



PLANNING & DEVELOPMENT MEMORANDUM
#29-2021

DATE: Oct. 11, 2021

TO: Honorable Mayor Meredith Leighty and City Council Members

THROUGH: Heather Geyer, City Manager 

FROM: Brook Svoboda, Director of Planning & Development 
Becky Smith, Planning Manager
Sara Dusenberry, Senior Planner

SUBJECT: CR-108 – DOLA IHOP: Planning Grant Program and Application Support

PURPOSE

To consider CR-108, a resolution supporting an application and proposed strategies for the Department of Local Affairs' (DOLA) Innovative Housing Strategies: Planning Program Grant (IHOP).

BACKGROUND

DOLA received funds through House Bill 21-1271 to address housing concerns throughout Colorado. The bill set up three different programs with IHOP as one of them. The grant was set up to help local governments understand their housing needs and adopt policy and regulatory strategies.

The grant requirements are as follows (full program guidelines are included as Attachment #1):

- Minimum 25% local match of the total project cost is required.
- All funds must be spent before June 30, 2024.
- Official action is required by an elected board, commission or council.
 - Requires documentation through resolution, meeting minutes, etc.
- Include proposed policy strategies that could address housing concerns in the community
- May include a housing needs assessment as an initial step, but a good faith effort must be made to adopt policy and regulatory strategies to promote affordable housing.

The Planning Division is proposing the City apply for these funds to complete a housing needs assessment, as well as develop and implement policy strategies to improve housing options in Northglenn. A housing needs assessment would be utilized to better understand the state of the community. This will allow staff to evaluate how useful the proposed policy strategies may be (or even lead staff to suggest new policies) and aid in the development of policy recommendations that may be included in the comprehensive plan update. Assessments typically include and evaluate specific demographic data, economic characteristics and trends, current housing inventory and characteristics, government policies and incentives, and the adequacy and availability of selected community services.

The proposed policy strategies that will be included in the application are informed both by DOLA staff and the authorizing legislation (Attachment #2). Each strategy was chosen to take into account the limited opportunities for new development and instead take an approach that is conducive to redevelopment.

The proposed policies are as follows:

- Create requirements that call for the automatic rezoning of commercial properties that have a certain percentage of vacancy over a specific period to a mixed-use district.
 - This policy is expected to consider the intensity of each mixed-use district and their

- applicability in various areas of the City.
- The use of overlay districts may also be considered to mitigate any negative impacts from rezoning to mixed-use.
- The creation of an expedited development review process for multi-family housing that meets the standards and guidelines for the district in which the proposed development will be located
 - Expedited review timelines can help decrease project costs that are often recouped through higher rents.
- With respect to infrastructure, the creation of a dedicated funding source to subsidize infrastructure costs and associated fees related to publicly-owned water, sanitary sewer, storm sewers, and roadways infrastructure
 - May prove beneficial for properties such as the Northglenn Marketplace to assist with stormwater infrastructure improvements that would be triggered by redevelopment
 - This policy will be further researched and examined to understand the applicability and feasibility specifically to Northglenn.
- Granting duplexes, triplexes, or other appropriate multi-family housing options as a permitted use in single-family residential zoning districts
 - This is likely to be a longer-term strategy that is directly informed by the recommendation and priorities included in the comprehensive plan update.

The application will include all work associated with the housing assessment, development of policy strategies, public engagement, and code updates. The assessment would be pursued and completed in 2022 to allow for the information to inform and be incorporated into the comprehensive plan. The policy recommendations from the assessment and public input will be included in the plan and may be prioritized to meet the grant timeline.

Staff presented this program to Council at the Oct. 4 study session and there was Council consensus to move forward with an application.

BUDGET/TIME IMPLICATIONS

A 25% local match is required per grant guidelines. Staff expects the match to be between \$12,500 and \$17,500 based on the scope of work costing between \$50K and \$70K. Staff will reach out to firms, such as Clarion, to better understand the costs associated with the assessment and code updates for a community Northglenn's size. The funds for the project are expected to come from the reserve budget.

If awarded, all funds will need to be spent and policies adopted by summer 2024. This timeline may shift should the City decide to pursue other grants associated with HB21-1271.

STAFF RECOMMENDATION

Staff recommends approval of CR-108.

STAFF REFERENCE

If Council members have any questions, please contact Brook Svoboda, Director of Planning & Development, at bsvoboda@northglenn.org or 303.450.8937.

ATTACHMENTS

1. Program guidelines
2. House Bill 21-1271

HB21-1271 DOLA Innovative Housing Strategies: Planning Grant Program Guidelines



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The Colorado Department of Local Affairs (DOLA), with funding from [HB21-1271](#), offers state assistance to local governments to promote the development of innovative affordable housing strategies in a manner that is compatible with best local land use practices. HB21-1271 creates three new programs:

- Affordable Housing Development Incentives Grant Program (“Incentives Grant Program”)
- Local Government Planning Grant Program (“Planning Grant Program”)
- Affordable Housing Guided Toolkit and Local Officials Guide Program (“Toolkit Program”)

The Community Development Office (CDO) within DOLA’s Division of Local Government will manage the Incentives Grant Program and the Planning Grant Program. This document covers program guidelines for the Planning Grant Program.

Planning Grant Program

The Planning Grant Program provides grants to local governments (municipalities, counties, city/counties) to help them better understand their housing needs and adopt policy and regulatory strategies in order to promote the development of affordable housing and qualify for the Incentives Grant Program. Communities not intending to apply to the Incentives Grant Program may still apply to the Planning Grant Program.

Funding

- Approximately \$6,816,000 in funding is available for awards.
- Individual Planning Grant Program awards are expected to be approximately \$50,000-\$200,000.
- A minimum of 25% local match of the total project cost is required. An applicant experiencing financial hardship may request a reduced level of matching funds and must consult with their [DOLA Regional Manager](#) before submitting their application about a reduced match.
- Awards cannot be used to cover administrative expenses (e.g., existing staff, operating costs).
- All funds must be spent before June 30, 2024.

Eligibility

- Eligible entities include municipalities, counties, and city/counties. Awards cannot be made directly to housing authorities (but municipalities or counties can partner with housing authorities).
- The intent of the program is to fund municipal or county planning work that supports a qualifying strategy listed in the [menu of strategies](#) or an innovative option not currently on the list.
- Housing needs assessments or similar studies are encouraged where needed as an initial step to complete a qualifying planning project and may be bundled into the Planning Grant Program application.
- Applicants may request funding for more than one planning project as needed to adopt the qualifying number of strategies to compete for the Incentives Grant Program (i.e., multiple code updates may be bundled in the same application).
- “Affordable housing” is defined in the statute as up to 80% AMI for rental housing and up to

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140% AMI for affordable homeownership.

