



## Land Use Code: Potential Code Alternatives

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August 22<sup>nd</sup>, 2023

## Introduction: Overview and Policy Alignment

(3 min presentation)

## Part 1: Engagement Update and Timeline

(3 min presentation)

## Part 2: Zone-Specific Alternatives

(15 min presentation; 30 min discussion)

## Part 3: Citywide Alternatives

(5 min presentation; 20 min discussion)

## Conclusion: Next Steps

(2 min presentation; 15 min discussion)



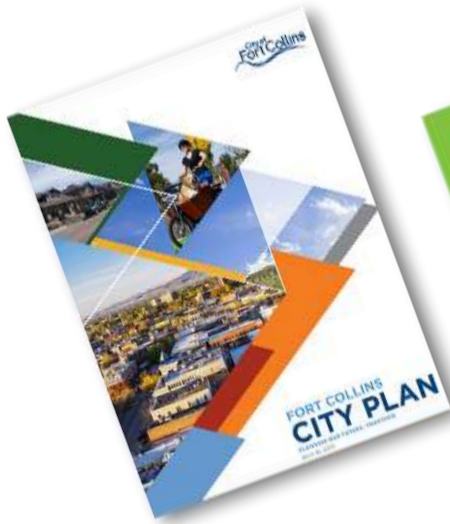
How should the alternatives appear in the draft ordinance of the Land Use Code?



# Purpose of the Land Use Code Updates:

To Align the LUC with Adopted City Plans and Policies with a Focus On:

- Housing-Related Changes
- Code Organization
- Equity



# FIVE GUIDING PRINCIPLES

Revisions to the code will continue to support the five guiding principles confirmed by City Council in November 2021 with an emphasis on Equity.

1. *Increase overall housing capacity* (market rate and affordable) and calibrate market-feasible incentives for deed restricted affordable housing
2. *Enable more affordability* especially near high frequency transit and growth areas
3. *Allow for more diverse housing choices* that fit in with the existing context
4. *Make the code easier to use and understand*
5. *Improve predictability* of the development permit review process, especially for housing

## Key Topic Areas

## Other Changes

1. *Increase overall housing capacity* (market rate and affordable) and calibrate market-feasible incentives for deed restricted affordable housing
2. *Enable more affordability* especially near high frequency transit and growth areas
3. *Allow for more diverse housing choices* that fit in with the existing context
4. *Make the code easier to use* and understand
5. *Improve predictability* of the development permit review process, especially for housing

- Housing types and number of units allowed in RL, NCL, and NCM Zones
- Affordable housing incentives
- Affordable housing definitions + requirements

- Regulations to enhance compatibility in RL, NCL, and NCM Zones
- Private covenants and HOAs
- Parking
- Short-term rentals (STRs)

- Levels of review for residential development
- Basic Development Review process

- Housing types allowed in mixed-use and some commercial zones (cottage court, ADU, etc)
- Increasing maximum density in LMN Zone from 9 to 12 dwelling units per acre

- Maximum 2,400 sq. ft single-unit floor area in NCM, NCL, NCB
- Design requirements (bulk plane, façade articulation, etc.) and rear-lot requirements in NCM, NCL, NCB
- Form-based approach to regulating housing types
- Allow ADUs in the UE zone

- Code reorganization
- Simplify and rename NCL, NCM, NCB to OT A, B, C
- Clarification of definitions/measures
- Graphic and form-based representation of code standards



# Engagement Update

## Engagement to Date:

- 38+ meetings and events over the last 4 months
- 10+ updates to Council + Boards and Commissions
- 200+ emails and general comments received
- 60 attendees at the April Virtual Info Session
- 70 attendees at the April Deliberative Forum
- 175 attendees at the May 8<sup>th</sup> open house event
- 100+ attendees total at 13 neighborhood-specific walking tours and 1 general walking tour
- Spanish walking tour July 26<sup>th</sup>
- Alternatives Exhibit on August 9<sup>th</sup>





