPRIATE DEPARTMENTS OR AGENCIES OF THE STATE OR FEDERAL GOVERNMENT FOR ADVICE, ASSISTANCE, OR AVAILABLE SERVICES IN CONNECTION WITH THE APPLICATION OF THIS PART 37.
- (b) The department shall identify opportunities for, encourage, and, when so requested, assist cooperative efforts among local governments toward the solution of common problems related to growth and the application of this part 37.
- (c) The department may attempt to mediate disputes between local governments regarding the enactment of local law or policies related to this part 37 or refer local governments to the list of mediators maintained pursuant to section 24-32-3209 to assist in the resolution of such disputes.
- (6) (a) THE HOUSING NEEDS PLANNING GRANT FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF GIFTS, GRANTS, AND DONATIONS CREDITED TO THE FUND AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED

FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE HOUSING NEEDS ASSESSMENT AND PLANNING ASSISTANCE FUND TO THE FUND.

- (b) Subject to annual appropriation by the general assembly, the department may expend money from the fund for the purposes of providing technical assistance and implementing a grant program pursuant to this part 37.
- **24-32-3713. Statewide summit.** (1) No later than April 15, 2024, the director, along with the statewide association of municipalities, the statewide association of counties, and the statewide association of special districts shall hold both a statewide summit and at least six regional meetings throughout the state.
- (2) PARTICIPANTS AT THE SUMMIT AND REGIONAL MEETINGS SHALL:
- (a) DISCUSS THE ISSUES OF LAND USE, HOUSING AVAILABILITY AND AFFORDABILITY, WATER AVAILABILITY, AND TRANSPORTATION; AND
- (b) DEVELOP REGIONAL AND STATEWIDE SOLUTIONS FOR ADDRESSING THE ISSUES DISCUSSED AT THE SUMMIT AND REGIONAL MEETINGS PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION.
- (3) NO LATER THAN SEPTEMBER 15, 2024, THE EXECUTIVE DIRECTOR SHALL REPORT ON THE RESULTS OF THE SUMMIT AND REGIONAL MEETINGS TO THE SENATE LOCAL GOVERNMENT AND HOUSING COMMITTEE AND THE HOUSE OF REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.
- (3) At least four of the regional meetings must be held outside of the Denver regional council of Governments' area.
- (4) The summit and regional meetings must include representatives from:
  - (a) LOCAL GOVERNMENTS;
  - (b) CHAMBERS OF COMMERCE;
  - (c) Affordable Housing Groups;
- 32 (d) Infrastructure and service providers:
  - (e) WATER PROVIDERS;
- 34 (f) The agricultural sector;
- 35 (g) Homebuilders;
- 36 (h) ENVIRONMENTAL GROUPS;
- 37 (i) ECONOMIC DEVELOPMENT PROFESSIONALS;
- 38 (j) Transportation experts;
- 39 (k) Tribal governments; and
- 40 (1) OTHER SUCH STAKEHOLDERS AS NECESSARY TO PROVIDE 41 DIVERSE PERSPECTIVES ON THE ISSUES DISCUSSED AT THE SUMMIT AND 42 REGIONAL MEETINGS PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION.
- 43 **SECTION 2.** In Colorado Revised Statutes, 24-32-705, **add** (8)

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as follows:

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**24-32-705.** Functions of division. (8) The division shall consult with the advisory committee on factory-built structures and tiny homes created in section 24-32-3305 (3) to produce a report no later than June 30, 2024, on the opportunities and barriers in current state laws and regulations concerning the building of manufactured homes, modular homes, and tiny homes.

**SECTION 3.** In Colorado Revised Statutes, 24-32-3301, **amend** (1)(c)(II) as follows:

- 24-32-3301. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that mobile homes, manufactured housing, and factory-built structures are important and effective ways to meet Colorado's affordable housing needs. The general assembly further finds and declares that, because of the housing crisis in Colorado, there is a need to promote the affordability and accessibility of new manufactured homes and factory-built structures. The general assembly encourages local governments to enact ordinances and rules that effectively treat factory-built structures certified through the state program and manufactured housing certified through the federal program the same as site-built homes. The general assembly further finds, determines, and declares that:
- (c) The protection of Colorado consumers who purchase manufactured homes or tiny homes from fraud and other unfair business practices is a matter of statewide concern and consumers can best be protected by:
- (II) Imposing escrow and bonding requirements upon persons engaged in the business of manufacturing or selling manufactured homes or tiny homes; and

**SECTION 4.** In Colorado Revised Statutes, 24-32-3303, **amend** (1)(c) as follows:

**24-32-3303.** Division of housing - powers and duties - rules. (1) The division has the following powers and duties pursuant to this part 33:

- (c) To review and approve quality assurance representatives that intend to perform FINAL CONSTRUCTION PLAN REVIEWS, inspections, and issue insignia of approval pursuant to this part 33;
- **SECTION 5.** In Colorado Revised Statutes, 24-32-3311, **amend** 39 (1)(a.3) as follows:
  - 24-32-3311. Certification of factory-built structures rules. (1) (a.3) Manufacturers of factory-built structures to be installed in the state shall register with the division as provided in board rules and are subject to enforcement action, including suspension or revocation of their

registration for failing to comply with requirements contained in this part 33 and board rules. A manufacturer shall:

- (I) Comply with escrow requirements of down payments as established by the board by rule; and
- (II) Provide a letter of credit, certificate of deposit issued by a licensed financial institution, or surety bond issued by an authorized insurer in an amount and process established by the board by rule. A financial institution or authorized insurer shall pay the division the letter of credit, certificate of deposit, or surety bond if a court of competent jurisdiction has rendered a final judgment in favor of the division based on a finding that:
  - (A) The manufacturer failed to deliver the factory-built structure;
- (B) The manufacturer failed to refund a down payment made toward the purchase of the factory-built structure; or
- (C) The manufacturer ceased doing business operations or filed for bankruptcy.

**SECTION 6.** In Colorado Revised Statutes, 30-28-106, **repeal and reenact, with amendments,** (3)(a); and **add** (3)(a.5), (3)(a.7), (3)(a.9), and (8) as follows:

30-28-106. Master plan. (3) (a) The master plan of a county or region, with the accompanying maps, plats, charts, and descriptive and explanatory matter, must show the county or regional planning commission's recommendations for the development of the territory covered by the plan. The master plan of a county or region is an advisory document to guide land development decisions; however, the plan or any part thereof may be made binding by inclusion in the county's or region's adopted subdivision, zoning, platting, planned unit development, or other similar land development regulations after satisfying notice, due process, and hearing requirements for legislative or quasi-judicial processes as appropriate.