Scoring Criteria

- **Readiness:** The applicant clearly shows they are ready to begin work and has a reasonable timeline for completion. The applicant has indicated if they plan to apply for the Incentives Grant Program (though this is not required).
- **Capacity:** The applicant has organizational experience with and capacity to manage grants and to manage the overall project. The applicant has considered utilization and enforcement of new or updated planning tools and regulations as part of their strategy evaluation.
- **Impact on Housing:** The project will include developing and adopting a strategy for the applicant to qualify for the Incentives Grant Program, per the [menu of strategies](#). The applicant will be scored on the general estimated impact the tool(s) will have toward meeting the documented affordable housing need in that community, with consideration of long term affordability.
- **Political Support:** The applicant must show broad political and stakeholder support, via adopted plans, policies, and/or letters of support, to adopt the proposed strategy(ies) to support the development of affordable housing. If building support is part of the project, the applicant must demonstrate there is a thoughtful plan in place to build stakeholder support through an inclusive and equitable process. Inclusive community engagement is a critical component of every planning effort; applications will be evaluated on the extent and efficacy of their community and stakeholder engagement plan. The most competitive applicants will demonstrate how this project is part of a larger strategy to promote the development of affordable housing in the community.
- **Equity, Diversity, and Inclusion:** The applicant must show they have developed an inclusive stakeholder engagement strategy. Any process to conduct a housing needs assessment or adopt a new strategy should ensure the project will promote equity in affordable housing. Applicants should assess impacts of the work on marginalized and vulnerable populations throughout the process and on an ongoing basis. Competitive applicants will engage a wide array of stakeholders in actual design of housing solutions.
- **Local Match:** A minimum 25% local match of the total project cost is required. An applicant experiencing financial hardship may request a reduced level of matching funds and must consult with their [DOLA Regional Manager](#) before submitting their application.
- **Extra Points:** Extra points may be earned if an applicant can show the planning project:
 - considers community benefits such as early childhood education centers, age-friendly planning, energy efficiency, broadband capacity, public health outcomes, economic diversification, transit oriented development, etc.
 - develops a creative or innovative approach to promoting the development of affordable housing.
- DOLA will also consider geographic diversity, and to a lesser degree, financial need in making final award determinations.

Application and Award Process Timeline

- Applicants are strongly encouraged to consult with their [DOLA Regional Manager](#) and to get input from [CDO staff](#) before submitting.

HB21-1271 DOLA Innovative Housing Strategies: Planning Grant Program Guidelines



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- Submit applications through the Division of Local Government [Online Grants Portal](#) per the Notice of Funding Available (NOFA). Visit the [CDO website](#) for more information.
- **The deadline for the first review of applications is September 20, 2021.** Applications will then be reviewed and awarded on a rolling basis monthly until funds are depleted.
- The DOLA Executive Director will make final award decisions.
- Applications will be reviewed and awarded within 2 months. Staff will work to finalize grant agreements or contracts within 2 months.
- No work may begin on the project until the grantee receives a signed contract. Local governments must follow their own procurement rules.
- Grantees are encouraged to complete their qualifying planning work as quickly as possible so they may compete for the Incentives Grant Program, which will likely open in the fall of 2022.
- **Note:** If the grantee does not complete a good-faith effort to adopt the planning strategy(ies) outlined in the application, DOLA may request the awarded funds be returned to DOLA.

Any questions or concerns may be directed to Christy.Wiseman@state.co.us or Andy.Hill@state.co.us.

An Act

HOUSE BILL 21-1271

BY REPRESENTATIVE(S) McCluskie and Jodeh, Bacon, Benavidez, Bennett, Bird, Boesenecker, Caraveo, Cutter, Duran, Esgar, Exum, Froelich, Gonzales-Gutierrez, Herod, Hooton, Jackson, Kennedy, Kipp, Lontine, McCormick, McLachlan, Michaelson Jenet, Mullica, Ortiz, Ricks, Roberts, Tipper, Titone, Valdez A., Valdez D., Weissman, Woodrow, Young, Amabile, Sirota, Sullivan;
also SENATOR(S) Gonzales, Bridges, Buckner, Danielson, Donovan, Fenberg, Hansen, Jaquez Lewis, Kolker, Lee, Moreno, Pettersen, Story, Winter, Garcia.

CONCERNING THE ESTABLISHMENT OF PROGRAMS OFFERING STATE ASSISTANCE TO LOCAL GOVERNMENTS TO PROMOTE THE DEVELOPMENT OF INNOVATIVE AFFORDABLE HOUSING STRATEGIES IN A MANNER THAT IS COMPATIBLE WITH BEST LOCAL LAND USE PRACTICES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly hereby finds, determines, and declares that:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(a) Coloradans have identified housing affordability as the biggest issue facing the state as one in every seven Colorado households is spending more than half of its income on housing according to a study by Shift Research Lab;

(b) The median home price to median income ratio has increased across markets all across the nation. As of 2019, the price-to-income ratio was considerably larger for renters than owners, with the gap most significant in major metropolitan areas with a population greater than three million people. Across large metropolitan areas with a population greater than one million but less than three million, the gap in price-to-income ratio for renters was largest in Providence, Denver, and Salt Lake City.

(c) The same measurement on a statewide scale puts Colorado among just five states with a greater than sixty percent gap between home price and income growth between 2009 and 2019. Between 2012 and 2019, Colorado fell from being one of the most affordable states to one of the least affordable states in the country based on median income to median pricing.

(d) Currently, Colorado has a shortage of nearly 121,000 affordable rental units, and the Colorado housing and finance authority reports that nearly half of all Colorado renters are considered cost burdened, with an additional twenty-four percent being severely cost burdened;

(e) By this act, the general assembly is focusing a portion of the stimulus dollars it has received from the federal government to begin to remedy this affordable housing crisis in Colorado with innovative legislation that will jumpstart the production of housing statewide in the next three years through three programs detailed in the act. In combination, these programs focus on removing regulatory barriers to affordable housing development and offering incentives to local governments to make policy changes, as well as a mechanism for local governments to receive expertise or financial assistance from the state.

(f) The general assembly recognizes that local governments throughout the state vary in their stages of meeting the housing needs of their communities. In order to help local governments respond to these needs and to encourage them to extend their ability to create housing and more liveable and vibrant communities, the divisions of local government

and housing within the department of local affairs will focus on three programs.

(g) When a local government is at the nascent phase of addressing affordable housing needs, it may require additional help to develop an overall strategy. The housing toolkit program grant would offer local governments comprehensive support to make effective change by assessing housing needs, building effective communication strategies around the need for affordable housing, understanding which actions might have the biggest impact, and supporting the local government through the steps preparatory to taking action to address these housing needs.

(h) When a local government is at an intermediate phase of addressing affordable housing needs, it may require particular expertise to help it refine and advance its housing strategy. The planning grant program awards local governments funding to hire assistance to adopt qualifying land use strategies that prepare the local government to meet this phase of its housing needs by conducting a needs assessment, reviewing model land use codes, or making investments in its community that would enable the local government to be competitive in applying for a housing development incentives grant.

(i) If a local government is demonstrating an ongoing commitment to advancing its land use regulations and policies to address the affordable housing needs in its community, it may be eligible to apply for a housing development incentives grant. This grant is focused on allowing local governments to adopt effective tools to spur housing creation. The menu of strategy options is broad enough that any community can be successful in finding the right mix of strategies that fit its community, or the local government may introduce its own innovative or unique approach. Local governments would choose the strategies that best fits the character of their community to pursue the grant funding from the state whether they are in an urban, rural, mountain resort, or eastern plains location. Additionally, the department of local affairs would have the discretion to select novel, creative, or innovative proposals from communities that offer an additional approach to create affordable housing or would be able to consider how those local governments that have already taken steps to address housing affordability would be eligible to continue and advance their approaches if they have already undertaken some of the best practice approaches. The most competitive local governments will demonstrate a continued

commitment to removing barriers to affordable housing development.