### Stage 1 (March - April)

- Begin outreach
- Identify areas for engagement and potential adjustment

### Stage 2 (April - June)

- Gather feedback through dialog
- Listen, Consult & Involve

### Stage 3 (June - July)

- Draft Potential Alternatives
- Analysis & Legal Review

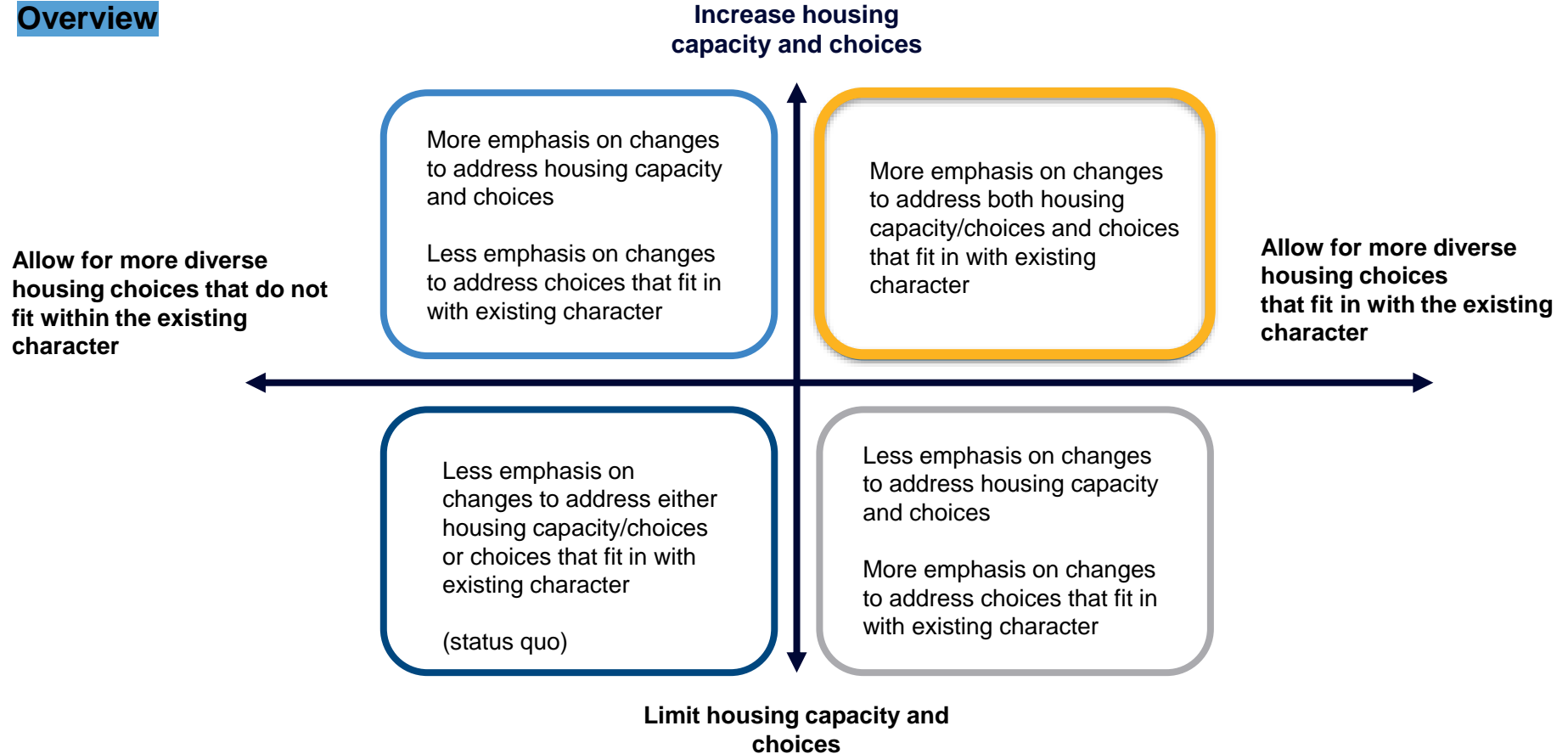
### Stage 4 (August - October)

