

PLANNING & DEVELOPMENT MEMORANDUM
#21-2026

DATE: July 6, 2026

TO: Honorable Mayor Meredith Leighty and City Council Members

THROUGH: Heather Geyer, City Manager *hmg*
Jason Loveland, Deputy City Manager *12*

FROM: Becky Smith, Director of Planning & Development *BS*

SUBJECT: Accessory Dwelling Unit (ADU) Regulations – Potential Amendments and Small-Scale Density Options

PURPOSE

To facilitate a discussion regarding the City's current Accessory Dwelling Unit (ADU) regulations and potential amendments that could expand housing options and improve affordability.

BACKGROUND

City Council has requested that staff explore amending the Unified Development Ordinance (UDO) to allow shipping containers or conex boxes as ADUs and to evaluate other strategies to improve housing options and affordability.

Accessory Dwelling Units

ADUs are self-contained living units located on the same property as a primary single-family residence. They can increase housing density, expand housing supply, and allow homeowners to generate supplemental rental income. The City's current UDO permits ADUs in single-family residential zones subject to the following key provisions:

General Standards

- Only one (1) ADU is permitted per property.
- ADUs may be used as short-term rentals only if the property owner resides on the property.
- ADUs in conjunction with multifamily dwellings or live/work units are prohibited.
- Trailers, travel trailers, camping trailers, truck campers, and motor vehicles may not be used as ADUs.
- Manufactured or prefabricated homes are permitted as ADUs, provided they comply with pre-approved design standards designated by the Director of Planning and Development and meet all other ADU requirements.

Ownership Requirements

- The property owner must reside in either the primary dwelling unit or the ADU.
- Ownership of the ADU may not be legally severed from the associated lot or any other structures on the lot.

Size

- ADUs shall not exceed 750 square feet.
- ADUs located in the basement of an existing single-family structure may exceed 750 square feet if entirely within the existing building footprint.
- ADUs shall contain no more than one (1) bedroom.

Location and Design

- Both attached and detached ADUs are permitted.
- ADUs must have a separate exterior entrance from the primary dwelling unit.
- ADUs must contain cooking, sleeping, and sanitary facilities.

Utilities

- Separate water or sewer service connections for ADUs are not permitted.
- Separate metering of other utilities (e.g., electric, gas) is allowed.

Shipping Container or Conex Box ADUs

Currently, Section 11-4-8(d)(1)(C)(ii) of the UDO prohibits the use of shipping containers or conex boxes in residential zoning districts.

Regulatory Framework

- City Council would need to amend the UDO to permit shipping container or conex box ADUs.
- When shipping containers or conex boxes are used as habitable spaces, they are subject to applicable building codes, fire safety standards, and occupancy permit requirements. A permanent foundation is required.
- Shipping containers or conex boxes are not currently covered by the U.S. Department of Housing and Urban Development (HUD) or Colorado Division of Housing prefabricated home certification pathway.

Design and Aesthetics

- Where municipalities have allowed container structures in residential zones, approval criteria commonly include design standards to ensure aesthetic compatibility with the primary dwelling and surrounding neighborhood.
- Staff recommends that any proposed amendment include design standards.

Cost and Feasibility Implications

From a construction cost perspective, shipping container and conex box ADUs are generally not a cost-effective alternative to site-built construction.

- A conventional stick-built ADU can be permitted and built entirely through the prescriptive code path provided by the International Residential Code (IRC), which offers a well-established, predictable review and inspection process. No equivalent IRC pathway exists for converting a shipping container or conex box into habitable space. As a result, structural elements, foundation design, door and window openings, and other modifications require project-specific engineering.
- Additionally, modifications to the steel structure trigger special inspection requirements under the IRC, requiring additional engineering review and reporting.

When engineering costs, special inspections, and any interior modifications required to bring the space into code compliance are considered together, the total construction cost typically exceeds that of a comparably sized stick-built unit. While shipping containers or conex boxes may appeal to some homeowners from a design perspective, they generally do not provide a cost advantage over conventional construction methods.

Question for Council:

Does Council wish to direct staff to draft potential amendments to the UDO that would allow shipping container or conex box structures to be used as ADUs in single-family residential zones, with appropriate design and construction standards?

House Bill 24-1152

HB 24-1152 was enacted to encourage ADU construction statewide. The legislation requires subject jurisdictions to allow ADUs by right in single-family residential zones through an administrative approval process. It also created the Accessory Dwelling Unit Grant Program (ADUG) and Colorado Housing and Finance Authority (CHFA) financing opportunities for homeowners located in a certified ADU Supportive Jurisdiction.