(j) On March 11, 2021, the federal government enacted the "American Rescue Plan Act of 2021", Pub.L. 117-2, referred to in this section as the "federal act", pursuant to which Colorado will receive \$3,828,761,790 from the federal coronavirus state fiscal recovery fund to be used for certain specified purposes;

(k) These specified purposes include providing programs, services, or other assistance for populations disproportionately impacted by the COVID-19 public health emergency;

(l) More specifically, pursuant to 31 C.F.R. 35.6 (b), these specified purposes include programs or services that address housing insecurity, lack of affordable housing, or homelessness, including supportive housing or other programs or services to improve access to stable affordable housing among individuals who are homeless; the development of affordable housing to increase the supply of affordable housing developments that are livable, vibrant, and driven by community benefits; and housing vouchers and assistance relocating to neighborhoods with higher levels of economic opportunity and to reduce concentrated areas of low economic opportunity;

(m) The three grant programs funded by the bill will enable local governments across the state at various stages of development in their ability to provide affordable housing to create and implement the programs or services that address housing insecurity, lack of affordable housing, or homelessness to enable populations, households, or geographic areas disproportionately affected by the COVID-19 public health emergency to obtain affordable housing. Accordingly, pursuant to 31 C.F.R. 35.6 (b), the assistance that will be provided by the three grant programs funded by the bill is an eligible use of money received by the state under the federal act.

SECTION 2. In Colorado Revised Statutes, 24-32-104, **add** (4) and (5) as follows:

24-32-104. Functions of the division - definition. (4) THE DIVISION SHALL ADMINISTER THE LOCAL GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM CREATED IN SECTION 24-32-130 (2) AND THE LOCAL GOVERNMENT PLANNING GRANT PROGRAM CREATED IN SECTION 24-32-130 (5).

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(5) THE DIVISION SHALL CONSULT WITH THE DIVISION OF HOUSING CREATED IN SECTION 24-32-704 IN CONNECTION WITH THE CREATION AND ADMINISTRATION OF THE HOUSING TOOLKIT PROGRAM IN ACCORDANCE WITH SECTION 24-32-721.5 (2)(a).

SECTION 3. In Colorado Revised Statutes, add 24-32-130 as follows:

24-32-130. Local government affordable housing development incentives grant program - local government planning grant program - creation - report - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "AFFORDABLE HOUSING" MEANS:

(I) FOR A HOUSEHOLD RESIDING IN HOUSING ON A RENTAL BASIS, ANNUAL INCOME OF THE HOUSEHOLD IS AT OR BELOW EIGHTY PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED;

(II) FOR A HOUSEHOLD RESIDING IN HOUSING ON A HOME OWNERSHIP BASIS, ANNUAL INCOME OF THE HOUSEHOLD IS AT OR BELOW ONE HUNDRED FORTY PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED; OR

(III) HOUSING THAT INCORPORATES MIXED-INCOME DEVELOPMENT.

(b) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

(c) "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT THAT IS ELIGIBLE TO RECEIVE A GRANT THROUGH THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM.

(d) "HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM" MEANS THE LOCAL GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

(e) "LOCAL GOVERNMENT" MEANS A COUNTY, A MUNICIPALITY, OR A CITY AND COUNTY.

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(f) "MIXED INCOME DEVELOPMENT" MEANS HOUSING THAT INCORPORATES MIXED INCOME DEVELOPMENT IN THAT SOME, BUT NOT ALL, HOUSING UNITS WITHIN A PARTICULAR DEVELOPMENT HAVE RESTRICTED RATES AT OR BELOW THE INCOME LEVELS SPECIFIED IN SUBSECTION (1)(a) OF THIS SECTION IN ADDITION TO SOME UNITS THAT ARE ABOVE SUCH INCOME LEVELS WITH OR WITHOUT SUCH RESTRICTED RATES.

(g) "PLANNING GRANT PROGRAM" MEANS THE LOCAL GOVERNMENT PLANNING GRANT PROGRAM CREATED IN SUBSECTION (5) OF THIS SECTION.

(2) THERE IS HEREBY CREATED IN THE DEPARTMENT THE LOCAL GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM TO PROVIDE GRANTS TO LOCAL GOVERNMENTS THAT ADOPT ONE OR MORE POLICY OR REGULATORY TOOLS THAT CREATE INCENTIVES TO PROMOTE THE DEVELOPMENT OF AFFORDABLE HOUSING. A LOCAL GOVERNMENT THAT ADOPTS SUCH TOOLS IN ACCORDANCE WITH THIS SECTION IS ELIGIBLE FOR A GRANT FROM THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM AS AN INCENTIVE TO DEVELOP ONE OR MORE AFFORDABLE HOUSING DEVELOPMENTS IN THEIR COMMUNITY OR REGION THAT ARE DRIVEN BY COMMUNITY BENEFITS AND THAT FOCUS ON CRITICAL HOUSING NEEDS AS IDENTIFIED BY THE LOCAL GOVERNMENT. THE DIVISION SHALL ADMINISTER THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM.

(3)(a) AS PART OF THE POLICIES, PROCEDURES, AND GUIDELINES THE DIVISION IS REQUIRED TO ADOPT FOR THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION, THE DIVISION SHALL DEVELOP A MENU OF DIFFERENT POLICY OR REGULATORY TOOLS THAT LOCAL GOVERNMENTS MAY ADOPT AS INCENTIVES TO PROMOTE AFFORDABLE HOUSING DEVELOPMENT WITHIN THEIR TERRITORIAL BOUNDARIES OR ACROSS THEIR REGION.

(b)(I) THE MENU OF TOOLS THE DIVISION MUST DEVELOP PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION MUST INCLUDE SUCH INCENTIVES TO PROMOTE AFFORDABLE HOUSING DEVELOPMENT INCLUDING BUT NOT LIMITED TO:

(A) THE USE OF VACANT PUBLICLY OWNED REAL PROPERTY WITHIN THE LOCAL GOVERNMENT FOR THE DEVELOPMENT OF AFFORDABLE HOUSING;

(B) THE CREATION OF A PROGRAM TO SUBSIDIZE OR OTHERWISE REDUCE LOCAL DEVELOPMENT REVIEW OR FEES, INCLUDING BUT NOT LIMITED TO BUILDING PERMIT FEES, PLANNING WAIVERS, AND WATER AND SEWER TAP FEES, FOR AFFORDABLE HOUSING DEVELOPMENT;

(C) THE CREATION OF AN EXPEDITED DEVELOPMENT REVIEW PROCESS FOR AFFORDABLE HOUSING AIMED AT HOUSEHOLDS THE ANNUAL INCOME OF WHICH IS AT OR BELOW ONE HUNDRED TWENTY PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED;

(D) THE CREATION OF AN EXPEDITED DEVELOPMENT REVIEW PROCESS FOR ACQUIRING OR REPURPOSING UNDERUTILIZED COMMERCIAL PROPERTY THAT CAN BE REZONED TO INCLUDE AFFORDABLE HOUSING UNITS, INCLUDING THE PRESERVATION OF EXISTING AFFORDABLE HOUSING UNITS;

(E) THE ESTABLISHMENT OF A DENSITY BONUS PROGRAM TO INCREASE THE CONSTRUCTION OF UNITS THAT MEET CRITICAL HOUSING NEEDS IN THE LOCAL COMMUNITY;