- Code drafting
- Recommendations & Adoption






# Potential Alternatives and Revisions

Overview





## HOUSING CAPACITY REPORT CARD – Original Capacity Analysis based on LDC

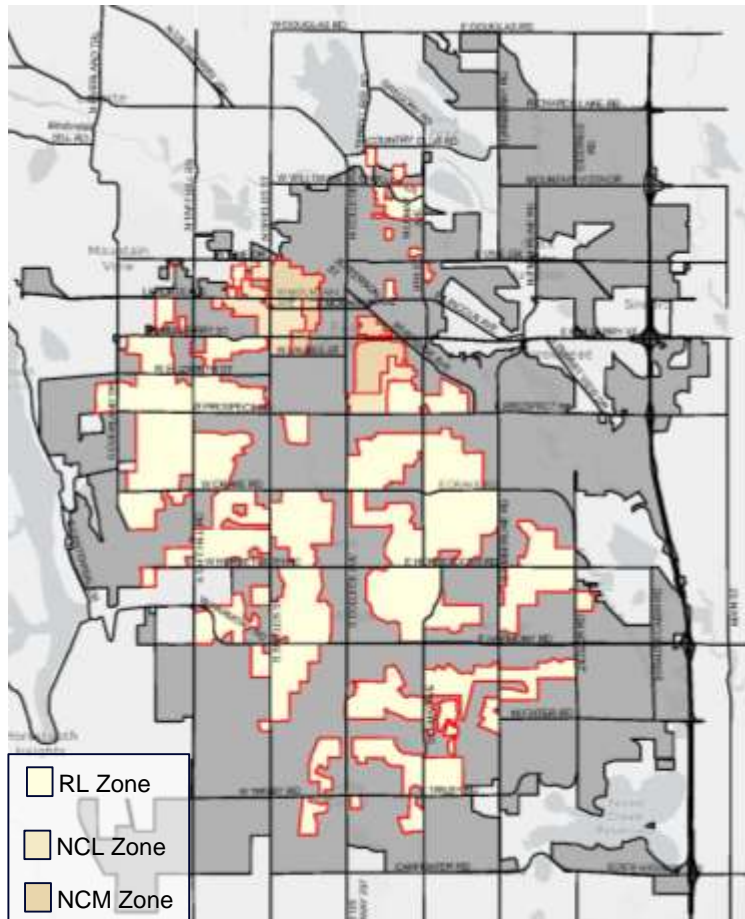
PERFORMANCE METRIC	EXISTING CODE	LDC CODE	% CHANGE
 <p><b>Total Housing Capacity</b> Estimated number of units possible to build under zoning standards</p>	<b>25,959</b> dwelling units	<b>39,725</b> dwelling units	
 <p><b>Housing Capacity as Percent of Projected 20-Year Housing Need</b> Estimated capacity compared to total projected housing demand through 2040.<sup>1</sup></p>	<b>85%</b> of 30,480 units	<b>130%</b> of 30,480 units	<b>↑ 53%</b>
 <p><b>Housing Capacity in Transit Corridors</b> Estimated number of units possible to build under zoning standards within 5 minute walk of existing and future transit corridors.</p>	<b>5,104</b> dwelling units	<b>8,299</b> dwelling units	<b>↑ 63%</b>

<sup>1</sup> Source: City Plan Trends and Forces Report (2017)

HOUSING CAPACITY REPORT CARD - **UPDATED**

PERFORMANCE METRIC	EXISTING CODE	PROPOSED CODE	% CHANGE
 <p data-bbox="305 353 838 405"><b>Total Housing Capacity</b></p> <p data-bbox="305 421 813 481">Estimated number of units possible to build under zoning standards</p>	<p data-bbox="981 375 1122 416"><b>25,959</b></p> <p data-bbox="958 430 1151 459">dwelling units</p>	<p data-bbox="1290 375 1431 416"><b>39,563</b></p> <p data-bbox="1267 430 1460 459">dwelling units</p>	<p data-bbox="1619 517 1750 558"><b>↑ 52%</b></p>
 <p data-bbox="305 546 857 707"><b>Housing Capacity as Percent of Projected 20-Year Housing Need</b></p> <p data-bbox="305 729 857 789">Estimated capacity compared to total projected housing demand through 2040.<sup>1</sup></p>	<p data-bbox="1006 623 1103 663"><b>85%</b></p> <p data-bbox="948 678 1161 707">of 30,480 units</p>	<p data-bbox="1306 623 1421 663"><b>130%</b></p> <p data-bbox="1257 678 1470 707">of 30,480 units</p>	<p data-bbox="1619 885 1750 926"><b>↑ 61%</b></p>
 <p data-bbox="305 805 768 907"><b>Housing Capacity in Transit Corridors</b></p> <p data-bbox="305 929 857 1023">Estimated number of units possible to build under zoning standards within 5 minute walk of existing and future transit corridors.</p>	<p data-bbox="996 871 1112 911"><b>5,104</b></p> <p data-bbox="958 926 1151 955">dwelling units</p>	<p data-bbox="1306 871 1421 911"><b>8,221</b></p> <p data-bbox="1267 926 1460 955">dwelling units</p>	<p data-bbox="1619 885 1750 926"><b>↑ 61%</b></p>

<sup>1</sup> Source: City Plan Trends and Forces Report (2017)