(a.5) (I) When a county or region decides to adopt a master plan, the county or regional planning commission shall conduct public hearings, after notice of such public hearings has been published in a newspaper of general circulation in the county or region in a manner sufficient to notify the public of the time, place, and nature of the public hearing, prior to final adoption of a master plan in order to encourage public participation in and awareness of the development of the plan and shall accept and consider oral and written public comments throughout the process of developing the plan.

(II) THE COUNTY OR REGIONAL PLANNING COMMISSION SHALL FOLLOW THE PROCEDURES IN SECTION 24-32-3209 REGARDING THE

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PROVISION OF NOTICE OF HEARINGS AND THE DRAFT PLAN TO NEIGHBORING JURISDICTIONS. THE ADOPTION OF THE PLAN SHALL BE SUBJECT TO OBJECTION AND MEDIATION AS PROVIDED IN SECTION 24-32-3209. FOR PURPOSES OF THIS SECTION, ANY SPECIAL DISTRICT THAT SUPPLIES WATER TO THE AREA COVERED BY THE PLAN SHALL BE CONSIDERED A NEIGHBORING JURISDICTION.

- (III) THE COUNTY OR REGIONAL PLANNING COMMISSION SHALL CONSIDER THE FOLLOWING, WHERE APPLICABLE OR APPROPRIATE, IN ADDITION TO THE MATTERS IDENTIFIED IN SUBSECTIONS (3)(a.7) AND (3)(a.9) OF THIS SECTION AND ANY OTHER INFORMATION DEEMED RELEVANT BY THE COUNTY OR REGIONAL PLANNING COMMISSION:
- (A) THE APPLICABLE STATEWIDE AND LOCAL HOUSING NEEDS ASSESSMENTS PUBLISHED PURSUANT TO SECTION 24-32-3702 (2);
- (B) STATE STRATEGIC GROWTH OBJECTIVES PUBLISHED PURSUANT TO SECTION 24-32-3708;
- (C) THE WATER SUPPLY FORECAST PUBLISHED PURSUANT TO SECTION 24-32-3709;
- (D) THE NATURAL LAND AND AGRICULTURAL PRIORITIES REPORT PUBLISHED PURSUANT TO SECTION 24-32-3710; AND
- (E) THE COLORADO STATE WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3.
- (F) THE KEY CORRIDORS MAP PUBLISHED PURSUANT TO SECTION 43-1-131.
  - (a.7) THE PLAN MUST INCLUDE:
- (I) A NARRATIVE DESCRIPTION OF THE PROCEDURE USED FOR THE DEVELOPMENT AND ADOPTION OF THE PLAN, INCLUDING A SUMMARY OF ANY OBJECTIONS TO THE PLAN MADE BY NEIGHBORING JURISDICTIONS PURSUANT TO SECTION 24-32-3209 AND A DESCRIPTION OF THE RESOLUTION OR OUTCOME OF THE OBJECTIONS;
- (II) A WATER SUPPLY ELEMENT DEVELOPED IN CONSULTATION WITH ENTITIES THAT SUPPLY WATER FOR USE WITHIN THE COUNTY OR REGION TO ENSURE COORDINATION ON WATER SUPPLY AND FACILITY PLANNING. THE WATER SUPPLY ELEMENT MUST BE ADOPTED NO LATER THAN DECEMBER 31, 2026, AND MUST BE INCLUDED IN ANY NEW PLAN ADOPTED AFTER DECEMBER 31,2026. THE WATER SUPPLY ELEMENT MUST BE UPDATED EVERY FIVE YEARS. THE WATER SUPPLY ELEMENT MUST:
- (A) IDENTIFY THE GENERAL LOCATION AND EXTENT OF AN ADEQUATE AND SUITABLE SUPPLY OF WATER;
- (B) IDENTIFY WATER SUPPLIES AND FACILITIES SUFFICIENT TO MEET THE NEEDS OF THE PUBLIC AND PRIVATE INFRASTRUCTURE REASONABLY ANTICIPATED OR IDENTIFIED IN THE PLANNING PROCESS;
- (C) INCLUDE WATER CONSERVATION POLICIES, TO BE DETERMINED BY THE COUNTY OR REGION, WHICH MAY INCLUDE GOALS SPECIFIED IN THE

- STATE WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3 AND MAY INCLUDE POLICIES TO IMPLEMENT WATER CONSERVATION AND OTHER STATE WATER PLAN GOALS AS A CONDITION OF DEVELOPMENT APPROVALS, INCLUDING SUBDIVISIONS, PLANNED UNIT DEVELOPMENTS, SPECIAL USE PERMITS, AND ZONING CHANGES. A COUNTY OR REGION WITH A MASTER PLAN THAT INCLUDES A WATER SUPPLY ELEMENT SHALL ENSURE THAT ITS MASTER PLAN INCLUDES WATER CONSERVATION POLICIES AT THE FIRST AMENDING OF THE MASTER PLAN THAT OCCURS AFTER, BUT IN NO CASE LATER THAN JULY 1, 2025.
  - (D) NOTHING IN THIS SUBSECTION (3)(a.7)(II) SHALL BE CONSTRUED TO SUPERSEDE, ABROGATE, OR OTHERWISE IMPAIR THE ALLOCATION OF WATER PURSUANT TO THE STATE CONSTITUTION OR LAWS, THE RIGHT TO BENEFICIALLY USE WATER PURSUANT TO DECREES, CONTRACTS, OR OTHER WATER USE AGREEMENTS, OR THE OPERATION, MAINTENANCE, REPAIR, REPLACEMENT, OR USE OF ANY WATER FACILITY.
  - (E) THE DEPARTMENT OF LOCAL AFFAIRS MAY HIRE AND EMPLOY ONE FULL-TIME EMPLOYEE TO PROVIDE EDUCATIONAL RESOURCES AND ASSISTANCE TO A COUNTY OR REGION THAT INCLUDES WATER CONSERVATION POLICIES IN THE WATER ELEMENTS OF MASTER PLANS AS REQUIRED BY SUBSECTION (3)(a.7)(II)(C) OF THIS SECTION.
  - (III) A HOUSING ELEMENT CONSISTING OF A HOUSING NEEDS PLAN, CONSIDERING THE GUIDANCE PROVIDED FOR THE CREATION OF A HOUSING NEEDS PLAN PUBLISHED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3703. THE HOUSING ELEMENT MUST BE ADOPTED NO LATER THAN DECEMBER 31, 2026, AND MUST BE INCLUDED IN ANY NEW PLAN ADOPTED AFTER DECEMBER 31, 2026. THE HOUSING ELEMENT MUST BE UPDATED EVERY FIVE YEARS. A COUNTY OR REGION WITH A POPULATION OF LESS THAN TEN THOUSAND IS NOT REQUIRED TO CREATE A HOUSING ELEMENT, UNLESS THE COUNTY OR REGION RECEIVES FUNDING TO CREATE THE PLAN THROUGH THE TECHNICAL ASSISTANCE PROVIDED PURSUANT TO SECTION 24-32-3712. THE HOUSING ELEMENT MUST INCLUDE:
  - (A) An analysis of opportunities to address housing needs in the county or region, including opportunities to create an equitable and efficient distribution of dwelling units, particularly in transit-oriented areas as defined in section 24-32-3701 (17), considering the needs and resources of the county or region;
  - (B) A DESCRIPTION OF HOUSING AFFORDABILITY STRATEGIES DEVELOPED BY THE COUNTY OR REGION OR THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3704 THAT THE COUNTY OR REGION HAS IMPLEMENTED AND MAY IMPLEMENT;
    - (C) A NARRATIVE ANALYSIS OF ANY AREA AT ELEVATED RISK OF

