WORK SESSION AGENDA ITEM SUMMARY
City Council

STAFF

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SUBJECT FOR DISCUSSION

Council Priority: Affordable & Sustainable Growth

EXECUTIVE SUMMARY

The purpose of this item is to seek direction from Council on their priority to promote affordability and sustainable growth by making development predictable, efficient, and cost effective. Staff propose two main work streams: Program and System Refinement and Removing Regulatory Barriers. Program and System Refinement will focus on improving the customer experience, updating legacy software, and reducing processing times of development applications. Removing Regulatory Barriers will better align all land use regulations to reduce conflicting regulations, balance trade-offs, and achieve development that is more consistent with the City's goals. Staff will leverage the Ad Hoc Committee by meeting every other month to seek the committee's direction on each component of these work streams.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Does the proposed work plan align with Council's expectations?

2. Does Council agree with staff's plan for engaging with the Ad Hoc Committee?

BACKGROUND / DISCUSSION

On March 3, 2026, Council adopted priorities for their term along with the 2026-2030 Strategic Plan. One of Council's priorities is to promote affordability and sustainable growth by making development predictable, efficient, and cost effective. Staff seeks direction on a work plan to make progress on this Council priority.

Policy Foundation and Background

The purpose of land use regulations is to ensure that the built environment aligns with the desires of the community. Regulations require regular updates to ensure they stay aligned with the community's evolving needs. Fort Collins's system of land use regulations builds on the vision and community engagement of the myriad adopted policies and plans, including:

- City Plan

- Housing Strategic Plan

- Our Climate Future

- Transit Master Plan

- Urban Forest Strategic Plan

Staff have consistently updated regulations to fulfill the vision of these policies and plans. The challenge that has emerged is that the goals of these plans are in tension and the resulting regulations introduce conflicting standards. This can lead to protracted negotiations during the development approval process that make the process less predictable and efficient.

Another challenge is the number of Codes that apply to development. Developments must comply with the following Codes:

- Land Use Code

- Building Code

- Municipal Code

- Stormwater Criteria Manual

- Electric Service Standards

- Larimer County Urban Area Street Standards

- International Fire Code

Different departments within the City and outside the organization act as stewards of these Codes. Each department then updates the Code they steward on their own timeline independently of other Code updates. This results in internally consistent Codes that are not always aligned with other Codes.

The proposed work plan aims to consider regulations and processes in their entirety rather than individually as described above. There are two main components for reviewing development projects: the process and the regulations. As such, staff proposes two work streams related to this Council priority.

Work Stream 1: Program and System Refinement

This work stream will focus on refining the development services program, increasing customer support resources and replacing the legacy software system. This work began in early 2024 and multiple inter-related initiatives are underway to simplify, streamline, and improve business processes. Staff provided Council updates on most of the related initiatives in several memos last year.

Development Services Program (previously referred to as Development Review Oversight)

The Development Services Program is a cross-departmental service system housed within the Planning, Development & Transportation (PDT) Service Area that coordinates and delivers the City's development review, permitting, and inspection processes.

The program ensures that development proposals, from small residential projects to large-scale commercial and neighborhood developments, are reviewed efficiently, consistently, and in alignment with adopted plans, Codes, and Council priorities.

Acting as the system facilitator, PDT leads coordination across participating departments including planning, engineering, transportation, utilities, building safety, PFA, and other external review partners. The program aligns technical review functions into a unified, customer-centered process with clear

systems, escalation paths that define decision-making throughout the process, and measurable performance outcomes

The Development Program Principles include:

- **Operate as One System** – Work as a unified team across departments and disciplines.
- **Make Trade-offs and Guardrails Explicit** – Clearly define expectations, boundaries, and decision criteria.
- **Empower Within Guardrails** – Enable staff to make informed decisions within clear parameters.
- **Start Early, Solve Early** – Engage issues early to resolve challenges before they escalate.
- **Measure, Learn, and Adapt** – Use data and experience to continuously improve outcomes.
- **Be Cost-Effective** – Deliver high-value results through efficient use of time and resources.

Work in this area will continue to build out the organizational support system necessary to ensure the achievement of these principles as well as success criteria to confirm the program is accomplishing its purpose.