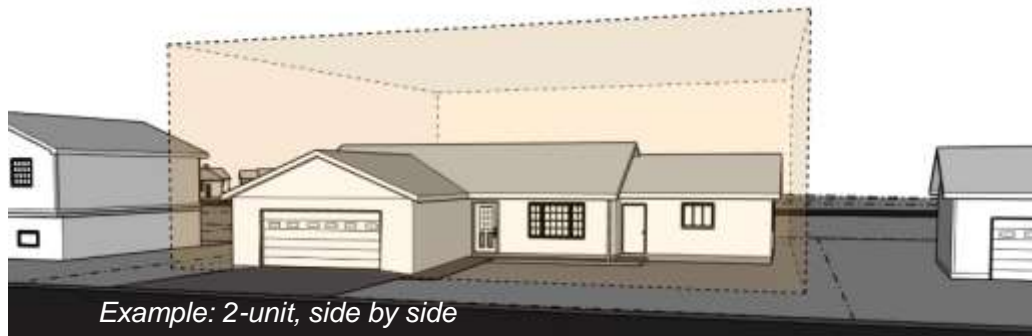


- There are 26 total zone districts within the City
- Alternatives focus on three residential zone districts:
  - Residential, Low Density (RL)
  - Neighborhood Conservation, Low Density (NCL)
  - Neighborhood Conservation, Medium Density (NCM)
- Combined, these three zones comprise about 25% of the city's land area

RL (Residential, Low Density)		
1	Limit ADUs to one story when there is no alley	
2	Allow ADU with single unit dwelling, not with a duplex	
3	Require ADU properties to be owner occupied (meaning owner has to reside in one of the units)	
4	Allow two units maximum (house + ADU or duplex only)	
5	<b>Allow duplexes ONLY IF 1) a lot is 100ft wide or wider or 2) one unit is an affordable housing unit or 3) the duplex converts and integrates an existing structure or 4) a lot is within 1/4 mile of current or future high-frequency transit</b>	

**Allow Duplexes if one of the following criteria is met:**

<b>Lots of 100ft width OR</b>	20% of parcels in RL (Approx. 5,000 lots)
<b>Lots that integrate the existing structure OR</b>	
<b>Lots that require an affordable housing development OR</b>	
<b>Lots within 1/4 of high frequency transit</b>	31% of parcels in RL (Approx. 7,750 lots)



*Example: 2-unit, side by side*



## Considerations for Alternative Number 5

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There are about 25,000 parcels within the RL zone district.

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About 5,000 parcels (20% of RL parcels) are 100 feet wide or wider.

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About 7,750 parcels (31% of RL parcels) are within  $\frac{1}{4}$  mile of current or future high-frequency transit.

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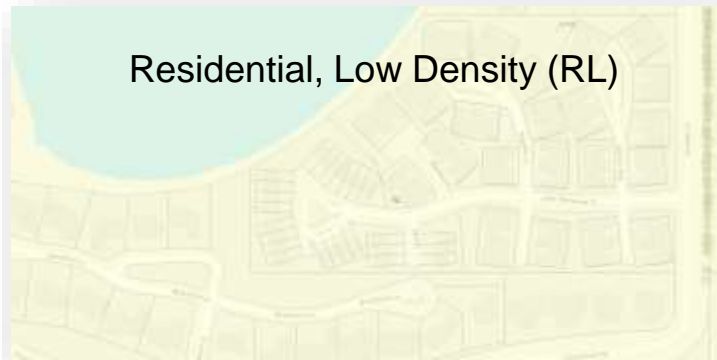
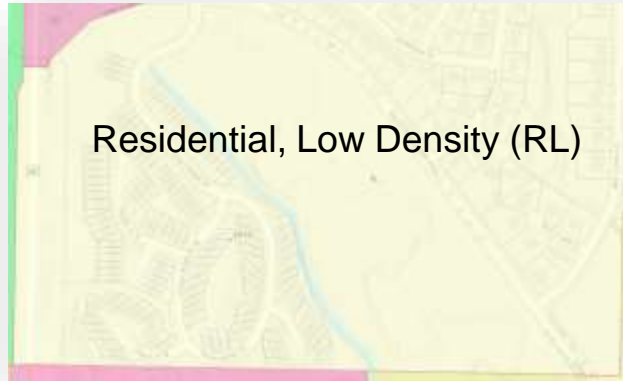


- There are no current incentives for affordable housing in the RL Zone.
- While property owners would be allowed to build a second unit under specific circumstances, other constraints, such as setback, height, utility, access, and parking requirements may make some parcels infeasible for two dwelling units.
- These alternatives aim to mitigate impacts of additional housing in neighborhoods (concerns about density, character, and parking) while still allowing a limited increase in housing capacity.

