

AGENDA ITEM SUMMARY

City Council



STAFF

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SUBJECT

Items Relating to Amendments to the Land Use Code, Harmony Corridor Plan and Harmony Corridor Standards and Guidelines.

EXECUTIVE SUMMARY

A. First Reading of Ordinance No. 166, 2025, Amending the Land Use Code of the City of Fort Collins Regarding Commercial Corridors and Centers.

B. First Reading of Ordinance No. 167, 2025, Updating the Harmony Corridor Plan and Harmony Corridor Standards and Guidelines.

The purpose of this item is to seek Council approval of the proposed code changes. These code changes are intended to:

- Enable more housing and mixed-use buildings, especially near existing and future transit.
- Allow for more flexibility and adaptability, especially within the Harmony Corridor and Employment areas.
- Create clearer building and site design standards to promote transit use and pedestrian access.
- Improve predictability of the Land Use Code, especially to support small business owners.
- Align the Harmony Corridor plan to the proposed Land Use Code changes.

Staff is proposing second reading of this Ordinance to take place on December 2, 2025, in order to allow sufficient time for any suggested changes between first and second reading.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinances on First Reading.

BACKGROUND / DISCUSSION

The Land Use Code (LUC) Update: Commercial Corridors and Centers, focuses on changes along major roadways with frequent bus service to encourage more housing and mixed-use development, create more resilient commercial and employment centers, and improve predictability through site design standards and clear site improvement requirements.

Foundational Land Use Code Changes

Several foundational LUC changes were adopted by Council on April 16, 2024. These include:

- Reorganized content so the most used information is first in the code
- Reformatted zone districts with consistent graphics, tables, and illustrations
- Created a menu of building types and form standards to guide compatibility
- Updated use standards, rules of measurement, and definitions to align with new building types and standards
- Expanded and re-calibrated incentives for affordable housing
- Regulate density through form standards and building types instead of dwelling units per acre
- In addition to the Foundation Land Use Code Changes adopted in 2024, there are similar changes being made with this round of code updates. Those include:
 - Reorganizing and consolidating portions of the code, most notably in Articles 4 and 5
 - Simplifying text within the LUC and using tables and illustrations where possible
 - Clarifying rules of measurement for and standards for commercial development
 - Clarifying, simplifying, and codifying micro- minor- and major-amendment standards

The desire for these changes to simplify the process toward greater clarity and predictability within the development review process were expressed during public engagement, most specifically within the Focus Group conversations. These changes, in addition to the changes detailed below, are meant to result in a more predictable and simplified process in applying the LUC, especially in Commercial and Employment areas.

State Legislation

Several bills were passed last year through the state legislature that will affect local Land Use Policy. Some compliance work related to these bills is ongoing, and some of these requirements have already been addressed as LUC updates within the last year.:

HB-1313 Housing in Transit-Oriented Communities:

This bill requires the establishment of a Housing Opportunity Goal and ongoing reporting to ensure a minimum zoned housing capacity along high frequency transit corridors. In addition, the bill requires communities to review and permit multifamily and mixed-use projects in transit areas without requiring a public hearing and to develop anti-displacement strategies. The City has complied with the first deadline to submit a preliminary transit-oriented community assessment report on or before June 30, 2025, and this Preliminary Housing Opportunity Goal was accepted by the Department of Local Affairs (DOLA). Transit Center analysis will take place following the Commercial Corridors and Centers Land Use Code updates. This report is due to DOLA by December 31, 2026.

HB-1152 Accessory Dwelling Units:

This bill required updating our Land Use Code to permit Accessory Dwelling Units (ADUs) wherever we allow single-family detached homes. As of February 14, 2025, the LUC was updated to be compliant with HB-1152.

HB-1304 Minimum Parking Requirements:

This bill required updates to the Land Use Code to remove minimum parking requirements for multi-family and certain mixed-use projects close to transit. As of February 15, 2025, the LUC is compliant with HB-1304.

