SB213 L.119

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

1 Amend reengrossed bill, page 78, before line 3 insert:

2	"PART 3
3	CORRIDORS AND CENTERS REQUIREMENTS
4	29-22-301. Legislative declaration. (1) (a) THE GENERAL
5	ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:
6	(I) LOCAL GOVERNMENT LAND USE DECISIONS CAN LIMIT DENSER
7	MULTIFAMILY HOUSING DEVELOPMENT NEAR FREQUENT TRANSIT SERVICE
8	AND IN COMMERCIAL AND INSTITUTIONAL AREAS;
9	(II) HOUSING SUPPLY IMPACTS HOUSING AFFORDABILITY;
10	(III) HOUSING PRICES ARE TYPICALLY HIGHER WHEN HOUSING
11	SUPPLY IS RESTRICTED BY LOCAL LAND USE REGULATIONS IN A
12	METROPOLITAN REGION, ACCORDING TO STUDIES SUCH AS THE NATIONAL
13	BUREAU OF ECONOMIC RESEARCH WORKING PAPERS "REGULATION AND
14	HOUSING SUPPLY", "THE IMPACT OF ZONING ON HOUSING
15	AFFORDABILITY", AND "THE IMPACT OF LOCAL RESIDENTIAL LAND USE
16	RESTRICTIONS ON LAND VALUES ACROSS AND WITHIN SINGLE FAMILY
17	HOUSING MARKETS". INCREASING HOUSING SUPPLY MODERATES PRICE
18	INCREASES AND IMPROVES HOUSING AFFORDABILITY ACROSS ALL
19	INCOMES, ACCORDING TO STUDIES SUCH AS "THE ECONOMIC
20	IMPLICATIONS OF HOUSING SUPPLY", IN THE JOURNAL OF ECONOMIC
21	PERSPECTIVES, AND "SUPPLY SKEPTICISM: HOUSING SUPPLY AND
22	Affordability", in the Journal of Housing Policy Debate.
23	(IV) MULTIFAMILY HOUSING IS TYPICALLY MORE AFFORDABLE
24	THAN SINGLE-UNIT DWELLINGS, AND LIVING NEAR TRANSIT, JOBS, AND
25	SERVICESENABLESHOUSEHOLDSTOSAVEONTRANSPORTATIONCOSTSBY
26	owning  fewer Vehicles.  In  2019, Colorado  multifamily units cost
27	BETWEEN FOURTEEN AND FORTY-THREE PERCENT LESS TO RENT,
28	DEPENDING ON THE SIZE OF THE BUILDING, COMPARED TO SINGLE-UNIT
29	DETACHED DWELLINGS, ACCORDING TO THE AMERICAN COMMUNITY
30	SURVEY.
31	(V) THE TERNER CENTER FOR HOUSING INNOVATION AT THE
32	University of California Berkeley found in its report
33	"RESIDENTIAL REDEVELOPMENT OF COMMERCIALLY ZONED LAND IN
34	CALIFORNIA" THAT THERE IS A SIGNIFICANT POTENTIAL FOR RESIDENTIAL
35	DEVELOPMENT IN COMMERCIALLY ZONED AREAS, THAT MANY
36	COMMERCIAL ZONE DISTRICTS DO NOT ALLOW RESIDENTIAL
37	DEVELOPMENT, AND THAT ALLOWING USE BY RIGHT RESIDENTIAL
38	DEVELOPMENT IN COMMERCIAL ZONE DISTRICTS CAN ENCOURAGE
39	ADDITIONAL HOUSING SUPPLY;
40	(VI) ACCORDING TO THE NATIONAL ASSOCIATION OF REALTORS

IN ITS REPORT "ANALYSIS AND CASE STUDIES ON OFFICE-TO-HOUSING 1 2 CONVERSIONS", OVER FIVE MILLION SEVEN HUNDRED THOUSAND SQUARE FEET OF OFFICE SPACE BECAME UNOCCUPIED IN THE DENVER 4 METROPOLITAN REAL ESTATE MARKET BETWEEN 2020 AND 2021, THE 5 DENVER MARKET COULD POTENTIALLY ADD OVER TWO THOUSAND NEW 6 RESIDENTIAL UNITS FROM OFFICE TO RESIDENTIAL CONVERSIONS IF IT 7 CONVERTED TWENTY PERCENT OF CURRENTLY VACANT OFFICE SPACE, AND 8 ONE OF THE MAJOR BARRIERS TO CONVERSIONS IS RESTRICTIVE LOCAL 9 LAND USE REGULATIONS THAT REQUIRE DISCRETIONARY APPROVALS;

(VII) ACCORDING TO THE NOTRE DAME LAW SCHOOL, IN THE ARTICLE "SHELLS OF THE STORES THEY ONCE WERE: RETURNING VACANT RETAIL PROPERTY TO PRODUCTIVE USE IN THE MIDST OF THE RETAIL APOCALYPSE", UNITED STATES RETAILERS HAVE BEEN CLOSING BRICK AND MORTAR LOCATIONS IN LARGE NUMBERS SINCE AT LEAST 2017, LEAVING BEHIND VACANT COMMERCIAL BUILDINGS AND PROPERTIES THAT POSE PROBLEMS FOR PUBLIC HEALTH AND SAFETY, REDUCE LOCAL TAX REVENUE, AND LEAD TO THE FLIGHT OF OTHER RETAIL BUSINESSES. VACANT COMMERCIAL PROPERTIES PROVIDE OPPORTUNITIES FOR RESIDENTIAL AND MIXED-USE REDEVELOPMENT, BOTH THROUGH ADAPTIVE REUSE OF EXISTING BUILDINGS, AND THROUGH NEW DEVELOPMENT, AND, ACCORDING TO THE LOCAL GOVERNMENT COMMISSION IN COOPERATION WITH THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, IN THE JOINT REPORT "CREATING GREAT NEIGHBORHOODS: DENSITY IN YOUR COMMUNITY", INCREASED RESIDENTIAL DENSITY IS ASSOCIATED WITH THE ECONOMIC SUCCESS OF NEARBY BUSINESSES AND CONTRIBUTES TO THE REVITALIZATION OF NEIGHBORHOODS.