(F) WITH RESPECT TO WATER UTILITY CHARGES, THE CREATION OF PROCESSES TO PROMOTE THE USE OF SUB-METERING OF UTILITY CHARGES FOR AFFORDABLE HOUSING PROJECTS AND THE CREATION OF EXPERTISE IN WATER UTILITY MATTERS DEDICATED TO AFFORDABLE HOUSING PROJECTS;

(G) WITH RESPECT TO INFRASTRUCTURE, THE CREATION OF A DEDICATED FUNDING SOURCE TO SUBSIDIZE INFRASTRUCTURE COSTS AND ASSOCIATED FEES RELATED TO PUBLICLY OWNED WATER, SANITARY SEWER, STORM SEWERS, AND ROADWAYS INFRASTRUCTURE;

(H) GRANTING DUPLEXES, TRIPLEXES, OR OTHER APPROPRIATE MULTI-FAMILY HOUSING OPTIONS AS A USE BY RIGHT IN SINGLE-FAMILY RESIDENTIAL ZONING DISTRICTS;

(I) THE CLASSIFICATION OF A PROPOSED AFFORDABLE HOUSING DEVELOPMENT AS A USE BY RIGHT WHEN IT MEETS THE BUILDING DENSITY AND DESIGN STANDARDS OF A GIVEN ZONING DISTRICT;

(J) AUTHORIZING ACCESSORY DWELLING UNITS AS A USE BY RIGHT ON PARCELS IN SINGLE FAMILY ZONING DISTRICTS THAT MEET THE SAFETY

AND INFRASTRUCTURE CAPACITY CONSIDERATIONS OF LOCAL GOVERNMENTS;

(K) ALLOWING PLANNED UNIT DEVELOPMENTS WITH INTEGRATED AFFORDABLE HOUSING UNITS;

(L) ALLOWING THE DEVELOPMENT OF SMALL SQUARE FOOTAGE RESIDENTIAL UNIT SIZES;

(M) LESSENERD MINIMUM PARKING REQUIREMENTS FOR NEW AFFORDABLE HOUSING DEVELOPMENTS; AND

(N) THE CREATION OF A LAND DONATION, LAND ACQUISITION, OR LAND BANKING PROGRAM.

(II) IN ADDITION TO THE ITEMS LISTED IN SUBSECTION (3)(b)(I) OF THIS SECTION, THE POLICIES, PROCEDURES, AND GUIDELINES ADOPTED BY THE DIVISION MUST ALSO ALLOW FOR THE ADOPTION BY A LOCAL GOVERNMENT OF ADDITIONAL POLICY OR REGULATORY TOOLS THAT PROVIDE NOVEL, CREATIVE, OR INNOVATIVE INCENTIVES TO THE DEVELOPMENT OF AFFORDABLE HOUSING.

(4)(a) IN THE POLICIES, PROCEDURES, AND GUIDELINES THE DIVISION IS REQUIRED TO ADOPT FOR THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION, THE DIVISION SHALL SPECIFY, WITHOUT LIMITATION:

(I) THE MANNER BY WHICH A LOCAL GOVERNMENT BECOMES AN ELIGIBLE RECIPIENT FOR THE GRANT PROGRAM AND THE CRITERIA USED TO DETERMINE ELIGIBILITY;

(II) THE MANNER IN WHICH A LOCAL GOVERNMENT'S ONGOING COMMITMENT TO REFINE AND EXPAND ITS LAND USE POLICIES AFFECTS THE COMPETITIVENESS OF ITS GRANT APPLICATION; AND

(III) A REQUIREMENT THAT A LOCAL GOVERNMENT SHALL SELECT NOT LESS THAN THREE OPTIONS FROM THE MENU OF POLICY OR REGULATORY TOOLS SPECIFIED IN SUBSECTION (3)(b) OF THIS SECTION.

(b) IN EVALUATING APPLICATIONS FOR GRANTS FROM THE HOUSING

DEVELOPMENT INCENTIVES GRANT PROGRAM, THE DIVISION SHALL PRIORITIZE PROPOSALS SUBMITTED BY LOCAL GOVERNMENTS BASED ON THE DEGREE TO WHICH THE GRANT AWARD, EITHER ON ITS OWN, OR AS PART OF OTHER INCENTIVES MADE AVAILABLE TO THE ELIGIBLE RECIPIENT:

(I) REPRESENTS GEOGRAPHIC DIVERSITY THROUGHOUT THE STATE WITH RESPECT TO THE DIFFERENT KINDS OF COMMUNITIES BEING AWARDED GRANTS;

(II) SATISFIES THE GOAL OF ACHIEVING BEST PRACTICES IN AFFORDABLE HOUSING DEVELOPMENT WHETHER WITH RESPECT TO THE MENU OF POLICY OR REGULATORY TOOLS ADOPTED BY THE LOCAL GOVERNMENT OR THAT REPRESENTS A NOVEL, CREATIVE, OR INNOVATIVE APPROACH TO THE DEVELOPMENT OF AFFORDABLE HOUSING;

(III) OFFERS MAXIMUM IMPACT IN INITIATING AFFORDABLE HOUSING CREATION WITHIN THE LOCAL COMMUNITY OR REGION THAT IS DRIVEN BY COMMUNITY BENEFITS AND THAT FOCUSES ON CRITICAL HOUSING NEEDS AS IDENTIFIED BY THE LOCAL GOVERNMENT;

(IV) EXTENDS OR ADVANCES EXISTING APPROACHES BY THE LOCAL GOVERNMENT TO INITIATE HOUSING CREATION WHETHER WITH RESPECT TO THE PRODUCTION OF HOUSING UNITS OR LONGER TERM POLICY CHANGES;

(V) REPRESENTS DIVERSITY IN THE TYPE OF AFFORDABLE HOUSING CREATED FOR RENTAL HOUSING IN ACCORDANCE WITH SUBSECTION (1)(a)(I) OF THIS SECTION AND FOR HOME OWNERSHIP IN ACCORDANCE WITH SUBSECTION (1)(a)(II) OF THIS SECTION;

(VI) INITIATES OR PRESERVES HOUSING AFFORDABILITY THAT CAN BE MAINTAINED FOR A LONG-TERM PERIOD OF AFFORDABILITY AS NEGOTIATED BY THE DEPARTMENT AND THE LOCAL GOVERNMENT AND THAT ALLOWS THE LOCAL GOVERNMENT TO DETERMINE THE METHOD FOR ACHIEVING AFFORDABILITY; AND

(VII) SUPPORTS SUSTAINABLE DEVELOPMENT PATTERNS SUCH AS INFILL AND THE REDEVELOPMENT OF EXISTING BUILDINGS.

(c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, WITH RESPECT TO THE AWARDED OF GRANTS UNDER THE HOUSING DEVELOPMENT

INCENTIVES GRANT PROGRAM, THE DIVISION SHALL PRIORITIZE ITS FUNDING IN FAVOR OF THOSE LOCAL GOVERNMENTS THAT DEMONSTRATE THE SUFFICIENT USE OF LOCAL INCENTIVES FOR AFFORDABLE HOUSING DEVELOPMENT IN SUCH MANNER AS TO BE ABLE TO LEVERAGE FUNDING FOR THE MAXIMUM IMPACT ON THE NUMBER OF AFFORDABLE HOUSING UNITS BUILT OVER TIME AND THAT ARE AFFORDABLE AS NEGOTIATED BY THE DEPARTMENT AND LOCAL GOVERNMENTS.