Policy Foundation

Code updates are complex, multifaceted efforts that build on years of previous planning work. The LUC is the City's primary regulatory tool for implementing our community's vision as described in various policies and adopted plans. The City has over 300 pages of adopted policies and information to inform the LUC Updates that primarily come from the following documents:

- City Plan
- Housing Strategic Plan (HSP)
- Economic Health Strategic Plan
- Our Climate Future (OCF)
- Transit Master Plan
- 15-Minute City Analysis
- Land Use Code Audit (which identified opportunities to align LUC with the newly adopted City Plan)
- Council Priorities (affordable and achievable housing strategies; 15-minute communities)
- Urban Forest Strategic Plan

Relevant Council Priorities

- Council Priority No. 1: Operationalize City resources to build and preserve affordable housing
- Council Priority No. 3: Advance a 15-minute city by igniting neighborhood centers
- Council Priority No. 4: Pursue an integrated, intentional approach to economic health
- Council Priority No. 8: Advance a 15-minute city by accelerating our shift to active modes

These documents and priorities serve as primary inputs to the formation of Guiding Principles and code language, augmented by work accomplished in Phase 1 of the LUC update. Staff have been engaging internal staff and providing monthly updates at work sessions with the Planning & Zoning Commission.

Guiding Principles

The following Guiding Principles were developed utilizing goals, policies and action items from the adopted policy plan documents mentioned above, in addition to Council priorities.

- Enable more housing and mixed-use buildings, especially along roads with frequent bus service
- Create resilient commercial and employment centers that are adaptable to future needs

- Create clearer building and site design standards that promote transit use, walking, and rolling along roads with frequent bus service
- Improve Predictability of the Land Use Code, especially to support small business owners

COMMERCIAL CORRIDORS AND CENTERS LAND USE CODE CHANGES

Focus areas for Land Use Code updates have been identified based on Guiding Principles, community input, and analyses conducted by the consultant team and City staff. These project focus areas are presented in four categories including:

- Transit-Oriented Development (TOD) Overlay
- Harmony Corridor & Employment Zones
- Building Types & Design Standards
- Change of Use & Amendments

Transit Oriented Development Overlay Changes

Corresponding Guiding Principle: Enable more housing and mixed-use buildings, especially along roads with frequent bus service

The Purpose of the Transit-Oriented Development Overlay District is to modify the underlying zone districts along College Avenue south of Prospect Road to encourage denser development, and supportive land uses close to transit. The TOD Overlay offers height bonuses if projects meet various criteria. These criteria include building affordable units (at least 10%), including structured parking, and including mixed-use. Height bonuses are meant to incentivize greater density in certain areas. Most of the underlying zone district south of Prospect Road within the TOD Overlay is General Commercial.

Example: A 4-story building is currently allowed in General Commercial zoning (CG). With the TOD Overlay Zone Incentives, up to a 7-story building would be allowed if all incentives were used.

Standalone Residential

- Although the TOD Overlay encourages higher-intensity mixed-use development, most of the built and proposed development and redevelopment in this area continues to be suburban in character and generally low-intensity uses.
- Testing the various potential configurations for market feasibility reveals that most configurations to include mixed-use, even with the additional height allowances, do not achieve a feasible internal rate of profitability return that would make a developer willing to take on a project. Primarily, costs of construction and low commercial rents disincentivize building more floors.
- Only with tax increment financing does the prospect of adding the additional 3 floors allowed within the TOD Overlay and a ground floor commercial component begin to achieve a feasible internal rate of return.

However, a test scenario to assume one-story additional height allowance (5-story residential building) without a mixed-use component is found to be the most market feasible development type available today. Based on these findings, a change related to height allowance is included in the recommended LUC changes

TOD Allowed Uses

Another reason why the development pattern within the TOD Overlay continues to be low-density and auto centric could be the land uses that are allowed by the LUC. Permitted land uses in the TOD currently include gas stations, self-storage, drive-thru restaurants, drive-thru pharmacies, car washes, drive-thru banks & credit unions, and stand-alone parking lots, amongst others. Auto-centric uses are already concentrated within most of the TOD Overlay, particularly in the area south of Prospect Road. Additional concentration of these uses makes it more difficult to achieve the dense, mixed-use environment as envisioned by the TOD Overlay.

Staff recognize that the existing function and conditions of College Avenue/Highway 287 as a state highway are partially at odds with the vision for both the TOD overlay as well as how City Plan and other policy plans envision this area. For this reason, staff considered many approaches when formulating recommendations related to the TOD overlay. Options under consideration and shared during community engagement included:

- Make no changes to allowed uses within the TOD Overlay
- Limit all new auto-centric uses within the TOD Overlay
- Limit certain auto-centric uses with geographic parameters (such as distance requirements between uses, or distance from MAX stations)
- Introduce additional design standards to influence the form and design of future auto-centric uses

Through these conversations, staff, community members, and focus group participants also recognized that there are many different contexts within the TOD Overlay. For example, the character of the area surrounding the College and Prospect intersection is much different than the context of College Avenue south of Harmony Road. And although all of these areas within the TOD Overlay are envisioned to become transit-oriented, mixed-use places over time, there could be more readiness for a larger shift in the northern portion of the TOD overlay closer to the CSU campus and closer to Downtown. For these reasons, staff initially proposed subdividing the TOD overlay into multiple Zones A, B, and C to respond to the existing context within the corridor. However, when presented to City Council, Councilmembers provided feedback that breaking the TOD overlay into subareas would cause greater confusion and add complexity. Therefore, the recommendations related to uses are as follows:

Recommended LUC and Policy Changes – TOD Land Uses

- Limit new Gasoline Stations (gas stations) within 1000' of MAX Stations, other existing gas stations, and Convenience Stores with Fuel Sales within the entire TOD Overlay
- Prohibit new enclosed mini-storage use in entire TOD Overlay
- Prohibit new boat sales with storage use in entire TOD Overlay

Parking

Community engagement for this project thus far has documented a large volume of comments about the amount of existing surface parking provided by many of the commercial developments across Fort Collins, but particularly in the TOD overlay. Currently in the Land Use Code, there is a parking minimum and a parking maximum that must be met by non-residential uses. Like the topic of the TOD Overlay, many different scenarios related to parking were considered and discussed. Some options under consideration and shared during community engagement included:

- Keep parking minimums and maximums as-is
- Lower parking minimums and/or lower parking maximums
- Eliminate parking minimums for non-residential uses in the TOD
- Eliminate parking minimums for non-residential uses citywide (including the TOD)

Recommended LUC and Policy Changes – TOD Parking

- Within the entire TOD:
 - Eliminate parking minimums
 - Revise existing maximums to apply to surface parking lots only and set the maximum contiguous surface parking lot allowance at 2.0 acres, inclusive of circulation and landscaping
 - Require parking lots larger than one acre to be bounded on multiple sides by “streets” that are designed/function as public streets with street trees and sidewalks

Harmony Corridor & Employment Zone Changes

Corresponding Guiding Principle: [Create resilient commercial and employment centers that are adaptable to future needs](#)

The Harmony Corridor District is intended to implement the design concepts and land use vision of the Harmony Corridor Plan - that of creating an attractive and complete mixed-use area with a major employment base. The Harmony Corridor Plan was adopted in 2006 as an element of City Plan. “Primary” and “Secondary” uses were established to emphasize the office and employment functions of the area. While this has served the area well in the past, market conditions have shifted away from large office parks and demand for residential and smaller retail has increased.

Current Standards:

In addition to defining Primary and Secondary Uses within the Harmony Corridor, the LUC defines ratios of Primary versus Secondary Uses for development plans as follows:

- Secondary Uses may occupy no more than 25% of the Gross Area of the Development Plan
- Locate industries and businesses in areas designated for Primary Uses.
- Primary uses must account for 75% of the development plan area.

Primary Uses:

- Offices, financial services & clinics
- Long term care facility
- Medical centers/clinics
- Light industrial
- Mixed-use Dwellings
- And Others

Secondary Uses:

- Residential uses (with some exceptions)
- Convenience shopping centers
- Standard restaurants
- Limited indoor recreation use and facility
- Child Care Centers
- And Others

Staff considered a variety of options related to the primary and secondary use ratios and presented these options for community consideration. These options included preserving the ratio as-is in order to strongly preserve the employment base, adjusting the ratio to allow more flexibility (50:50), or consider eliminating the ratio entirely. Staff also discussed other ratios, like 60:40 primary/secondary use balance, or multiple other combinations.

Community engagement and focus group engagement showed strong preference to introduce more flexibility, but there were differing opinions on how far to go towards flexibility. Testing various market feasibility scenarios revealed that housing is the most economically viable type of development in these zones – much stronger than the current market for new office development. Achieving a greater supply of housing also aligns with Council Priorities and with other City goals. However, preserving some areas as an employment base align with economic health Council priorities and other city policy priorities as well. For these reasons, recommended LUC changes include allowing more flexibility by adjusting the primary/secondary use ratios in Harmony Corridor zoning and Employment zoning to 50:50. This balances the desire for a greater mix of uses with the desire to maintain the opportunity for local jobs and industry.

Building Types & Design Standards

Corresponding Guiding Principle: Create clearer building and site design standards that promote transit use, walking, and rolling along roads with frequent bus service

The LUC currently does not include non-residential building types. This often results in a lack of clarity for development teams regarding design standards and can sometimes lead to project delays and miscommunication.

Article 5 of the LUC (General Development and Site Design) includes the standards that influence building placement and site design, building standards, circulation and connectivity standards, bus stop design standards, etc. – standards that influence the pedestrian, multi-modal, and transit experience.

Form standards and building types (like the diagrams added during Phase 1 of the LUC update) can yield better design outcomes and can help achieve more predictability in built projects.

Article 5 of the LUC was not updated in the last round of code updates and contains redundant sections that could be clarified, simplified, and possibly eliminated with the addition of building types.

Change of Use & Amendments

Corresponding Guiding Principle: Improve predictability of the Land Use Code, especially to support small business owners

The Change of Use process is used in a variety of situations, including for existing business spaces that are changing from one allowable use (ex: retail shop) to another (ex: restaurant). Often the requirements are meant to identify both areas of necessary site improvements (ex: sidewalks and lighting) that are commensurate with the change of site intensity (ex: more visitors at different times of the day).

Current standards do not offer clearly defined boundaries for the extent of site improvements. The onus is then placed on staff to decide on the level of requirements for a Change of Use process. These requirements are often based on site deficiencies rather than other factors, such as actual changes to site intensity or the magnitude of the project (ex: major site reconfiguration or a major change in site use intensity).

SUMMARY OF PROPOSED CHANGES

The following tables summarize the LUC recommendations by category.

Table 1: All Proposed TOD Recommendations

Recommendation Number	Recommendation
TOD 1	Allow 5-story standalone residential within the General Commercial zone
TOD 2	Limit new Gasoline Stations (gas stations) within 1000' of MAX Stations, other existing gas stations, and Convenience Stores with Fuel Sales
TOD 3	Prohibit new enclosed mini-storage use in entire TOD Overlay
TOD 4	Prohibit new boat sales with storage use in entire TOD Overlay
TOD 5	Eliminate parking minimums in the entire TOD Overlay but retain maximums for surface parking. Set a maximum contiguous surface parking lot allowance at 2.0 acres, inclusive of circulation and landscaping. Introduce additional site design standards such as requiring parking lots to be bound on at least two sides by streets (public and/or private)

Table 2: All Proposed Harmony Corridor and Employment Recommendations

Recommendation Number	Recommendation
HC/E 1	Adjust to a 50:50 primary/secondary use split
HC/E 2	Allow standalone residential to replace existing parking lots (will not count towards ratio)
HC/E 3	Codify primary/secondary use split calculation methodology
HC/E 4	Allow primary use exceptions for mixed-use buildings when: • Primary uses occupy at least 25% of the ground floor • Non-residential secondary uses may occupy 100% of the ground floor
HC/E 5	Allow residential buildings to be a maximum of six (6) stories in HC zone (increased from 3 stories)
HC/E 6 (added by City Council)	Allow Affordable Housing Projects to be exempt from the primary/secondary use split

Table 3: All Proposed Building Types and Design Standards Recommendations

Recommendation Number	Recommendation
BTDS 1	Add Non-Residential Building Types ‘Shopfront’ and ‘General’ to the Land Use Code. Shopfront Building Type replaces existing Mixed-Use Building Type
BTDS 2	Consolidate, clarify and update standards within Land Use Code Articles 3 and 5 (see draft code for specific changes)
BTDS 3	Convert text standards to illustrations and tables whenever possible (see draft LUC for specific changes)

Table 4: All Proposed Change of Use & Amendments Recommendations

Recommendation Number	Recommendation
CU 1	- Created new tables that outline proposed exterior and interior changes that determine amendment type - Tables cover No Amendment, Micro and Parkway Landscape Amendment, Minor Amendment, and Major Amendment
CU 2	Created a new table that lists site improvements, and which are applicable based on amendment type.

HARMONY CORRIDOR PLAN & HARMONY CORRIDOR STANDARDS AND GUIDELINES

The Harmony Corridor Plan and Harmony Corridor Standards and Guidelines are companion documents originally adopted in the early 1990’s that guide development along the Harmony Road corridor between College Avenue and I-25. These documents are responsible for the vision of an employment-focused corridor and the origination of requirements in the Harmony Corridor (HC) zone district requiring a minimum of 75% primary employment land uses in much of the zone district.

With the proposed Commercial Corridors and Centers Land Use Code updates, staff is proposing updates to the Harmony Corridor Plan and Standards and Guidelines documents to ensure continued consistency between these policy and regulatory documents. The most substantive content change is updating policy LU-2 in the Corridor Plan and Chapter V in the Standards and Guidelines to indicate that at least 50% of land uses in the ‘Basic Industrial and Non-Retail Employment Activity Centers’ areas of the corridor must be primary uses, down from 75%. In addition, the narrative for these policies now reflects the proposed LUC exceptions for mixed-use dwellings containing ground floor non-residential uses as well as affordable housing projects.

In addition to this content change, both documents also incorporate changes to chapters and policies related to the Gateway Area of the Harmony Corridor near I-25. City Council approved a number of changes to the Gateway Area in 2020 by ordinance; however, these changes have not yet been fully incorporated to the entire Harmony Corridor Plan and Standards and Guidelines documents until now.

Finally, both documents have also been updated and modified in minor ways for formatting purposes and to reflect the usage of newer City logos and terms. Such changes include:

- Updating City logos

- Replacing 'Planning and Zoning Board' with the 'Planning and Zoning Commission'
- Incorporation and/or substitution of Gateway Area policies and chapters adopted by City Council in 2020
- Updating chapter numbers and repagination throughout both documents after 2020 Gateway Area changes were incorporated
- Update amendment dates on relevant chapters and the list of adopting ordinances and resolutions at the end of each document

CITY FINANCIAL IMPACTS

None.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

Planning and Zoning Commission Hearing met on October 16. The Commissioners had some questions and one recommendation (that 6.3.10.A. does not result in an outcome that is more restrictive than the language currently stated in Code) which will be addressed in the Read Before Memo which provided to Council prior to the 10/21 meeting. Staff noted there may be an opportunity between first and second reading to refine some of the language discussed by P&Z. As a result, scheduling second reading in November may not allow sufficient time for staff to develop and recommend any amendments following first reading.

