

SENATE FLOOR AMENDMENT

Second Reading

BY SENATOR Gonzales

1 Amend the Appropriations Committee Report, dated April 26, 2023, page
2 16, strike lines 16 through 43.

3 Page 17, strike lines 1 through 24, and substitute:

4 **"29-33-107. Displacement risk assessment and mitigation**
5 **strategies.** (1) (a) NO LATER THAN DECEMBER 31, 2024, THE EXECUTIVE
6 DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL DEVELOP A
7 DISPLACEMENT RISK ASSESSMENT, DEVELOP DISPLACEMENT MITIGATION
8 STRATEGIES, AND DETERMINE THE NUMBER OF STRATEGIES THAT MUST BE
9 SELECTED TO GUIDE TIER ONE AND TIER TWO URBAN MUNICIPALITIES AND
10 RURAL RESORT JOB CENTER MUNICIPALITIES IN PREVENTING
11 DISPLACEMENT AS PART OF THE REQUIRED HOUSING NEEDS PLAN
12 PURSUANT TO SECTION 29-33-105.

13 (b) THE DISPLACEMENT ASSESSMENT, DISPLACEMENT MITIGATION
14 STRATEGIES, AND NUMBER OF DISPLACEMENT MITIGATION STRATEGIES
15 MUST PROVIDE ADEQUATE GUIDANCE AND TOOLS TO PREVENT
16 DISPLACEMENT FROM AREAS, COMMUNITIES, OR HOUSEHOLDS AT HIGH
17 RISK FOR DISPLACEMENT.

18 (2) **Displacement risk assessment.** (a) A DISPLACEMENT RISK
19 ASSESSMENT MUST CONSIDER:

20 (I) GEOGRAPHY AS DETERMINED BY FEEDBACK GATHERED FROM
21 THE RESIDENTS OF THE COMMUNITY AND NOT NECESSARILY BY CENSUS
22 TRACTS;

23 (II) NEIGHBORHOOD-LEVEL EARLY WARNING AND RESPONSE
24 SYSTEMS THAT CAN HELP MUNICIPALITIES AND COMMUNITY ADVOCATES
25 GET AHEAD OF TRENDS AND PREDICTIONS OF FUTURE CHANGE WITH A
26 FOCUS ON DISPLACEMENT DUE TO RISING HOUSING COSTS;

27 (III) BASELINE CENSUS DATA AND THE INCLUSION OF OTHER DATA
28 POINTS THAT ARE UPDATED ON A FREQUENT BASIS;

29 (IV) NEIGHBORHOOD CHANGE, WHICH MEANS THE CONSIDERATION
30 OF DATA THAT CAPTURES THE FULL SPECTRUM OF BOTH POSITIVE AND
31 NEGATIVE ECONOMIC, RACIAL OR ETHNIC, AND STRUCTURAL CHANGES IN
32 A GEOGRAPHIC AREA;

33 (V) NEIGHBORHOOD REVITALIZATION, WHICH MEANS CHANGE
34 VIEWED AS POSITIVE, USUALLY ACCOMPANIED BY NEW PUBLIC OR PRIVATE
35 INVESTMENT;

36 (VI) GENTRIFICATION CHANGES THAT CAPTURE THE
37 TRANSFORMATION OF AREAS HISTORICALLY INHABITED BY MARGINALIZED
38 GROUPS, USUALLY RACIAL OR ETHNIC OR CLASS GROUPS, INTO AREAS USED