(5) THERE IS HEREBY CREATED IN THE DEPARTMENT THE LOCAL GOVERNMENT PLANNING GRANT PROGRAM TO PROVIDE GRANTS TO LOCAL GOVERNMENTS THAT LACK ONE OR MORE OF THE POLICY AND REGULATORY TOOLS THAT PROVIDE INCENTIVES TO PROMOTE THE DEVELOPMENT OF AFFORDABLE HOUSING AS DESCRIBED IN SUBSECTION (3) OF THIS SECTION AND THAT COULD BENEFIT FROM ADDITIONAL FUNDING TO BE ABLE TO CREATE AND MAKE USE OF THESE POLICY AND REGULATORY TOOLS. MONEY UNDER THE PLANNING GRANT PROGRAM WILL BE AVAILABLE TO A LOCAL GOVERNMENT TO ENABLE THE GOVERNMENT TO RETAIN A CONSULTANT OR A RELATED PROFESSIONAL SERVICE TO ASSESS THE HOUSING NEEDS OF ITS COMMUNITY, INCLUDING CONSIDERATIONS OF EQUITY, OR TO MAKE CHANGES TO ITS POLICIES, PROGRAMS, DEVELOPMENT REVIEW PROCESSES, LAND USE CODES, AND RELATED RULES TO BECOME AN ELIGIBLE RECIPIENT OF A GRANT UNDER THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM. THE PLANNING GRANT PROGRAM WILL BE ADMINISTERED BY THE DIVISION. AS PART OF ITS ADMINISTRATION OF THE PLANNING GRANT PROGRAM, THE DIVISION SHALL PROVIDE ASSISTANCE TO LOCAL GOVERNMENTS ON BEST LAND USE PRACTICES AND TOOLS AND SHALL UPDATE AND PUBLISH MODEL COUNTY AND MUNICIPAL LAND USE CODES FOR THE BENEFIT OF LOCAL GOVERNMENTS ACROSS THE STATE.

(6) (a) ON OR BEFORE SEPTEMBER 1, 2021, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL ADOPT POLICIES, PROCEDURES, AND GUIDELINES FOR THE HOUSING INCENTIVES GRANT PROGRAM AND PLANNING GRANT PROGRAM THAT INCLUDE, WITHOUT LIMITATION:

(I) PROCEDURES AND TIMELINES BY WHICH AN ELIGIBLE RECIPIENT MAY APPLY FOR A GRANT;

(II) CRITERIA FOR DETERMINING THE AMOUNT OF GRANT AWARDS;

(III) PERFORMANCE CRITERIA FOR GRANT RECIPIENTS' PROJECTS; AND

(IV) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

(b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, THE AMOUNT OF ANY GRANT AWARD UNDER EITHER THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM AND ANY RESTRICTIONS OR CONDITIONS PLACED UPON THE USE OF GRANT MONEY AWARDED IS WITHIN THE DISCRETION OF THE DIVISION IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION.

(c) TO THE EXTENT APPLICABLE, AND UNLESS OTHERWISE REQUIRED BY THIS SECTION, REQUIREMENTS GOVERNING THE PROCESS OF AWARDED A COLORADO HERITAGE PLANNING GRANT UNDER PART 32 OF THIS TITLE 24 GOVERN THE PROCESS FOR OBTAINING A GRANT FROM THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM UNDER THIS SECTION.

(7) ALL FUNDING OF ANY GRANTS AWARDED UNDER EITHER THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM MUST BE MADE ENTIRELY OUT OF THE MONEY TRANSFERRED FROM THE GENERAL FUND AND THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH FUND CREATED IN SECTION 24-75-229 (3)(a), THAT ORIGINATES FROM MONEY THE STATE RECEIVED FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND, TO THE COLORADO HERITAGE COMMUNITIES FUND CREATED IN SECTION 24-32-3207 (1) IN ACCORDANCE WITH SECTION 24-32-3207 (6). ALL COSTS INCURRED BY THE DIVISION IN ADMINISTERING EITHER THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM MUST BE PAID OUT OF THE MONEY TRANSFERRED UNDER SECTION 24-32-3207 (6). THE DIVISION MAY USE UP TO FOUR PERCENT OF ANY MONEY TRANSFERRED TO IT UNDER THIS SECTION TO COVER ITS ADMINISTRATIVE COSTS IN ADMINISTERING OR EVALUATING EITHER THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM. ALL MONEY TRANSFERRED INTO THE COLORADO HERITAGE COMMUNITIES FUND IN ACCORDANCE WITH SECTION 24-32-3207 (6) MUST BE EXPENDED BY JULY 1, 2024. ANY MONEY TRANSFERRED INTO THE FUND IN ACCORDANCE WITH THIS SUBSECTION (7) THAT IS NOT EXPENDED OR ENCUMBERED FROM ANY APPROPRIATION AT THE END OF ANY FISCAL YEAR IS AVAILABLE FOR EXPENDITURE BY JULY 1, 2024, WITHOUT FURTHER APPROPRIATION.

(8) (a) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE NOVEMBER 1, 2023, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL PUBLISH A REPORT SUMMARIZING THE USE OF ALL MONEY THAT WAS AWARDED AS GRANTS FROM THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM IN THE PRECEDING FISCAL YEAR. AT A MINIMUM, THE REPORT MUST SPECIFY THE NUMBER OF LOCAL GOVERNMENTS THAT APPLIED FOR A GRANT AWARD, INCLUDING THE NUMBER OF LOCAL GOVERNMENTS THAT WERE NOT AWARDED A GRANT; THE POLICY OR REGULATORY TOOLS ADOPTED BY THE LOCAL GOVERNMENTS THAT QUALIFIED FOR A GRANT AWARD; THE AMOUNT OF GRANT MONEY DISTRIBUTED TO EACH GRANT RECIPIENT; AND A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY. IN THE REPORT, THE DIVISION SHALL ALSO PROVIDE ITS RECOMMENDATIONS CONCERNING FUTURE ADMINISTRATION OF THE GRANT PROGRAM. THE REPORT MUST BE SHARED WITH THE GENERAL ASSEMBLY AND POSTED ON THE DEPARTMENT'S WEBSITE.

(b) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE NOVEMBER 1, 2023, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL PUBLISH A REPORT SUMMARIZING THE USE OF ALL MONEY THAT WAS AWARDED AS GRANTS FROM THE PLANNING GRANT PROGRAM IN THE PRECEDING FISCAL YEAR. AT A MINIMUM, THE REPORT MUST SPECIFY THE AMOUNT OF GRANT MONEY DISTRIBUTED TO EACH GRANT RECIPIENT AND A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY. IN THE REPORT, THE DIVISION SHALL ALSO PROVIDE ITS RECOMMENDATIONS CONCERNING FUTURE ADMINISTRATION OF THE GRANT PROGRAM. THE REPORT MUST BE SHARED WITH THE GENERAL ASSEMBLY AND POSTED ON THE DEPARTMENT'S WEBSITE.

SECTION 4. In Colorado Revised Statutes, 24-32-705, **add** (7) as follows:

24-32-705. Functions of division. (7) THE DIVISION SHALL ADMINISTER THE AFFORDABLE HOUSING GUIDED TOOLKIT AND LOCAL OFFICIALS GUIDE PROGRAM IN ACCORDANCE WITH SECTION 24-32-721.5.