(VIII) MEETING HOUSING DEMAND THROUGH COMPACT INFILL DEVELOPMENT CLOSE TO JOBS, SERVICES, AND TRANSIT DECREASES THE NEED FOR NEW DISPERSED, LOW-DENSITY HOUSING. RELATIVE TO DISPERSED, LOW-DENSITY DEVELOPMENT, COMPACT INFILL HOUSING DEVELOPMENT, INCLUDING MULTIFAMILY HOUSING DEVELOPMENT, REDUCES WATER USE, GREENHOUSE GAS EMISSIONS, INFRASTRUCTURE COSTS, AND HOUSEHOLD ENERGY AND TRANSPORTATION COSTS.

(IX) Housing with access to frequent transit allows residents to travel to work and services without driving or while driving less, which reduces household transportation costs, greenhouse gas emissions, and air pollution. Analyses of transit-oriented developments have found residents take an average of forty-four percent fewer vehicle trips, according to the article "Vehicle Trip Reduction Impacts of Transit-Oriented Housing" in the Journal of Public Transportation. And, according to the California Air Resources Board reports

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- "IMPACT OF JOBS-HOUSING BALANCE ON PASSENGER VEHICLE USE AND GREENHOUSE GAS EMISSIONS" AND "IMPACTS OF LAND-USE MIX ON PASSENGER VEHICLE USE AND GREENHOUSE GAS EMISSIONS", CO-LOCATING RESIDENCES, JOBS, AND SERVICES ALSO REDUCES HOUSEHOLD VEHICLE MILES TRAVELED.
- (X) Multifamily housing uses significantly less energy for heating and cooling per unit than single-unit detached dwellings due to multifamily housing having attached walls and smaller size, which reduces household energy costs and greenhouse gas emissions. In Colorado, household energy demand on average is seventy percent less for multifamily housing compared to single-unit detached dwellings, according to the National Renewable Energy Laboratory ReStock Analysis tool.
- (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT INCREASED HOUSING SUPPLY IN TRANSIT-ORIENTED AREAS AND KEY CORRIDORS IS A MATTER OF MIXED STATEWIDE AND LOCAL CONCERN.
- 29-33-302. Applicability transit-oriented areas model code transit-oriented areas minimum standards adoption of model code or minimum standards definitions. (1) Definitions. AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:
  - (a) "ELIGIBLE PARCEL" MEANS A PARCEL THAT IS NOT:
  - (I) A STANDARD EXEMPT PARCEL;
- (II) PART OF A PARCEL THAT INCLUDES LAND THAT IS A PARK AND OPEN SPACE, AS DEFINED IN SECTION 29-7.5-103 (2);
- (III) A parcel that is subject to a conservation easement; or
  - (IV) ON A SITE THAT IS:
  - (A) CURRENTLY USED FOR AN INDUSTRIAL USE;
  - (B) CURRENTLY ALLOWS INDUSTRIAL USES;
- (C) DESIGNATED FOR HEAVY INDUSTRIAL USE IN THE LATEST VERSION OF A SUBJECT JURISDICTION'S MASTER PLAN;
  - (D) OWNED BY, USED AS, OR OPERATED BY AN AIRPORT; OR
- (E) CURRENTLY USED AS A MOBILE HOME PARK, AS DEFINED IN SECTION 38-12-201.5 (6).
- (b) "MINIMUM STANDARDS" MEANS THE MINIMUM STANDARDS FOR TRANSIT-ORIENTED AREAS ESTABLISHED IN SUBSECTION (4) OF THIS SECTION.
- 39 (c) "MIXED-INCOME MULTIFAMILY HOUSING" MEANS MULTIFAMILY 40 HOUSING IN WHICH AT LEAST TEN PERCENT OF THE HOUSING UNITS ARE SET 41 ASIDE FOR HOUSEHOLDS THAT EARN NO MORE THAN EIGHTY PERCENT OF 42 THE AREA MEDIAN INCOME.
  - (d) "Model code" means the transit-oriented areas model

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CODE PROMULGATED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (3) OF THIS SECTION.

