## Colorado Legislature Update

#### Energy & Environment

- SB 159 Mod to Energy & Carbon Management Processes. Bill requires the energy and carbon management commission to adopt rules to cease issuing new oil and gas permits before January 1, 2030. Senate Agriculture and Natural Resources Committee hearing March 28th. CO Chamber of Commerce Opposes, Durango Chamber Opposes. Colorado Competitive Council (C3) Opposes.
- SB 081 Perfluoroalkyl & Polyfluoroalkyl Chemicals. Senate Second Reading Passed with Amendments Floor. C3 wants to amend.
- <u>HB 1330</u> Air Quality Permitting. The bill concerns modifications of processes to obtain permits for activities that impact air quality. House Committee on Energy & Environment Refer Amended to Finance. **C3 Opposes.**

#### Business Affairs/Labor

- HB 1014 Deceptive Trade Practice Significant Impact Standard The bill establishes that evidence that a person has engaged in an unfair or deceptive trade practice constitutes a significant impact to the public. Senate Committee on Judiciary Lay Over Unamended Amendment(s) Failed. Colorado Association of Realtors (CAR) Opposes. CO Chamber Opposes. C3 Opposes.
- HB 1245 Fair Labor Practice Requirements for Broadband Projects. The bill requires that projects for broadband deployment receiving money distributed by the Colorado broadband office comply with certain fair labor practices. House Committee on Business Affairs & Labor Witness Testimony and/or Committee Discussion Only. C3 Opposes. Durango Chamber Opposes.
- HB 1364 Education-Based Workforce Readiness The bill authorizes the department of education to commission a
  financial study with an independent contractor to analyze the costs to provide students the opportunity to obtain college
  credits, industry credentials, and work-based learning experiences. To House Appropriations Committee. CO Chamber
  Supports.
- HB 1365 Opportunity Now Grants & Tax Credit The bill creates the regional talent summit grant program and an income tax credit for facility improvement and equipment acquisition costs associated with training programs designed to alleviate workforce shortages. To House Finance Committee. CO Chamber Supports.

#### Taxation

• HB 1299 - Short-Term Rental Unit Property Tax Classification - Under the bill, a commercial short-term rental unit is classified as lodging property, which is a subclass of nonresidential property for purposes of valuation for assessment. A short-term rental unit that is the owner's primary or secondary residence will continue to be classified as residential property. To House Finance Committee. CAR Supports.

#### Housing

• <u>HB 1098</u> - Cause Required for Eviction of Residential Tenant - Concerning protections for residential tenants, and, in connection therewith, requiring cause for the eviction of a residential tenant. House Second Reading Special Order - Passed with Amendments - Committee, Floor. **CAR is monitoring. C3 wants to amend.** 

### Regulatory

- <u>HB 1230</u> Protections for Real Property Owners. The bill would increase the period during which homeowners can sue over shoddy workmanship and not start that clock until the alleged defect is noticed. House Second Reading Special Order Passed No Amendments. **C3 Opposes. Durango Chamber Opposes. CAR is monitoring.**
- HB 1300 Home Sale Wildfire Mitigation Requirements. The bill mandates every existing home sale in certain counties to require a "wildfire mitigation certification" at point-of-sale. To House Transportation, Housing & Local Government Committee. **Durango Chamber Opposes. CAR Opposes.**
- SB 106 Right to Remedy Construction Defects. The bill aims to create a middle ground between lawsuit and remedy, with the hopes of easing insurance costs and nudging builders toward more condo development. To Senate of the Whole Committee. C3 Supports, CO Chamber Supports, CAR Supports.

#### **FAILED**

- <u>HB 1065</u> Reduction of State Income Tax Rate.
- <u>HB 1144</u> Income Tax Credit for Mortgage Rate Buy Downs.
- SB 92 Cost Effective Energy Codes.
- <u>SB 97</u> Property Tax Distraint Sale Mobile Home.

#### **PASSED - Gov signed**

• <u>HB 1091</u> - Fire-Hardened Building Materials in Real Property.

• SB 002 - Local Government Property Tax Credits Rebates.

#### **Unemployment Rates**

- Statewide unemployment rate was 3.3% in November 2023 and 3.4% in December.
- La Plata County was 2.8% in November and December.
- San Juan County was 3.7% in November and 3.2% in December.
- Archuleta County was 3.1% in November and 3% in December.
- Montezuma County was 3.6% in November and 3.9% in December.
- Dolores County was 3% in November and 2.1% in December.

#### LPEA Update

- The La Plata Electric Association (LPEA) Board of Directors voted on March 25th to formally withdraw from the membership of Tri-State Generation and Transmission Association (Tri-State). Officials say it will aid LPEA's efforts toward the advancement of affordable, clean energy initiatives, increasing resiliency, and expanding local generation.
- The filing of the Notice of Intent to Withdraw starts a two-year time clock during which will work to secure power contracts, establish costs, and identify the details needed to exit the 50-year contract.

### Rural Jump-Start Zone Program

- On March 12th,the LPC Board of County Commissioners approved Resolution 2024-14 authorizing participation in the Rural Jump-Start Zone Program. Based on Senate Bills 15-282 and 21-229, it is a tax relief program for new businesses and new hires which locate in designated rural, economically distressed areas of Colorado. La Plata County does qualify as an economically distressed area. These designated areas are called a Rural Jump-Start Zone. The benefits include:
  - o Grants up to \$20,000 on a 3:1 reimbursement basis for business expenses
  - Grants up to \$2,500 per net New Hire in the program
  - o Relief from state income taxes
  - Relief from the state sales & use tax
  - o Relief from county and municipal business personal property tax
  - Relief from personal state income taxes for the New Hire
- New businesses can apply for the program once they are endorsed by and apply through a Sponsoring Entity in their specific Rural Jump-Start Zone. In La Plata County, Sponsoring Entities are Fort Lewis College and Region 9 Economic Development District.

### LPC Sales Tax

- Sales tax collections for December show an increase of \$39,115 or 1.62% in comparison to the same period in 2022. Year to date, Sales tax has increased \$564,475 or 2.16% as compared to the same period in 2022.
- Sales tax collections for January show an increase of \$144,242 or 7.83% in comparison to the same period in 2023.

# **LPC Lodgers Tax**

• Lodger's tax collections are earned Quarterly; Quarter 4 Lodgers tax decreased \$2,473 or -1.31% in comparison to Quarter 4, 2022. Year to date collections for Lodger's tax increased \$43,386 or 4.86% as compared to the same period for 2022.

## LPC Land Use Code Update

- County staff is looking at doing a deeper dive into the sketch plan process to see whether it is effective and how to change it. The discussion is likely to come forward in a future work session.
- Additionally, staff is evaluating the part of the land use code related to traffic.

# **Durango Community Development Updates**

- In March, Durango staff hosted Development Review Roundtables to discuss procedures, anticipated advancements, and opportunities for collaborative projects.
- Updates to the Fair Share Program will be finalized later this spring. The Durango Community Development Commission approved amendments that update and modernize regulations. Updates include:
  - o hanging parts of the code to reemphasize getting Fair Share built units,

- o an increase to the required number of units that triggers Fair Share from four to nine units,
- the addition of rental development to Fair Share aligning with HB21-1117,
- o a decrease to the required set-aside percentage of Fair Share units,
- o a change in the methodology of how Fair Share fee-in-lieu is calculated,
- o and the addition of multiple incentives to help achieve the creation of Fair Share built units.
- The Department will launch new permitting software in June and July.
- Impactful updates to the Land Use and Development Code related to Parking and Lighting are expected between June and September.

## **Durango's Downtown Next Steps**

- The City of Durango hosted a public meeting for the preliminary design of the 600 and 700 blocks of downtown Durango. The intent of the project is to improve accessibility, expand pedestrian space, and improve safety of downtown Main Avenue from 5th Street to 14th Street while maintaining the historic character and functionality.
- At an open house March 14th, the public raised concerns about the loss of parking spaces, disruptions to businesses during construction, costs and funding, and more.
- The next open house will take place at the point of 60% design.
- 2026 is the earliest work on these two blocks would start.

# **Planning Projects**

- On March 5th, Durango City Council approved the Twin Buttes Housing Compliance Agreement, opening the way for the development of 30 for-sale housing units to be located at the former site of Animas High School. It's estimated the housing units will be deployed in 2025. The units are for households earning 70-120% of the area median income. Under the agreement, Twin Buttes will donate the former high school site, collect a 1% real estate transfer fee, and collaborate to find a developer for the affordable housing units.
- On March 12th, Durango City Council approved the Preliminary Planned Development for US Eagle Credit Union, located north of Morehart Murphy Subaru dealership along Wilson Gulch Road. The project includes an approximately 3,400 square foot building for US Eagle Credit Union located on the western half of the existing lot, with a 3 lane drive through to the north of the building.

# Meetings attended February 22-March 28

am BOCC Meeting
30 am BOCC Discussion Time
pm RHA meeting
30 pm Downtown Next Steps Meeting
30 am BOCC Discussion Time
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) am BOCC Business Meeting
30 am BOCC Discussion Time