SECTION 5. In Colorado Revised Statutes, 24-32-721, **amend** (1); and **add** (6) as follows:

24-32-721. Colorado affordable housing construction grants and loans - housing development grant fund - creation - housing assistance

for persons with behavioral, mental health, or substance use disorders - cash fund - appropriation - report to general assembly - rules - definitions - repeal. (1) There is hereby created in the state treasury the housing development grant fund, which fund is administered by the division and is referred to in this section as the "fund". The fund consists of money credited to the fund in accordance with section 39-26-123 (3)(b); money transferred to the fund in accordance with section 24-22-118 (2); money appropriated to the fund by the general assembly; all money transferred to the fund from the marijuana tax cash fund created in section 39-28.8-501 (1) and any other cash fund maintained by the state; ALL MONEY TRANSFERRED TO THE FUND FROM THE GENERAL FUND PURSUANT TO SUBSECTION (6) OF THIS SECTION; all money collected by the division for purposes of this section from federal grants, from other contributions, gifts, grants, and donations received from any other organization, entity, or individual, public or private; and from any fees or interest earned on such money. The division is hereby authorized and directed to solicit, accept, expend, and disburse all money collected for the fund from the sources specified in this subsection (1) for the purpose of making grants, or loans, OR OTHER FORMS OF ASSISTANCE THAT MAY BE AWARDED UNDER SECTION 24-32-721.5 and for program administration as provided in this section. All such money must be transmitted to the state treasurer to be credited to the fund. The money in the fund is continuously appropriated to the division for the purposes of this section.

(6) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6), THE STATE TREASURER SHALL TRANSFER ONE MILLION SIX HUNDRED THOUSAND DOLLARS FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT GRANT FUND CREATED IN SUBSECTION (1) OF THIS SECTION. THE DIVISION SHALL USE THE MONEY TRANSFERRED PURSUANT TO THIS SUBSECTION (6) FOR THE AFFORDABLE HOUSING GUIDED TOOLKIT AND LOCAL OFFICIALS GUIDE PROGRAM CREATED IN SECTION 24-32-721.5.

SECTION 6. In Colorado Revised Statutes, add 24-32-721.5 as follows:

24-32-721.5. Affordable housing guided toolkit and local officials guide program - creation. (1) (a) THERE IS HEREBY CREATED WITHIN THE DIVISION THE AFFORDABLE HOUSING GUIDED TOOLKIT AND LOCAL OFFICIALS GUIDE PROGRAM, REFERRED TO IN THIS SECTION AS THE "HOUSING TOOLKIT PROGRAM". THE PURPOSE OF THE HOUSING TOOLKIT PROGRAM IS TO AWARD

FUNDING TO QUALIFIED COUNTIES, MUNICIPALITIES, AND FEDERALLY RECOGNIZED TRIBES WITHIN THE STATE SELECTED IN A COMPETITIVE PROCESS WHO COMMIT TO THE ADOPTION OF BEST LAND USE PRACTICES WITH DEMONSTRATED SUCCESS IN THE DEVELOPMENT OF AFFORDABLE HOUSING. UNDER THE HOUSING TOOLKIT PROGRAM, TECHNICAL ASSISTANCE WILL BE PROVIDED BY CONSULTANTS AND RELATED PROFESSIONALS TO ENABLE LOCAL GOVERNMENTS TO ACHIEVE AN UNDERSTANDING OF THE HOUSING NEEDS OF THEIR COMMUNITIES, INCLUDING THE EQUITY IMPACTS OF THEIR LAND USE POLICIES AND REGULATIONS, TAKE STEPS TO ENGAGE THEIR ENTIRE COMMUNITIES IN THIS PROCESS, MAKE CHANGES TO THEIR LAND USE CODES AND RELATED PROCESSES THAT PROVIDE INCENTIVES AND REDUCE BARRIERS TO THE DEVELOPMENT OF AFFORDABLE HOUSING, OBTAIN AND SUPPORT VIABLE SITES IN THEIR COMMUNITIES FOR THE DEVELOPMENT OF AFFORDABLE HOUSING, AND ATTRACT DEVELOPERS COMMITTED TO MAKING SUCH INVESTMENTS IN THEIR COMMUNITIES. THE DIVISION SHALL ADMINISTER THE HOUSING TOOLKIT PROGRAM.

(b) ALL FUNDING OF ANY ASSISTANCE AWARDED UNDER THE HOUSING TOOLKIT PROGRAM MUST BE MADE ENTIRELY OUT OF THE MONEY TRANSFERRED FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1) IN ACCORDANCE WITH SECTION 24-32-721 (6). ALL COSTS INCURRED BY THE DIVISION IN ADMINISTERING THE HOUSING TOOLKIT PROGRAM MUST BE PAID OUT OF THE MONEY TRANSFERRED IN ACCORDANCE WITH SECTION 24-32-721 (6). THE DIVISION MAY USE UP TO EIGHT PERCENT OF ANY MONEY APPROPRIATED TO IT UNDER THIS SECTION TO COVER ITS ADMINISTRATIVE COSTS IN ADMINISTERING THE HOUSING TOOLKIT PROGRAM. ALL MONEY TRANSFERRED TO THE HOUSING DEVELOPMENT GRANT FUND IN ACCORDANCE WITH SECTION 24-32-721 (6) MUST BE EXPENDED OVER THE SUBSEQUENT THREE STATE FISCAL YEARS.

(2) (a) IN EVALUATING APPLICATIONS FOR TECHNICAL ASSISTANCE UNDER THE HOUSING TOOLKIT PROGRAM, THE DIVISION SHALL PRIORITIZE PROJECTS BASED UPON WHETHER THE APPLICATION WILL, IN THE DISCRETION OF THE DIVISION, CREATE THE MAXIMUM IMPACT ON THE DEVELOPMENT OF AFFORDABLE HOUSING IN THE AREAS OF GREATEST NEED ACROSS THE STATE AND WILL SATISFY ONE OR MORE OF THE FACTORS SPECIFIED IN SUBSECTION (1) OF THIS SECTION. THE DIVISION SHALL CONSULT WITH THE DIVISION OF LOCAL GOVERNMENT IN CONNECTION WITH THE CREATION AND ADMINISTRATION OF THE HOUSING TOOLKIT PROGRAM.

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(b) ON OR BEFORE SEPTEMBER 1, 2021, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS OR THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL ADOPT POLICIES AND PROCEDURES FOR THE HOUSING TOOLKIT PROGRAM THAT INCLUDE, WITHOUT LIMITATION:

(I) PROCEDURES AND TIME LINES BY WHICH AN ELIGIBLE RECIPIENT MAY APPLY FOR ASSISTANCE UNDER THE HOUSING TOOLKIT PROGRAM;

(II) CRITERIA FOR DETERMINING THE AMOUNT OR NATURE OF THE ASSISTANCE AWARDED;

(III) PERFORMANCE CRITERIA FOR GRANT RECIPIENTS' PROJECTS; AND

(IV) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

(c) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE NOVEMBER 1, 2023, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL PUBLISH A REPORT SUMMARIZING THE USE OF ALL ASSISTANCE THAT WAS AWARDED FROM THE HOUSING TOOLKIT PROGRAM IN THE PRECEDING FISCAL YEAR. IN THE REPORT, THE DIVISION SHALL ALSO PROVIDE ITS RECOMMENDATIONS CONCERNING FUTURE ADMINISTRATION OF THE HOUSING TOOLKIT PROGRAM. THE REPORT MUST BE SHARED WITH THE GENERAL ASSEMBLY AND POSTED ON THE DEPARTMENT'S WEBSITE.

