## SB23-213

## SENATE FLOOR AMENDMENT

Second Reading

BY SENATOR Gonzales

- Amend the Appropriations Committee Report, dated April 26, 2023, page
- 2 13, strike lines 18 through 22 and substitute:
- 3 "(d) (I) A DESCRIPTION OF AT LEAST TWO STRATEGIES THAT THE
- 4 URBAN MUNICIPALITY ADOPTS FROM THE MENU OF AFFORDABLE
- 5 DEVELOPMENT AND AT LEAST ONE STRATEGY FROM THE MENU OF
- 6 Long-term affordability strategies described in section
- 7 29-33-106. These strategies must both address housing needs and
- 8 MAKE PROGRESS TOWARD MEETING DEMONSTRATED HOUSING NEEDS FOR
- 9 LOW- AND MODERATE-INCOME HOUSEHOLDS AS DEFINED BY THE UNITED
- 10 States department of housing and urban development and
- 11 HOUSING TYPES IDENTIFIED IN THE LOCAL HOUSING NEEDS ASSESSMENT;
- 12 AND
- 13 (II) AN IMPLEMENTATION PLAN AND THE ANTICIPATED OUTCOMES
- 14 FOR EACH OF THE STRATEGIES ADOPTED PURSUANT TO THIS SUBSECTION
- 15 (4)(d);".
- Page 13, line 29, strike "AREAS." and substitute "AREAS; AND".
- 17 Page 13, after 29 insert:
- 18 "(f) IN THE CASE OF AN URBAN MUNICIPALITY WITH A
- 19 TRANSIT-ORIENTED AREA, AT LEAST THREE STRATEGIES FROM THE LIST OF
- 20 AFFORDABLE DEVELOPMENT STRATEGIES IN SECTION 29-33-106 (1) AND
- 21 AT LEAST ONE STRATEGY FROM THE LIST OF LONG-TERM AFFORDABILITY
- 22 STRATEGIES IN SECTION 29-33-106 (2).".
- Page 15, strike lines 2 through 7. and substitute "strategies. (1) IN
- 24 ORDER TO SUPPORT AFFORDABILITY AND ADVANCE MEETING THE HOUSING
- 25 NEEDS OF LOW- AND MODERATE-INCOME HOUSEHOLDS, AS DEFINED BY
- 26 THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
- 27 DEVELOPMENT, THE MENU OF AFFORDABILITY STRATEGIES FOR AN
- 28 URBAN".
- 29 Page 15, line 8, strike "THE FOLLOWING:" and substitute "BOTH
- 30 AFFORDABLE DEVELOPMENT STRATEGIES AND LONG-TERM AFFORDABILITY
- 31 STRATEGIES. THE AFFORDABLE DEVELOPMENT STRATEGIES INCLUDED IN
- 32 THE MENU OF AFFORDABILITY STRATEGIES FOR AN URBAN MUNICIPALITY
- 33 MUST INCLUDE THE FOLLOWING:".
- Page 15, line 9, strike "(1)" and substitute "(a)".

- 1 Page 15, line 12, strike "(2)" and substitute "(b)".
- 2 Page 15, line 13, strike "FEES," and substitute "FEES FOR REGULATED
- 3 AFFORDABLE HOUSING DEVELOPMENT,".
- 4 Page 15, line 14, strike "(a)" and substitute "(I)".
- 5 Page 15, line 15, strike "(b)" and substitute "(II)".
- 6 Page 15, line 16, strike "(c)" and substitute "(III)".
- 7 Page 15, strike lines 17 and 18 and substitute:
- 8 "(IV) Infrastructure costs;".
- 9 Page 15, line 19, strike "(3)" and substitute "(c)".
- Page 15, line 21, strike "(4)" and substitute "(d)".
- Page 15, line 24, strike "(5)" and substitute "(e)".
- Page 15, line 28, strike "(6)" and substitute "(f)".
- 13 Page 15, strike lines 31 through 35.
- Page 15, line 36, strike "(9)" and substitute "(g)".
- 15 Page 15, strike lines 38 through 42.
- Page 15, line 43, strike "(12)" and substitute "(h)".
- 17 Page 16, after line 3, insert:
- 18 "(i) The prioritized application of middle housing, key
- 19 CORRIDOR, AND TRANSIT-ORIENTED AREA DENSITIES IN THE
- 20 MUNICIPALITY'S HIGHEST-INCOME CENSUS TRACTS;".
- Page 16, line 4, strike "(13)" and substitute "(j)".
- Page 16, line 11, strike "(14)" and substitute "(k)".