1 BY THE DOMINANT CLASS OR RACIAL OR ETHNIC GROUP. THIS TYPE OF
2 CHANGE MAY BE CHARACTERIZED BY INCREASED INVESTMENTS IN AREAS
3 THAT HAVE SEEN LONG-TERM DISINVESTMENT; AND
4 (VII) DISPLACEMENT AS DEFINED IN 29-33-102. DISPLACEMENT IS
5 DISTINCT FROM RESIDENTIAL MOBILITY, WHICH INCLUDES VOLUNTARY
6 HOUSEHOLD MOVEMENT.
7 (b) A DISPLACEMENT RISK ASSESSMENT MUST INCLUDE THE
8 FOLLOWING FACTORS THAT CAN BE USED TO IDENTIFY RISKS FOR
9 DISPLACEMENT AT THE CENSUS TRACT OR OTHER SIMILAR GEOGRAPHIC
10 SCALE, AS DETERMINED BY THE RESIDENTS OF A GIVEN COMMUNITY:
11 (I) THE PERCENTAGE OF HOUSEHOLDS WHO ARE EXTREMELY
12 LOW-INCOME, VERY LOW-INCOME, AND LOW-INCOME AS DEFINED BY THE
13 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT;
14 (II) THE PERCENTAGE OF RESIDENTS WHO ARE RENTERS;
15 (III) THE PERCENTAGE OF COST-BURDENED HOUSEHOLDS;
16 (IV) THE NUMBER OF ADULTS WHO ARE TWENTY-FIVE YEARS OF
17 AGE OR OLDER AND HAVE NOT EARNED AT LEAST A HIGH SCHOOL
18 DIPLOMA;
19 (V) THE PERCENTAGE OF HOUSEHOLDS IN WHICH THE PRIMARY
20 LANGUAGE THAT IS SPOKEN IS A LANGUAGE OTHER THAN ENGLISH;
21 (VI) THE PERCENTAGE OF RESIDENTS WHO WERE BORN OUTSIDE OF
22 THE UNITED STATES ACCORDING TO PUBLICALLY AVAILABLE STATE AND
23 FEDERAL INFORMATION;
24 (VII) THE EMPLOYMENT RATE;
25 (VIII) THE PERCENTAGE OF WORKERS WHO LIVE WITHIN A
26 TEN-MILE RADIUS OF THE URBAN MUNICIPALITY OR TWENTY-MILE RADIUS
27 OF A RURAL RESORT JOB CENTER;
28 (IX) THE PERCENTAGE OF HOUSEHOLDS THAT DO NOT HAVE
29 INTERNET ACCESS;
30 (X) EXISTING AFFORDABLE HOUSING STOCK AT RISK OF
31 DISPLACING CURRENT RESIDENTS DUE TO MARKET FORCES, REVISED
32 NEIGHBORHOOD ARCHITECTURAL DESIGN CHANGES, OR AGING
33 STRUCTURES;
34 (XI) INSTITUTIONAL INVESTOR REAL ESTATE ACTIVITY IN THE
35 FOR-SALE MARKET;
36 (XII) AN EVALUATION OF INCREASED LAND PRICES, RENTAL
37 PRICES, PROPERTY VALUES, AND OTHER REAL ESTATE AND HOUSING
38 AFFORDABILITY IMPACTS THAT COULD CREATE A VULNERABILITY TO, OR
39 ELEVATED RISK OF, DISPLACEMENT FOR RESIDENTS CURRENTLY LIVING IN
40 THE AREA OR COMMUNITY;
41 (XIII) THE NUMBER OF RENTERS WHO WERE LEGALLY EVICTED FOR
42 NONPAYMENT OF RENT IN THE PRIOR CALENDAR YEAR, FOR ALL AREAS
43 WHERE THIS INFORMATION IS READILY AVAILABLE;