SECTION 7. In Colorado Revised Statutes, 24-32-3202, **amend** (7); and **repeal** (6) as follows:

24-32-3202. Definitions. As used in this part 32, unless the context otherwise requires:

(6) ~~"Growth" means changes in population that impact land use, infrastructure development, and the surrounding environment.~~

(7) "Local government" means any county, city and county, city, town, or special district created pursuant to article 1 of title 32. ~~C.R.S. except that, for purposes of this part 32 in connection with section 24-32-3203 (3)(c)(I), "local government" shall be deemed to include an irrigation district, ditch company, or conservancy district.~~

SECTION 8. In Colorado Revised Statutes, 24-32-3203, **amend** (3)(c) and (3)(d); and **repeal** (3)(a) as follows:

24-32-3203. Office of smart growth - creation - powers and duties of executive director. (3) The executive director shall have the following powers and duties in administering this part 32:

(a) ~~To designate areas within Colorado as Colorado heritage communities. Areas designated as Colorado heritage communities shall be eligible for a Colorado heritage planning grant by the office out of moneys in the fund created by section 24-32-3207 in accordance with the provisions of this part 32.~~

(c) To review and approve applications for Colorado heritage planning grants awarded by the office out of ~~moneys~~ MONEY in the fund in accordance with the requirements of this part 32, and to determine the amount of money to be awarded under each such grant. An application for such a grant shall ~~MUST~~:

(I) ~~Be submitted jointly by the governing bodies of at least two local governments, except that applications regarding water banking pursuant to subparagraph (II) of this paragraph (c) may also be submitted singly or in combination by the governing body of a local government or by an irrigation district, ditch company, or conservancy district, and~~

(II) Address critical planning issues, including, without limitation, land use and development patterns, AFFORDABLE HOUSING, transportation planning, mitigation of environmental hazards, water banking pursuant to article 80.5 of title 37, ~~C.R.S.~~, and energy use.

(d) To review and approve applications for grants awarded by the office out of ~~moneys~~ MONEY in the fund to assist a local government, as applicable, in developing a master plan in conformity with section 30-28-106 or 31-23-206; ~~C.R.S.~~, and to ~~determine the amount of money to be awarded under each such grant pursuant to section 24-32-3207(2);~~

SECTION 9. In Colorado Revised Statutes, 24-32-3207, **amend** (1); **repeal** (2); and **add** (6) as follows:

24-32-3207. Colorado heritage communities fund - creation -

source of funds. (1) There is hereby created in the state treasury the Colorado heritage communities fund, which fund ~~shall be~~ IS administered by the director and which ~~shall consist~~ CONSISTS of all ~~moneys~~ MONEY appropriated to ~~said~~ THE fund by the general assembly, MONEY TRANSFERRED FROM THE GENERAL FUND AND THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH FUND CREATED IN SECTION 24-75-229 (3)(a), THAT ORIGINATES FROM MONEY THE STATE RECEIVED FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND, TO THE FUND PURSUANT TO SUBSECTION (6) OF THIS SECTION, and all other ~~moneys~~ MONEY collected by the office for the fund from federal grants or other contributions, grants, gifts, bequests, or donations received from other agencies of state government, individuals, private organizations, or foundations. Such ~~moneys~~ MONEY shall be transmitted to the state treasurer to be credited to the fund.

(2) ~~Not more than an amount equal to thirty percent of any moneys in the fund as of the beginning of any given fiscal year shall be made available before the end of that same fiscal year to local governments in grant moneys for the development of master plans pursuant to section 24-32-3203 (3)(d).~~

(6) (a) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6), OR AS SOON AS PRACTICABLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER:

(I) THIRTY MILLION DOLLARS FROM THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH FUND CREATED IN SECTION 24-75-229 (3)(a), THAT ORIGINATES FROM MONEY THE STATE RECEIVED FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND, TO THE COLORADO HERITAGE COMMUNITIES FUND CREATED IN SUBSECTION (1) OF THIS SECTION; AND

(II) NINE MILLION THREE HUNDRED THOUSAND DOLLARS FROM THE GENERAL FUND TO THE COLORADO HERITAGE COMMUNITIES FUND CREATED IN SUBSECTION (1) OF THIS SECTION.

(b) THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT SHALL USE THE MONEY TRANSFERRED PURSUANT TO SUBSECTION (6)(a) OF THIS SECTION FOR THE CREATION, IMPLEMENTATION, AND ADMINISTRATION OF THE LOCAL GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM CREATED IN SECTION 24-32-130 (2) IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 24-32-130.

(c) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6), OR AS SOON AS PRACTICABLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER:

(I) FIVE MILLION DOLLARS FROM THE AFFORDABLE HOUSING AND HOME OWNERSHIP CASH FUND CREATED IN SECTION 24-75-229 (3)(a), THAT ORIGINATES FROM MONEY THE STATE RECEIVED FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND, TO THE COLORADO HERITAGE COMMUNITIES FUND CREATED IN SUBSECTION (1) OF THIS SECTION; AND

(II) TWO MILLION ONE HUNDRED THOUSAND DOLLARS FROM THE GENERAL FUND TO THE COLORADO HERITAGE COMMUNITIES FUND CREATED IN SUBSECTION (1) OF THIS SECTION.

(d) THE DIVISION OF LOCAL GOVERNMENT IN THE DEPARTMENT SHALL USE THE MONEY TRANSFERRED PURSUANT TO SUBSECTION (6)(c) OF THIS SECTION FOR THE CREATION, IMPLEMENTATION, AND ADMINISTRATION OF THE LOCAL GOVERNMENT PLANNING GRANT PROGRAM CREATED IN SECTION 24-32-130 (5) IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 24-32-130. WITH RESPECT TO ANY MONEY TRANSFERRED INTO THE COLORADO HERITAGE COMMUNITIES FUND PURSUANT TO SUBSECTION (6)(c) OF THIS SECTION, THE DIVISION MAY USE ANY MONEY THAT IS UNEXPENDED OR UNENCUMBERED AS OF JUNE 30, 2024 FOR PURPOSES OF THE LOCAL GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM CREATED IN SECTION 24-32-130 (2) AS NEEDED IN ACCORDANCE WITH SECTION 24-32-130.