## Page 16, after line 15 insert:

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- "(2) THE LONG-TERM AFFORDABILITY STRATEGIES INCLUDED IN THE MENU OF AFFORDABILITY STRATEGIES FOR AN URBAN MUNICIPALITY MUST INCLUDE THE FOLLOWING:
- (a) THE ESTABLISHMENT OF A DEDICATED LOCAL REVENUE SOURCE FOR REGULATED AFFORDABLE HOUSING DEVELOPMENT, SUCH AS INSTITUTING A LINKAGE FEE ON NEW DEVELOPMENTS;
- (b) THE REGULATION OF SHORT-TERM RENTALS, SECOND HOMES, OR OTHER VACANT UNITS IN A WAY THAT PROMOTES THE MAXIMUM USE OF LOCAL HOUSING STOCK FOR LOCAL HOUSING NEEDS AS DETERMINED THROUGH A HOUSING NEEDS ASSESSMENT. THIS REGULATION MAY INCLUDE EXACTING A VACANCY FEE ON UNDERUTILIZED UNITS.
- (c) Making commitment to and remaining eligible for the STATE AFFORDABLE HOUSING FUND CREATED IN SECTION 29-32-102 (1);
- (d) Preserving affordability of both regulated and UNREGULATED HOUSING THROUGH INTERVENTIONS SUCH AS CAPITAL INVESTMENTS IN PROPERTY RESTORATION OR REHABILITATION, LOCAL RIGHT OF FIRST REFUSAL PROGRAMS, OR PROGRAMS THAT TRANSITION EXISTING HOUSING STOCK TO REGULATED AFFORDABLE HOUSING;
- (e) INCENTIVIZING OR CREATING A DEDICATED LOCAL PROGRAM TO FACILITATE INVESTMENT IN LAND BANKING OR COMMUNITY LAND TRUSTS;
- (f) THE ESTABLISHMENT OF AN AFFORDABLE HOMEOWNERSHIP STRATEGY SUCH AS:
- (I) THE ACQUISITION OR PRESERVATION OF DEED RESTRICTIONS ON CURRENT HOUSING UNITS;
- THE ESTABLISHMENT OF AN INCENTIVE PROGRAM TO ENCOURAGE REALTORS TO WORK WITH PROSPECTIVE LOW-INCOME AND MINORITY HOMEBUYERS; OR
- (III) THE ESTABLISHMENT OF AN AFFORDABLE RENT-TO-OWN PROGRAM; AND
- (g) PRIORITIZING THE USE OF MUNICIPALLY OWNED DEVELOPABLE LAND FOR AFFORDABLE HOUSING DEVELOPMENT, INCLUDING AFFORDABILITY DEED RESTRICTIONS OF AT LEAST SEVENTY-FIVE YEARS.
- (3) Urban municipalities shall demonstrate the adoption OF THE NUMBER OF THE AFFORDABILITY STRATEGIES SPECIFIED IN SECTION 29-33-105 (4)(d)(I) AND SUBMIT A REPORT DETAILING THESE STRATEGIES TO THE DEPARTMENT OF LOCAL AFFAIRS NO LATER THAN JUNE 30, 2025. IN DETERMINING WHICH STRATEGIES TO ADOPT, AN URBAN MUNICIPALITY SHALL CONSIDER PREVIOUS PLANS ADDRESSING HOUSING NEEDS OR OTHER AVAILABLE DATA TO INFORM THE SELECTION OF STRATEGIES TO ADDRESS
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- 41 KNOWN HOUSING NEEDS. URBAN MUNICIPALITIES MUST ADOPT AT LEAST
- 42 TWO STRATEGIES FROM THE LIST OF AFFORDABLE DEVELOPMENT