DISPLACEMENT AND A DESCRIPTION OF DISPLACEMENT MITIGATION STRATEGIES DEVELOPED BY THE COUNTY OR REGION OR THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3705 THAT THE COUNTY OR REGION HAS IMPLEMENTED AND MAY IMPLEMENT;

- (D) A DESCRIPTION OF COMMUNITY ENGAGEMENT STRATEGIES DEVELOPED BY THE COUNTY OR REGION OR DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3706 THAT THE COUNTY OR REGION HAS ADOPTED OR MAY ADOPT;
- (E) A DESCRIPTION OF ELEMENTS OF ANY MODEL RESIDENTIAL DEVELOPMENT CODE DEVELOPED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3707 THAT THE COUNTY OR REGION HAS ADOPTED OR MAY ADOPT AND ANY LAND USE LAWS ADOPTED BY THE COUNTY OR REGION TO INCREASE DENSITY AND THE SUPPLY OF HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING; AND
- (IV) A DESCRIPTION OF OPPORTUNITIES FOR INTERGOVERNMENTAL COORDINATION TO ADDRESS LOCAL AND REGIONAL HOUSING NEEDS AND ANY INTERGOVERNMENTAL COORDINATION EFFORTS UNDERTAKEN TO ADDRESS SUCH NEEDS.
- (a.9) THE PLAN MAY INCLUDE, WHERE APPLICABLE OR APPROPRIATE:
- (I) The General Location, Character, and extent of existing, proposed, or projected streets or roads, rights-of-way, viaducts, bridges, waterways, waterfronts, parkways, highways, mass transit routes and corridors, and any transportation plan prepared by any metropolitan planning organization that covers all or a portion of the county or region and that the county or region has received notification of or, if the county or region is not located in an area covered by a metropolitan planning organization, any transportation plan prepared by the department of transportation that the county or region has received notification of and that applies to the county or region;
- (II) THE GENERAL LOCATION OF PUBLIC PLACES OR FACILITIES, INCLUDING PUBLIC SCHOOLS, CULTURALLY, HISTORICALLY, OR ARCHAEOLOGICALLY SIGNIFICANT BUILDINGS, SITES, AND OBJECTS, PLAYGROUNDS, FORESTS, RESERVATIONS, SQUARES, PARKS, AIRPORTS, AVIATION FIELDS, MILITARY INSTALLATIONS, AND OTHER PUBLIC WAYS, GROUNDS, OPEN SPACES, TRAILS, AND DESIGNATED FEDERAL, STATE, AND LOCAL WILDLIFE AREAS. FOR PURPOSES OF THIS SECTION, "MILITARY INSTALLATION" SHALL HAVE THE SAME MEANING AS SPECIFIED IN SECTION 29-20-105.6 (2)(b);
- (III) THE GENERAL LOCATION AND EXTENT OF PUBLIC UTILITIES, TERMINALS, CAPITAL FACILITIES, AND TRANSFER FACILITIES, WHETHER

PUBLICLY OR PRIVATELY OWNED, FOR WATER, LIGHT, POWER, SANITATION, TRANSPORTATION, COMMUNICATION, HEAT, AND OTHER PURPOSES, AND ANY PROPOSED OR PROJECTED NEEDS FOR CAPITAL FACILITIES AND UTILITIES, INCLUDING THE PRIORITIES, ANTICIPATED COSTS, AND FUNDING PROPOSALS FOR SUCH FACILITIES AND UTILITIES;