- (e) "Subject jurisdiction" means a tier one urban municipality or county that contains a transit-oriented area.
- (2) **Applicability.** (a) The requirements of this section only APPLY TO AN ELIGIBLE PARCEL IN A TRANSIT-ORIENTED AREA IN A SUBJECT JURISDICTION.
- (b) If a transit-oriented area is located within multiple jurisdictions, a subject jurisdiction need only meet the requirements of this section in the parts of a transit-oriented area located within the subject jurisdiction.
- (c) Where the requirements of this section apply to parcels or lots to which part 2 of this article 33 or section 29-33-303 also apply, the requirements of this section shall supersede any conflicting requirements of part 2 of this article 33 or section 29-33-303.
- (3) **Model code.** (a) (I) No later than June 30, 2024, the executive director of the department of local affairs shall promulgate a transit-oriented area model code.
- (II) THE MULTI-AGENCY ADVISORY COMMITTEE SHALL PROVIDE RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS ON THE TRANSIT-ORIENTED AREA MODEL CODE PURSUANT TO SECTION 29-33-305.
  - (b) AT A MINIMUM, THE MODEL CODE MUST INCLUDE:
- (I) A REQUIREMENT THAT SUBJECT JURISDICTIONS MAY NOT REQUIRE NEW OFF-STREET PARKING WITHIN TRANSIT-ORIENTED AREAS FOR ANY USES IN CONJUNCTION WITH A MIXED-INCOME MULTIFAMILY HOUSING DEVELOPMENT;
- (II) A REQUIREMENT THAT SUBJECT JURISDICTIONS ALLOW MIXED-USE DEVELOPMENT WITH COMMERCIAL USES ON THE FIRST FLOOR IN CONJUNCTION WITH MIXED-INCOME MULTIFAMILY HOUSING WITH A NET DENSITY OF UP TO AT LEAST SIXTY UNITS PER ACRE; AND
- (III) A REQUIREMENT THAT SUBJECT JURISDICTIONS ALLOW MIXED-INCOME MULTIFAMILY HOUSING OF UP TO AT LEAST SIXTY UNITS PER ACRE NET DENSITY AS A USE BY RIGHT ON ELIGIBLE PARCELS IN TRANSIT-ORIENTED AREAS.
- (c) NOTHING IN THIS MODEL CODE SHALL PREVENT A SUBJECT JURISDICTION FROM UTILIZING SET ASIDE PERCENTAGE AND AREA MEDIAN INCOME LEVEL REQUIREMENTS AS SPECIFIED IN THEIR LOCAL LAWS, RATHER THAN AS SPECIFIED IN THE MODEL CODE, SO LONG AS THE SUBJECT JURISDICTION HAS ADOPTED A LOCAL INCLUSIONARY ZONING ORDNANCE THAT APPLIES IN TRANSIT-ORIENTED AREAS.
  - (d) REGULATED AFFORDABLE HOUSING UNITS IN MIXED-INCOME

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MULTIFAMILY HOUSING DEVELOPMENTS MUST BE SIMILAR IN SIZE TO THE OTHER UNITS IN THE DEVELOPMENT.

- (4) **Minimum standards.** (a) (I) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL CREATE OR UPDATE A ZONING DISTRICT WITHIN EACH TRANSIT-ORIENTED IN WHICH MULTIFAMILY HOUSING IS ALLOWED AS A USE BY RIGHT AND A MINIMUM AVERAGE NET DENSITY OF UP TO AT LEAST FORTY UNITS OF MULTIFAMILY HOUSING PER ACRE IS ALLOWED. SUBJECT JURISDICTIONS MAY ESTABLISH SUBDISTRICTS WITHIN THESE ZONING DISTRICTS THAT ALLOW A DIFFERENT NET DENSITY OF MULTIFAMILY HOUSING DEVELOPMENT SO LONG AS EACH DISTRICT OR SUBDISTRICT ALLOWS AN AVERAGE NET DENSITY OF MULTIFAMILY HOUSING OF UP TO AT LEAST FORTY UNITS PER ACRE. THE MINIMUM AREA OF THE ZONING DISTRICT OR SUBDISTRICT MUST IN TOTAL BE GREATER THAN OR EQUAL TO FIFTY PERCENT OF THE AREA OF ELIGIBLE PARCELS IN EACH TRANSIT-ORIENTED AREA IN A SUBJECT JURISDICTION. A SUBJECT JURISDICTION MAY CHOOSE TO INCLUDE PARCELS THAT WOULD OTHERWISE NOT QUALIFY AS ELIGIBLE PARCELS WHEN CALCULATING THE AREA OF ELIGIBLE PARCELS IN EACH TRANSIT-ORIENTED AREA IN A SUBJECT JURISDICTION. A SUBJECT JURISDICTION THAT ALREADY HAS LOCAL LAWS IN EFFECT THAT ESTABLISH A ZONING DISTRICT OR DISTRICTS THAT MEET THE MINIMUM STANDARDS NEED NOT UPDATE THEIR LOCAL LAWS AND MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL AFFAIRS DEMONSTRATING SUCH COMPLIANCE.
  - (II) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE MAY MEET THE AVERAGE NET DENSITY ESTABLISHED IN THE MINIMUM STANDARDS BY ADOPTING LOCAL LAWS APPLICABLE TO A ZONING DISTRICT COVERING AREAS OUTSIDE OF TRANSITED-ORIENTED AREAS SO LONG AS THE ZONING DISTRICT IS AT LEAST THE SAME SIZE AS THE ELIGIBLE PARCELS IN THE TRANSIT-ORIENTED AREA IF:
    - (A) SIGNIFICANT DEVELOPMENT CONSTRAINTS EXIST; OR
  - (B) The subject jurisdiction has established planning areas for transit-compatible use in adjacent areas, or utilizes alternate measurement methods for determining the extent of a transit-oriented area such as walking distance from transit stations. In determining the location of zoning districts for transit-oriented areas, a subject jurisdiction shall consider the displacement assessment completed pursuant to section 29-33-107.
- (b) NOTWITHSTANDING ANY LOCAL LAW TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE MODEL CODE SHALL NOT REQUIRE NEW OFF-STREET VEHICLE PARKING WITHIN

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TRANSIT-ORIENTED AREAS FOR ANY USE IN CONJUNCTION WITH A MULTIFAMILY HOUSING DEVELOPMENT PERMIT.