- 1 STRATEGIES IN SUBSECTION (1) OF THIS SECTION AND AT LEAST ONE 2 STRATEGY FROM THE LIST OF LONG-TERM AFFORDABILITY STRATEGIES IN 3 SUBSECTION (2) OF THIS SECTION.
- 4 (4) NOTWITHSTANDING SECTION 29-33-105 (4)(d)(I), AN URBAN 5 MUNICIPALITY MAY SUBMIT EVIDENCE TO THE DEPARTMENT OF LOCAL 6 AFFAIRS CONCERNING AFFORDABILITY STRATEGIES THAT THE
- 7 MUNICIPALITY HAS ADOPTED OUTSIDE OF THOSE LISTED IN THIS SECTION,
- $8\,$   $\,$  or that the municipality adopted prior to the effective date of
- 9 THIS SECTION, AND THE IMPACT OF THOSE STRATEGIES. THE DEPARTMENT
- 10 may determine whether those strategies may qualify as
- 11 AFFORDABILITY STRATEGIES FOR PURPOSES OF SECTION 29-33-105
- 12 (4)(d)(I).".
- Page 19, line 5, after "INCREASING" insert "AND PRESERVING".
- Page 21, strikes lines 33 through 35 and substitute:
- 15 "(2) Rural resort job center municipality planning goals. IN
- 16 ORDER TO SUPPORT AFFORDABILITY AND ADVANCE MEETING THE HOUSING
- 17 NEEDS OF LOW- AND MODERATE-INCOME HOUSEHOLDS, AS DEFINED BY
- 18 THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
- 19 DEVELOPMENT,".
- 20 Page 21, line 37, strike "THE FOLLOWING:" and substitute "BOTH
- 21 AFFORDABLE DEVELOPMENT STRATEGIES AND LONG-TERM AFFORDABILITY
- 22 STRATEGIES. THE AFFORDABLE DEVELOPMENT STRATEGIES INCLUDED IN
- 23 THE MENU OF AFFORDABILITY STRATEGIES FOR A RURAL RESORT JOB
- 24 CENTER MUNICIPALITY MUST INCLUDE THE FOLLOWING:".
- Page 22, strike lines 9 through 11 and substitute "CENTER MUNICIPALITY'S
- 26 DEMONSTRATED HOUSING AFFORDABILITY NEEDS AND SHORTAGES,
- 27 TAKING INTO CONSIDERATION REGIONAL WORKFORCE COMMUTING
- 28 TRENDS;".
- 29 Page 22, line 16, strike "FEES" and substitute "FEES FOR REGULATED
- 30 AFFORDABLE HOUSING DEVELOPMENT".
- 31 Page 22, after line 17, insert:
- 32 "(II) Planning waivers;".
- 33 Renumber succeeding subparagraphs accordingly.