- (IV) THE ACCEPTANCE, WIDENING, REMOVAL, EXTENSION, RELOCATION, NARROWING, VACATION, ABANDONMENT, MODIFICATION, OR CHANGE OF USE OF ANY OF THE PUBLIC WAYS, RIGHTS-OF-WAY, INCLUDING THE COORDINATION OF SUCH RIGHTS-OF-WAY WITH THE RIGHTS-OF-WAY OF OTHER COUNTIES, REGIONS, OR MUNICIPALITIES, GROUNDS, OPEN SPACES, BUILDINGS, PROPERTIES, UTILITIES, OR TERMINALS, REFERRED TO IN SUBSECTIONS (3)(a.7)(II), (3)(a.9)(I), (3)(a.9)(II), AND (3)(a.9)(III) OF THIS SECTION;
- (V) METHODS FOR ASSURING ACCESS TO APPROPRIATE CONDITIONS FOR SOLAR, WIND, OR OTHER ALTERNATIVE ENERGY SOURCES, INCLUDING GEOTHERMAL ENERGY USED FOR WATER HEATING OR SPACE HEATING OR COOLING IN A SINGLE BUILDING, FOR SPACE HEATING FOR MORE THAN ONE BUILDING THROUGH A PIPELINE NETWORK, OR FOR ELECTRICITY GENERATION.
- (VI) THE GENERAL CHARACTER, LOCATION, AND EXTENT OF COMMUNITY CENTERS, TOWNSITES, HOUSING DEVELOPMENTS, WHETHER PUBLIC OR PRIVATE, THE EXISTING, PROPOSED, OR PROJECTED LOCATION OF RESIDENTIAL NEIGHBORHOODS AND SUFFICIENT LAND FOR FUTURE HOUSING DEVELOPMENT FOR THE EXISTING AND PROJECTED ECONOMIC AND OTHER NEEDS OF ALL CURRENT AND ANTICIPATED RESIDENTS OF THE COUNTY OR REGION, AND URBAN CONSERVATION OR REDEVELOPMENT AREAS. IF A COUNTY OR REGION HAS ENTERED INTO A REGIONAL PLANNING AGREEMENT, SUCH AGREEMENT MAY BE INCORPORATED BY REFERENCE INTO THE MASTER PLAN.
- (VII) THE GENERAL LOCATION AND EXTENT OF FORESTS, AGRICULTURAL AREAS, FLOOD CONTROL AREAS, AND OPEN DEVELOPMENT AREAS FOR PURPOSES OF CONSERVATION, FOOD AND WATER SUPPLY, SANITARY AND DRAINAGE FACILITIES, FLOOD CONTROL, OR THE PROTECTION OF URBAN DEVELOPMENT;
  - (VIII) A LAND CLASSIFICATION AND UTILIZATION PROGRAM;
- (IX) PROJECTIONS OF POPULATION GROWTH AND HOUSING NEEDS TO ACCOMMODATE THE PROJECTED POPULATION FOR SPECIFIED INCREMENTS OF TIME. THE COUNTY OR REGION MAY BASE THESE PROJECTIONS UPON DATA FROM THE DEPARTMENT OF LOCAL AFFAIRS AND UPON THE COUNTY'S OR REGION'S LOCAL OBJECTIVES;
- (X) THE LOCATION OF AREAS CONTAINING STEEP SLOPES, GEOLOGICAL HAZARDS, ENDANGERED OR THREATENED SPECIES, WETLANDS, FLOODPLAINS, FLOODWAYS, AND FLOOD RISK ZONES, HIGHLY

ERODIBLE LAND OR UNSTABLE SOILS, AND WILDFIRE HAZARDS. FOR PURPOSES OF DETERMINING THE LOCATION OF SUCH AREAS, THE PLANNING COMMISSION SHOULD CONSIDER THE FOLLOWING SOURCES FOR GUIDANCE:

- (A) THE COLORADO GEOLOGICAL SURVEY FOR DEFINING AND MAPPING GEOLOGICAL HAZARDS;
- (B) THE UNITED STATES FISH AND WILDLIFE SERVICE OF THE UNITED STATES DEPARTMENT OF THE INTERIOR AND THE PARKS AND WILDLIFE COMMISSION CREATED IN SECTION 33-9-101 FOR LOCATING AREAS INHABITED BY ENDANGERED OR THREATENED SPECIES;
- (C) THE UNITED STATES ARMY CORPS OF ENGINEERS AND THE UNITED STATES FISH AND WILDLIFE SERVICE NATIONAL WETLANDS INVENTORY FOR DEFINING AND MAPPING WETLANDS;
- (D) THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR DEFINING AND MAPPING FLOODPLAINS, FLOODWAYS, AND FLOOD RISK ZONES;
- (E) THE NATURAL RESOURCES CONSERVATION SERVICE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE FOR DEFINING AND MAPPING UNSTABLE SOILS AND HIGHLY ERODIBLE LAND; AND
- (F) THE COLORADO STATE FOREST SERVICE FOR LOCATING WILDFIRE HAZARD AREAS.
- (8) A COUNTY OR REGIONAL PLANNING COMMISSION SHALL SUBMIT THE MASTER PLAN AND ANY SEPARATELY APPROVED WATER ELEMENT AND HOUSING ELEMENT TO THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS. THE DIVISION OF LOCAL GOVERNMENT SHALL REVIEW PLANS AND MAY PROVIDE COMMENTS TO THE COMMISSION.
- **SECTION 7.** In Colorado Revised Statutes, 31-15-713, **add** (1)(d) as follows:
- **31-15-713.** Power to sell public works real property. (1) The governing body of each municipality has the power:
- (d) Notwithstanding subsections (1)(a) and (1)(b) of this section, to sell and dispose of, by ordinance, any public building or real property owned by a municipality that is held for government purposes other than park purposes, if the sale and disposition of the public building or real property is for the purpose of providing property to be used for the development of affordable housing, as the term is defined in section 29-33-102(3). The governing body shall determine the terms and conditions of the sale and disposition at a regular or special meeting and shall make these terms and conditions publicly available.
- **SECTION 8.** In Colorado Revised Statutes, 31-23-206, **repeal and reenact, with amendments,** (1); and **add** (1.3), (1.5), (1.7), and (8) as follows:
  - **31-23-206.** Master plan. (1) It is the duty of the commission

TO MAKE AND ADOPT A MASTER PLAN FOR THE PHYSICAL DEVELOPMENT OF THE MUNICIPALITY, INCLUDING ANY AREAS OUTSIDE ITS BOUNDARIES, SUBJECT TO THE APPROVAL OF THE GOVERNMENTAL BODY HAVING JURISDICTION THEREOF, THAT IN THE COMMISSION'S JUDGMENT BEAR RELATION TO THE PLANNING OF THE MUNICIPALITY. THE MASTER PLAN OF A MUNICIPALITY IS AN ADVISORY DOCUMENT TO GUIDE LAND DEVELOPMENT DECISIONS; HOWEVER, THE PLAN OR ANY PART THEREOF MAY BE MADE BINDING BY INCLUSION IN THE MUNICIPALITY'S ADOPTED SUBDIVISION, ZONING, PLATTING, PLANNED UNIT DEVELOPMENT, OR OTHER SIMILAR LAND DEVELOPMENT REGULATIONS AFTER SATISFYING NOTICE, DUE PROCESS, AND HEARING REQUIREMENTS FOR LEGISLATIVE OR QUASI-JUDICIAL PROCESSES AS APPROPRIATE. THE PLAN, WITH THE ACCOMPANYING MAPS, PLATS, CHARTS, AND DESCRIPTIVE MATTER, MUST SHOW THE COMMISSION'S RECOMMENDATIONS FOR THE DEVELOPMENT OF THE MUNICIPALITY AND OUTLYING AREAS.