- (c) Notwithstanding any local law to the contrary, a subject jurisdiction that does not adopt the model code shall only adopt and enforce local laws concerning multifamily housing in transit-oriented areas that use objective standards and objective procedures.
- (d) The department of local affairs may promulgate rules as it deems necessary to update the minimum standards or model code established pursuant to this section, utilizing a public hearing and comment process.
- (5) Adoption of model code or minimum standards. (a) (I) NO LATER THAN JUNE 30, 2025, A SUBJECT JURISDICTION SHALL:
- (A) ADOPT LOCAL LAWS CONCERNING TRANSIT-ORIENTED AREAS THAT SATISFY THE MINIMUM STANDARDS: OR
  - (B) ADOPT THE MODEL CODE.
- (b) If a subject jurisdiction does not satisfy the requirements of subsection (5)(a)(I) of this section before December 31,2025, the model code goes into effect immediately for all eligible parcels and the subject jurisdiction shall not deny or condition approval of an application for a mixed-income multifamily housing project on an eligible parcel on a basis that is inconsistent with the model code, as specified in subsection (3) of this section, until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- (c) If a subject jurisdiction adopts the model code or the model code is otherwise in effect for a subject jurisdiction pursuant to subsection (5)(b) of this section, the decisions of the subject jurisdiction shall be consistent with the model code and the subject jurisdiction shall:
- (I) USE OBJECTIVE PROCEDURES TO DETERMINE WHETHER A MIXED-INCOME MULTIFAMILY HOUSING PROJECT SATISFIES THE MODEL CODE AND, IF THE SUBJECT JURISDICTION DETERMINES THAT THE PROJECT SATISFIES THE MODEL CODE, THE SUBJECT JURISDICTION SHALL APPROVE THE PROJECT; AND
- (II) NOT ADOPT, ENACT, OR ENFORCE ANY LOCAL LAWS THAT CONTRAVENE THE MODEL CODE.
- (6) **Subject jurisdiction restrictions.** Nothing in this part 3, the model code, or the minimum standards prevents a local government from:
- (a) REQUIRING PARKING SPACES IN ACCORDANCE WITH THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC.

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- 12101 ET SEQ., AS AMENDED, OR TO OTHERWISE PROVIDE PARKING SIGNED FOR USE BY PERSONS EXPERIENCING DISABILITIES;
- (b) Adopting generally applicable requirements for the payment of impact fees or other similar development charges, in conformance with the requirements of section 29-20-104.5, or the mitigation of impacts in conformance with the requirements of part 2 of article 20 of title 29;
- (c) Applying a local inclusionary zoning ordinance in transit-oriented areas in accordance with the requirements of section 29-20-104 (1)(e.5) and (1)(e.7) and subject to part 2 of article 20 of title 29;
- (d) Imposing requirements on the short-term rental of housing in transit-oriented areas;
  - (e) PERMITTING MIXED-USE DEVELOPMENT IN A TRANSIT-ORIENTED AREA;
  - (f) Allowing commercial only developments in a transit-oriented area; or
  - (g) APPLYING THE STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A PARCEL IN A TRANSIT-ORIENTED AREA ON WHICH HOUSING IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING RULES RELATED TO DEMOLITION.
  - 29-33-303. Applicability key corridors model code key corridors minimum standards adoption of model code or minimum standards definitions. (1) Definitions. As used in this section, unless the context otherwise requires:
  - (a) "ELIGIBLE PARCEL" MEANS A PARCEL, EXCLUDING PARCELS DESCRIBED IN SECTION 29-33-303 (2)(b) ON WHICH COMMERCIAL, INSTITUTIONAL, RESIDENTIAL, OR MIXED USES ARE PERMITTED USES BY RIGHT.
  - (b) "KEY CORRIDORS" MEANS THE AREAS DESCRIBED IN SECTION 29-33-303 (2)(a).
  - (c) "Minimum standards" means the key corridor minimum standards established in subsection (5) of this section.
  - (d) "MIXED-INCOME MULTIFAMILY HOUSING" MEANS MULTIFAMILY HOUSING IN WHICH AT LEAST TEN PERCENT OF THE HOUSING UNITS ARE SET ASIDE FOR HOUSEHOLDS THAT EARN NO MORE THAN EIGHTY PERCENT OF THE AREA MEDIAN INCOME.
  - (e) "MODEL CODE" MEANS THE KEY CORRIDORS MODEL CODE PROMULGATED BY THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (4) OF THIS SECTION.
- 41 (f) "Subject jurisdiction" means a tier one urban 42 municipality.
  - (2) Applicability. (a) Eligible parcels in the following areas

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SHALL BE INCLUDED WITHIN KEY CORRIDOR AREAS:

- (I) AREAS WITHIN ONE-HALF MILE OF A BUS STOP ON A LIMITED ACCESS HIGHWAY SERVED BY AN EXISTING OR PLANNED COMMUTER BUS RAPID TRANSIT SERVICE; AND
  - (II) AREAS WITHIN ONE-QUARTER MILE OF A:
- (A) BUS STOP NOT ON A LIMITED ACCESS HIGHWAY SERVED BY AN EXISTING OR PLANNED COMMUTER BUS RAPID TRANSIT SERVICE;
- (B) ROADWAY SERVED BY AN EXISTING OR PLANNED URBAN BUS RAPID TRANSIT SERVICE;
- (C) ROADWAY SERVED BY A BUS ROUTE THAT IS SCHEDULED TO RUN EVERY FIFTEEN MINUTES OR LESS DURING THE HIGHEST FREQUENCY SERVICE HOURS, AND THAT IS AT LEAST ONE MILE LONG; AND
- (D) Bus stop served by a bus route that is scheduled to run every fifteen minutes or less during the highest frequency service hours, is at least one mile long, and that runs on a limited access highway.
  - (b) KEY CORRIDORS SHALL BE DESIGNATED BASED ON:
  - (I) Existing transit service levels as of January 1, 2023;
- (II) An urban bus rapid transit service or commuter bus rapid transit service that is identified within a metropolitan planning organization's long range transportation plan adopted prior to January 1, 2023, and planned for completion on or before December 31, 2030; except that, the multi-agency advisory committee may determine that a specific segment of such a service route should not be designated as a key corridor based on strategic growth objectives and may remove such segment of a service route from key corridor designation on or before January 1, 2024; and
- (III) Transit service levels planned and approved by the board of a transit agency as of January 1, 2023, for implementation before January 1, 2028.
- (3) (a) IF A SUBJECT JURISDICTION ADOPTS THE MODEL CODE, OR THE MODEL CODE IS OTHERWISE IN EFFECT, THE MODEL CODE SHALL APPLY TO ALL ELIGIBLE PARCELS.
- (b) Unless a subject jurisdiction decides otherwise, local laws adopted pursuant to this section only apply to parcels that are not:
  - (I) A STANDARD EXEMPT PARCEL;
- (II) THE PORTION OF A PARCEL THAT INCLUDES LAND THAT IS A PARK AND OPEN SPACE, AS DEFINED IN SECTION 29-7.5-103 (2);
- 41 (III) A PARCEL THAT IS SUBJECT TO A CONSERVATION EASEMENT; 42 OR
- 43 (IV) ON A SITE THAT IS:

- (A) CURRENTLY USED FOR AN INDUSTRIAL USE;
  - (B) CURRENTLY ALLOWS INDUSTRIAL USES;
- (C) DESIGNATED FOR HEAVY INDUSTRIAL USE IN THE LATEST VERSION OF A SUBJECT JURISDICTION'S MASTER PLAN;
  - (D) OWNED BY, USED BY, OR OPERATED BY AN AIRPORT; OR
- (E) CURRENTLY USED AS A MOBILE HOME PARK, AS DEFINED IN SECTION 38-12-201.5 (6).
- (4) **Model code.** (a) (I) No later than June 30, 2024, the executive director of the department of local affairs shall promulgate a key corridor model code.
- (II) THE MULTI-AGENCY ADVISORY COMMITTEE SHALL PROVIDE RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS ON THE MODEL CODE PURSUANT TO SECTION 29-33-305.
  - (b) AT A MINIMUM, THE MODEL CODE MUST INCLUDE:
- (I) A REQUIREMENT THAT A SUBJECT JURISDICTION ALLOW MIXED-INCOME MULTIFAMILY HOUSING AS A USE BY RIGHT IN KEY CORRIDORS WITH DENSITIES UP TO AT LEAST:
- (A) FORTY DWELLING UNITS PER ACRE NET DENSITY ON ELIGIBLE PARCELS IN KEY CORRIDORS DUE TO THEIR PROXIMITY TO COMMUTER BUS RAPID TRANSIT SERVICE OR URBAN BUS RAPID TRANSIT SERVICE; AND
- (B) THIRTY DWELLING UNITS PER ACRE NET DENSITY FOR ALL OTHER ELIGIBLE PARCELS.
- (II) A REQUIREMENT THAT SUBJECT JURISDICTIONS ALLOW MIXED-USE DEVELOPMENT WITH COMMERCIAL USES ON THE FIRST FLOOR IN CONJUNCTION WITH MIXED-INCOME MULTIFAMILY HOUSING.
- (c) NOTHING IN THIS MODEL CODE SHALL PREVENT A SUBJECT JURISDICTION FROM UTILIZING SET ASIDE PERCENTAGE AND AREA MEDIAN INCOME LEVEL REQUIREMENTS AS SPECIFIED IN THEIR LOCAL LAWS, RATHER THAN AS SPECIFIED IN THE MODEL CODE, SO LONG AS THE SUBJECT JURISDICTION HAS ADOPTED A LOCAL INCLUSIONARY ZONING ORDINANCE THAT APPLIES IN KEY CORRIDOR AREAS.
- (d) REGULATED AFFORDABLE HOUSING UNITS WITHIN MIXED-INCOME MULTIFAMILY HOUSING DEVELOPMENTS MUST BE SIMILAR IN SIZE TO THE OTHER UNITS IN THE DEVELOPMENT.
- (e) THE MODEL CODE MUST NOT ALLOW MINIMUM OFF-STREET VEHICLE PARKING REQUIREMENTS IN CONNECTION WITH THE CONSTRUCTION OR PERMITTING OF MIXED-INCOME MULTIFAMILY HOUSING IN KEY CORRIDORS THAT ARE GREATER THAN ONE-HALF OF A VEHICLE PARKING SPACE PER DWELLING UNIT, WHICH MAY BE ROUNDED UP IN THE CASE OF AN ODD NUMBER OF DWELLING UNITS.
- 41 (5) **Minimum standards.** (a) NOTWITHSTANDING ANY LOCAL LAW
  42 TO THE CONTRARY, A SUBJECT JURISDICTION THAT DOES NOT ADOPT THE
  43 MODEL CODE SHALL CREATE OR UPDATE A ZONING DISTRICT OR DISTRICTS

WITHIN KEY CORRIDORS IN WHICH MULTIFAMILY HOUSING IS ALLOWED AS A USE BY RIGHT. A SUBJECT JURISDICTION THAT ALREADY HAS LOCAL LAWS IN EFFECT THAT ESTABLISH A ZONING DISTRICT OR DISTRICTS THAT MEET THE MINIMUM STANDARDS NEED NOT UPDATE LOCAL LAWS, AND MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL AFFAIRS DEMONSTRATING SUCH COMPLIANCE.

