




PLANNING & DEVELOPMENT MEMORANDUM
#34-2023

DATE: July 10, 2023

TO: Honorable Mayor Meredith Leighty and City Council Members

THROUGH: Heather Geyer, City Manager 
Jason Loveland, Interim Deputy City Manager 

FROM: Brook Svoboda, Director of Planning & Development 
Becky Smith, Planning Manager
Sara Dusenberry, Senior Planner

SUBJECT: Land Use/Housing Initiatives

PURPOSE

To provide City Council with policy recommendations based on the findings of the Northglenn Housing Needs Assessment and seek City Council feedback.

BACKGROUND

The purpose of the report is to cover the multiple aspects of affordable housing as they relate to the current housing policy recommendations proposed by staff in accordance with the Department of Local Affairs (DOLA) grant, the implications of Proposition 123, and the recent land use bill, Senate Bill 213 (SB-213).

As part of this discussion, staff is prompting City Council to consider where affordable housing sits in their list of policy priorities.

This memo provides an overview and history of previous information and discussion that has led to the current policy recommendations.

There have been three specific touchpoints with Council related to affordable housing:

- June 3, 2019: Northglenn Housing Policy Discussion
- Oct. 17, 2022: Affordable Housing Policy – DOLA Grant
- April 10, 2023: Comprehensive Plan

In 2019, as a result of the Karl's Farm development project, Council requested that staff prepare information on the state of housing in Northglenn (Attachment 1). An underlying expectation of this report was to understand whether Northglenn was accessible to first-time homebuyers – something a nurse or firefighter could afford. The exercise outlined a list of questions for Council consideration. Below is an excerpt from that report outlining the objectives/questions from the June 3, 2019 staff report:

Facilitated Discussion

As part of the facilitated policy discussion with Council, Staff offers the following thoughts and questions to assist in framing the discussion:

1. **Data** – Define what key measurable attributes should be and how they should be used - Median Household Income, Median Monthly Owner Costs, Average Home Sale Price, Average Rental Rates, Percent of Income to Housing Cost, etc.

2. **Define Policy Goal** – *What does Council want to accomplish? Accessible Housing, Attainable Housing, Affordable Housing, Workforce Housing, housing options for those making a living wage?*
3. **Is there a need or gap in housing? If so, what should be the role of the City to fill that need?** *A standalone policy, a policy that builds on the County's programs, a policy specific to City owned land, or a policy that applies to certain types of infill development?*
4. **Where does this rank in Council Priorities?** *What level of Staff resources should be committed to this effort?*
5. **Other Considerations** – *Are there specific tools with regards to affordable/attainable housing that Council would like staff to explore that do not currently exist in Northglenn?*
6. **Next Steps** – *Does Council want to further explore topics discussed in the presentation; conduct a more formal housing and affordability study, explore partnerships with County or other regional entities, develop a standalone policy, or other?*

The outcome of this meeting was that Council requested more time to consider the information and would provide additional direction at a future Council meeting; however, there was no follow-up discussion from this meeting. Staff took away the following items from that study session:

- No clear direction on how to define affordable housing from a policy standpoint
- A desire to maintain accessible housing to first-time home buyers
- Concerns about aging-in-place populations and the ability to provide the senior population an option to remain in Northglenn

Staff presented the proposed comprehensive plan approach to Council at its April 17, 2021 meeting. In that meeting, City Council provided feedback that affordable housing was something that they wanted to ensure would be covered in the Comprehensive Plan project. Shortly after the presentation, staff secured a DOLA Innovative Housing Strategies: Planning Program (IHOP) grant to conduct a housing feasibility study. The intention of the study was to integrate the findings of the study into the overall policy goals and objectives of the Comprehensive Plan. On Oct. 17, 2022, staff presented the findings of the Housing Feasibility Report to Council.

The key findings of that report are as follows:

- *Northglenn is affordable compared to the Denver Metropolitan Statistical Area (MSA) and has a relatively high number of affordable housing units. However, a high proportion of low-income residents are still cost-burdened by available housing.*
- *Northglenn has a lack of diversity in both housing type and cost. Based on the type and cost of housing available and a shift in demographics, Northglenn serves a need for first-time home buyers but has fewer options for those wanting to “move up” into larger or different types of housing.*
- *Due to the size and location of Northglenn, the City is heavily reliant on redevelopment of existing properties to meet its housing needs. This proposes challenges due to high up-front costs related to possible infrastructure improvements. High up-front costs could affect the type of housing deemed economically feasible in Northglenn, but that housing may not be what is most beneficial for the City and its residents.*

The Comprehensive Plan incorporated many of the policy recommendations included in the housing study. The housing policies were first discussed at the Nov. 7, 2022 study session. Council provided positive consensus of the policies. The full plan was adopted by Council on April 10, 2023. The goals and policies center around resident retention, housing diversity, and improving affordability for residents. The housing section of the Comprehensive Plan is included in Attachment 1.

The recommendations are classified below with three categories to highlight the current direction of housing policy in the City as it relates to affordable housing. The three categories are high, medium, and low, with high representing a large amount of regulatory oversight, medium acting as a more incentive-based or assistance-based approach, and low providing no assistance or hindrance to affordable housing.

Goal 1: Retain residents likely to transition out of Northglenn

The policies under this goal are not specifically targeted at affordable housing but allow more residents to improve their houses with specific incentives or assistance that will likely create a more affordable living situation than buying a larger house outside of Northglenn. The policies related to understanding the feasibility of low-cost loans and viability of targeted incentives to allow residents to improve their housing have the potential to provide medium support to affordable housing in the City if the programs are ultimately adopted. Overall, this goal falls into the low category as it does not specifically affect affordable housing or call for programs to be adopted to assist homeowners.

Goal 2: Diversify housing types to accommodate all stages of housing needs

The policies under this goal represent a medium to low approach as they call for regulatory amendments to expand housing options for residents and remove some financial and regulatory barriers for developers. It does this primarily by suggesting the adoption of overlay districts to create flexibility and expanding housing types to make it easier for residents to take advantage of Accessory Dwelling Units (ADUs). Additionally, the recommendation to engage with residents to determine if any areas in the City are appropriate for middle-density housing has the potential to fall into the medium category. A variety of housing types may lead to greater affordability if residents have more options to choose from to meet their needs both when moving up in housing or downsizing.

Goal 3: Improve affordability for current residents

The recommendations for this category are a direct result of the data and analysis in the housing study. The study found that Northglenn has a greater percentage of affordable housing than adjacent jurisdictions and the Denver MSA, but still has a high number of cost-burdened residents. This is likely due to a lack of diversity in housing and options for residents to move up in housing. The policies call for the diversification of housing, support of market-rate housing, and maintaining affordability in the region. These recommendations ultimately call for the preservation of existing affordable housing units, as opposed to the creation of more units. This goal ultimately takes a medium to low approach as it supports affordable housing but does not explicitly call for the creation of affordable housing units.

Overall, the housing and affordable housing policies in the Comprehensive Plan represent a medium to low, leaning more towards low, approach. The recommendations were based on the Northglenn-specific data, analysis, and recommendations included in the housing study, in conjunction with resident and stakeholder feedback. As no recommendation called for mandating affordable housing, nothing is classified as high.

State Policy

The next section looks at how recent State legislative efforts, the approved Proposition 123, and proposed housing policies affect the current direction the City is taking as adopted in the Comprehensive Plan.

SB-213

Senate Bill 23-213 (SB-213) was introduced with the purpose of increasing housing in the State of Colorado. The primary methods to accomplish this included mandating that a variety of housing types be considered uses by right, preempting local control. Housing types included were ADUs, middle density up to six units in single-family districts, and multifamily along specific rail and transit corridors. Ultimately, these preemptions were removed, but other mandates remained. These mandates focused primarily on planning and reporting requirements with some land use mandates surrounding manufactured housing, occupancy requirements, and the sale of municipal property for affordable housing. SB-213 takes a mandate approach to increasing affordable housing in the region through planning and regulatory efforts, which is ultimately a high-level approach to affordable housing.

Much of the version of SB-213 that passed through the Senate, but not the House, will not negatively or overly impact Northglenn. With the completion of the Housing Needs Assessment, the City will not be starting from scratch and only needs to update the Housing Needs Assessment to meet State requirements. Additionally, the Denver Regional Council of Governments (DRCOG) is proposing to conduct a regional housing study in response to SB-213, which may further inform Northglenn's housing approach (see Attachment 2 for information on the proposal). Many of Northglenn's land use regulations are already in line with the bill; for example, ADUs are currently a use by right in the City. Should a version of SB-213 be reintroduced that includes the original preemptions of local control, the policies related to resident engagement to determine where, if any, mid-density housing is appropriate in the City will serve no purpose. However, SB-213 could assist in increasing the overall diversity of housing in the City, but without required public hearings or resident engagement this diversification may occur in unsuitable areas of the City.

Proposition 123

Proposition 123 (Prop 123) sets aside up to \$145 million in the current fiscal year and \$290 million in the 2023-24 and subsequent fiscal years for the creation of affordable housing. Municipalities, counties, and non-profits can utilize these funds if the municipality or county apply to be a part of the program. The program calls for a detailed plan outlining strategies to increase the number of affordable housing units above a baseline number by 9% after three years. The program does not directly affect Northglenn's approach to housing as outlined in the Comprehensive Plan unless the City decides to take part in the program. Should the City take part in the program, the approach will likely need to shift into a high-level category, which would likely include mandates for the construction of affordable housing in order to reach the required growth.

The funding opportunity, though a solid step for many to increase affordable housing, ultimately is not likely to be well suited for Northglenn. The City faces constraints in terms of available land for development, and already has a large proportion of affordable housing, as 24% of all housing units fall into the Prop 123 definition of affordable housing. Even utilizing the lowest baseline of units, Northglenn would need to increase affordable units by 93 in three years. Due to the various constraints coupled with the high number of units that need to be added, it would likely be extremely difficult to develop a strategy to meet the State's requirements for increasing affordable units. Additionally, the program seeks to make it easier for local jurisdictions to increase their affordable housing and address unmet needs, but Northglenn has already been successful at providing affordable units as evidenced by the high number of affordable units in the City,

especially when compared to surrounding jurisdictions. Thomas P. Miller and Associates (TPMA), the consultant team utilized to complete the housing needs assessment, prepared a short report surrounding Northglenn's participation in Prop 123 (Attachment 3).

IHOP Grant Housing Policies

Based on discussion with Council at the Oct. 17, 2022 meeting where the findings of the housing study were discussed, staff pursued policy related to establishing overlay districts and helping homeowners improve their properties. To improve properties and help diversify housing types, improving access to ADUs and their uses was explored. The discussion below provides an overview of the policy recommendations. The draft policy language is included in the attachments.

Overlay Districts

The assessment found a lack of middle-density and housing stock diversity. To address those concerns, it was recommended that developing mixed-use overlay districts be undertaken. Allowance of overlay districts would effectively remove the rezoning process that can often be prohibitive due to cost and time. Additionally, overlay districts will allow the underlying zoning to be maintained, resulting in an expansion of uses on a single property. The potential areas for overlay districts are currently based on the land use recommendations in the Comprehensive Plan. Areas where overlay districts could be permissible may be expanded in the future. It is expected that the overlay districts could help diversify housing stock at various densities while also improving on the associated commercial uses and services.

Outside of expanding the variety of uses allowed on a property, the policy seeks to create a balance of uses and pedestrian-focused design. The proposed development standards allow for flexibility while mitigating undue adverse effects on adjacent properties.

The adoption of a policy that allows for overlay districts is in line with the current approach outlined in the Comprehensive Plan. This approach could be amended to address increasing affordable housing more directly through the inclusion of high- or medium-level regulations. A high level approach could be the utilization of inclusionary zoning regulations, which require a certain percentage of new housing development to be considered affordable. The medium level approach would likely be incentives surrounding density bonuses, expedited review, or reduction or waiver of fees.

Accessory Dwelling Units

To allow residents to improve their properties and meet their housing needs, expansions to the ADU regulations seek to make the addition of ADUs a more accessible option for residents by expanding the uses of ADUs and ease of permitting.

The proposed changes expand the use of ADUs to include the allowance of short-term rentals. ADUs are often utilized as short-term rentals to provide income for the property owners and transitional housing options for those in need. Requiring property owners to reside on the property was included to minimize property management companies, or other similar entities, from removing long-term housing units from the market to solely operate short-term rental properties.

In order to make ADUs more accessible for residents, the allowance of pre-approved designs and prefabricated construction types is proposed. Often, the time and money it takes to acquire a contractor for the construction of an ADU is prohibitive for many residents. By providing pre-approved designs of prefabricated and manufactured ADUs, it is expected that issues related to the costs of design and construction could be reduced by making ADUs a more viable option for a wider breadth of residents.

Overview

Overall, the discussion and policies related to affordable housing have led to a modest approach to affordable housing in Northglenn. Staff has classified various levels of approaching affordable housing as high, medium, and low. The high-level approach involves strong regulatory oversight likely in the form of mandates, while a medium stance involves a more incentive-based approach and low is classified as taking a neutral position that neither assists nor hinders construction of affordable housing. The Comprehensive Plan currently takes a medium to low stance on affordable housing by calling for incentives or other approaches to make it easier for residents to find housing and keep their current costs affordable. The goals and policies are based on the housing study completed in 2022 and public feedback. Staff is seeking consensus that this policy approach is appropriate for Northglenn moving forward.

NEXT STEPS

The policy recommendations were discussed with the Planning Commission on April 18, 2023, as the proposed changes will be included in the Unified Development Ordinance. Should Council like to move forward with the proposed Overlay and ADU policies, a public hearing will be scheduled with the Planning Commission to provide a recommendation on the policies. The subsequent first and second readings of a proposed ordinance with City Council would also be scheduled.

BUDGET/TIME IMPLICATIONS

The policy development and adoption will incur no further costs as all work is covered under the IHOP Grant and, previously approved, local match.

The grant requires all funds to be spent by Sept. 20, 2023. Staff expects policy development to be complete by the end of Q2 2023.

STAFF RECOMMENDATION

Staff is seeking feedback and direction from Council on the policy recommendations.

STAFF REFERENCE

If Council Members have any questions, please contact Brook Svoboda, Director of Planning & Development, at bsvoboda@northglenn.org or 303.450.8937.

ATTACHMENTS

1. Housing Section of Comprehensive Plan
2. DRCOG SB 213: Regional Housing Study Proposal
3. TPMA Prop 123 Report
4. Overlay Districts Policy Language
5. Accessory Dwelling Units Policy Language
6. Presentation

3.8 Housing

Current Conditions

The City of Northglenn is in a unique position within the Denver Metro Region. The city is land-locked by other municipalities and is unable to annex new land. Northglenn is predominantly built out with few opportunities for new housing development and must rely on the redevelopment of existing residential and commercial properties to meet future housing needs. With these unique constraints in mind, the city completed a comprehensive housing needs assessment in 2022 to further inform future policy direction. The following information is primarily summarized from that assessment.

Roughly 59% of all housing stock in Northglenn is single family detached houses with about 23% of housing being multi-family with 10 or more units. Middle density housing options like duplexes, triplexes, and quadplexes among others make up the rest of the housing stock in the city. These percentages are indicative of an imbalance in our housing stock that is common across the country especially in cities primarily developed in the mid 20th century.

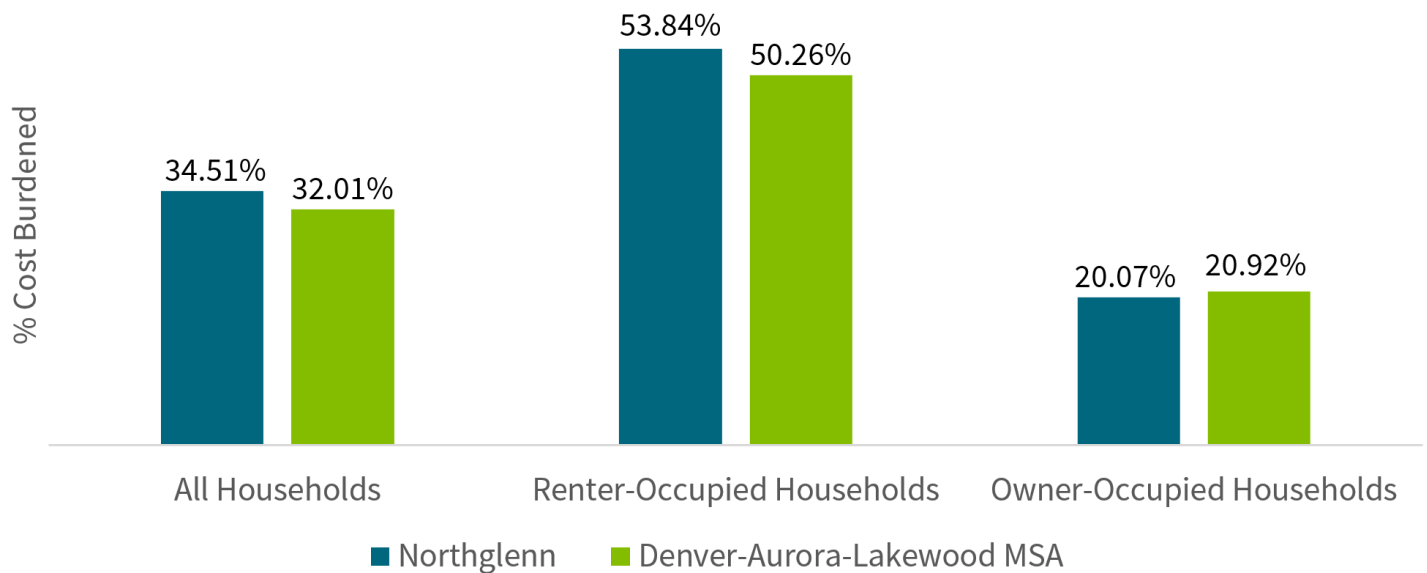


Figure 13: Regional Housing Cost Burden Comparison by Tenure
 Source: Northglenn Housing Needs Assessment, ACS 2016-2020 Estimates

Northglenn’s housing is affordable relative to the metro region, but issues of affordability are still present. As of 2020, nearly 56% of all renters are paying more than 30% of their monthly gross income on housing costs. As defined by the Department of Housing and Urban Development (HUD), this means that the majority of renters in Northglenn are cost burdened by housing. These numbers, however, are in contrast with the availability of affordable housing in the city.

The Northglenn Housing Needs Assessment found that, with 14.07% of rental units costing under \$800 a month, Northglenn has more affordable units than the Denver Metropolitan Statistical Area, Thornton, and Westminster. The seemingly contradictory nature of this information suggests a lack of market-rate housing for those that could afford and would like to move up in housing. By providing more housing options, those units that are currently affordable could be opened up for cost-burdened residents.

It is evident in the assessment that the diversification of both housing stock and cost is vital to accommodating shifting demographics and growth in the city. Additionally, addressing these housing concerns will help increase the racial and economic diversity in Northglenn, retain existing residents, and improve the City’s economic sustainability and ability to weather major economic events.

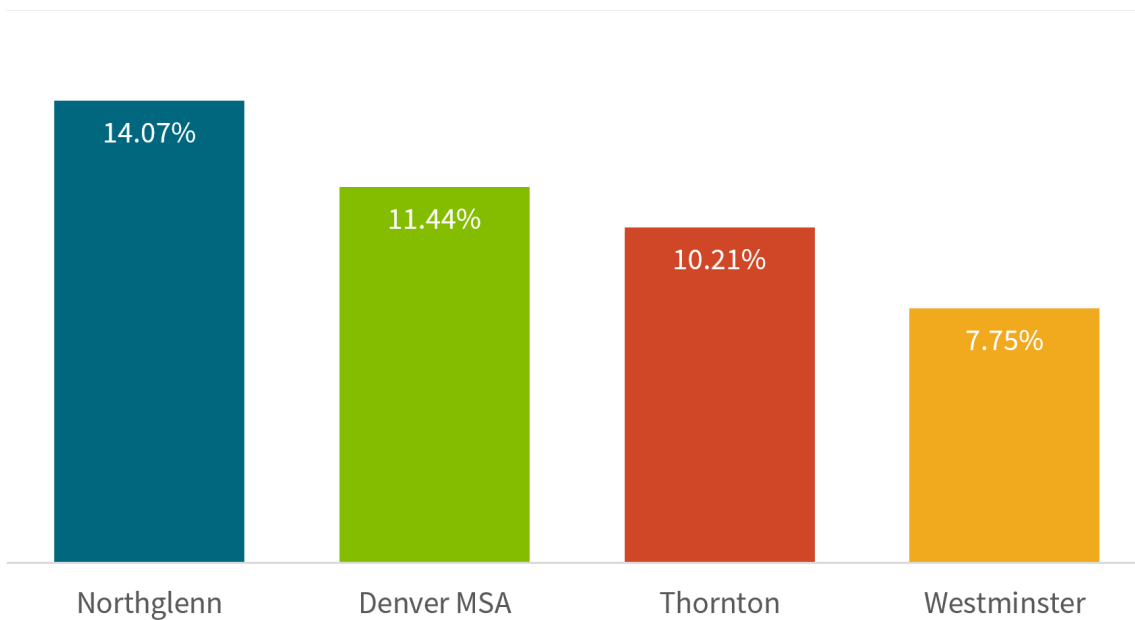


Figure 14: Rent Under \$800 a Month
Source: Northglenn Housing Needs Assessment

Goals and Policies

The goals and policies below seek to maintain and improve Northglenn’s relative affordability, while providing for the housing needs of all residents. The recommendations strive to aid in the diversification of the City’s housing stock through several approaches that accommodate residents of all backgrounds and socioeconomic situations. The goals and policies also look to make it easier for residents to move up or improve their housing, continuing a legacy of residents choosing to live in Northglenn for several decades.

Goal 1:

Retain residents likely to transition out of Northglenn.

1. Determine feasibility of low-cost loans for homeowners to improve their houses.
2. Understand viability of targeted incentives for homeowners to improve their houses and properties.
3. Improve aesthetic nature of entrance corridors and rights-of-way in Northglenn.
4. Engage with residents to determine neighborhoods in the city and develop a sense of place for residents in their immediate community.
5. Encourage the forming of neighborhood groups to develop a sense of community and shared pride.

Goal 2:

Diversify housing types to accommodate all stages of housing needs.

1. Engage with residents to determine areas that could accommodate mid-density housing (duplex, triplex, etc.).
2. Determine ways to make accessory dwelling units (ADUs) more accessible for residents through education and amendments to the Unified Development Ordinance (UDO).
3. Establish mixed use or transit-oriented overlay districts to allow for greater flexibility of potential uses in areas.
4. Develop targeted incentives to assist with the costs of infill construction.

Goal 3:

Improve affordability for current Northglenn residents.

1. Provide housing that meets all stages of the housing life cycle.
2. Support the development of market rate housing to provide for residents who are financially able to move up from lower cost, affordable housing.
3. Maintain relative affordability within the Denver Metro Region.

To: Chair and Members of the Board of Directors

From: Douglas W. Rex, Executive Director
303 480-6701 or drex@drcoq.org

Meeting Date	Agenda Category	Agenda Item #
June 7, 2023	Discussion	5

SUBJECT

Development of a Regional Housing Strategy

PROPOSED ACTION/RECOMMENDATIONS

N/A

ACTION BY OTHERS

N/A

SUMMARY

Metro Vision, our shared regional plan, identifies the need to support local governments and housing experts to understand the housing-related data and analysis gaps and identify the regional planning products that will expand opportunities for affordable, accessible, and livable housing options for all ages, incomes, and abilities. Over the last year, DRCOG’s board explored the role and scope for regional coordination to address housing. Through facilitated discussions at board retreats and work sessions, three important roles emerged: (1) data analysis, (2) regional planning activities, and (3) convening. Discussions that emerged during the 2023 Legislative Session, specifically related to Senate Bill 23-213, reinforced the need to better understand the current housing challenges in our region and explore solutions.

At the DRCOG Board retreat in May, participants discussed development of a regional housing strategy as a vehicle for assessing the needs and opportunities across the region and prioritizing strategies for addressing housing needs. The board will review the purpose, deliverables, and timeline for the development of a regional housing strategy. Staff will propose the specific next steps for initiating this work.

PREVIOUS DISCUSSIONS/ACTIONS

N/A

PROPOSED MOTION

N/A

ATTACHMENT

Staff presentation

ADDITIONAL INFORMATION

If you need additional information please contact Douglas W. Rex, Executive Director, at (303) 480-6701 or drex@drcoq.org; or Sheila Lynch, Division Director, Regional Planning and Development at (303) 480-6839 or slynch@drcoq.org.

REGIONAL HOUSING STRATEGY NEXT STEPS

Board Work Session

June 7, 2023

Sheila Lynch, Director of Regional
Planning and Development

REGIONAL HOUSING STRATEGY NEXT STEPS

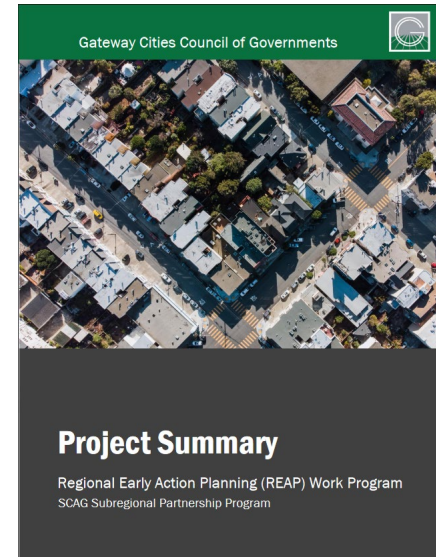


- Purpose and intent of a regional housing strategy
- Desired deliverables and general timeline
- Engagement objectives
- Review next steps



PURPOSE AND INTENT OF A REGIONAL HOUSING STRATEGY

LEARNINGS FROM OTHER REGIONS



Greater Kansas City Regional Housing Partnership

Regional Housing Partnership (RHP): Co-funded and supported by the Mid-America Regional Council (MARC) and Greater Kansas City Local Initiatives Support Corporation (LISC), the RHP seeks to foster a thriving housing system that produces and sustains a sufficient supply of quality, diverse housing options to meet the challenge. The housing system would be one in which people from every sector, and those impacted by this challenge, can join together to educate themselves about the problem and issues, and to explore, advocate and execute innovative approaches on financing, capacity and policy. By building relationships and gaining a common understanding of both problems and possible solutions, the RHP will encourage and support actions to address these regional housing challenges.

Issue: There is growing concern the Kansas City region faces an affordable housing challenge only exacerbated by the global pandemic. For some, it has reached crisis levels. Community leaders and research recognize that housing inextricably connects to health factor, lifespan, student performance, job opportunities, wealth building and stability. For many, high housing costs prevent homeownership, threaten financial security and impede the ability to meet changing family circumstances. When race and ethnicity are factored in, people of color experience disparities across all of these aspects. For everyone, the supply of quality housing, location and pricing limits the region's ability to advance economic growth and opportunity. Currently, no comprehensive framework exists to address the regional issue and build from the work underway at the local level.

Elements: A healthy housing supply system is built on seven elements: data analysis, networked leadership, financing tools, production capacity, rental and homeowner resources, public policy and public engagement.