**Residential, Low Density**

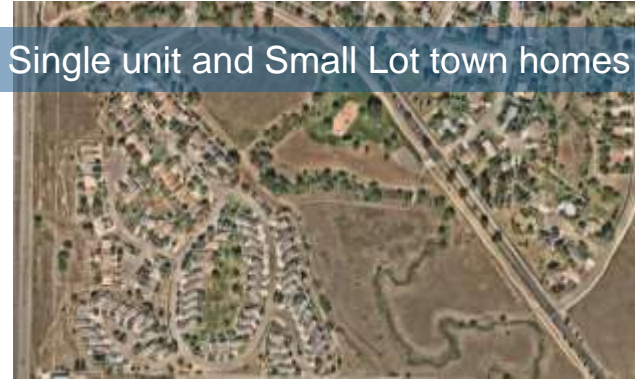
Existing Land Use Code	Land Development Code (LDC)	Proposed Alternative
Prohibits Duplexes	<p>Would have allowed a duplex on lots 100ft wide or wider</p> <p>Would have allowed a triplex if one unit were deed-restricted as affordable</p>	Allow duplex with site-specific requirements

### Zone District

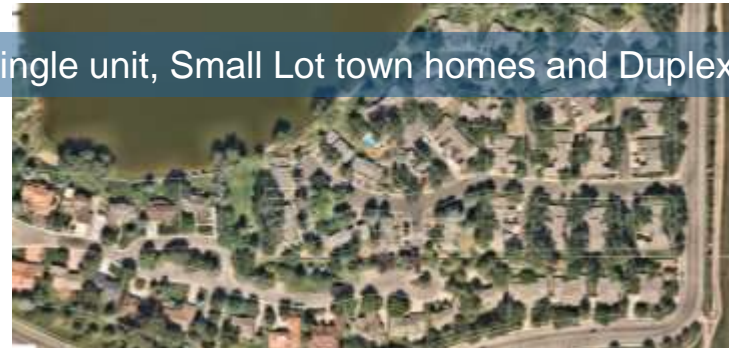


### Existing Housing Types

Single unit and Small Lot town homes



Single unit, Small Lot town homes and Duplexes



What feedback do  
Councilmembers  
have about this  
alternative?

Where should duplexes be permitted?

**5 Allow Duplexes if one of the following criteria is met:**

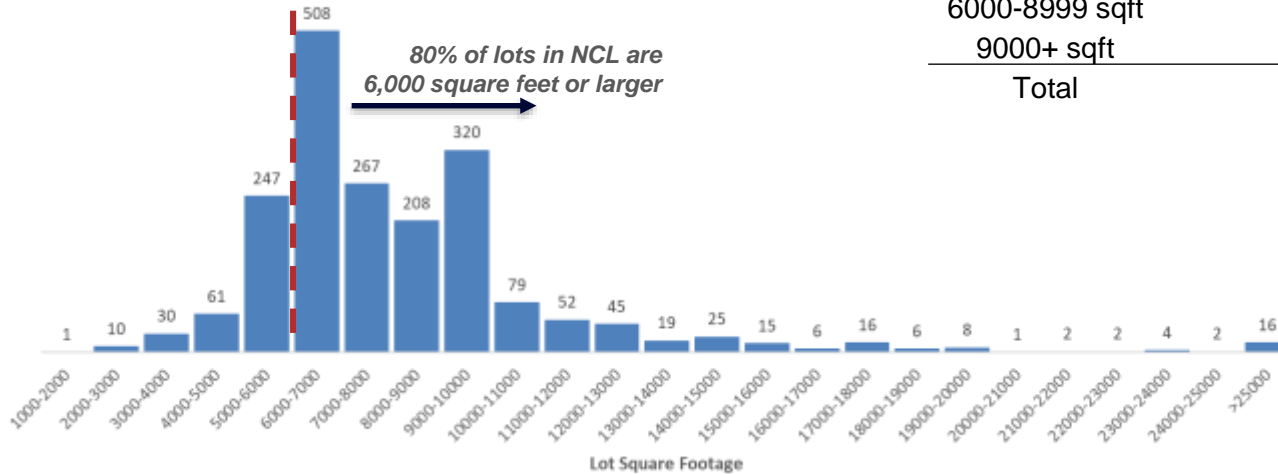
- 1) a lot is 100ft width or wider *or*;**
- 2) one unit is an affordable housing unit *or*;**
- 3) the duplex converts and integrates an existing structure *or*;**
- 4) a lot is within 1/4 mile of current or future high-frequency transit**

NCL (Neighborhood Conservation, Low Density)		
6	Decrease minimum lot size to 4,500 sf	
7	Allow two units maximum on lots 4,500 - 6,000 sf (house + ADU or duplex)	
8	Restrict ADU height to the height of the primary building.	
9	<b>Allow three units maximum on lots 6,000+ sf ONLY IF 1) a duplex + ADU or triplex converts and integrates an existing structure OR 2) a triplex or 3-unit cottage court includes one affordable unit</b>	

## Neighborhood Conservation, Low Density

<b>Allow 3 units on 6,000sf lots with any of the following Site-Specific Requirement:</b>		
Duplex + ADU	Integrates Existing Structure	
Triplex	Integrates Existing Structure	
Triplex		Affordable Housing Unit
<b>Allow 3 units on 9,000sf lots with the following Site Specific Requirement:</b>		
Cottage Court	Affordable Housing Unit	

- About 1,385 parcels (80% of NCL parcels) are larger than 6,000 square feet
- There are no current incentives for affordable housing in the NCL Zone.
- While property owners would be allowed to build up to three units on parcels larger than 6,000 square feet, other constraints, such as setback, height, utility, access, and parking requirements may make some parcels infeasible for three dwelling units.