1 (XIV) THE NUMBER OF SMALL BUSINESSES, AS MEASURED BY
2 ANNUAL GROSS SALES AMOUNT; AND
3 (XV) THE CHANGE IN THE NUMBER OF BUSINESSES OVER FIVE
4 YEARS PRIOR TO ASSESSMENT.
5 (c) THE DISPLACEMENT RISK ASSESSMENT MUST BE DEVELOPED IN
6 A MANNER THAT ALLOWS FOR MUNICIPALITIES TO CONDUCT AN INITIAL
7 DISPLACEMENT RISK ASSESSMENT, NECESSARY SUBSEQUENT
8 DISPLACEMENT RISK ASSESSMENTS, AND DISPLACEMENT RISK
9 ASSESSMENTS OF SPECIFIC PROJECTS TO DETERMINE THE PROJECT'S
10 DISPLACEMENT RISK.
11 (3) **Displacement mitigation strategies.** (a) THE GOAL OF
12 DISPLACEMENT MITIGATION STRATEGIES IS TO ENSURE THAT:
13 (I) VULNERABLE HOMEOWNERS AND RENTERS IN GENTRIFYING
14 NEIGHBORHOODS ARE NOT DISPLACED FROM THEIR CURRENT HOMES AND
15 NEIGHBORHOODS;
16 (II) THE EXISTING AFFORDABLE HOUSING STOCK, BOTH SUBSIDIZED
17 AND UNSUBSIDIZED, IN GENTRIFYING NEIGHBORHOODS IS PRESERVED SO
18 THAT DWELLING UNITS ARE IN GOOD CONDITION WHILE REMAINING
19 AFFORDABLE TO LOW-INCOME RESIDENTS;
20 (III) CITY PLANNING AND LAND USE DECISIONS INCORPORATE
21 INCLUSIVE AND EQUITABLE DISPLACEMENT MITIGATION STRATEGIES, AND
22 LOW-INCOME PERSONS AND COMMUNITIES OF COLOR ARE EMPOWERED TO
23 PARTICIPATE EARLY AND MEANINGFULLY IN LAND USE DECISIONS THAT
24 SHAPE THEIR HOMES, NEIGHBORHOODS, AND COMMUNITIES;
25 (IV) NEW AFFORDABLE HOUSING OPTIONS ARE CREATED TO SERVE
26 CURRENT AND FUTURE VULNERABLE HOUSEHOLDS IN GENTRIFYING
27 NEIGHBORHOODS;
28 (V) VULNERABLE RESIDENTS ARE ABLE TO REMAIN IN OR RETURN
29 TO THEIR COMMUNITIES BY ACCESSING THE NEW AFFORDABLE HOUSING
30 OPPORTUNITIES IN THEIR NEIGHBORHOODS; AND
31 (VI) AN EQUAL OR GREATER AMOUNT OF AFFORDABLE HOUSING
32 IS PROVIDED IN AREAS IDENTIFIED AS AT-RISK OF DISPLACEMENT BASED ON
33 THE DISPLACEMENT RISK ASSESSMENT, THIS IS A CENTRAL TENANT OF THE
34 DISPLACEMENT MITIGATION STRATEGIES.
35 (b) EACH OF THE DISPLACEMENT MITIGATION STRATEGIES MUST BE
36 ABLE TO BE INCORPORATED BY TIER ONE AND TWO MUNICIPALITIES AND
37 RURAL RESORT JOB CENTER MUNICIPALITIES INTO THE MUNICIPALITY'S
38 HOUSING NEEDS PLAN AS REQUIRED BY SECTION 29-33-105. THESE
39 DISPLACEMENT MITIGATION STRATEGIES MUST INCLUDE:
40 (I) GUIDANCE AND RECOMMENDATIONS FOR HOW A LOCAL
41 GOVERNMENT SHALL INCORPORATE THE DISPLACEMENT RISK ASSESSMENT
42 REQUIRED PURSUANT TO SUBSECTION (1) OF THIS SECTION;
43 (II) LONG-TERM DISPLACEMENT MITIGATION MEASURES FROM

1 WHICH LOCAL GOVERNMENTS MUST CHOOSE TO ADDRESS AREAS
2 IDENTIFIED IN THE DISPLACEMENT RISK ASSESSMENT REQUIRED BY
3 SUBSECTION (2) OF THIS SECTION INCLUDING:

4 (A) DEVELOPING A PROGRAM TO OFFER TECHNICAL ASSISTANCE
5 AND FINANCIAL SUPPORT FOR COMMUNITY ORGANIZATIONS TO DEVELOP
6 INDEPENDENT COMMUNITY LAND TRUSTS;

7 (B) LOCAL GOVERNMENT PLANNING FOR ACQUISITION AND
8 REHABILITATING OF NATURALLY OCCURRING AFFORDABLE RENTALS,
9 EITHER TO ENTER INTO LAND TRUST OR TO INCLUDE AFFORDABILITY DEED
10 RESTRICTIONS;

11 (C) IMPLEMENTING LOCAL RIGHT OF FIRST REFUSAL FOR EXPIRING
12 REGULATED AFFORDABLE UNITS, PRIORITIZE LOCAL FUNDS TOWARD
13 AFFORDABLE UNIT RECAPTURE AND IMPLEMENTING OR CONTINUING DEED
14 RESTRICTED AFFORDABILITY; AND

15 (D) PROVIDING HOMESTEAD TAX EXEMPTIONS FOR LONGTIME
16 HOMEOWNERS IN NEIGHBORHOODS IDENTIFIED AS VULNERABLE TO
17 DISPLACEMENT AND FOR LOW- TO MODERATE-INCOME HOMEOWNERS
18 WITHIN ONE-HALF MILE OF LARGE MULTIFAMILY DEVELOPMENTS.

19 (III) REQUIRING MULTIFAMILY DEVELOPERS WHO BUILD
20 DEVELOPEMNTS IN AREAS AT RISK OF DISPLACEMENT, AS IDENTIFIED BY
21 THE DISPLACEMENT RISK ASSESSMENT, TO CREATE A COMMUNITY
22 BENEFITS AGREEMENT WITH AFFECTED POPULATIONS WITHIN ONE-
23 QUARTER MILE OF THE DEVELOPMENT;

24 (IV) PROVIDING A PRIORITIZATION POLICY FOR CURRENT
25 RESIDENTS IN THIRTY PERCENT OF ANY NEW MULTIFAMILY DEVELOPMENT
26 FOR THE FIRST TWO MONTHS OF WHEN UNITS ARE LEASED AFTER
27 CONSTRUCTION IN A MULTIFAMILY DEVELOPMENT;