Strategies: Strategies around the seven elements will focus on the following:

- Data and Analytics:** This element involves generating accessible, reliable, current data to empower local government leaders, elected officials, advocates, leaders and developers to identify solutions and meet ever-shifting needs.
- Networked Leadership:** The partnership will create an affordable housing community by developing platforms to enable stakeholders from all sectors to connect, learn promising practices, share current work and engage builders, advocates, officials and planners.
- Financing Tools:** The RHP will identify and disseminate information about current and potential models of financing options that broaden housing development, rehabilitation and homeownership opportunities, especially for people of color.
- Production Capacity:** This element will focus on building the capacity of local non-profit and for-profit affordable housing developers, and if necessary, attract non-local developers with strong track records, assist local developers in scaling up housing production throughout the region, build a strong, capable housing construction workforce, and identify and bring in housing models that reduce the costs of new construction and rehabilitation.
- Rental and Homeowner Resources:** The RHP will work to improve coordination and accessibility of resources to prevent housing insecurity and homelessness, reduce the incidence of eviction and foreclosures, and increase resources for first-time buyers.
- Public Policy:** This element centers on encouraging inclusion of public policies and practices at all levels that foster affordable housing through effective planning and zoning, income supports, incentives and regulations, public-private partnerships and fair housing practices.
- Public Engagement:** The partnership will work to enhance public, stakeholder and leadership awareness of affordable housing issues and provide engagement and advocacy opportunities focusing on housing, health, economic prosperity and family wealth building.

MARC LISC
GREATER KANSAS CITY

REGIONAL HOUSING SOLUTIONS

Find strategies for addressing housing challenges in your community and the Chicago region

Understanding housing submarkets can help communities develop new initiatives that are responsive to local needs.

Find a community (Aurora, Englewood, etc)...

Browse by: Chicago community Municipality County City of Chicago

What is a submarket? Issues + strategies



LEARNINGS FROM OTHER REGIONS



- Puget Sound
- Central Ohio
- Dane County, Wisconsin
- Kansas City
- Houston
- Chicago
- Southwestern LA County

APPLICABLE ELEMENTS FROM OTHER REGIONS



- Analysis at the **regional scale**
- **Sub-market analysis** can drive focused interventions
- **Convening and resource sharing** for local governments
- **Engagement** in strategy development AND implementation
- Housing and transportation **investment alignment**
- Dedicated **funding** and resources

KEY TAKEAWAYS FROM THE BOARD RETREAT

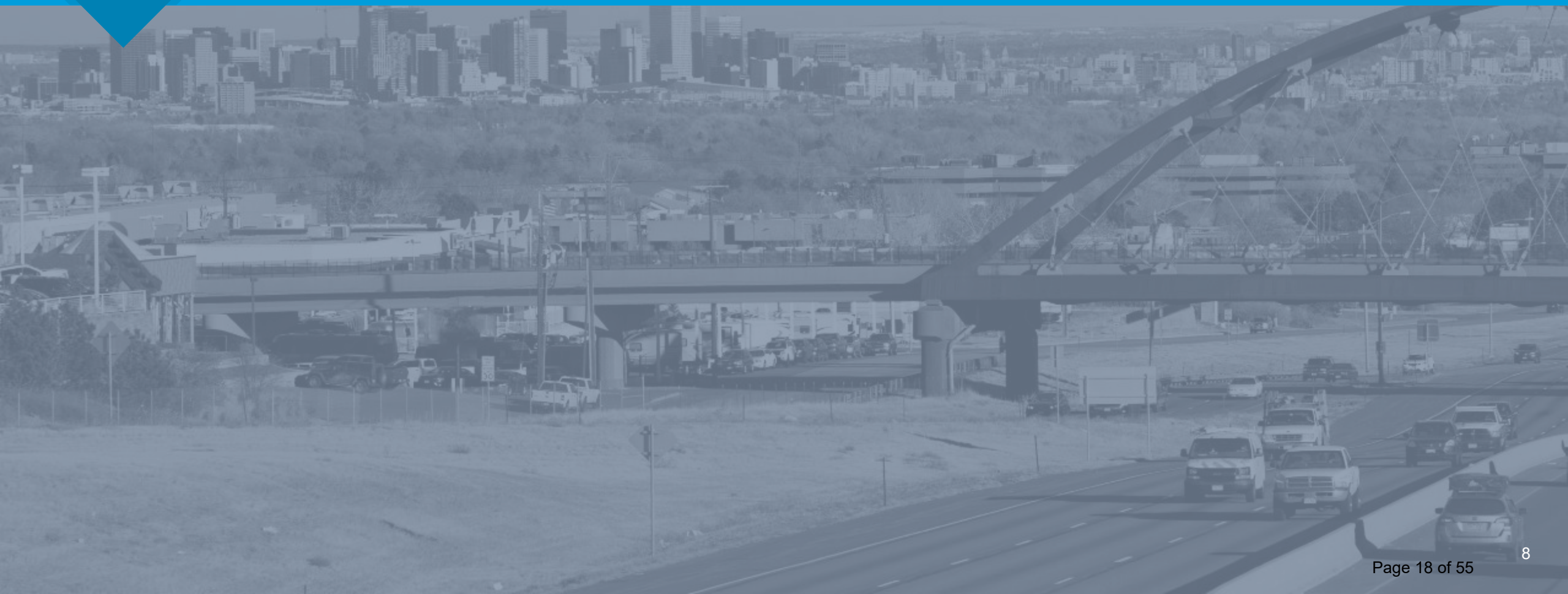


- Learn from plans, programs, and initiatives already underway
- Define the problem to address and how to address it
- Build an on ramp for state and local policy solutions for the next legislative session and beyond
- Build upon the great regional planning in Metro Vision





DELIVERABLES AND TIMELINE

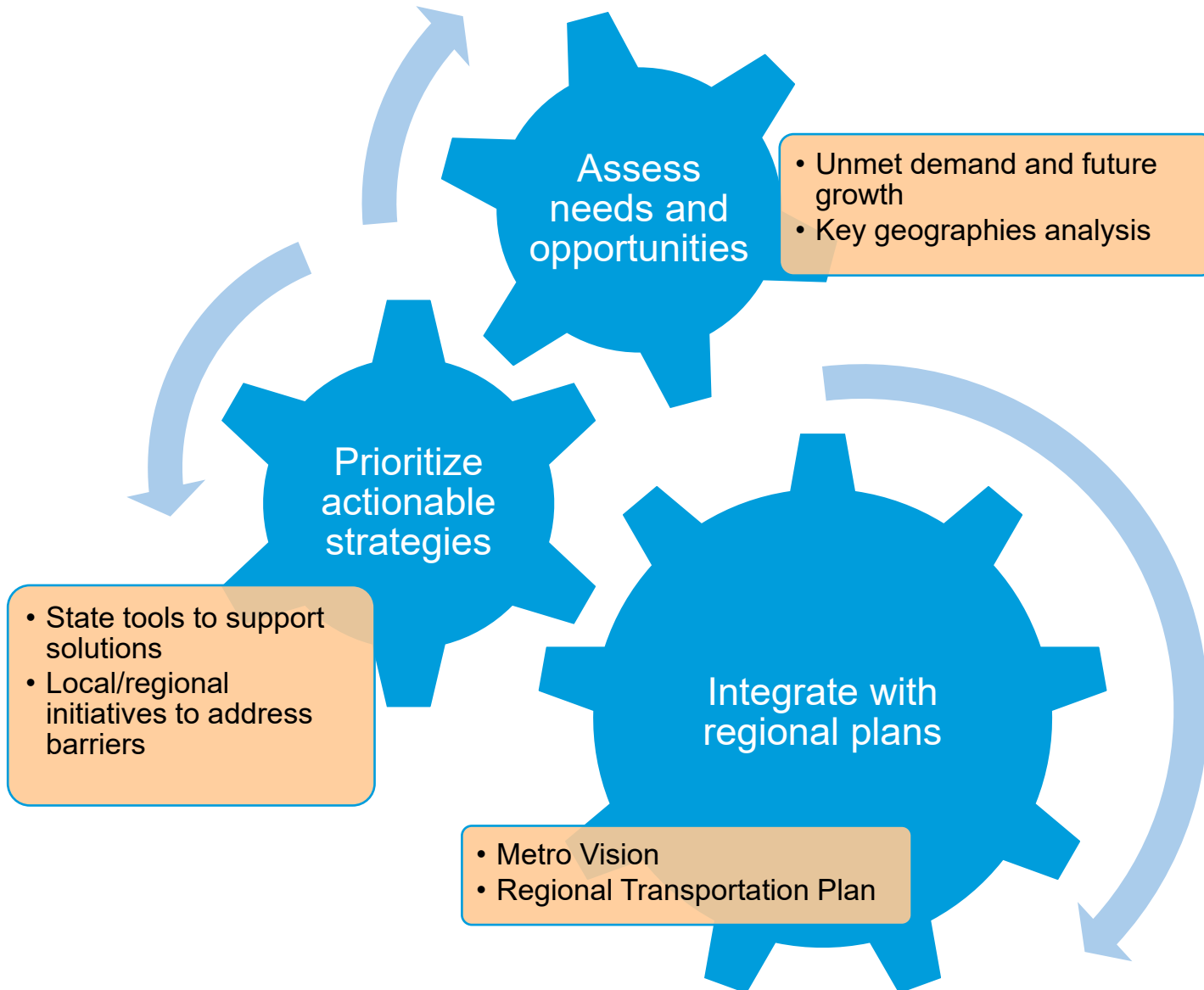


WORK UNDERWAY



- Research on other regional approaches to addressing housing
 - Peer agency conversations
 - Reviewing policy frameworks
- Develop a crosswalk of existing plans
 - Inventory of local housing needs plans
 - Identify common strategies and contextual approaches
- Cataloging data that may be available at the local level
 - Reviewing findings of work already completed by member governments
- Scope of Work Development
 - Developing task, budget, and deliverable expectations
- Creating list of potential housing consultants

TIMELINE AND DELIVERABLES



Timeline

- **Early 2024**
 - Inform state policy development
- **Late 2024**
 - Regional implementation structure
- **2025**
 - Guide Metro Vision and RTP updates

Unified Planning Work Program (UPWP) Activities - Proposed

- Develop regional goals for the integration of housing, transportation and economic development
- Identify locations of existing and planned housing, employment and transportation options
- Assess alignment of transportation plans and land use plans

UPWP Funding

- Bipartisan Infrastructure Law – New authority for Housing Coordination Plan as part of metropolitan planning activities
- 80% federal share for eligible costs
- 20% local share match

Additional funding opportunities

- Likely to include competitive state funding grants



ENGAGEMENT OBJECTIVES

ENGAGEMENT OBJECTIVES



- Prioritize multi-sector engagement
- Leverage partnerships to reach diverse audiences
- Regular engagement of member governments
- Diverse methods of engagement





NEXT STEPS



NEXT STEPS



- Approve UPWP Amendment
 - Technical Advisory Committee – June 26
 - Regional Transportation Committee – July 18
 - DRCOG Board – July 19
- Request for Proposals (RFP)
 - Publish RFP – June/July
 - Finance and Budget review and approval – early August
 - Consultant under contract – August



THANK YOU!
QUESTIONS?

Sheila Lynch
Regional Planning and Development
slynch@drcog.org
303-480-6839

Proposition 123 Affordable Housing Grant Opportunity

Proposition 123 adds a new Article 32 to Title 29 of CO Revised Statutes “Statewide Affordable Housing Fund.” It will set aside up to 0.1% of taxable income each year for affordable housing, estimated to be up to \$145 million in the current fiscal year, and \$290 million in the 2023-24 and subsequent fiscal years. This money will be used for a variety of purposes, including providing grants and loans to local governments and nonprofits to acquire and preserve land for affordable housing development. This memo will cover the highlights of the grant program being considered by the City of Northglenn and address the primary barriers to take into consideration before pursuing the funding opportunity.

Proposition 123 Overview

To clarify, Prop 123 defines "affordable housing" in the following ways:

1. Rental Housing that is affordable to a household with an annual income at or below 60% of the area median income, and that costs the household less than 30% of its monthly income
2. For Sale Housing that could be purchased by a household with an annual income of at or below 100% of the area median income, for which the mortgage payment costs the household less than 30% of its monthly income.

In order to receive funding from the state, the relevant municipality must apply with a strategic plan to increase the number of affordable housing units, determined by a baseline estimate provided by the municipality, in their area by 9% over a 3-year period. The proposition allows for the baseline estimate of current affordable housing units in the city to be calculated using the income limits of the city’s county of residence, or that of an adjacent jurisdiction. The table below outlines the potential qualifying benchmarks.

Benchmark Jurisdiction	Current Affordable Units	3-year Requirement	Annualized
Neighboring AMI - Adams County, Arapahoe County, Broomfield County, Denver County, Jefferson County	3507	316	106
Neighboring AMI - Adams County, Broomfield County	3507	316	106
Neighboring AMI - Boulder County	3461	312	104
Neighboring AMI - Kimball County, NE	1029	93	31
Neighboring AMI - Laramie County, WY	1738	157	53
Neighboring AMI - Larimer County	2260	204	68
Neighboring AMI - Logan County, Morgan County	1176	106	36

Neighboring AMI - Morgan County, Washington County	1176	106	36
Neighboring AMI - Weld County	2301	208	70
Own AMI - Adams County	3507	316	106
Own AMI - Weld County	2301	208	70
State Median Income	1164	105	35

By these metrics, the estimate that would result in the lowest commitment for the City would be Kimball County, NE (highlighted in table). The resulting baseline is 1029 current units, which would require an additional 93 units to be built over 3 years, or an average of 31 each year.

Ability to Meet Required Benchmarks

As previously established, even the most conservative targets will still require Northglenn to develop 93 additional affordable housing units by December of 2026. Given that the city is largely built out, with almost no greenfield space to utilize. The bulk of units would require infill development, or a process to shift currently market-rate housing down to meet the state’s affordability metrics.

Prop 123 provides a list of potential use of grant funds to reach the required benchmark. A sample of the provided potential uses include:

- Providing grants and loans to nonprofit organizations to acquire and maintain land for the development of affordable housing
- Creating an affordable housing equity program to make equity investments in multifamily rental units
- Creating an affordable homeownership program providing down-payment assistance for homebuyers meeting certain income requirements
- Creating a program to provide rental assistance, housing vouchers, and other case management for persons experiencing homelessness

While many of these options would likely result in *some* new affordable housing in the given timeframe, it is unlikely any combination would be enough to reach the 9% benchmark. Additionally, the potential programs the city could consider leveraging for this purpose would require significant resources and staffing to design and operate. Current city staff resources are not sufficient to take on these projects, especially in the given timeframe.

A complicating factor arises in that, by the proposition's standards, the first round of funding would be paid out before the development of any actual affordable housing. If a municipality fails to fill requirements by the end of 2026, it will not be eligible for the second round of funding. The cycle resets in 2027 and requires a new benchmark to be set for an additional 9% increase in units. There is no other penalty specified in the proposition if a municipality fails to meet the 9% increase benchmark at the end of a funding cycle.

However, the proposition does require a detailed strategic plan to be presented in the grant application. The strategy must include specific plans regarding the number of units to be built, potential sites, as well as details on any programs or initiatives that would aid in reaching development goals. For this reason, it is unlikely that an application submitted by the city would be competitive.

State of Affordable Housing Stock in Northglenn

Aside from the barriers the city would face in meeting Prop 123’s requirements, it’s important to recognize that the city is doing better than most of the surrounding area regarding affordable housing stock. When using the AMI of Adams County as the income threshold, 24% of Northglenn’s housing qualifies as affordable. In comparison, Thornton and Westminster come in at 19%.

Municipality	Total Housing Units	Affordable Housing Units	Percent of Total
Northglenn	14358	3507	24%
Thornton	49188	9535	19%
Westminster	48959	9379	19%

In committing to an additional 93 affordable units, Northglenn would be taking on a larger share of the state’s overall need for affordable housing than is necessary, and potentially accepting grant funding not usable for the intended purpose that could go to municipalities with both greater need and greater capacity.

Conclusion

Ultimately, while the potential funding opportunity is attractive at first glance, it is unlikely to be a good fit for the City of Northglenn. The city doesn’t have the land or capacity available to develop the necessary affordable units and would struggle to develop a strategy that would meet the state’s standards. And at its core, Prop 123’s purpose is to address unmet needs for affordable housing in the state of Colorado, in which the City of Northglenn has already been successful.

Article 3: Overlay Districts

11-3-1 Overlay Districts, Generally

- a. Intent
- b. Establishment
 - 1. Generally

[Leaving this open until the process for establishment is determined].

- 2. Regulatory Standards

Because of the special characteristics related to an Overlay District, specific provisions governing the development or use of land for this purpose are required. In case of a conflict between overlay district specific standards and the standards in any other article of the Unified Development Ordinance, overlay district standards shall apply unless otherwise stated.

- c. Organization of this article
 - 1. Section 11-3-2, Mixed-Use Overlay District establishes the purpose and standards applicable to Mixed-Use Overlay Districts

11-3-2 Mixed-Use Overlay District

- a. Purpose

The Mixed-Use Overlay District (MX) is established in order to achieve, among others, the following purposes:

- 1. Provide an opportunity for a mix of land uses consistent with the city's Unified Development Ordinance, while protecting the public health, safety, and general welfare;
- 2. Provide for and encourage a balanced, compatible mix of uses, rather than a separation of uses, in a pedestrian-friendly environment;
- 3. Establish development standards that allow for flexibility while protecting adjacent property from undue adverse impacts;
- 4. Promote investment in locations where investment is otherwise impeded due to small lot sizes, inefficient shape of the property, the existing underutilized development, or existing "strip" development that impedes pedestrian friendliness, or development that exhibits functional obsolescence; and
- 5. Create vibrant public spaces through the use of pedestrian-oriented design principles and enhanced aesthetic design of buildings and structures.

- b. Establishment

A Mixed-Use Overlay District shall be established in accordance with [fill when known]. The boundaries of the Mixed-Use Overlay District shall be indicated on the Official

Zoning Map and shall be officially denoted as MX. For the purposes of zoning, development, and use regulations, the Mixed-Use Overlay Districts shall be regulated under the standards of the related mixed-use zone as established in Article 2.

c. Procedures for Development Approval

1. Generally

Applicants wishing to pursue development in accordance with the Mixed-Use Overlay District parameters on land that has been designated MX may do so via the application process delineated in *Article 6: Administration and Procedures*. Development Review Procedures applicable to a Mixed-Use Overlay District Development fall under Major Site Plan requirements (Section 11-6-5(a)(3)) unless otherwise determined by the City.

2. Additional Provisions

Any existing provisions that are not covered by this section shall be governed by the respective provisions and requirements found elsewhere in the Unified Development Ordinance, unless modified by the Mixed-Use Overlay District Development Permit Application as provided for below.

3. Modifications

The City staff, upon a recommendation from the permit applicant, may modify any applicable provisions and requirements contained in this UDO when approving a Mixed-Use Development Permit Application including the regulations in this Chapter, if it is shown by the applicant that:

a. There will be preservation of distinctive physical characteristics of the site or additional amenities or public spaces or increased efficiency in public services will be provided; or,

b. Through imaginative and skillful design in the arrangement of buildings, open space, streets, access drives and other features, the application results in a development of equivalent or higher quality than that which could be achieved through strict application of the applicable provisions and requirements; provided that the development, as proposed, shall have no adverse impact upon the public health, safety or general welfare of the City.

d. Permitted Uses

1. Generally

Unless regulated in this section or modified as provided for in Section 11-3-2(c)(3), a Mixed-Use Overlay Development shall comply with the following regulations, as is pertinent:

- a. Article 2: Zoning Districts, Section 8: MR Mixed-Use Neighborhood
- b. Article 2: Zoning Districts, Section 9: MR Mixed-Use Corridor
- c. Article 2: Zoning Districts, Section 10: MR Mixed-Use Regional

d. Article 3: Use Regulations

2. Additional Considerations

In determining the appropriateness of each proposed use, the City shall determine that the plan satisfies one or more of the following:

- a. That the proposed uses will fulfill the Purpose Statements expressed in Section 11-3-2(a);
- b. That the proposed use(s) contributes to the pedestrian atmosphere desired by the City;
- c. That the proposed use(s) promotes a vital, mixed-use environment;
- d. That the proposed use(s) is compatible with any other and will not unduly impact the public health, safety, and general welfare;
- e. That the proposed use(s) will further the creation of a Mixed-Use development that can be used by residents of the Mixed-Use Development, users of other establishments in the Mixed-Use Development as well as adjacent parcels, if applicable;
- f. That the proposed uses will include the necessary diversity of uses needed to prevent the segregation of uses and to ensure a dynamic developed site.