Lot Sq Ft	Number of Lots	Percentage
0-4499 sqft	67	3.9
4500-5999 sqft	267	15.5
6000-8999 sqft	805	46.8
9000+ sqft	580	33.7
<b>Total</b>	<b>1719</b>	

## Neighborhood Conservation, Low Density

Existing Land Use Code	Land Development Code (LDC)	Proposed Alternative
Allows Single Unit 6,000sf lots	Would have allowed Single Unit 4,500sf lots	Allow Single Unit 4,500sf lots
Allows Carriage House on 12,000sf lots	Would have allowed ADUs on 4,500sf lots	Allow ADU on 4,500sf lots
	Would have allowed Duplexes on 4,500sf lots	Allow Duplex on 4,500sf lot
	Would have allowed 3 units on 4,500sf lots with required Affordable Housing	Allow 3 units on 6,000sf lots with site specific requirement
	Would have allowed 3 units for a Cottage Court on 9,000sf lots	Allow 3 units max Cottage Court on 9,000 sf lot with required Affordable Housing




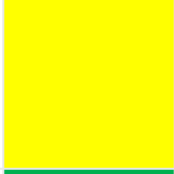



A blue speech bubble with a white border, containing the text "What feedback do Councilmembers have about this alternative?".

What feedback do Councilmembers have about this alternative?

Should the NCL Zone allow up to three units maximum on larger parcels?

- 9 Allow three units maximum on lots 6,000+ sf ONLY IF:**
- 1) a duplex + ADU integrates and existing structure OR;**
  - 2) triplex integrates an existing structure OR;**
  - 3) triplex with an affordable housing unit OR;**
- Allow three units maximum on 9,000+ sf ONLY IF:**
- 1) Cottage court with an affordable housing unit**

NCM	
<p>10 Decrease minimum lot size to 4,500 sf</p>	
<p>11 Allow three units maximum on lots 4,500 - 6,000 sf (single unit, duplex, row house and ADU only)</p>	
<p>12 <b>Allow five units maximum on lots larger than 6,000 sf</b></p>	
<p>13 <b>Allow six units on 6,000 sf or larger ONLY IF the development converts and integrates an existing structure (single unit, duplex, row house and ADU only) AND one unit is affordable</b></p>	
<p>14 <b>Allow a Cottage Court (minimum 3 units, maximum 6 units) on lots 9,000 sf or larger</b></p>	

<b>Allow up to 5 Units ONLY IF:</b>		
Minimum lot size of 6,000+sf		
<b>Allow up to 6 Units if ALL the following criteria are met:</b>		
6,000 sf minimum lot size	Integrates the existing structure	Affordable Housing Unit
<b>Allow Cottage Courts if ALL the following criteria are met:</b>		
9,000 square foot minimum lot size	Minimum of 3 units Maximum of 6 units	Minimum 100' lot width