- (1.3) (a) When a commission decides to adopt a master plan, the commission shall conduct public hearings, after notice of such public hearings has been published in a newspaper of general circulation in the municipality in a manner sufficient to notify the public of the time, place, and nature of the public hearing, prior to final adoption of a master plan in order to encourage public participation in and awareness of the development of such plan and shall accept and consider oral and written public comments throughout the process of developing the plan.
- (b) The commission shall follow the procedures in Section 24-32-3209 regarding the provision of Notice of Hearings and the draft plan to neighboring jurisdictions. The adoption of the plan shall be subject to the objection and mediation as provided in Section 24-32-3209. For purposes of this section, any special district that supplies water to the area covered by the plan shall be considered a neighboring jurisdiction.
- (c) The commission shall consider the following, where applicable or appropriate, in addition to the matters identified in subsections (1.5) and (1.7) of this section and other information deemed relevant by the commission:
- (I) THE APPLICABLE STATEWIDE AND LOCAL HOUSING NEEDS ASSESSMENTS PUBLISHED PURSUANT TO SECTION 24-32-3702 (2);
- (II) STATE STRATEGIC GROWTH OBJECTIVES PUBLISHED PURSUANT TO SECTION 24-32-3708;
- 41 (III) THE WATER SUPPLY FORECAST PUBLISHED PURSUANT TO 42 SECTION 24-32-3709;
  - (IV) THE NATURAL LAND AND AGRICULTURAL PRIORITIES REPORT

PUBLISHED PURSUANT TO SECTION 24-32-3710; AND

(V) THE COLORADO STATE WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3.

(1.5) THE PLAN MUST INCLUDE:

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- (a) A NARRATIVE DESCRIPTION OF THE PROCEDURE USED FOR THE DEVELOPMENT AND ADOPTION OF THE PLAN, INCLUDING A SUMMARY OF ANY OBJECTIONS TO THE PLAN MADE BY NEIGHBORING JURISDICTIONS PURSUANT TO SECTION 24-32-3209 AND A DESCRIPTION OF THE RESOLUTION OR OUTCOME OF THE OBJECTIONS;
- (b) The most recent version of the plan required by section 31-12-105 (1)(e) or a similar plan for areas of potential growth within three miles of the municipality's existing boundaries.
- (c) A water supply element developed in consultation with entities that supply water for use within the municipality to ensure coordination on water supply and facility planning. The water supply element shall be adopted no later than December 31, 2026, and shall be included in any new plan adopted after December 31, 2026. The water supply element shall be updated every five years. The water supply element must:
- (I) IDENTIFY THE GENERAL LOCATION AND EXTENT OF AN ADEQUATE AND SUITABLE SUPPLY OF WATER;
- (II) IDENTIFY WATER SUPPLIES AND FACILITIES SUFFICIENT TO MEET THE NEEDS OF THE PUBLIC AND PRIVATE INFRASTRUCTURE REASONABLY ANTICIPATED OR IDENTIFIED IN THE PLANNING PROCESS;
- (III) INCLUDE WATER CONSERVATION POLICIES, TO BE DETERMINED BY THE MUNICIPALITY, WHICH MAY INCLUDE GOALS SPECIFIED IN THE STATE WATER PLAN ADOPTED PURSUANT TO SECTION 37-60-106.3 AND MAY INCLUDE POLICIES TO IMPLEMENT WATER CONSERVATION AND OTHER STATE WATER PLAN GOALS AS A CONDITION OF DEVELOPMENT APPROVALS, INCLUDING SUBDIVISIONS, PLANNED UNIT DEVELOPMENTS, SPECIAL USE PERMITS, AND ZONING CHANGES. A MUNICIPALITY WITH A MASTER PLAN THAT INCLUDES A WATER SUPPLY ELEMENT SHALL ENSURE THAT ITS MASTER PLAN INCLUDES WATER CONSERVATION POLICIES AT THE FIRST AMENDING OF THE MASTER PLAN THAT OCCURS AFTER SEPTEMBER 14, 2020, BUT IN NO CASE LATER THAN JULY 1, 2025.
- (IV) NOTHING IN THIS SUBSECTION (1.5)(c) SHALL BE CONSTRUED TO SUPERSEDE, ABROGATE, OR OTHERWISE IMPAIR THE ALLOCATION OF WATER PURSUANT TO THE STATE CONSTITUTION OR LAWS, THE RIGHT TO BENEFICIALLY USE WATER PURSUANT TO DECREES, CONTRACTS, OR OTHER WATER USE AGREEMENTS, OR THE OPERATION, MAINTENANCE, REPAIR, REPLACEMENT, OR USE OF ANY WATER FACILITY.
- (V) THE DEPARTMENT OF LOCAL AFFAIRS MAY HIRE AND EMPLOY

ONE FULL-TIME EMPLOYEE TO PROVIDE EDUCATIONAL RESOURCES AND ASSISTANCE TO MUNICIPALITIES THAT INCLUDE WATER CONSERVATION POLICIES IN THE WATER ELEMENTS OF MASTER PLANS AS REQUIRED BY SUBSECTION (1.5)(c)(III) of this section.

- (d) A housing element consisting of a housing needs plan considering the guidance provided for the creation of a housing needs plan published by the department of local affairs pursuant to section 24-32-3703. The housing element must be adopted no later than December 31, 2026, and shall be included in any new plan adopted after December 31, 2026. The housing element shall be updated every five years. A municipality with a population of less than ten thousand is not required to create a housing element, unless the municipality receives funding co create the plan through technical assistance provided pursuant to section 24-32-3712. The housing element must include:
- (I) A ANALYSIS OF OPPORTUNITIES TO ADDRESS HOUSING NEEDS IN THE MUNICIPALITY, INCLUDING OPPORTUNITIES TO CREATE AN EQUITABLE AND EFFICIENT DISTRIBUTION OF DWELLING UNITS PARTICULARLY IN TRANSIT-ORIENTED AREAS AS DEFINED IN SECTION 24-32-3701 (17) CONSIDERING THE NEEDS AND RESOURCES OF THE MUNICIPALITY;
- (II) A DESCRIPTION OF HOUSING AFFORDABILITY STRATEGIES DEVELOPED BY THE MUNICIPALITY OR THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3704 THAT THE MUNICIPALITY HAS IMPLEMENTED AND MAY IMPLEMENT;
- (III) A NARRATIVE ANALYSIS OF ANY AREA AT ELEVATED RISK OF DISPLACEMENT AND A DESCRIPTION OF DISPLACEMENT MITIGATION STRATEGIES DEVELOPED BY THE MUNICIPALITY OR THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3705 THAT THE MUNICIPALITY HAS IMPLEMENTED AND MAY IMPLEMENT;
- (IV) A description of community engagement strategies developed by the municipality or department of local affairs pursuant to section 24-32-3706 that the municipality has adopted or may adopt;
- (V) A DESCRIPTION OF ELEMENTS OF ANY MODEL RESIDENTIAL DEVELOPMENT CODE DEVELOPED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SECTION 24-32-3707 THAT THE MUNICIPALITY HAS ADOPTED OR MAY ADOPT AND ANY LAND USE LAWS ADOPTED BY THE MUNICIPALITY TO INCREASE DENSITY AND THE SUPPLY OF HOUSING, INCLUDING REGULATED AFFORDABLE HOUSING; AND
- (VI) A DESCRIPTION OF OPPORTUNITIES FOR INTERGOVERNMENTAL COORDINATION TO ADDRESS LOCAL AND REGIONAL HOUSING NEEDS AND ANY INTERGOVERNMENTAL COORDINATION EFFORTS UNDERTAKEN TO ADDRESS SUCH NEEDS.