- (b) (I) The minimum area of the zoning district or districts required by subsection (5)(a) of this section and allowed by subsection (5)(d) of this section must in total be greater than or equal to the greater of:
- (A) TWENTY-FIVE PERCENT OF THE AREA OF ELIGIBLE PARCELS IN KEY CORRIDORS IN THE SUBJECT JURISDICTION; OR
- (B) TEN PERCENT OF THE TOTAL AREA OF ELIGIBLE PARCELS IN THE SUBJECT JURISDICTION.
- (II) A SUBJECT JURISDICTION MAY CHOOSE TO INCLUDE PARCELS THAT ARE NOT ELIGIBLE PARCELS IN THE CALCULATION OF THE AREA OF ELIGIBLE PARCELS IN KEY CORRIDORS IN THE SUBJECT JURISDICTION.
- (c) WITHIN THE ZONING DISTRICT OR DISTRICTS REQUIRED BY SUBSECTION (5)(a) OF THIS SECTION, A SUBJECT JURISDICTION SHALL ALLOW MULTIFAMILY HOUSING AS A USE BY RIGHT AT AN AVERAGE NET DENSITY OF UP TO AT LEAST TWENTY-FIVE DWELLING UNITS PER ACRE.
- (d) A SUBJECT JURISDICTION MAY ESTABLISH MULTIPLE ZONING DISTRICTS THAT ALLOW DIFFERENT NET DENSITIES OF MULTIFAMILY HOUSING IF THE AVERAGE NET DENSITY REQUIREMENT IN SUBSECTION (5)(c) OF THIS SECTION IS MET ACROSS THE ZONING DISTRICT OR DISTRICTS REQUIRED BY SUBSECTION (5)(a) OF THIS SECTION. SUBJECT JURISDICTIONS ARE ENCOURAGED TO LOCATE DISTRICTS IN CENTERS OR ALONG CORRIDORS THAT ARE PLANNED FOR MIXED-USE, WALKABLE AREAS.
- (e) Notwithstanding any local law to the contrary, a subject jurisdiction that does not adopt the model code may meet the average net density requirements established in the minimum standards by adopting local laws applicable to a zoning district or districts covering areas outside of key corridors if the zoning district or districts satisfy the area requirements of subsection (5)(b) of this section and:
  - (I) SIGNIFICANT DEVELOPMENT CONSTRAINTS EXIST; OR
- (II) THE SUBJECT JURISDICTION HAS ESTABLISHED PLANNING AREAS FOR TRANSIT-COMPATIBLE DEVELOPMENT, OR MIXED-USE, WALKABLE CENTERS, IN OTHER STRATEGIC GROWTH AREAS, OR UTILIZES ALTERNATE MEASUREMENT METHODS FOR DETERMINING THE EXTENT OF A KEY CORRIDOR SUCH AS WALKING DISTRICT FROM TRANSIT STATIONS. IN DETERMINING THE LOCATION OF A ZONING DISTRICT FOR A KEY CORRIDOR, A SUBJECT JURISDICTION SHALL CONSIDER THE DISPLACEMENT

ASSESSMENT THAT IS COMPLETED PURSUANT TO SECTION 29-33-107.

- (f) Notwithstanding any local law to the contrary, a subject jurisdiction that does not adopt the model code shall not, in the zoning districts established pursuant to subsection (5)(a) of this section, apply minimum off-street vehicle parking requirements in connection with the construction or permitting of multifamily housing in key corridors that are greater than one-half of a parking space per dwelling unit, which may be rounded up in the case of an odd number of dwelling units.
- (g) Notwithstanding any local law to the contrary, a subject jurisdiction that does not adopt the model code shall only adopt or enforce local laws concerning multifamily housing in key corridors that use objective standards and objective procedures.
- (h) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROMULGATE RULES AS IT DEEMS NECESSARY TO UPDATE THE MINIMUM STANDARDS OR MODEL CODE, UTILIZING A PUBLIC HEARING AND COMMENT PROCESS.
- (6) **Adoption of a model code and minimum standards.** (a) No later than June 30, 2025, a subject jurisdiction shall:
- (I) ADOPT LOCAL LAWS CONCERNING KEY CORRIDORS THAT SATISFY THE MINIMUM STANDARDS; OR
  - (II) ADOPT THE MODEL CODE.
- (b) If a subject jurisdiction does not satisfy the requirements of subsection (6)(a) of this section before December 31, 2025, the model code goes into effect immediately for all eligible parcels and the subject jurisdiction shall not deny or condition approval of an application for a mixed-income multifamily housing project on an eligible parcel on a basis that is inconsistent with the model code, as specified in subsection (4) of this section, until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the minimum standards.
- (c) If a subject jurisdiction adopts the model code or the model code is otherwise in effect for a subject jurisdiction pursuant to subsection (6)(b) of this section, the decisions of the subject jurisdiction shall be consistent with the model code and the subject jurisdiction shall:
- (I) USE OBJECTIVE PROCEDURES TO DETERMINE WHETHER A MIXED-INCOME MULTIFAMILY HOUSING PROJECT SATISFIES THE MODEL CODE AND, IF THE SUBJECT JURISDICTION DETERMINES THAT THE PROJECT SATISFIES THE MODEL CODE, THE SUBJECT JURISDICTION SHALL APPROVE THE PROJECT; AND
  - (II) NOT ADOPT, ENACT, OR ENFORCE ANY LOCAL LAWS THAT

CONTRAVENE THE MODEL CODE.

(7) **Subject jurisdiction restrictions.** (a) NOTHING IN THIS PART 3, THE MODEL CODE, OR THE MINIMUM STANDARDS PREVENTS A SUBJECT JURISDICTION FROM:

- (I) REQUIRING PARKING SPACES IN ACCORDANCE WITH THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF 1990", 42 U.S.C. SEC. 12101 ET SEQ., AS AMENDED, OR OTHERWISE PROVIDING PARKING SIGNED FOR USE BY PERSONS EXPERIENCING DISABILITIES;
- (II) ADOPTING GENERALLY APPLICABLE REQUIREMENTS FOR THE PAYMENT OF IMPACT FEES OR OTHER SIMILAR DEVELOPMENT CHARGES, IN CONFORMANCE WITH THE REQUIREMENTS OF SECTION 29-20-104.5, OR THE MITIGATION OF IMPACTS IN CONFORMANCE WITH THE REQUIREMENTS OF PART 2 OF ARTICLE 20 OF TITLE 29:
- (III) APPLYING A LOCAL INCLUSIONARY ZONING ORDINANCE IN KEY CORRIDORS IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 29-20-104 (1)(e.5) AND (1)(e.7) AND SUBJECT TO PART 2 OF ARTICLE 20 OF TITLE 29;
- (IV) IMPOSING REQUIREMENTS ON THE SHORT-TERM RENTAL OF HOUSING IN KEY CORRIDORS;
  - (V) PERMITTING MIXED-USE DEVELOPMENT IN A KEY CORRIDOR;
- (VI) ALLOWING COMMERCIAL ONLY DEVELOPMENTS IN A KEY CORRIDOR; OR
- (VII) APPLYING THE STANDARDS AND PROCEDURES OF A HISTORIC DISTRICT TO A PARCEL IN A KEY CORRIDOR ON WHICH HOUSING IS ALLOWED IN THAT HISTORIC DISTRICT, INCLUDING RULES RELATED TO DEMOLITION.
- **29-33-304. Public comment and hearing process.** (1) IN DEVELOPING RECOMMENDATIONS CONCERNING GUIDANCE FOR THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS, THE MULTI-AGENCY ADVISORY COMMITTEE CREATED IN SECTION 29-33-103 (1), RURAL RESORT AREA SUBCOMMITTEE CREATED IN SECTION 29-33-103 (8), AND THE URBAN AREA SUBCOMMITTEE CREATED IN SECTION 29-33-103 (9), SHALL CONDUCT A PUBLIC COMMENT AND HEARING PROCESS CONCERNING THE CREATION OF:
- (a) A model code for transit-oriented areas pursuant to section 29-33-302 (3)(a)(I); and
- (b) A KEY CORRIDOR MODEL CODE PURSUANT TO SECTION 29-33-303 (4)(a).
  - (2) IN DEVELOPING RECOMMENDATIONS TO PROVIDE TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS ON EACH MODEL CODE, THE MULTI-AGENCY ADVISORY COMMITTEE SHALL:
- (a) PROVIDE PUBLIC NOTICE OF AND HOLD AT LEAST TWO PUBLIC MEETINGS AT WHICH MEMBERS OF THE PUBLIC HAVE AN OPPORTUNITY TO

COMMENT ON THE MODEL CODE;

- (b) ALLOW THE SUBMISSION OF WRITTEN COMMENTS ON THE MODEL CODE;
- (c) CONDUCT OUTREACH TO AND SOLICIT FEEDBACK FROM LOCAL GOVERNMENTS AND REGIONAL PLANNING AGENCIES; AND
- (d) Consult with experts in disability rights, racial equity and homelessness prevention, affordable housing, fair housing, planning, zoning, and related fields.
- **29-33-305.** Exemption or extension. (1) No later than June 30, 2024, a subject jurisdiction may notify the department of Local affairs that an exemption or an extension is necessary from the requirements of section 29-33-302 (5) or 29-33-303 (6).
- (2) The notice must demonstrate that the water, sewer, wastewater, or stormwater services are currently deficient in specific geographic areas of the subject jurisdiction or in the subject jurisdiction as a whole, or the subject jurisdiction expects such services to become deficient in the next five years. As used in this subsection (2), "deficient" means, in reference to the subject jurisdiction's water supply master plan, water distribution and wastewater collection master plan, wastewater master plan, or stormwater master plan, if applicable, issues concerning:
  - (a) WATER SUPPLY;
  - (b) WASTEWATER TREATMENT CAPACITY;
- (c) WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY; OR
  - (d) STORMWATER MANAGEMENT CAPACITY.
- (3) IF A SUBJECT JURISDICTION SUBMITS A NOTICE TO THE DEPARTMENT OF LOCAL AFFAIRS PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE SUBJECT JURISDICTION MAY INCLUDE A PLAN OF ACTION TO REMEDY THE DEFICIENT WATER SUPPLY, WATER OR WASTEWATER TREATMENT CAPACITY, WATER DISTRIBUTION AND WASTEWATER COLLECTION CAPACITY, OR STORMWATER MANAGEMENT CAPACITY IN THE SPECIFIC AREAS IDENTIFIED IN A CAPITAL IMPROVEMENT PLAN INCLUDED IN THE NOTICE.
- (4) THE DEPARTMENT OF LOCAL AFFAIRS MAY ADOPT RULES OR PROMULGATE GUIDANCE AS NECESSARY TO IMPLEMENT THIS SECTION.
- (5) THE REQUIREMENTS OF THIS SECTION SHALL NOT APPLY TO SUBJECT JURISDICTIONS WITH BOTH A POPULATION OF LESS THAN TWENTY-FIVE THOUSAND AND AN ANNUAL MEDIAN HOUSEHOLD INCOME OF LESS THAN FIFTY-FIVE THOUSAND DOLLARS, IF THE SUBJECT JURISDICTION SENDS A LETTER TO THE DEPARTMENT OF LOCAL AFFAIRS, IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT, INDICATING

THAT THE SUBJECT JURISDICTION DOES NOT INTEND TO COMPLY WITH THIS SECTION.

- (6) (a) A SUBJECT JURISDICTION MAY PROPOSE ALTERNATIVE DATES IN LIEU OF THE DEADLINES IN THIS PART 3 TO THE DEPARTMENT OF LOCAL AFFAIRS FOR APPROVAL IF THE PROPOSAL DEMONSTRATES A PLAN FOR AND PROGRESS TOWARDS ACHIEVING COMPLIANCE WITH THIS PART 3. A SUBMITTED PROPOSAL FOR ALTERNATIVE DATES MUST INCLUDE:
- (I) A DESCRIPTION OF WORK ALREADY UNDERWAY, IF ANY, TO COMPLY WITH THE MINIMUM STANDARDS SET FORTH IN THIS PART 3; AND
- (II) PROPOSED ALTERNATIVE DATES FOR COMPLIANCE WITH THE MINIMUM STANDARDS SET FORTH IN THIS PART 3.
- (b) THE DEPARTMENT OF LOCAL AFFAIRS MAY ISSUE GUIDANCE AS NECESSARY TO IMPLEMENT THIS SUBSECTION (6).
- **29-33-306. Report.** (1) (a) No later than June 30, 2025, a subject jurisdiction shall submit to the department of local affairs, in a form and manner determined by the department, reports demonstrating evidence of compliance with either the model codes required by sections 29-33-302 (3) and 29-33-303 (4) or the minimum standards set forth in sections 29-33-302 (4) and 29-33-303 (5).
- (b) WITHIN NINETY DAYS OF A RECEIVING A REPORT DESCRIBED IN SUBSECTION (1) (a) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS SHALL REVIEW AND APPROVED THE SUBMITTED REPORT OR REJECT THE REPORT AND PROVIDE FEEDBACK TO A SUBJECT JURISDICTION. THE DEPARTMENT OF LOCAL AFFAIRS MAY GRANT A SUBJECT JURISDICTION AN ADDITIONAL ONE HUNDRED TWENTY DAYS TO CORRECT THE RELEVANT LOCAL LAWS AND RESUBMIT A REPORT.
- (c) If the department of local affairs rejects a subject jurisdiction's report, the relevant model code goes into effect immediately in the subject jurisdiction until the department of local affairs determines that the subject jurisdiction has adopted laws that comply with the relevant minimum standards.
- 33 (2) THE DEPARTMENT OF LOCAL AFFAIRS MAY PROVIDE TECHNICAL
  34 ASSISTANCE OR FUNDING TO METROPOLITAN PLANNING ORGANIZATIONS
  35 AND SUBJECT JURISDICTIONS TO ADOPT MINIMUM STANDARDS FOR
  36 TRANSIT-ORIENTED AREAS AND KEY CORRIDORS THAT SUPPORT REGIONAL
  37 PLANNING GOALS."
- Page 78, line 7, strike "HOME" and substitute "HOMES".
- 39 Page 79, after line 2 insert:
- 40 "SECTION 5. In Colorado Revised Statutes, 24-67-105, add (5.5)

as follows:

**24-67-105.** Standards and conditions for planned unit development - definitions. (5.5) (a) AS USED IN THIS SUBSECTION (5.5), UNLESS THE CONTEXT OTHERWISE REQUIRES:

- (1) "Accessory dwelling unit" has the same meaning as set forth in section 29-33-102 (2).
- (2) "Key corridors" has the same meaning as set forth in section 29-33-303 (1) (b).
- (3) "Transit-oriented area" has the same meaning as set forth in section 29-33-102 (41).
- (b) A Planned unit development resolution or ordinance adopted pursuant to this article 67, if the planned unit development has a residential use, must not restrict the permitting of accessory dwelling units, housing in transit-oriented areas, or housing in key corridors in the jurisdictions and areas to which article 33 of title 29 applies in any way that is prohibited by article 33 of title 29.
- (c) Any provision of a planned unit development approved prior to the adoption of subsection (5.5)(a) of this section, and which fails to conform to the requirements of that subsection (5.5)(a), shall be deemed superseded by the adoption of a local law or implementation of a model code pursuant to article 33 of title 29. Notwithstanding this subsection (5.5)(b), a local government may adopt conforming amendments to any such planned unit development."

26 Renumber succeeding sections accordingly.

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