SECTION 10. In Colorado Revised Statutes, 24-32-3208, **add** (3) as follows:

24-32-3208. Additional sources of funding. (3) AS MONEY BECOMES AVAILABLE, THE OFFICE OF SMART GROWTH CREATED IN SECTION 24-32-3203 (1) MAY PROVIDE GRANTS OR OTHER FORMS OF ASSISTANCE TO COUNTIES AND MUNICIPALITIES FOR PURPOSES CONSISTENT WITH SECTION 24-32-3203 (3)(c)(II), INCLUDING, WITHOUT LIMITATION, THE HIRING OF CONSULTANTS AND RELATED FORMS OF PROFESSIONAL EXPERTISE; UPDATING PLANS, POLICIES, CODES, AND RELATED LAND DEVELOPMENT REVIEW PROCESSES; AND OFFERING GRANTS, LOANS, OR OTHER FORMS OF ASSISTANCE AS INCENTIVES FOR THE DEVELOPMENT OF AFFORDABLE HOUSING, WHICH FORMS OF ASSISTANCE MAY INCLUDE THE ACQUISITION OF PROPERTY, THE PROVISION OF INFRASTRUCTURE, OR THE DEVELOPMENT OF

COMMUNITY AMENITIES. THE OFFICE SHALL CREATE GUIDELINES TO SPECIFY THE ACTIVITIES ON THE PART OF LOCAL GOVERNMENTS THAT WILL QUALIFY FOR GRANT FUNDING OR OTHER FORMS OF ASSISTANCE UNDER THIS SUBSECTION (3). THE OFFICE MAY ALSO USE AVAILABLE MONEY TO IMPLEMENT OR FACILITATE GRANT AND OTHER INCENTIVE PROGRAMS BY HIRING STAFF, CREATING TECHNICAL RESOURCES FOR LOCAL GOVERNMENTS, HIRING CONSULTANTS AND RELATED FORMS OF PROFESSIONAL EXPERTISE, AND OTHERWISE ADMINISTERING THE COLORADO HERITAGE GRANT PROGRAM IN ACCORDANCE WITH THIS PART 32. THE OFFICE MAY USE A PORTION OF ANY SUCH MONEY FOR HIRING AND MAINTAINING STAFF, DEFRAYING OPERATIONAL EXPENSES, AND ADMINISTRATION ASSOCIATED WITH THE PROVISION OF GRANTS AND OTHER FORMS OF INCENTIVES UNDER THIS SUBSECTION (3).

SECTION 11. In Colorado Revised Statutes, **repeal** 24-32-3206.

SECTION 12. Appropriation. (1) For the 2021-22 state fiscal year, \$39,300,000 is appropriated to the department of local affairs for use by the division of local government. This appropriation is from the Colorado heritage communities fund created in section 24-32-3207 (1), C.R.S., and is based on an assumption that the division will require an additional 0.9 FTE. To implement this act, the division shall use this appropriation for the affordable housing development incentives grant program created in section 24-32-130 (2), C.R.S.

(2) For the 2021-22 state fiscal year, \$7,100,000 is appropriated to the department of local affairs for use by the division of local government. This appropriation is from the Colorado heritage communities fund created in section 24-32-3207 (1), C.R.S., and is based on an assumption that the division will require an additional 1.7 FTE. To implement this act, the division shall use this appropriation for the local government planning grant program created in section 24-32-130 (5), C.R.S.

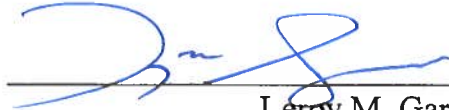
SECTION 13. Effective date. This act takes effect on passage; except that section 24-32-3207 (6)(a)(I) and (6)(c)(I) in section 9 of this act requiring transfers from the affordable housing and home ownership cash fund created in section 24-75-229 (3)(a) take effect only if House Bill 21-1329 becomes law, and, in which case, section 24-32-3207 (6) (a)(I) and (6)(c)(I) take effect either upon the effective date of this act or one day after the effective date of House Bill 21-1329, whichever is later.

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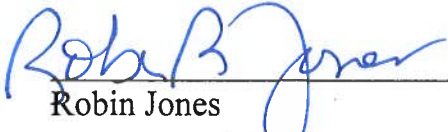
SECTION 14. **Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.



Alec Garnett
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



Leroy M. Garcia
PRESIDENT OF
THE SENATE

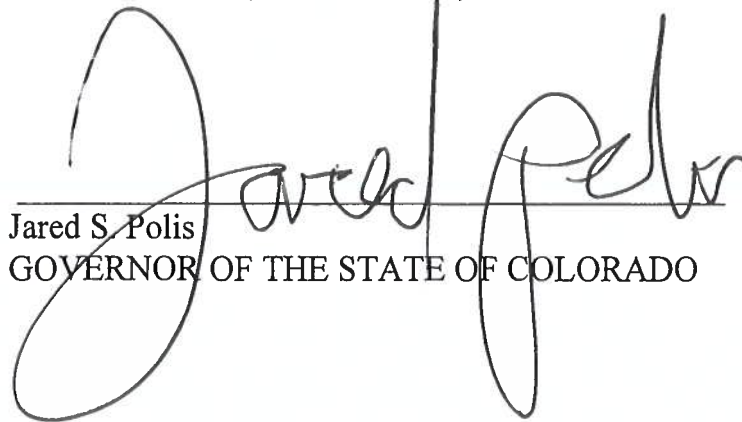


Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED June 27, 2021 at 1:15pm
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO

SPONSORED BY: MAYOR LEIGHTY

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-108
Series of 2021

Series of 2021

A RESOLUTION SUPPORTING A GRANT APPLICATION TO THE COLORADO DEPARTMENT OF LOCAL AFFAIRS PLANNING GRANT PROGRAM

WHEREAS, the Northglenn City Council desires to authorize the City's Planning Division to submit a grant application to the Department of Local Affairs Planning Grant Program for funds to support a housing needs assessment and to develop and implement policy strategies to improve housing options in the City of Northglenn; and

WHEREAS, the City of Northglenn's 2019-2023 Strategic Plan identifies Housing Opportunities as Strategic Priority Area #5, which is defined to curate the diversity of housing stock for all ages, socioeconomic demographics and family types, and increase investment in housing repairs and renovations; and

WHEREAS, the Strategic Plan further commits the City to promote development opportunities to encourage diverse housing options and to diversity housing production and preservation resulting in an adequate supply of ownership and rental housing that is safe, healthy, and affordable to people of all income levels, races, ages, and suitable for their various needs; and

WHEREAS, City Council supports the implementation of strategies to reduce barriers and incentivize affordable housing development at the local level, and supports making changes to the City's Unified Development Code to remove such barriers and facilitate the creation of affordable housing options; and

WHEREAS, the Planning Division has proposed the following policy strategies for the grant application, and City Council supports such strategies: 1) Create requirements that call for the automatic rezoning of commercial properties that have a certain percentage of vacancy over a specific period to a mix-use district; 2) Create an expedited development review process for multi-family housing that meets the standards and guidelines for the district in which the proposed development will be located; 3) With respect to infrastructure, create a dedicated funding source to subsidize infrastructure costs and associated fees related to publicly-owned water, sanitary sewer, storm sewers, and roadway infrastructure; and 4) Grant duplexes, triplexes, or other appropriate multi-family housing options as a permitted use in single-family residential zoning districts; and

WHEREAS, the City of Northglenn will be able to more quickly and efficiently undertake the necessary housing needs assessment and develop policy strategies, public engagement opportunities, and code updates with the assistance of the Planning Grant Program; and

WHEREAS, City Council desires to express its support for the submission of an application to the Department of Local Affairs Planning Grant Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The City Council of the City of Northglenn is in full support of submitting a grant application to the Colorado Department of Local Affairs Planning Grant Program for funding to complete a housing needs assessment and to develop and implement policy strategies to improve housing options in the City of Northglenn.

Section 2. The City Council of the City of Northglenn hereby authorizes the Mayor, City Manager, and other City officials to sign and submit the grant application to the Department of Local Affairs.

DATED, at Northglenn, Colorado, this _____ day of _____, 2021.

MEREDITH LEIGHTY
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney