



WORK SESSION AGENDA ITEM SUMMARY

City Council

STAFF

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SUBJECT FOR DISCUSSION

Land Use Code Housing Updates: Process and Next Steps.

EXECUTIVE SUMMARY

The purpose of this work session is to outline potential paths forward for Council's consideration of housing-related changes to the City's Land Use Code (LUC). This work session follows the repeal of Ordinance No. 114, 2022 on January 17, 2023.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Do Councilmembers support the process summary and timeline (Stages 1-4)?
2. In what ways would Councilmembers like to be directly involved in the engagement process?
3. Do Councilmembers support monthly work sessions?
4. Which potential engagement activities would Councilmembers like to see incorporated into the process?

BACKGROUND / DISCUSSION

Following the submission and certification of a petition sufficient for referendum, Council reconsidered Ordinance No. 114, 2023 at the Regular Meeting on January 17, 2023. Council voted unanimously (7-0) to repeal Ordinance No. 114, 2022, *Repealing and Reenacting Section 29-1 of the Code of the City of Fort Collins Code to Adopt the Land Development Code and Separately Codifying the 1997 Land Use Code As "Transitional Land Use Regulations"*. Council further directed staff to explore next steps to allow for additional community engagement and further refinement of housing-related code changes.

A proposed approach to engagement and refinement of housing-related code changes is outlined below and will be adjusted to align with Council direction received at this work session. While there are many variables influencing the timeline, City staff estimates the proposed process to be complete in approximately 6 months, with a new Draft LUC ready by early Summer. In addition, approximately

\$150,000 will be required for additional consultant assistance to support meeting facilitation, code drafting and testing, outreach expenses, and external legal review.

Revisions to the code will continue to support the five guiding principles confirmed by City Council in November 2021:

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 review process, especially for housing

The attached graphic outlines the proposed process at a conceptual level, and details about the work proposed in each stage have been included below.

- **Stage 1 – Listening Sessions and Information Sharing (March-April 2023):** City Staff would host listening sessions, office hours and other community feedback opportunities to learn more about questions, concerns, and areas of support. City staff recommends Council consider an active role such as co-hosting and providing input about what types of outreach and input events would be most useful. Staff and consultants will prepare additional materials, as needed, to improve communication and understanding. Based on common questions from the community, the focus could be on affordable housing regulations, comparison of existing and proposed procedures, education on existing codes and the development review process, comparison of potential built outcomes by zone district, and implications for utilities. This phase could also include a postcard mailing and online survey, if desired.
- **Stage 2 – Identify Relevant Areas of Adjustments (April 2023):** Based on feedback from the community to-date and Stage 1 above, City staff would prepare a recommended scope for adjustments in creation of a new Draft LUC (using the previously adopted Land Development Code as the starting point). This scope would be confirmed at a Council Work Session and serve as the framework for subsequent stages to the process. Areas of adjustment will likely focus on (but are not limited to):
 - The name of the code document
 - The notification and review procedures for residential development
 - Where to permit housing choices and associated regulations (e.g. Accessory Dwelling Units, duplexes, triplexes)
 - The interaction between the code and private covenants
 - Affordable housing incentives and requirements
 - Size, height and form of specific housing types
 - Additional topics as directed by Council
- **Stage 3 – Prepare the new Draft LUC (May-June 2023):** Based on feedback in Stage 2, staff and consultants will prepare recommended changes to the new Draft LUC for consideration. The process to develop these changes would include Council Work Sessions, work sessions with applicable boards and commissions, technical review and testing of the code, and additional community engagement efforts. Community engagement activities could include workshops, focus groups, and similar types of opportunities. This will be an iterative process until Council determines the draft code language is ready for formal consideration. This stage is also the ideal time to evaluate progress and make adjustments if directed by Council.
- **Stage 4 – Adoption Process (July-August 2023):** City staff will bring the new Draft LUC to City Council for adoption. This will be preceded by recommendations from Planning and Zoning Commission, Affordable Housing Board, and Historic Preservation Commission.

Potential Engagement Activities for Council Consideration

The above framework can include additional components to address Council objectives and expand public outreach, if desired. Staff welcomes direction from Council on whether to incorporate the following engagement activities:

- **Monthly Council Work Session:** Council could commit monthly Work Session agenda time to offer input and adjustments to the process, concepts, and drafts. City staff would prepare topics for discussion and relevant updates for each Work Session.
- **Task Force:** Council could direct staff to form a Task Force that would meet on a set schedule during Stage 3 (May – June 2023) with facilitated conversations focused on specific code topics. Their purpose would be to explore specific topics and serve in an advisory capacity to staff and Council. Different interests would be represented to provide a balance of perspectives based upon the scope of adjustments determined in Stage 2. A Task Force could be a small (10-15) group, recruited through an application process, and selected by the City Manager with guidance from Council.
- **Postcard Mailing:** A postcard could be mailed to all City residents (property owners and tenants) to provide notification of upcoming outreach activities during Stage 1. This could be an opportunity to advertise a community survey and/or task force applications as well.
- **Community-Wide Survey:** The City could conduct an online survey during Stage 1 to gather input and assess the level of support/concern for certain policy choices.
- **Community Events:** Engagement on code topics could be integrated into planned community events in the spring and summer. Examples include Next Level Neighborhood Workshops, CityWorks 101, a planned Housing Strategic Plan Community Summit, and other events.

NEXT STEPS

Following this work session, staff will prepare and implement a formal engagement and communications plan in alignment with Council direction. If supported, staff will also prepare an appropriation of approximately \$150,000 to resource this process.

ATTACHMENTS

1. Presentation
2. Proposed Process Graphic