PUBLIC OUTREACH

- **Ongoing Engagement:**
 - Monthly newsletter updates to project newsletter subscribers
 - Adding new content to OurCity page
- **Neighborhood Visits: Various dates, October 4 – October 14, 2024**
 - In October, the City of Fort Collins held six neighborhood visits with over 50 participants, one in each council district, as part of the Land Use Code Commercial Corridors and Centers updates. These events provided residents with an opportunity to learn how the LUC has influenced their neighborhoods, including the places where they work, shop, and spend time.
 - In advance of the neighborhood visits, the OurCity website had an interactive map feature that allowed participants to make specific comments on places throughout the community that they both liked or disliked and why. This information helped focus and inform LUC changes that influence the built environment. For example, many comments focused on surface parking lots and the pedestrian experience within a parking lot. These insights were helpful in developing recommended LUC changes and standards for parking lot design.
- **Business Kickoff Event: October 23, 2024**
 - In partnership with the Fort Collins Chamber of Commerce, the City hosted a business engagement kickoff event to educate participants about the LUC and to share the ways that businesses could engage with the City to help guide these important policy decisions.

- **Community Forum: November 18, 2024**

- The community forum featured City staff providing an overview of the LUC update, similar to what was shared with participants of the neighborhood visits. Staff also shared insights gathered from the community during neighborhood visits, the business kickoff event, and the interactive project map. The presentation highlighted key learnings from the LUC update. Following the presentation, a Q&A session allowed attendees to ask questions and share their thoughts.

- **Focus Groups: January and June 2025**

- Focus Groups were convened in both January and June 2025. Participants were asked at the first session to share their thoughts and experiences interacting with the LUC. At the second session, a similar group of participants provided feedback on the direction of LUC updates and whether they were addressing identified issues or challenges with the LUC.

- **April Open Houses:**

- City staff hosted both a virtual and in-person open house April 7th and April 9th respectively. The purpose of these events was to give community members the opportunity to provide input on the direction of the draft code updates and help shape updates to the LUC.

- **LUC Draft Release: September 2025**

- The public draft of the LUC was released for review in early September. The draft was available to view on the City's website, along with the ability to submit comments via email to project staff. Open comment on the public review draft continued through early October, allowing it to be available to review for over one month.
- Project staff hosted office hours at 281 N. College during the month of September on Mondays and Wednesdays, or by appointment, to discuss the LUC changes with project staff.

- **Draft Code Testing Sessions: October 2025**

- In early October, frequent LUC users were invited to participate in a code testing session to apply the proposed code changes in a real project setting. This testing of the draft code helps identify gaps or further refinements that are needed. The group identified some potential adjustments to the proposed code, as well as some ideas for future code updates. The potential adjustments that could be made within the current draft code include:
 - Additional language to clarify how height bonuses can be combined within the Transit Oriented Development Overlay
 - Include additional drive-through diagrams that depict a drive-through configuration for a corner lot (newly added example shows a mid-block configuration). It was suggested that additional example imagery would be helpful to convey the various ways the standards can be met.
 - Suggestion to label the building types diagrams with 'primary frontage' and 'secondary frontage' rather than 'primary street' and 'side street'. This was suggested to allow more flexibility to determine the primary frontage based on site context and project considerations.
 - Include additional imagery under the General building type to depict buildings that meet the standard and are aspirational.

ATTACHMENTS

1. Harmony Corridor Plan Revisions (redlined version)
2. Harmony Corridor Standards and Guidelines Revisions (redlined version)
3. Presentation
4. Ordinance No. 166, 2025
5. Ordinance No. 167, 2025