28 (V) REQUIRING GREATER AFFORDABILITY REQUIREMENTS FOR
29 MISSING MIDDLE HOUSING IN AREAS THAT ARE IDENTIFIED AS AT-RISK OF
30 DISPLACEMENT PURSUANT TO THE DISPLACEMENT RISK ASSESSMENT
31 REQUIRED IN SUBSECTION (1) OF THIS SECTION:

32 (A) IN AREAS WITH SINGLE FAMILY ZONING, ONE IN THREE UNITS
33 IN ANY TRIPLEX MUST BE AFFORDABLE TO PEOPLE WITH INCOMES AT OR
34 BELOW ONE HUNDRED PERCENT OF THE LOCAL NEIGHBORHOOD AREA
35 MEDIAN INCOME; AND

36 (B) IN AREAS ZONED FOR USE BY SINGLE FAMILY DWELLINGS THAT
37 ARE REZONED FOR MULTIFAMILY UNITS WITH THREE TO FOUR UNITS, FIFTY
38 PERCENT OF THE UNITS MUST BE AFFORDABLE TO PEOPLE WITH INCOMES
39 AT OR BELOW ONE HUNDRED PERCENT OF THE LOCAL NEIGHBORHOOD
40 AREA MEDIAN INCOME.

41 (VI) SHORT-TERM DISPLACEMENT MITIGATION MEASURES FROM
42 WHICH LOCAL GOVERNMENTS SHALL CHOOSE INCLUDING:

43 (A) THE CREATION OF A LOCALLY FUNDED AND ADMINISTERED

1 RENTAL AND MORTGAGE ASSISTANCE PROGRAM;
2 (B) THE CREATION OF AN EVICTION AND FORECLOSURE NO-COST
3 LEGAL REPRESENTATION PROGRAM;
4 (C) THE ESTABLISHMENT OF A HOUSING COUNSELING AND
5 NAVIGATION PROGRAM; AND
6 (D) THE CREATION OF A PROPERTY TAX AND DOWN PAYMENT
7 ASSISTANCE PROGRAM.
8 (c) MUNICIPALITIES SHALL ADOPT A MINIMUM NUMBER OF
9 SHORT-TERM AND LONG-TERM DISPLACEMENT MITIGATION STRATEGIES.
10 (I) THE NUMBER OF SHORT-TERM AND LONG-TERM
11 EVIDENCE-BASED DISPLACEMENT MITIGATION STRATEGIES THAT AN
12 URBAN OR RURAL RESORT JOB CENTER MUNICIPALITY SHALL ADOPT IS
13 DETERMINED BASED ON THE PERCENTAGE OF THE POPULATION FOUND TO
14 BE VULNERABLE TO DISPLACEMENT ACCORDING TO THE DISPLACEMENT
15 RISK ASSESSMENT.
16 (II) THE STRATEGIES A MUNICIPALITY SELECTS MUST BE
17 EVIDENCED-BASED AND PROVIDE SUPPORTING INFORMATION AND A
18 NARRATIVE TO DEMONSTRATE HOW THE STRATEGIES WILL MITIGATE
19 DISPLACEMENT AS IDENTIFIED IN THE DISPLACEMENT RISK ASSESSMENT.
20 (d) AN URBAN AND RURAL RESORT JOB CENTER MUNICIPALITY
21 SHALL PROVIDE A NARRATIVE AND EVIDENCE FOR HOW EACH
22 DISPLACEMENT MITIGATION STRATEGY IT ADOPTS CORRESPONDS TO THE
23 NEIGHBORHOOD MEDIAN INCOME OF DISPLACEMENT-VULNERABLE AREAS
24 AS DETERMINED BY THE DISPLACEMENT RISK ASSESSMENT.
25 (4) **Assessment and strategies.** NO LATER THAN DECEMBER 31,
26 2024, AND EVERY FIVE YEARS THEREAFTER, IN ACCORDANCE WITH THE
27 GUIDANCE FOR CREATING A DISPLACEMENT RISK ASSESSMENT AND THE
28 SELECTION OF DISPLACEMENT MITIGATION STRATEGIES, EVERY TIER ONE
29 AND TWO URBAN MUNICIPALITY AND RURAL RESORT JOB CENTER
30 MUNICIPALITY SHALL DEVELOP, ADOPT, AND SUBMIT A DISPLACEMENT
31 RISK ASSESSMENT AND A DESCRIPTION OF THE EVIDENCE-BASED
32 DISPLACEMENT MITIGATION STRATEGIES IT SELECTED TO THE
33 DEPARTMENT OF LOCAL AFFAIRS AS PART OF A HOUSING NEEDS PLAN
34 REQUIRED UNDER 29-33-105. THE DEPARTMENT OF LOCAL AFFAIRS SHALL
35 POST THE SUBMITTED PLANS PUBLICLY ON ITS WEBSITE.
36 (5) **Public comment.** BEFORE ADOPTING AND SUBMITTING A FINAL
37 DISPLACEMENT RISK ASSESSMENT AND MAKING A FINAL SELECTION OF
38 EVIDENCE-BASED DISPLACEMENT MITIGATION STRATEGIES, A TIER ONE OR
39 TIER TWO? URBAN MUNICIPALITY AND A RURAL RESORT JOB CENTER
40 MUNICIPALITY SHALL PUBLISH THE MOST RECENT DRAFT OF ITS
41 DISPLACEMENT RISK ASSESSMENT AND THE EVIDENCE-BASED
42 DISPLACEMENT MITIGATION STRATEGIES IT SELECTED AND ENGAGE IN A
43 PUBLIC COMMENT PROCESS. THAT PUBLIC COMMENT PROCESS MUST