- (1.7) THE PLAN MAY INCLUDE, WHERE APPLICABLE OR APPROPRIATE:
- (a) The General Location, Character, and extent of existing, proposed, or projected streets, roads, rights-of-way, bridges, waterways, waterfronts, parkways, highways, mass transit routes and corridors, and any transportation plan prepared by any metropolitan planning organization that covers all or a portion of the municipality and that the municipality has received notification of or, if the municipality is not located in an area covered by a metropolitan planning organization, any transportation plan prepared by the department of transportation that the municipality has received notification of and that covers all or a portion of the municipality;
- (b) The general location of public places or facilities, including public schools, culturally, historically, or archaeologically significant buildings, sites, and objects, playgrounds, squares, parks, airports, aviation fields, military installations, and other public ways, grounds, open spaces, trails, and designated federal, state, and local wildlife areas. For purposes of this section, "military installation" shall have the same meaning as specified in section 29-20-105.6 (2)(b);
- (c) The General Location and extent of public utilities terminals, capital facilities, and transfer facilities, whether publicly or privately owned or operated, for water, light, sanitation, transportation, communication, power, and other purposes, and any proposed or projected needs for capital facilities and utilities, including the priorities, anticipated costs, and funding proposals for such facilities and utilities;
- (d) The acceptance, removal, relocation, widening, narrowing, vacating, abandonment, modification, change of use, or extension of any of the public ways, rights-of-way, including the coordination of such rights-of-way with the rights-of-way of other municipalities, counties, or regions, grounds, open spaces, buildings, property, utility, or terminals, referred to in subsections (1.5)(c),(1.7)(a), (1.7)(b), and (1.7)(c) of this section;
- (e) A ZONING PLAN FOR THE CONTROL OF THE HEIGHT, AREA, BULK, LOCATION, AND USE OF BUILDINGS AND PREMISES. SUCH A ZONING PLAN MAY PROTECT AND ASSURE ACCESS TO APPROPRIATE CONDITIONS FOR SOLAR, WIND, OR OTHER ALTERNATIVE ENERGY SOURCES, INCLUDING GEOTHERMAL ENERGY USED FOR WATER HEATING OR SPACE HEATING OR COOLING IN A SINGLE BUILDING, FOR SPACE HEATING FOR MORE THAN ONE BUILDING THROUGH A PIPELINE NETWORK, OR FOR ELECTRICITY

- GENERATION; HOWEVER, REGULATIONS AND RESTRICTIONS OF THE HEIGHT, NUMBER OF STORIES, SIZE OF BUILDINGS AND OTHER STRUCTURES, AND THE HEIGHT AND LOCATION OF TREES AND OTHER VEGETATION SHALL NOT APPLY TO EXISTING BUILDINGS, STRUCTURES, TREES, OR VEGETATION EXCEPT FOR NEW GROWTH ON SUCH VEGETATION.
- (f) The general character, location, and extent of community centers, housing developments, whether public or private, the existing, proposed, or projected location of residential neighborhoods and sufficient land for future housing development for the existing and projected economic and other needs of all current and anticipated residents of the municipality, and redevelopment areas. If a municipality has entered into a regional planning agreement, such agreement may be incorporated by reference into the master plan.
- (g) A MASTER PLAN FOR THE EXTRACTION OF COMMERCIAL MINERAL DEPOSITS PURSUANT TO SECTION 34-1-304;
- (h) A PLAN FOR THE LOCATION AND PLACEMENT OF PUBLIC UTILITIES THAT FACILITATES THE PROVISION OF SUCH UTILITIES TO ALL EXISTING, PROPOSED, OR PROJECTED DEVELOPMENTS IN THE MUNICIPALITY;
- (i) PROJECTIONS OF POPULATION GROWTH AND HOUSING NEEDS TO ACCOMMODATE THE PROJECTED POPULATION FOR SPECIFIED INCREMENTS OF TIME. THE MUNICIPALITY MAY BASE THESE PROJECTIONS UPON DATA FROM THE DEPARTMENT OF LOCAL AFFAIRS AND UPON THE MUNICIPALITY'S LOCAL OBJECTIVES.
- (j) The areas containing steep slopes, geological hazards, endangered or threatened species, wetlands, floodplains, floodways, and flood risk zones, highly erodible land or unstable soils, and wildfire hazards. For purposes of determining the location of such areas, the planning commission should consider the following sources for guidance:
- (I) THE COLORADO GEOLOGICAL SURVEY FOR DEFINING AND MAPPING GEOLOGICAL HAZARDS;
- (II) THE UNITED STATES FISH AND WILDLIFE SERVICE OF THE UNITED STATES DEPARTMENT OF THE INTERIOR AND THE PARKS AND WILDLIFE COMMISSION CREATED IN SECTION 33-9-101, FOR LOCATING AREAS INHABITED BY ENDANGERED OR THREATENED SPECIES;
- (III) THE UNITES STATES ARMY CORPS OF ENGINEERS AND THE UNITED STATES FISH AND WILDLIFE SERVICE NATIONAL WETLANDS INVENTORY FOR DEFINING AND MAPPING WETLANDS;
- 41 (IV) THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR 42 DEFINING AND MAPPING FLOODPLAINS, FLOODWAYS, AND FLOOD RISK 43 ZONES;

- (V) THE NATURAL RESOURCES CONSERVATION SERVICE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE FOR DEFINING AND MAPPING UNSTABLE SOILS AND HIGHLY ERODIBLE LAND; AND
- (VI) THE COLORADO STATE FOREST SERVICE FOR LOCATING WILDFIRE HAZARD AREAS.
- (8) THE COMMISSION SHALL SUBMIT THE MASTER PLAN AND ANY SEPARATELY APPROVED WATER ELEMENT AND HOUSING ELEMENT TO THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS. THE DIVISION OF LOCAL GOVERNMENT SHALL REVIEW PLANS AND MAY PROVIDE COMMENTS TO THE COMMISSION.