Customer Support and Experience

There are multiple projects planned and underway to improve customer experience throughout the development submittal and approval process. Work that has been completed include wayfinding signage and a digital information screen at 281 North College to improve the customer experience with the Development Services Center. Staff is continuing to focus on ways to provide a welcoming, in-person environment for those that are planning new businesses or construction within the city. The Development Services Center is also a pilot area for a new customer experience survey for the City.

Other work includes understanding the voice of all customers through defined personas for the wide-ranging customer base. Customers may include new homeowners, design professionals, business owners or large-scale developers - each with specific needs and knowledge base. In better understanding customer needs, staff will be able to further increase customer outreach and navigation services both in person and online through digital tools and technology solutions.

The City is also taking steps to ensure continuity of customer experience throughout the entirety of their development review. This will include continuing coordinators in the Development Review process and the addition of coordinators in the Building Permit Review process. Additionally, customer champions will be identified in each Development Program department to ensure closer coordination and fewer surprises for customers through the overall review process.

FC CLEAR – Pathway to Progress

One of the largest digital transformations that the City of Fort Collins has undertaken is the replacement of the legacy software program that manages the development review and building permit processes. The project, internally referred to as FC CLEAR (City Licensing, Enforcement, Approval and Review), is headed by teams in Planning and Development Services (PDS) and Information Technology. The project kicked off in May 2024 and includes all departments involved in the Development Services program. Additional departments that are responsible for licensing across the City are also included in the overall phased scope of this work.

To date, City staff have worked with consulting teams to assess and define all workstreams in the first phase of the project. Configuration of these workstreams is underway and initial testing has begun. Staff anticipates one of the largest phases of this work, data migration, to begin in the next several weeks.

Expected outcomes of this work include:

- Round-the-clock online access to submit applications, check status, and track project milestones.

- More transparent communication through real-time status updates.

- Reduced need for in-person visits as more services move online.

- Faster turnaround times due to better internal workflows and fewer bottlenecks in the review process.

Reduce Processing Times

Work in this area has been ongoing since 2022, and great strides have been made in improving the processing times in Development Review. These include:

- Days that a plan is with the city has been reduced by 49%

- Days from submittal to decision has been reduced by 123%

- Projects approved in 3 rounds or less has been increased by 52%

- Projects approved in 2 rounds or less has been increased by 34%

Multiple strategies have been identified to continue to build upon this work including:

- Improving quality of submissions

- Systems to address issues swiftly and reduce miscommunication

- Systems to better manage workloads and eliminate backlogs

- Setting and tracking processing time reduction goals

This work will also be reviewed throughout the regulatory work stream to ensure recalibration as barriers are removed.

<u>**Work Stream 2: Removing Regulatory Barriers**</u>

The purpose of this work stream is to align the regulations, fees, and systems related to new development to better meet the goals set forth in City Plan. As part of this work stream, staff will work across departments to remove, replace, or fix the systems of regulatory layers that present the biggest challenges to meet goals. Staff will evaluate programs, incentives, and costs and fees through a lens of a simplified customer experience, to provide growth and development that supports community resilience, creates jobs, provides housing choices, and contributes to cleaner air.

Prior efforts to remove regulatory barriers focused on individual Codes and regulations. While this has improved the clarity of some regulations it has not resolved conflicts between different regulations. This work stream will look at all Codes and regulations that apply in different contexts and propose updates to these regulations to remove conflicts, yield outcomes that better align with the City's goals, and balance trade-offs between different City priorities. Staff propose assessing regulations holistically in the following contexts:

1. Infill
2. Greenfield
3. Neighborhood infill

Ad Hoc Council Committee

Staff propose that the Ad Hoc committee formed and approved by Council on March 3, 2026 meet on a regular cadence to engage with staff findings and offer feedback on the work outlined in work streams 1 and 2 above. Below is a rough cadence and topics for the committee:

Phase 1 (across 2 meetings): All Topics, Existing Conditions

- Staff will review Code conflicts, barriers to development, and City-specific "levers" for regulatory changes.
- Staff will work with committee members to develop Guiding Principles for the committee work based on desired outcomes and identified conflicts and barriers.
- Based on the Guiding Principles and identified outcomes, staff will work with committee members to prioritize work in each topic area.

Phase 2 (3 meetings for each topic): Each Topic Sequentially

- Concept Development of regulatory changes based on impact, cost, and trade-offs
- Explore impact vs. cost/time for each potential change based on guiding principles
- Explore potential trade-offs to service delivery, cost burden, and desired outcomes
- Review of fees, credits, and their application to different development types
- Review of programs

Phase 3 (concluding 2027): All Topics, Implementation and Review

- Code drafting/adoption of planned regulatory changes
- Implement new fee schedule
- Strategy to optimize programs
- Customer experience mapping

This process mirrors how staff approached updating the Land Use Code. The distinction between the previous Land Use Code updates and these packages of updates based on context is that this process will consider all regulations that apply in these contexts including:

- Land Use Code
- Historic Preservation
- Utilities
- Street/right-of-way standards
- Building Code

By reviewing all regulations at once staff anticipate resolving conflicting standards and aligning all regulations with a common goal. What follows is a brief description of the work involved in each phase of this proposed process. Staff will meet with the Ad Hoc Committee during each step of this process followed by meetings with the full Council for key decisions and direction setting.

Audit Regulations

The first step in this process will be a quick audit of existing regulations. The audit will identify all regulations that apply within each development context. The audit will then identify which standards conflict. Much of this work is complete from the Land Use Code audits from Council's recently adopted updates to the Land Use Code. This work will leverage these Land Use Code audits and include audits that are underway of other applicable Codes. Staff will summarize the findings of the audit and present them to Council at a work session.

Guiding Principles

After the regulatory audit staff will develop draft guiding principles for Council to consider that will act as the north star for this body of work. These guiding principles will help ensure all proposed updates remain aligned with the goal of removing regulatory barriers while achieving the goals of overarching policies and plans.

Prioritization

Staff will utilize the audit and guiding principles to prioritize potential regulatory updates. Prioritization will focus on addressing the biggest barriers to affordability and making the regulations more aligned and predictable.

Concept Development

Concept development will involve staff developing updates to all applicable regulations based on the list developed during the prioritization phase. These concepts will likely involve making changes to multiple regulatory documents. Staff will present these concepts as complete packages to Council so that Council can gain a better understanding of how these regulations work together to shape development.

Draft Code Updates & Adoption

After Council provides direction on the concepts for Code updates, staff will develop a draft ordinance of all Code updates for Council's consideration. Council will then have an opportunity to provide any feedback they have prior to adopting the final version of these Code updates.

Fees & Programs

When the regulatory updates approach the Code development phase another team will begin aligning fees and programs with the new land use regulations. The purpose of this work will be to calibrate fees to the impact of development on systems and ensure any programs supporting these different development contexts support the desired outcomes of Council. This phase of work will follow the same process as the other regulatory updates.

Timeline

Work on each work stream is underway and will continue through the end of 2027. Not all components of each work stream will begin immediately. Staff propose staggering the work to begin advancing a portion of the work immediately while continuing to provide core services to the community. The table below shows a proposed project schedule for each component of the proposed work plan.

	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027
Program and System Refinement							
Development Program	🟩	🟩				🟩	🟩
Customer Experience	🟩	🟩				🟩	🟩
FC Clear	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Removing Regulatory Barriers							
Infill/Business	🟩	🟩	🟩	🟩	🟩	🟩	🟩
Greenfields			🟩	🟩	🟩	🟩	🟩
Neighborhood Infill			🟩	🟩	🟩	🟩	🟩
Fees & Programs					🟩	🟩	🟩

Proposed Metrics

Staff will work with committee members to establish progress metrics for each topic. Potential metrics may include:

- Percentage of projects approved by right

- Percentage of community where multi-unit development is a permitted use by right

- Percentage of projects that complete approval process in three rounds or less

- Construction of affordable housing units

- Units constructed in targeted infill areas identified in City Plan

- Mix of housing types and uses in existing commercial centers and neighborhoods

NEXT STEPS

Based on Council feedback at the work session, staff will populate a schedule for the Ad Hoc committee with proposed topics and proposed full-Council touchpoints.

ATTACHMENTS / LINKS

1. Presentation