

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 21-0151 Date: September 14, 2021 Bill Status: **Prime Sponsors:** Rep. Lontine; Signed into Law Gonzales-Gutierrez Fiscal Analyst: Josh Abram | 303-866-3561 Sen. Gonzales; Rodriguez Josh.Abram@state.co.us **Bill Topic:** LOCAL GOV AUTHORITY PROMOTE AFFORDABLE HOUSING UNITS Summary of ☐ State Revenue □ TABOR Refund **Fiscal Impact:** □ State Transfer ☐ Statutory Public Entity The bill expands the current authority of local governments to regulate development or redevelopment in order to promote the construction of affordable housing. The bill may increase workload for local governments, and for the Department of Local Affairs. **Appropriation** No appropriation is required. Summary: **Fiscal Note** This fiscal note reflects the enacted bill. Status:

Summary of Legislation

Current law prohibits a local government from enacting laws that control rent on private residential property. This bill expands the powers of local governments to regulate new development in order to promote the construction of affordable housing. The bill establishes that such regulation does not violate the prohibition on rent control, so long as the local regulation provides options to the property owner or land developer, and creates alternatives to the construction of new affordable housing on the building site.

Local governments that exercise this new authority must demonstrate that they have taken specified actions to increase the overall number and density of housing units or to promote or create incentives for the construction of affordable housing. The Division of Local Government in the Department of Local Affairs (DOLA) must offer guidance to assist local governments to implement this expanded regulation.

State Expenditures

The Division of Local Government in the DOLA will have increased workload to assist counties and municipalities that regulate new development to promote affordable housing. These efforts do not require new appropriations.

Effective Date

The bill was signed into law by the Governor on May 28, 2021, and took effect September 7, 2021.

State and Local Government Contacts

Counties Local Affairs Municipalities