e. Development Criteria

1. Generally

Unless regulated in this section or modified as provided for in Section 11-3-2(c)(3), a Mixed-Use Overlay Development shall comply with the appropriate regulations:

- a. Article 2: Zoning Districts, Section 8: MR Mixed-Use Neighborhood
- b. Article 2: Zoning Districts, Section 9: MR Mixed-Use Corridor
- c. Article 2: Zoning Districts, Section 10: MR Mixed-Use Regional

2. Additional Standards Considered

The following standards will be considered in a Mixed-Use Overlay District Development Permit Application in addition to the previously delineated standards:

- a. Building height shall not exceed the building height of adjacent building by more than [XXX] feet when the building is within [XXX] feet of said building;
- b. Buildings, structures, and parking areas should be designed and located within the Mixed-Use Development in ways that conserve unique natural, historic, or cultural features;
- c. The physical relationship of buildings and other site improvements to one another and to the surrounding public streets, as created by building size,

mass, height, shape, and setback, shall result in a harmonious development within the Mixed-Use Development and adjacent to it;

d. The bulk of buildings within the proposed development shall be compatible with the surrounding development and sufficiently buffered from the surrounding development, when integration with surrounding development is not desired, to mitigate any undue adverse impact(s).

Accessory Dwelling Units

Section 11-3-3(e)(20) – Short-Term Rental

(B) Accessory Dwelling Units occupied for the use of short-term rentals will require the property owner to reside on the property.

Section 11-3-4(c)(2)(C) – Design

(ii) No manufactured home, trailer, travel trailer, camping trailer, truck camper, or motor vehicle shall be attached or connected in any manner to an existing building or structure unless otherwise permitted in this article.

Section 11-3-4(d)(1)(A) – Generally

(iv) No trailer, travel trailer, camping trailer, truck camper, or motor vehicle shall be used as an ADU. ADUs may be manufactured or prefabricated homes, given they comply with pre-approved designs designated by the Director of Planning and Development and meet all other ADU requirements.

LAND USE/HOUSING INITIATIVES DISCUSSION

Sara Dusenberry

Senior Planner

303.450.8836

sdusenberry@northglenn.org

Council Meeting

July 10, 2023



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PURPOSE

To provide updated information and receive Council feedback and consensus on several land use/housing initiatives.



OVERVIEW

- **Previous discussions**
- **Policy impact**
- **Comprehensive Plan**
- **SB-213**
- **Proposition 123**
- **Overlay districts**
- **Accessory Dwelling Units (ADUs)**
- **Next steps**



PREVIOUS DISCUSSIONS

- **Northglenn Housing Policy Discussion**
 - **June 3, 2019**
- **Affordable Housing Policy – DOLA Grant**
 - **Oct. 17, 2022**
- **Comprehensive Plan**
 - **April 10, 2023**



NORTHGLENN HOUSING POLICY DISCUSSION

- **Result of Karl's Farm Development**
- **Explore if Northglenn is affordable for first time homebuyers – nurses, firefighters**
- **Discussion Results**
 - **No clear definition of affordable housing**
 - **Maintain accessible housing**
 - **Importance of aging in place, Northglenn options**



DOLA GRANT

- **Council requested affordable housing be considered in Comprehensive Plan**
- **Grant funded housing study to provide recommendations**
- **Grant calls for adoption of affordable housing policy**
 - **Overlay districts**
 - **Expansion of ADUs**



COMPREHENSIVE PLAN

- **Utilized housing study and public feedback to develop goals, policies**
- **Goals focus on:**
 - **Resident retention**
 - **Housing diversification**
 - **Improve affordability for current residents**



POLICY IMPACT

- **High: Large amount of regulatory oversight, mandates**
- **Medium: Incentive or assistance approach to affordable housing**
- **Low: Neutral stance, neither hinder nor help affordable housing development**



COMPREHENSIVE PLAN

Goal 1: Resident retention

- **Low-level approach**
- **Policies not specifically related to affordable housing**
- **Calls for assisting residents to improve their current housing situation**
 - **May help keep housing costs lower over buying new**



COMPREHENSIVE PLAN

Goal 2: Housing diversification

- **Medium to low level approach**
- **Calls for regulatory amendments**
 - **Expand housing options**
 - **Remove some financial, regulatory barriers for developers**
- **Resident engagement policies could lead to medium level policies**
 - **Discussion of mid-density housing in single-family areas**



COMPREHENSIVE PLAN

Goal 3: Improving affordability

- **Medium to low approach**
- **Policies support but do not call for more affordable housing**
- **Northglenn has high number of affordable units and cost burdened residents**
 - **Preserve affordable units**
 - **Allow market rate, diversification of housing for move up residents**



SB-213

- **Intended to increase housing in State**
 - **Removed land use mandates**
 - **Mandates reporting, planning, some land use regulations**
- **High level approach**
- **Final iteration, minimal effect on Northglenn**
 - **Update current housing study**
 - **Already allow specific land uses discussed**
 - **Manufactured housing**
 - **ADUs**



SB-213

CONT'D

- **Local land use preemptions retained**
- **Policies calling for resident engagement concerning mid-density housing would be moot**
- **Assist with need for housing diversification**
 - **May be in undesired areas of the City**



PROPOSITION 123

- **Created to assist with funding affordable housing**
 - **Calls for strategic plan to increase affordable housing**
 - **9% increase over 3 years – 93 units total**
- **Need to consider high-level approach to opt in**
- **Not well suited for Northglenn**
 - **24% of all units affordable**
 - **Minimal land area to develop**



OVERLAY DISTRICTS

- **Allows expansion of land uses without restricting the current uses**
- **Aligns with recommendations of the Comprehensive Plan**
- **Does not utilize the rezoning process, saving time, money**



OVERLAY DISTRICTS

CONT'D

- **Balance uses and pedestrian scale design**
- **Invest in under utilized areas**
- **Flexible development standards that mitigate adverse effects on adjacent properties**
- **Emphasize pedestrian-oriented design principles**



OVERLAY DISTRICTS

CONT'D

- **Addition of affordable housing language could shift policy level impact**
- **Medium level**
 - **Incentives to include affordable housing**
 - Density bonuses, expedited review, and reduction of fees, waivers
- **High level**
 - **Inclusionary zoning**



ACCESSORY DWELLING UNITS

- **ADUs may be operated as short-term rentals**
 - **Property owners must reside on property**
 - **Provides income to property owners and transitional housing opportunities**
- **Allow preapproved prefabricated and manufactured ADUs**
- **Reduce barriers due to time and cost of design, construction**



ACCESSORY DWELLING UNITS

CONT'D

- **Medium to low approach**
 - **Allows for increase in housing options and potential income source**
 - **Assists residents, but does not directly call for affordable housing**



NEXT STEPS

- **Council consensus on current policy approach**
- **Policy adoption to be scheduled**
 - **Public hearing with Planning Commission**
 - **First and second readings with City Council**



QUESTIONS?



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