



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: June 10, 2024
Department: Community Services
Agenda Section: Consent
Public hearing: Yes
Date of public hearing: April 18, 2024

PRESENTER/INFORMATION CONTACT

Molly Boyle, Planner II
Shannan Campbell, Planning and Economic Development Manager

ITEM TO BE CONSIDERED

Subject: Unified Development Ordinance (UDO) text amendment (staff initiated):

- Table 5.1.7 *Use Table for Residential Districts*
- Section 5.2.8.1 – 5.2.8.2 *Dwelling, Accessory*
- Section 5.2.18.1 *Home Occupation*
- Section 5.2.39.1 *Planned Development – Standards of Evaluation*
- Section 5.2.46 *Short-Term Rental* (new section)
- Section 9.1.5.2 *Permissible Encroachment into Required Setbacks*
- Section 9.2 *Definitions*

Attachments:

1. Draft UDO text amendment
2. Draft consistency statement
3. Draft ordinance

Summary:

- Accessory Dwelling Units (ADUs):
The UDO currently caps the size of accessory dwelling units (ADUs) at 50% of the primary dwelling's heated living area or 800 square feet, whichever is less. This creates a "small house penalty." In other words, the regulation works well for larger primary homes but is less accommodating to smaller ones as shown below:

Examples of Maximum ADU Sizes (Current UDO)	
Primary Dwelling Size	Max. ADU Size
1,000 sq. ft.	500 sq. ft.
1,200 sq. ft.	600 sq. ft.
1,500 sq. ft.	750 sq. ft.
2,000 sq. ft.	800 sq. ft.
2,500 sq. ft.	800 sq. ft.

This amendment proposes changes to ADU regulations to create more flexibility for smaller primary homes. It follows recommended practices from AARP, the American Planning Association, and the Land of Sky Regional Council.

- Home Occupations and Short-Term Rentals:
The amendment also includes changes to home occupation regulations and new regulations on short-term rentals. The revisions put the standards for ADUs, home occupations, and short-term rentals into

alignment. Staff believes this is important given the link between the three land uses; home occupations are allowed in ADUs, and residents often seek to use their ADUs as short-term rentals.

The amendment does not allow short-term rentals in the multi-family (MF) district, the mobile home park (MHP) district, or existing residential special use districts.

- Correction to Planned Development Standards of Evaluation:
The Planning Manager recently discovered a scrivener error in the UDO. Specifically, UDO Section 5.2.39.1 *Planned Development – Standards of Evaluation* sets a residential density maximum of 13 persons per acre. When the Board of Commissioners adopted the regulations on planned developments in October 2022, the residential density maximum was not part of the adopted amendment. This error is corrected here.

Comprehensive Sustainability Plan goals:

- Land Use and Development Goal 1:
Ensure that future growth and development, including infill and redevelopment, are aligned with smart growth principles and consider infrastructure constraints such as water and wastewater system capacity.
- Strategy:
Ensure that land use and redevelopment regulations are aligned with preferred future land use and growth patterns.

Financial impacts:

None.

Joint public hearing:

The public hearing was held on April 18, 2024. Two residents spoke at the hearing, one of whom also submitted written comments to the boards in advance. The approved minutes from the hearing are available online:

<https://mccmeetings.blob.core.usgovcloudapi.net/hillsbronc-pubu/MEET-Minutes-149f3b7cd6f542f3a6bf8dbc6ac55f01.pdf>

One resident asked that freestanding (*i.e.*, detached) ADUs be allowed on private roads. Currently, the UDO allows them on public roads only. The other resident, who serves on the Tourism Development Authority, asked for more specificity in the short-term rental regulations.

Planning Board recommendation:

Staff gave two versions of the text amendment to the Planning Board on May 16, 2024, for consideration: one with the short-term rental regulations and one without. The Planning Board recommended approval of the text amendment, *including* short-term rental regulations, with a vote of 5-0.

The Planning Board also asked that staff investigate the viability of allowing freestanding ADUs on private streets. The board asked staff to bring that information back at a later date and pursue a separate text amendment if warranted.

Staff comments and recommendation:

Staff recommends approval of the text amendment with the regulations on short-term rentals.

Action requested on this item:

Approve the text amendment as recommended by staff and the Planning Board.