

Planning and Zoning Board: October 15, 2026

Compliance with SB 26-040 and HB 23-1304 - Affordable Housing

Summary of Request

This is a request for a recommendation to the City Council regarding an update to the Land Use Code. This update specifically addresses affordable housing regulations to comply with Colorado State House Bill passed in 2023 HB23-1304 and compliance with Senate Bill passed in 2026 SB 26-040. These bills working together require jurisdictions to qualify housing projects that restrict at least 50% of the dwelling for sale to 120% of the Average Median Income (AMI) as affordable housing.

Next Steps

- ✓ October Planning and Zoning Commission Work Session
- ✓ October Planning and Zoning Commission Public Hearing
- October 20, 2026 Council Regular Hearing

Applicant

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1. Updates

The list of updates is summarized into 1 specific area;

- Article 5 General Development and Site Design Sections: 5.2.1

2. Background

The Phase 1 update of the Land Use Code included compliance with HB23-1304. The State also passed an additional bill this year, SB 26-040, that further refines which development projects qualify as affordable housing developments. This year's legislation included for-sale projects that restrict at least 50% of dwelling units to 120% AMI.

The proposed changes are minor in number. They clarify which affordable housing projects qualify for the fast-track review required by the state by adding an additional minimum standard.

Local Jurisdictions were to comply with the State regulations by November 1st, 2026. Again, phase 1 updates were to address compliance with the State. However, this year's additional bill, and in consultation with the Department of Local Affairs (DOLA), it became clear that the Land Use Code needed these proposed additions to comply fully.

[HB23-1304](#)

[SB26-040](#)

3. Attachments

1. Draft Code Changes
2. Staff Presentation