- 1 Page 22, lines 19 and 20, strike "COSTS FOR REGULATED AFFORDABLE
- 2 HOUSING DEVELOPMENT" and substitute "COSTS;".
- 3 Page 22, line 28, strike "RIGHT;" and substitute "RIGHT IN HOUSING TYPES
- 4 AND AREAS BEYOND WHAT IS REQUIRED BY THIS ARTICLE 33, SUCH AS
- 5 ADDITIONAL ZONE DISTRICTS, HIGHER ALLOWED DENSITIES, OR OTHER
- 6 APPROACHES CONSISTENT WITH THE GOALS OF INCREASING HOUSING
- 7 AFFORDABILITY, SUPPLY, AND HOUSING UNIT TYPE DIVERSITY;".
- 8 Page 23, after line 6, insert:
- 9 "(o) The prioritized application of middle housing, key 10 corridor, and transit-oriented area densities in the 11 municipality's highest income census tracts;
- (p) The establishment of policies to align infrastructure strategies with the needs identified in the relevant local housing needs assessment. These policies may include the prioritization of utilities and available and usable water rights, or cost exemptions and discounts, for regulated affordable housing that meets needs identified in the relevant local
- 18 HOUSING NEEDS ASSESSMENT;".
- 19 Reletter succeeding paragraphs accordingly.
- 20 Page 23, after line 15, insert:
  - "(3) THE LONG-TERM AFFORDABILITY STRATEGIES INCLUDED IN THE MENU OF AFFORDABILITY STRATEGIES FOR A RURAL RESORT JOB CENTER MUNICIPALITY MUST INCLUDE THE FOLLOWING:
  - (a) The establishment of a dedicated local revenue source for regulated affordable housing development, such as instituting a linkage fee on New Developments;
  - (b) THE REGULATION OF SHORT-TERM RENTALS, SECOND HOMES, OR OTHER VACANT UNITS IN A WAY THAT PROMOTES THE MAXIMUM USE OF LOCAL HOUSING STOCK FOR LOCAL HOUSING NEEDS AS DETERMINED THROUGH A HOUSING NEEDS ASSESSMENT. THIS REGULATION MAY INCLUDE EXACTING A VACANCY FEE ON UNDERUTILIZED UNITS.
  - (c) Making commitment to and remaining eligible for the state affordable housing fund created in section 29-32-102 (1);
  - (d) THE ESTABLISHMENT OF AN AFFORDABLE HOMEOWNERSHIP STRATEGY SUCH AS:
- 36 (I) THE ACQUISITION OF PRESERVATION OF DEED RESTRICTIONS ON CURRENT HOUSING UNITS;
  - (II) THE ESTABLISHMENT OF AN INCENTIVE PROGRAM TO

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- ENCOURAGE REALTORS TO WORK WITH PROSPECTIVE LOW-INCOME AND MINORITY HOMEBUYERS; OR
- (III) THE ESTABLISHMENT OF AN AFFORDABLE RENT-TO-OWN PROGRAM;
- (e) PRIORITIZING THE USE OF MUNICIPALLY OWNED DEVELOPABLE LAND FOR AFFORDABLE HOUSING DEVELOPMENT, INCLUDING AFFORDABILITY DEED RESTRICTIONS OF AT LEAST SEVENTY-FIVE YEARS;
- (f) INCENTIVIZING OR CREATING A DEDICATED LOCAL PROGRAM TO FACILITATE INVESTMENT IN LAND BANKING OR COMMUNITY LAND TRUSTS; AND
- (g) Preserving affordability of both regulated and unregulated housing through interventions such as capital investments in property restoration or rehabilitation, local right of first refusal programs, or programs that transition existing housing stock to regulated affordable housing.
- (4) (a) Rural resort job center municipalities may adopt at least five of the affordability strategies listed in subsection (2) of this section and must submit a report detailing these strategies to the department of local affairs no later than December 31, 2026. In determining which strategies to adopt, a rural resort job center municipality shall consider previous plans addressing housing needs or other available data to inform the selection of strategies to address known housing needs.
- (b) Notwithstanding subsection (4)(a) of this section, a rural resort job center municipality must adopt at least two strategies from the list of affordable development strategies in subsection (2) of this section and at least one strategy from the list of long-term affordability strategies in subsection (3) of this section.
- (c) Notwithstanding subsection (4)(a) of this section, a rural resort job center municipality may submit evidence to the department of local affairs concerning affordability strategies that the municipality has adopted outside of those listed in this section, or that the municipality adopted prior to the effective date of this section, and the impact of those strategies. The department may determine whether those strategies qualify as affordability strategies for purposes of subsection (4)(a) of this section.".
- 40 Renumber succeeding subsection accordingly.

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