**SECTION 9.** In Colorado Revised Statutes, 37-60-126, **amend** (9)(b); and **add** (13) as follows:

37-60-126. Water conservation and drought mitigation planning - programs - relationship to state assistance for water facilities - guidelines - water efficiency grant program - definitions - repeal. (9) (b) The board and the Colorado water resources and power development authority, to which any covered entity has applied for financial assistance for the construction of a water diversion, storage, conveyance, water treatment, or wastewater treatment facility, shall consider any water conservation plan filed pursuant to this section AND ANY VALIDATED WATER LOSS AUDIT REPORT REQUIRED BY SUBSECTION (13)(d) OF THIS SECTION in determining whether to render financial assistance to such entity. Such consideration shall be carried out within the discretion accorded the board and the Colorado water resources and power development authority pursuant to which such board and authority render such financial assistance to such covered entity.

- (13) (a) **Short title.** The short title of this subsection (13) is the "Water Loss Accounting Act of 2023".
- (b) **Legislative declaration.** The General assembly finds that:
- (I) SAFE AND AFFORDABLE DRINKING WATER IS ESSENTIAL TO PUBLIC HEALTH, AFFORDABLE HOUSING, AND ECONOMIC DEVELOPMENT THROUGHOUT THE STATE;
- (II) THE COST OF PROVIDING RELIABLE DRINKING WATER IS INCREASING DUE TO FACTORS SUCH AS AGING INFRASTRUCTURE, LOW DENSITY LAND USE DEVELOPMENT THAT IS COSTLY TO SERVE, INCREASED ENERGY COSTS, AND MORE COMPLEX AND COSTLY CHANGES TO THE REGULATORY REQUIREMENTS FOR SAFE DRINKING WATER;
- (III) COMPACT INFILL DEVELOPMENT REDUCES WATER DEMAND AND INFRASTRUCTURE COSTS THROUGH THE USE OF SHORTER PIPES THAT REDUCE LOSSES, SMALLER IRRIGATED LANDSCAPE SPACE PER UNIT, AND BY BETTER UTILIZING EXISTING INFRASTRUCTURE;
  - (IV) WATER MAIN BREAKS ARE VISIBLE AND DISRUPTIVE

MANIFESTATIONS OF THE MORE WIDESPREAD PHENOMENON OF LEAKAGE FROM WATER SYSTEMS;

- (V) LEAKAGE OF DRINKING WATER FROM WATER DISTRIBUTION SYSTEMS ADDS TO THE COST OF SERVICE TO CUSTOMERS AND MAY LEAD TO INCREASED RAW WATER DEMANDS THAT NEGATIVELY IMPACT THE NATURAL ENVIRONMENT;
- (VI) THE FAILURE TO RECOVER REVENUE FROM WATER DELIVERED TO USERS DUE TO METERING AND BILLING INACCURACIES AND THEFT ALSO INCREASES THE COST PER UNIT OF WATER THAT IS BILLED TO CUSTOMERS;
- (VII) THE AMERICAN WATER WORKS ASSOCIATION, A NATIONAL ASSOCIATION OF DRINKING WATER UTILITIES AND PROFESSIONALS, HAS RECOMMENDED THAT DRINKING WATER SUPPLIERS CONDUCT AN AUDIT OF WATER LOSSES ON AN ANNUAL BASIS;
- (VIII) THE AMERICAN WATER WORKS ASSOCIATION HAS PUBLISHED SOFTWARE FOR USE IN CATEGORIZING AND REPORTING WATER LOSSES AND HAS MADE THIS SOFTWARE AVAILABLE WITHOUT CHARGE;
- (IX) SEVERAL STATES NOW RECOMMEND OR REQUIRE THAT PUBLIC WATER SUPPLIERS UNDER THEIR JURISDICTIONS CONDUCT AN AUDIT OF WATER LOSSES EACH YEAR USING THE STANDARDIZED TERMS AND METHODS PUBLISHED BY THE AMERICAN WATER WORKS ASSOCIATION; AND
- (X) REGULAR AUDITING OF WATER LOSSES IS A NECESSARY FOUNDATION FOR THE ADOPTION OF COST-EFFECTIVE STRATEGIES TO REDUCE THE AMOUNTS OF LOST WATER AND REVENUE TO ECONOMICALLY REASONABLE LEVELS.
- (c) **Definitions.** As used in this subsection (13), unless the context otherwise requires:
- (I) "VALIDATION" MEANS THE PROCESS WHEREBY A COVERED ENTITY USES A TECHNICAL EXPERT TO CONFIRM THE BASIS OF ALL DATA ENTRIES IN THE COVERED ENTITY'S WATER LOSS AUDIT REPORT AND TO APPROPRIATELY CHARACTERIZE THE QUALITY OF THE REPORTED DATA. THE VALIDATION PROCESS MUST FOLLOW THE PRINCIPLES AND TERMINOLOGY LAID OUT BY THE AMERICAN WATER WORKS ASSOCIATION IN THE LATEST EDITION OF "WATER AUDITS AND LOSS CONTROL PROGRAMS", MANUAL M36, AND IN THE AMERICAN WATER WORKS ASSOCIATION'S FREE WATER AUDIT SOFTWARE. A VALIDATED WATER LOSS AUDIT REPORT MUST INCLUDE THE NAME AND TECHNICAL QUALIFICATIONS OF THE PERSON ENGAGED FOR VALIDATION.
- (II) "WATER LOSS" MEANS THE DIFFERENCE BETWEEN THE ANNUAL VOLUME OF WATER ENTERING A WATER DISTRIBUTION SYSTEM AND THE ANNUAL VOLUME OF METERED AND UNMETERED WATER TAKEN BY REGISTERED CUSTOMERS, THE WATER SUPPLIER, AND OTHERS WHO ARE IMPLICITLY OR EXPLICITLY AUTHORIZED TO DO SO. "WATER LOSS"

INCLUDES THE ANNUAL VOLUMES LOST THROUGH ALL TYPES OF LEAKS, BREAKS, AND OVERFLOWS ON MAINS, SERVICE RESERVOIRS, AND SERVICE CONNECTIONS UP TO THE POINT OF CUSTOMER METERING IN ADDITION TO UNAUTHORIZED CONSUMPTION, ALL TYPES OF METERING INACCURACIES, AND SYSTEMIC DATA-HANDLING ERRORS.