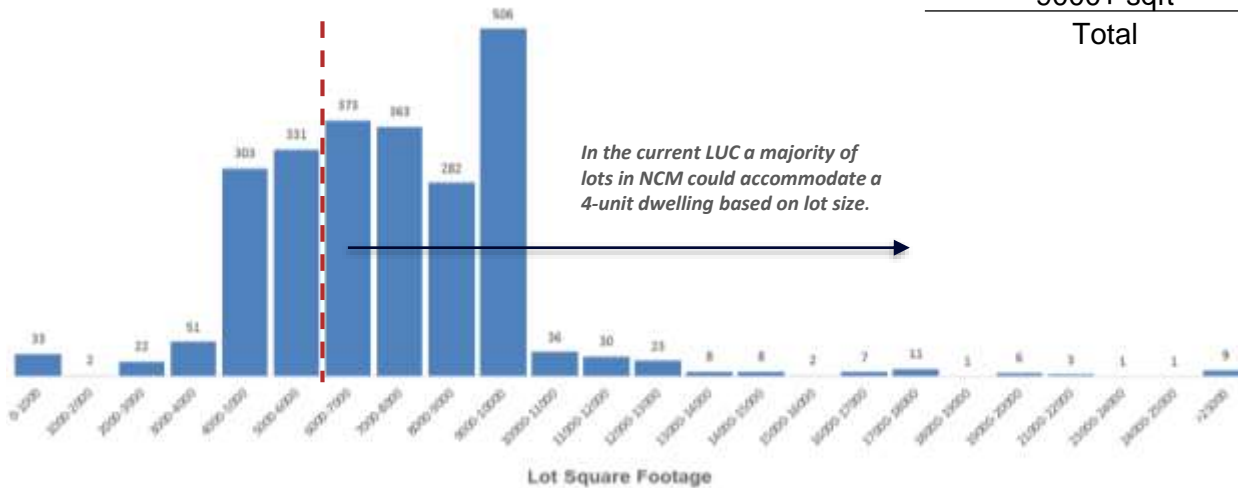
- About 1,437 parcels (70% of NCM parcels) are larger than 6,000 square feet. Of these larger parcels:
- About 810 parcels (39% of all NCM parcels) are between 6,000-9,000 square feet.
- About 627 parcels (31% of all NCM parcels) are larger than 9,000 square feet.
- There are no affordable housing incentives in the NCM Zone.
- While property owners would be allowed to build additional units, other constraints, such as setback, height, utility, access, and parking requirements may make some parcels infeasible for five or six dwelling units.
- This alternative aims to mitigate potential impacts of additional housing in neighborhoods (heard as a concern during public engagement) while still allowing a limited increase in housing capacity.

## Neighborhood Conservation, Medium Density

Existing Land Use Code	Land Development Code (LDC)	Proposed Alternative
Allows Single Unit 5,000 sf lots	Allowed Single Unit 4,500 sf lots	Allow Single Unit 4,500sf lots
Allows Carriage House on 10,000sf lots	Allowed ADU 4,500 sf lots	Allow ADU on 4,500sf lots
Allows Duplex 5,000 sf lots	Allowed Duplex on 4,500 sf lots	Allow Duplex on 4,500sf lots
Allows Triplex 5,000 sf lots	Allowed Triplex on 4,500 sf lots	Allow Triplex on 4,500 sf lots
Allow 4-units on 5,000 sf lots	Allowed 4 units on 5,250 sf lots	Allow 4 units on 6,000+sf lots
	Allowed 5 units on 6,000 sf lots	Allow 5 units on 6,000+sf lots
	Allowed 6 units 6,750sf lots with an Affordable Housing unit	Allow 6 units on 6,750sf lots integrates existing structure <u>and</u> with an affordable housing unit
	Allowed 5+ units on 9,000sf lot	Allow Cottage Courts 6 units max on lots 9,000+sf



Lot Sq Ft	Number of Lots	Percentage
0-4499 sqft	154	7.5
4500-5999 sqft	462	22.5
6000-8999 sqft	810	39.5
9000+ sqft	627	30.5
<b>Total</b>	<b>2053</b>	



## Neighborhood Conservation, Medium Density



5 unit example: Existing large house on 6,000+ sf parcel; converted into 5 studio dwelling units

*\*Community feedback  
The fifth unit would incentivize removal of existing housing.*



*ADU in backyard for 6<sup>th</sup> unit*

6 unit example: Existing large house on 6,750+ sf parcel; converted into 5 studio dwelling units with backyard ADU

*\*Responds to community feedback  
+ housing capacity  
+ housing diversity*

## Neighborhood Conservation, Medium Density



*\*Community feedback  
The fifth unit would incentivize removal of existing  
housing.*

*+ housing capacity  
+ housing diversity*

*What feedback do Councilmembers have about this alternative?*

Should the NCM Zone allow up to six units maximum on larger parcels?

- |   |
|---|
| <p><b>12 Allow five units maximum on lots larger than 6,000 sf</b></p>  |
| <p><b>13 Allow six units on 6,750 sf or larger ONLY IF:</b></p> <ul style="list-style-type: none"> <li><b>1) the development converts and integrates an existing structure and</b></li> <li><b>2) one unit is affordable housing</b></li> </ul> |

Should Cottage Courts be a permitted housing type in NCM?

- |  |
|--|
| <p><b>14 Allow a Cottage Court (minimum 3 units, maximum 6 units) on lots 9,000 sf or larger</b></p> |
|--|



**Affordable Housing**

Affordable Housing		
15	Expand affordable housing incentives citywide and calibrate market-feasible incentives for ownership and rental	Green
16	Update definitions of affordable housing to match market needs for ownership and rental	Green
17	<b>Extend required affordability term to 99 years</b>	Yellow

## Affordable Housing

Existing Land Use Code	Land Development Code (LDC)		Proposed Alternative	
	Rental	Ownership	Rental	Ownership
Both Rental and Ownership				
10% of units	10% of units	10% of units	10% of units	10% of units
80% AMI	60% AMI	100% AMI	60% AMI	100% AMI
20 years	99 years	99 years	50, 60, or 99 years ?	50, 60, or 99 years ?



