

HB1070_L.011

HOUSE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Local Government.

After consideration on the merits, the Committee recommends the following:

HB09-1070 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause, and
2 substitute the following:

3 "SECTION 1. 31-25-102, Colorado Revised Statutes, is amended
4 BY THE ADDITION OF A NEW SUBSECTION to read:

5 **31-25-102. Legislative declaration.** (4) THE GENERAL
6 ASSEMBLY FURTHER FINDS AND DECLARES THAT URBAN RENEWAL AREAS
7 CREATED FOR THE PURPOSES DESCRIBED IN SUBSECTIONS (1) AND (2) OF
8 THIS SECTION SHALL NOT INCLUDE AGRICULTURAL OR VACANT LAND
9 EXCEPT IN CONNECTION WITH THE LIMITED CIRCUMSTANCES DESCRIBED IN
10 THIS PART 1.

11 **SECTION 2.** 31-25-103 (1), the introductory portion to
12 31-25-103 (2), and 31-25-103 (2) (i), (2) (j), (2) (k.5), and (2) (l),
13 Colorado Revised Statutes, are amended, and the said 31-25-103 is
14 further amended BY THE ADDITION OF THE FOLLOWING NEW
15 SUBSECTIONS, to read:

16 **31-25-103. Definitions.** As used in this part 1, unless the context
17 otherwise requires:

18 (1) "~~Authority~~" or "~~urban renewal authority~~" means a corporate
19 ~~body organized pursuant to the provisions of this part 1 for the purposes,~~
20 ~~with the powers, and subject to the restrictions set forth in this part 1~~
21 "AGRICULTURAL LAND" MEANS ANY ONE PARCEL OF LAND OR ANY TWO OR



1 MORE CONTIGUOUS PARCELS OF LAND THAT, REGARDLESS OF THE USES
2 FOR WHICH THE LAND HAS BEEN ZONED, HAS BEEN CLASSIFIED BY THE
3 COUNTY ASSESSOR AS AGRICULTURAL LAND FOR PURPOSES OF THE
4 LEVYING AND COLLECTION OF PROPERTY TAX PURSUANT TO SECTION
5 39-1-103, C.R.S., AT ANY TIME DURING THE FIVE-YEAR PERIOD PRIOR TO
6 THE DATE OF ADOPTION OF THE URBAN RENEWAL PLAN OR ANY
7 MODIFICATION OF SUCH PLAN.

8 (1.5) "AUTHORITY" OR "URBAN RENEWAL AUTHORITY" MEANS A
9 CORPORATE BODY ORGANIZED PURSUANT TO THIS PART 1 FOR THE
10 PURPOSES, WITH THE POWERS, AND SUBJECT TO THE RESTRICTIONS SET
11 FORTH IN THIS PART 1.

12 (2) "Blighted area" means ~~an~~ A PREDOMINANTLY URBANIZED area
13 that, in its present condition and use and, by reason of the presence of at
14 least four of the following factors, substantially impairs or arrests the
15 sound growth of the municipality, retards the provision of housing
16 accommodations, or constitutes an economic or social liability, and is a
17 menace to the public health, safety, morals, or welfare:

18 (i) Buildings ~~that are~~ IN WHICH IT IS unsafe or unhealthy for
19 persons to live or work in because of building code violations,
20 dilapidation, deterioration, defective design, physical construction, or
21 faulty or inadequate facilities;

22 (j) Environmental contamination of buildings or property; OR

23 (k.5) The existence of health, safety, or welfare factors requiring
24 high levels of municipal services or substantial physical underutilization
25 or vacancy of sites, buildings, or other improvements. ~~or~~

26 (l) ~~If there is no objection by the property owner or owners and~~
27 ~~the tenant or tenants of such owner or owners, if any, to the inclusion of~~
28 ~~such property in an urban renewal area, "blighted area" also means an~~
29 ~~area that, in its present condition and use and, by reason of the presence~~
30 ~~of any one of the factors specified in paragraphs (a) to (k.5) of this~~
31 ~~subsection (2), substantially impairs or arrests the sound growth of the~~
32 ~~municipality, retards the provision of housing accommodations, or~~
33 ~~constitutes an economic or social liability, and is a menace to the public~~
34 ~~health, safety, morals, or welfare. For purposes of this paragraph (l), the~~
35 ~~fact that an owner of an interest in such property does not object to the~~

1 inclusion of such property in the urban renewal area does not mean that
2 the owner has waived any rights of such owner in connection with laws
3 governing condemnation.