- (d) Water loss program requirements. (I) No later than January 1, 2025, the board shall adopt guidelines for the conduct of standardized validated water loss audits by covered entities.
- (II) No later than June 30, 2026, Each covered entity shall submit a completed and validated water loss audit report for the previous calendar year. For reports submitted in subsequent years, each covered entity shall submit a completed and validated water loss audit report covering the previous calendar year no later than June 30 concurrent with section 37-60-126 (4.5)(a).

**SECTION 10.** In Colorado Revised Statutes, 38-33.3-106.5, **add** (3) as follows:

- 38-33.3-106.5. Prohibitions contrary to public policy patriotic, political, or religious expression public rights-of-way fire prevention renewable energy generation devices affordable housing drought prevention measures child care definitions. (3) (a) An association shall not prohibit accessory dwelling units or middle housing in any declaration recorded after July 1, 2024, or in any bylaws or rules and regulations of the association adopted or amended after July 1, 2024, unless the declaration, bylaws, or rules regulations contained such a restriction as of the effective date of this subsection (3)(a) as enacted by Senate Bill 23-213, enacted in 2023.
- (b) As used in this subsection (3), unless the context otherwise requires:
- (I) "Accessory dwelling unit" has the same meaning as set forth in section 24-32-3701 (1); and
- (II) "MIDDLE HOUSING" HAS THE SAME MEANING AS SET FORTH IN SECTION 24-32-3701 (11).

**SECTION 11.** In Colorado Revised Statutes, 43-1-106, **amend** (15)(d) as follows:

- 43-1-106. Transportation commission powers and duties rules definitions efficiency and accountability committee. (15) In addition to any other duties required by law, the commission shall have the following charges:
- (d) To study and make recommendations for existing and future transportation systems in Colorado with a focus of such study and

recommendations being a ten-year plan for each mode of transportation. Such The ten-year plan shall MUST be based on what can be reasonably expected to be implemented with the estimated revenues which are likely to be available AND MUST INCLUDE PRIORITIZATION CRITERIA THAT ARE CONSISTENT WITH STATE STRATEGIC GROWTH OBJECTIVES FOR REGIONALLY SIGNIFICANT TRANSPORTATION PROJECTS AND WITH REGIONAL TRANSPORTATION PLANS.

**SECTION 12.** In Colorado Revised Statutes, 43-1-113, **add** (20) as follows:

**43-1-113.** Funds - budgets - fiscal year - reports and publications. (20) Before December 31, 2024, the department shall ensure that the prioritization criteria for any grant program administered by the department are consistent with state strategic growth objectives so long as doing so does not violate federal law.

**SECTION 13.** In Colorado Revised Statutes, 43-1-1103, **amend** (5)(i) and (5)(j); and **add** (2.5) and (5)(k) as follows:

- **43-1-1103. Transportation planning.** (2.5) Beginning December 31, 2024, any regional transportation plan that is created or updated must address and ensure consistency with state strategic growth objectives as determined pursuant to section 24-32-3708.
- (5) The department shall integrate and consolidate the regional transportation plans for the transportation planning regions into a comprehensive statewide transportation plan. The formation of the state plan shall be accomplished through a statewide planning process set by rules and regulations promulgated by the commission. The state plan shall address but shall not be limited to the following factors:
  - (i) Effective, efficient, and safe freight transport; and
  - (j) Reduction of greenhouse gas emissions; AND
- (k) Beginning December 31, 2024, address and ensure consistency with state strategic growth objectives.

**SECTION 14.** In Colorado Revised Statutes, 43-4-1103, **add** (2)(e) as follows:

**43-4-1103.** Multimodal transportation options fund - creation - revenue sources for fund - use of fund. (2) (e) On and after December 31,2024, expenditures for local and state multimodal projects from the multimodal transportation options fund shall only be made for multimodal projects that the department determines are consistent with state strategic growth objectives.

**SECTION 15. Appropriation.** For the 2023-24 state fiscal year, \$15,000,000 is appropriated to the housing needs planning grants fund

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- created in section 24-32-3712 (6), C.R.S. This appropriation is from the 1 2 general fund. The department of local affairs is responsible for the accounting relating to this appropriation. Any unexpended and 4 unencumbered money appropriated to the department of local affairs for state fiscal year 2023-24 remains available for expenditure by the division of local government in the department of local affairs or local government 6 grantees through state fiscal year 2026-27 without further appropriation 7 8 for the department of local affairs and local grantees for the purposes 9 identified in section 24-32-3712.
- SECTION 16. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.".
- Page 1, strike line lines 103 through 113 and substitute:
- 14 "ASSESS HOUSING NEEDS ACROSS THE STATE, PROVIDING GUIDANCE
- 15 AND ASSISTANCE TO LOCAL GOVERNMENTS, ADDRESSING
- 16 REQUIREMENTS FOR THE REGULATION OF MANUFACTURED AND
- 17 MODULAR HOMES, MODIFYING THE REQUIREMENTS FOR COUNTY AND
- 18 MUNICIPAL MASTER PLANS, REQUIRING ENTITIES TO SUBMIT A
- 19 COMPLETED AND VALIDATED WATER LOSS AUDIT REPORT TO THE
- 20 COLORADO WATER CONSERVATION BOARD, PROHIBITING A UNIT
- 21 OWNERS' ASSOCIATION FROM PROHIBITING CERTAIN KINDS OF
- 22 HOUSING IN CERTAIN CIRCUMSTANCES, REQUIRING THE
- 23 TRANSPORTATION COMMISSION AND THE DEPARTMENT OF
- 24 TRANSPORTATION TO MODIFY CRITERIA FOR CERTAIN GRANT
- 25 PROGRAMS AND EXPENDITURES FROM THE MULTIMODAL
- 26 TRANSPORTATION OPTIONS FUND TO ALIGN WITH STATE STRATEGIC
- 27 GROWTH OBJECTIVES, AND MAKING AN APPROPRIATION.".
- 28 Page 2, strike lines 101 through 110.

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