What feedback do Councilmembers have about this alternative?

Should deed restrictions be lengthened for affordable developments to 50, 60 or 99 years?

**17**    **Extend required affordability term to 50, 60, or 99 years**

- 99 years deed restriction is the longest term legally permitted

With out preventive maintenance

- 50 years is the average useful life of the exterior and framing components of a multi-unit building
- 20-50 years is the average life span interior components

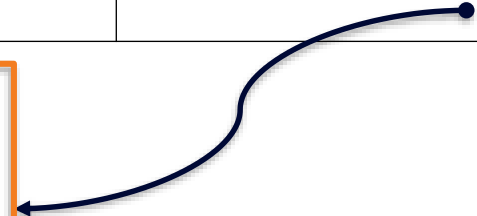
## Development Review Process

Input in Development Review	RYG
<b>26 Allow residential projects to be reviewed under Basic Development Review</b>	
<b>27</b> Require a neighborhood meeting for some projects (larger, more complex, etc.)	
<b>28</b> Require a pre-application conceptual review meeting for projects over 6 units	
<b>29</b> Establish a defined comment period for public comments on Basic Development Reviews	
<b>30</b> Require projects with Modifications go to P&Z when it involves a modification for certain code sections (such as parking, height, density) or;	
<b>31</b> Require projects with Modifications go to P&Z when it involves more than a certain number of modifications	

## Development Review Process

Existing Land Use Code	Land Development Code (LDC)	Proposed Alternative
Affordable Housing Developments not treated differently subject to BDR, TYPE 1, or TYPE 2 Review	Affordable Housing Developments not treated differently subject to BDR only	Allow Affordable Housing Developments to be reviewed by BDR in any zone district
Residential developments reviewed under BDR, Type 1 or Type 2 dependent on the zone district	BDR review type for all residential projects in all zones	All other residential developments reviewed under BDR, Type 1 or Type 2 dependent on the zone district





This alternative continues with existing review types for all residential projects except for Affordable Housing Projects following Council feedback at the July 31<sup>st</sup> work session



*What feedback do Councilmembers have about this alternative?*

<b>26</b>	Allow Affordable Housing projects to be reviewed under Basic Development Review
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- Basic Development Review (BDR) streamlines the review process for residential projects and can still incorporate and include a robust public comment period and feedback process.
- The BDR review will help Affordable Housing projects to qualify for other State funding.

Private Covenants/HOAs	RYG
<b>18 Allow an HOA to regulate the option for detached or attached ADU</b>	
<b>19 Specify that HOA's can continue to regulate aesthetics (color, window placement, height, materials, etc.) within the bounds of their existing rules</b>	
<b>20 Add language to allow HOA's to regulate site placement (additional setbacks, separation requirements)</b>	
<b>21 Allow an HOA to regulate whether a lot can be further subdivided</b>	

## Private Covenants and HOAs

Existing Land Use Code	Land Development Code (LDC)	Proposed Alternative
Not allowed to exclude Clothes lines, xericscape, solar power and composting	Not allowed to exclude Clothes lines, xericscape, solar power and composting	Not allowed to exclude Clothes lines, xericscape, solar power and composting
	Prohibits any covenant that effectively makes it impossible to implement the adopted Housing Strategic Plan	Prohibits any covenant that effectively makes it impossible to implement the adopted Housing Strategic Plan
Allows for HOAs to enforce their own rules to allow ADUs if permitted in the zone district	Required to allow ADUs	HOA must allow ADUs
Allows for HOAs to determine if a ADU could be attached or detached	Required to allow both attached and detached ADUs	Allow for HOAs to determine if an ADU is attached or detached
Allows for HOAs to enforce their own rules on subdivisions		Allow for HOAs enforce their own rules on subdivisions



*What feedback do Councilmembers have about this alternative?*

18	Allow an HOA to regulate the option for detached or attached ADU
21	Allow an HOA to regulate whether a lot can be further subdivided

- Community engagement highlighted that many residents who live in HOA neighborhoods would like additional options to regulate or restrict ADUs.
- These alternatives seek to reflect desire for more regulation by HOAs with the interest expressed to increase housing capacity across the community.
- Like all HOA covenants this would only apply in private covenant communities. Neighborhoods without private covenants are limited by only the zone district standards.

How should the alternatives appear in the draft ordinance of the Land Use Code?





City of  
**Fort Collins**

Next Steps

- **First reading: October 3, 2023**



