

RESOLUTION 2023-082
OF THE COUNCIL OF THE CITY OF FORT COLLINS
DIRECTING CITY STAFF TO PREPARE AND PRESENT TO COUNCIL AMENDMENTS
TO THE CITY OF FORT COLLINS LAND USE CODE INCREASING OCCUPANCY
ALLOWED IN RESIDENTIAL DWELLINGS

WHEREAS, the City of Fort Collins began regulating occupancy in 1963; and

WHEREAS, the current version of the City’s occupancy ordinance, Section 3.8.16 of the Land Use Code (hereafter, the “Ordinance”), limits occupancy of residential dwellings to a family of any size plus one additional unrelated occupant, or to no more than three unrelated occupants; and

WHEREAS, active enforcement of the Ordinance began in 2005, when violation of the Ordinance was classified as a civil infraction; and

WHEREAS, since then, Council has had several in-depth conversations about occupancy and nuisance regulation as part of the community dialogue regarding neighborhood livability, and has reviewed regular evaluations of the occupancy ordinance and its impacts; and

WHEREAS, adjustments have been made to the Ordinance over the years to allow for designations as extra occupancy rentals in some zoning districts through a development review process outlined in Land Use Code Section 3.8.28, as well as the addition of a Host Family Permit; and

WHEREAS, the City’s Housing Strategic Plan, formally adopted in March 2021, addresses how the occupancy ordinance limits housing options and poses challenges related to fair housing compliance; and

WHEREAS, additional concerns with the occupancy ordinance include underutilization of the City's existing housing stock and how the application of the definition of “family” in the Ordinance no longer reflects the demographic makeup of many households in the community; and

WHEREAS, numerous types of analysis have been completed over time, including analysis of existing conditions (Root Policy Research), housing stock analysis, occupancy cases and enforcement, peer city comparisons, and community surveys and engagement; and

WHEREAS, the City partnered with Corona Insights in 2005, 2009, and 2019 to evaluate the overall impacts of the occupancy ordinance on the community; and

WHEREAS, compared to the previous survey in 2005, the 2019 Corona Insights study reported a dramatic shift in the demographics of households in violation of occupancy regulations, suggesting that, compared to 2005, a wider cross-section of households are bringing in roommates in violation of the occupancy ordinance, likely in an effort to defray high housing costs; and

WHEREAS, from the period of 2005 to 2018, a price escalation of 78% for rent payments, paired with low rental vacancy rates under 5%, likely resulted in occupants “doubling up” to afford housing for a broad range of household configurations; and

WHEREAS, the City's population was estimated to be between 169,000-172,000 residents in 2020-2021, and there were roughly between 14,718 and 17,718 more bedrooms in the City than there were residents; and

WHEREAS, these figures demonstrate a noteworthy underutilization of the City's existing housing stock; and

WHEREAS, the issue of occupancy limits in the Land Use Code has become an issue of considerable interest and debate among residents of the City; and

WHEREAS, the City Council continues to hear strong arguments from the community on both the perceived effectiveness of regulation of occupancy as well as its perceived disadvantages; and

WHEREAS, the City Council is of the opinion that City Staff should prepare and present for Council consideration by no later than June 30, 2024, amendments to the Land Use Code to eliminate familial relatedness as a mechanism for regulating occupancy and to enact new regulations that increase the maximum occupancy allowed in residential dwellings based on the number of adults per dwelling unit, or based on building size or number of sleeping rooms (bedrooms), or by some other method.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That City Staff are hereby directed to prepare amendments to the Land Use Code to eliminate familial relatedness as a mechanism for regulating occupancy and to enact new regulations that increase the maximum occupancy allowed in residential dwellings based on the number of adults per dwelling unit, or based on building size or number of sleeping rooms (bedrooms), or by some other method, and present them to Council for consideration no later than June 30, 2024.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 5th day of September, 2023.

Mayor

ATTEST:

City Clerk