1 INCLUDE:
2 (a) PROVIDING PUBLIC NOTICE AND HOLDING AT LEAST TWO PUBLIC
3 HEARINGS AT WHICH MEMBERS OF THE PUBLIC HAVE AN OPPORTUNITY TO
4 COMMENT;
5 (b) ALLOWING SUBMISSION OF WRITTEN COMMENTS;
6 (c) CONDUCTING OUTREACH TO AND SOLICITING FEEDBACK FROM
7 THE LOCAL COMMUNITY GROUPS THAT ARE MOST AT-RISK OF
8 DISPLACEMENT;
9 (d) CONSULTING WITH EXPERTS IN DISABILITY RIGHTS,
10 HOMELESSNESS PREVENTION, AFFORDABLE HOUSING, AND TENANT RIGHTS;
11 (e) CONDUCTING OUTREACH TO COMMUNITIES AT RISK OF
12 DISPLACEMENT; AND
13 (f) AN ENCOURAGEMENT OF PARTICIPATION IN THE PUBLIC
14 COMMENT PROCESS, ENSURING ACCESSIBILITY TO THE COMMENT AND
15 HEARING PROCESS BY PROVIDING TRANSLATIONS OF THE DRAFT AND FINAL
16 DISPLACEMENT RISK ASSESSMENT, EVIDENCE-BASED DISPLACEMENT
17 MITIGATION STRATEGIES, OR OTHER RELATED MATERIALS AND BY
18 PROVIDING INTERPRETATION IN LANGUAGES PREDOMINANTLY SPOKEN IN
19 EACH COMMUNITY FOR HEARINGS AND OUTREACH.
20 (6) **Prior displacement efforts.** By JANUARY 1, 2025, TIER ONE
21 AND TWO URBAN MUNICIPALITIES AND RURAL RESORT JOB CENTER
22 MUNICIPALITIES MAY SUBMIT EVIDENCE-BASED MITIGATION STRATEGIES
23 LINKED TO DISPLACEMENT RISK ASSESSMENTS AND THE IMPACT OF THE
24 MEASURES THAT THE MUNICIPALITY ADOPTED PRIOR TO THE EFFECTIVE
25 DATE OF THIS SECTION TO THE DEPARTMENT OF LOCAL AFFAIRS. NO LATER
26 THAN DECEMBER 25, 2025, THE DEPARTMENT MAY DETERMINE WHETHER
27 THOSE STRATEGIES QUALIFY AS A DISPLACEMENT MITIGATION LONG-TERM
28 OR SHORT-TERM MEASURE TO GO TOWARDS SATISFYING THE NUMBER OF
29 MEASURES THAT MUST BE ADOPTED FOR PURSUANT TO SUBSECTION
30 (3)(c)(I) OF THIS SECTION.
31 (7) **Technical assistance.** THE DEPARTMENT OF LOCAL AFFAIRS
32 SHALL PROVIDE TECHNICAL ASSISTANCE AND FUNDING TO SUPPORT TIER
33 ONE AND TWO URBAN MUNICIPALITIES AND RURAL RESORT JOB CENTER
34 MUNICIPALITIES IN CONDUCTING A DISPLACEMENT ASSESSMENT AND IN
35 IDENTIFYING DISPLACEMENT MITIGATION STRATEGIES TO ADDRESS THE
36 RISK OF DISPLACEMENT IN THE AREAS AT THE HIGHEST RISK OF
37 DISPLACEMENT."

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