4 (11) "VACANT LAND" MEANS THOSE PORTIONS OF ANY LOT,
5 PARCEL OR LAND AREA, RECLAIMED MINED LANDS, SITE, NONPRODUCING
6 MINES, FLOOD PLAINS AS DESIGNATED BY THE FEDERAL EMERGENCY
7 MANAGEMENT AGENCY IN CONNECTION WITH A ONE-HUNDRED YEAR
8 FLOOD PLAIN IDENTIFICATION, OR OTHER TRACTS OF LAND UPON WHICH NO
9 BUILDINGS OR FIXTURES, OTHER THAN MINOR STRUCTURES, ARE LOCATED;
10 EXCEPT THAT "VACANT LAND" DOES NOT INCLUDE AGRICULTURAL LAND,
11 PRODUCING OIL AND GAS PROPERTIES, SEVERED MINERAL INTERESTS, AND
12 ALL PRODUCING MINES. FOR PURPOSES OF THIS SUBSECTION (11), "MINOR
13 STRUCTURES" MEANS IMPROVEMENTS THAT DO NOT ADD VALUE TO THE
14 LAND ON WHICH THEY ARE LOCATED AND ARE NEITHER SUITABLE FOR USE
15 NOR ACTUALLY BEING USED FOR ANY COMMERCIAL OR RESIDENTIAL
16 PURPOSE.

17 SECTION 3. 31-25-105.5 (5) (a), Colorado Revised Statutes, is
18 amended to read:

19 **31-25-105.5. Acquisition of private property by eminent**
20 **domain by authority for subsequent transfer to private party -**
21 **restrictions - exceptions - right of civil action - damages - definitions.**
22 (5) For purposes of this section, unless the context otherwise requires:

23 (a) "Blighted area" shall have the same meaning as set forth in
24 section 31-25-103 (2); except that, for purposes of this section only,
25 "blighted area" means an area that, in its present condition and use and,
26 by reason of the presence of at least five of the factors specified in section
27 ~~31-25-103 (2) (a) to (2) (l)~~ SECTION 31-25-103 (2) (a) TO (2) (k.5),
28 substantially impairs or arrests the sound growth of the municipality,
29 retards the provision of housing accommodations, or constitutes an
30 economic or social liability, and is a menace to the public health, safety,
31 morals, or welfare.

32 SECTION 4. 31-25-107 (1) (c), (4) (e), (9) (a) (II), and (12) (e),
33 Colorado Revised Statutes, are amended to read:

34 **31-25-107. Approval of urban renewal plans by local**
35 **governing body. (1) (c) (I) Except for urban renewal plans subject to**



1 ~~section 31-25-103 (2) (1)~~; The boundaries of an area that the governing
2 body determines to be a blighted area shall be drawn as narrowly as the
3 governing body determines feasible to accomplish the planning and
4 development objectives of the proposed urban renewal area, AND THE
5 GOVERNING BODY SHALL SPECIFICALLY DESCRIBE THOSE AREAS EXCLUDED
6 FROM THE AREA IT DETERMINES TO BE BLIGHTED PURSUANT TO
7 SUBPARAGRAPH (II) OF THIS PARAGRAPH (c). The governing body shall
8 not approve an urban renewal plan until a general plan for the
9 municipality has been prepared. An authority shall not acquire real
10 property for an urban renewal project unless the local governing body has
11 approved the urban renewal plan in accordance with subsection (4) of this
12 section. In making the determination as to whether a particular area is
13 blighted pursuant to the provisions of this part 1, any particular condition
14 found to be present may satisfy as many of the factors referenced in
15 section 31-25-103 (2) as are applicable to such condition.

16 (II) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 1,
17 NO AREA THAT HAS BEEN DESIGNATED AS AN URBAN RENEWAL AREA
18 SHALL CONTAIN ANY AGRICULTURAL OR VACANT LAND UNLESS:

19 (A) THE AREA IS A BROWNFIELD SITE AS DESIGNATED BY THE
20 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY;

21 (B) EACH PUBLIC BODY THAT LEVIES AN AD VALOREM PROPERTY
22 TAX ON THE AREA AGREES TO THE INCLUSION OF THE AREA WITHIN THE
23 URBAN RENEWAL AREA;

24 (C) THE AREA WAS INCLUDED IN AN APPROVED URBAN RENEWAL
25 PLAN PRIOR TO THE EFFECTIVE DATE OF THIS SUBPARAGRAPH (II); OR

26 (D) THE AREA WAS PREVIOUSLY DEVELOPED AND BECAME VACANT
27 AS A RESULT OF DEMOLITION, DESTRUCTION, OR ACTS OF NATURE.

28 (4) Following such hearing, the governing body may approve an
29 urban renewal plan if it finds that:

30 (e) ~~Except for urban renewal plans subject to section 31-25-103~~
31 ~~(2) (1)~~; If the urban renewal plan contains property that was included in
32 a previously submitted urban renewal plan that the governing body failed
33 to approve pursuant to this section, at least twenty-four months shall have
34 passed since the commencement of the prior public hearing concerning



1 such property pursuant to subsection (3) of this section unless substantial
2 changes have occurred since the commencement of such hearing that
3 result in such property constituting a blighted area pursuant to section
4 31-25-103;

5 (9) (a) Notwithstanding any law to the contrary, any urban
6 renewal plan, as originally approved or as later modified pursuant to this
7 part 1, may contain a provision that taxes, if any, levied after the effective
8 date of the approval of such urban renewal plan upon taxable property in
9 an urban renewal area each year or that municipal sales taxes collected
10 within said area, or both such taxes, by or for the benefit of any public
11 body shall be divided for a period not to exceed twenty-five years after
12 the effective date of adoption of such a provision, as follows:

13 (II) That portion of said property taxes or all or any portion of said
14 sales taxes, or both, in excess of ~~such~~ THE AMOUNT OF PROPERTY TAXES
15 LEVIED OR SALES TAXES COLLECTED PURSUANT TO SUBPARAGRAPH (I) OF
16 THIS PARAGRAPH (a) shall be allocated to and, when collected, paid into
17 a special fund of the authority to pay the principal of, the interest on, and
18 any premiums due in connection with the bonds of, loans or advances to,
19 or indebtedness incurred by, whether funded, refunded, assumed, or
20 otherwise, such authority for financing or refinancing, in whole or in part,
21 an urban renewal project, or to make payments under an agreement
22 executed pursuant to subsection (11) of this section; EXCEPT THAT, IN
23 CONNECTION WITH ANY URBAN RENEWAL PLAN APPROVED OR
24 SUBSTANTIALLY MODIFIED ON OR AFTER THE EFFECTIVE DATE OF THIS
25 SUBPARAGRAPH (II), AS AMENDED, NO PORTION OF THE EXCESS OF ANY
26 REVENUES DERIVED FROM PROPERTY TAXES LEVIED ON AGRICULTURAL
27 LAND OR VACANT LAND, AS CLASSIFIED AS OF THE TIME SUCH LAND IS
28 DESIGNATED AS PART OF THE URBAN RENEWAL AREA, SHALL BE PAID INTO
29 THE SPECIAL FUND UNLESS EACH PUBLIC BODY THAT LEVIES AN AD
30 VALOREM PROPERTY TAX ON SUCH LAND AGREES TO THE INCLUSION OF
31 THE AGRICULTURAL LAND OR VACANT LAND IN THE URBAN RENEWAL
32 AREA PURSUANT TO SECTION 31-25-107 (1) (c) (II) (B). WHERE NO
33 PORTION OF THE EXCESS OF ANY REVENUES DERIVED FROM PROPERTY
34 TAXES LEVIED ON AGRICULTURAL LAND OR VACANT LAND IS PAID INTO
35 THE SPECIAL FUND IN ACCORDANCE WITH THE REQUIREMENTS OF THIS
36 SUBPARAGRAPH (II), ALL SUCH REVENUES COLLECTED SHALL BE
37 DISTRIBUTED TO ALL OF THE PUBLIC BODIES THAT LEVY AN AD VALOREM
38 PROPERTY TAX ON ANY PORTION OF THE AGRICULTURAL LAND OR VACANT
39 LAND AS IF THERE WERE NO REQUIREMENT TO PAY THE EXCESS INTO A



1 SPECIAL FUND PURSUANT TO THIS SUBPARAGRAPH (II). Any excess
2 municipal sales tax collections not allocated pursuant to this subparagraph
3 (II) shall be paid into the funds of the municipality. Unless and until the
4 total valuation for assessment of the taxable property in an urban renewal
5 area exceeds the base valuation for assessment of the taxable property in
6 such urban renewal area, as provided in subparagraph (I) of this
7 paragraph (a), all of the taxes levied upon the taxable property in such
8 urban renewal area shall be paid into the funds of the respective public
9 bodies. Unless and until the total municipal sales tax collections in an
10 urban renewal area exceed the base year municipal sales tax collections
11 in such urban renewal area, as provided in subparagraph (I) of this
12 paragraph (a), all such sales tax collections shall be paid into the funds of
13 the municipality. When such bonds, loans, advances, and indebtedness,
14 if any, including interest thereon and any premiums due in connection
15 therewith, have been paid, all taxes upon the taxable property or the total
16 municipal sales tax collections, or both, in such urban renewal area shall
17 be paid into the funds of the respective public bodies.

18 ~~(12) (e) Notwithstanding any other provision of this section, the~~
19 ~~provisions of this subsection (12) shall not apply to any urban renewal~~
20 ~~plan in which less than ten percent of the area identified in such plan:~~

21 ~~(i) Has been classified as agricultural land for purposes of the~~
22 ~~levying and collection of property tax pursuant to section 39-1-103,~~
23 ~~C.R.S., at any time during the three-year period prior to the date of~~
24 ~~adoption of the plan; and~~

25 ~~(ii) Is currently identified for agricultural uses in a master plan~~
26 ~~adopted by the municipality pursuant to section 31-23-206 and has been~~
27 ~~so identified for more than one year prior to the date of adoption of the~~
28 ~~plan:~~

29 **SECTION 5. Applicability.** This act shall apply to urban
30 renewal plans approved or substantially modified on or after the effective
31 date of this act.

32 **SECTION 6. Safety clause.** The general assembly hereby finds,
33 determines, and declares that this act is necessary for the immediate
34 preservation of the public peace, health, and safety."

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