Rather than amending the UDO to conform with HB 24-1152, City Council adopted language asserting that ADU regulation is a matter of purely local concern under the City's home rule authority. As a result, the City has been designated "Strategic Growth Non-Compliant" and is not prioritized for a broad range of competitive and discretionary state funding opportunities, including the ADUG program and CHFA financing options. The Colorado Department of Local Affairs (DOLA) has indicated that the City's compliant status may be reinstated at any time.

ADU Strategy Profiles

DOLA's ADU Strategy Profiles provide useful frameworks that the City can draw from. Staff recommends two strategies for Council's consideration:

DOLA Strategy 1: Encouraging Factory-Built ADUs

(Source: [Encouraging Factory-Built ADUs | Division of Local Government](#))

This DOLA strategy encourages the construction of factory-built ADUs by streamlining processes and reducing barriers for their approval and installation. Factory-built ADUs, either regulated by HUD or overseen by the Colorado Division of Housing (DOH), are already permitted under the City's current UDO, provided they comply with pre-approved designs designated by the Director of Planning and Development and meet all other ADU requirements.

DOLA's strategy profile identifies the following actions jurisdictions can take to encourage factory-built ADUs:

- Expressly allowing both HUD-certified and DOH-certified factory-built units where ADUs are permitted.
- Amending design requirements to provide flexibility for factory-built units, such as allowing exterior materials and roof slopes to not match those of the primary home.
- Simplifying foundation requirements for standard soil conditions.
- Removing site-specific requirements that do not implicate life and safety issues but make it more challenging to install a singular design across an entire city.
- Providing clear guidelines for utility tie-ins without mandating upgrades that are not essential for health and safety.
- Updating internal processes to ensure factory-built ADUs are not subject to unnecessary review and inspection.
- Developing a vendor registry or connections to local factory-built ADU companies, with attention to municipal attorney guidance on liability before publishing.

Question for Council: Does Council wish to direct staff to analyze the City's current ADU regulations and design standards to identify potential barriers to factory-built ADUs and develop recommendations for UDO amendments and process changes that would streamline their approval and installation?

DOLA Strategy 2: Providing Pre-Approved ADU Plans

(Source: [Providing Pre-Approved ADU Plans | Division of Local Government](#))

This DOLA strategy lowers the cost and time of ADU development by allowing homeowners to use ADU plans that have already been reviewed for building code compliance. Building plans must still be submitted for a permit in conjunction with site-specific information (e.g., site plan, utility connections, grading). The City's current UDO already contemplates pre-approved designs designated by the Director of Planning and Development, providing an existing administrative basis for this type of program.

DOLA identifies two primary program structures, which can be used independently or in combination:

- **Jurisdiction-Owned Plans:** The City hires an architect and/or engineer to develop plan sets, which the City then owns and makes available to homeowners to use for free.
- **Architect/Designer-Owned Plans:** Designers submit ADU plans for City pre-approval; homeowners are then connected to those designers to use the pre-approved plans, which may be available at no cost or at a cost set by the designer.

DOLA identifies the following benefits of a pre-approved plans program:

- Saves homeowners months of time and thousands of dollars compared to a custom design process.
- Lowers the barrier of entry by providing plans that are ready to use and, if desired, customizable.
- Accelerates the permitting process by reviewing the building plan for code compliance in advance.
- Allows the City to guide the design process to ensure plans reflect local design character and priorities.

Question for Council: Does Council wish to direct staff to develop a pre-approved ADU plans program for Northglenn, and if so, which program structure:

- Jurisdiction-owned plans;
- Architect/designer-owned plans; or
- Combination of both.

The program would come forward as a budget request proposal.

Other Small-Scale Density Strategies: Duplexes in RS-1 and RS-2 Zones

Currently, the City's RS-1 and RS-2 zoning districts are limited to single-family residential uses, with ADUs permitted as an accessory use subject to the standards described above. Allowing duplexes as a permitted use in RS-1 and RS-2 zones would modestly increase housing supply within established single-family neighborhoods without the scale or visual impact of larger multifamily development. Two-unit structures can also broaden housing access for first-time buyers, seniors, and multigenerational families by offering smaller, potentially more attainable ownership or rental options on single-family lots. Considerations for Council include potential neighborhood impacts related to parking, building massing, lot coverage, and design compatibility, all of which could be addressed through appropriate development standards in any UDO amendment.

Question for Council:

Does Council wish to direct staff to explore UDO amendments that would allow duplexes as a permitted use in RS-1 and RS-2 zoning districts, with appropriate design and development standards to ensure compatibility with existing neighborhoods?

Infrastructure considerations: Water and Wastewater Capacity

Any discussion of increased residential density, whether distributed more broadly across the city through small-scale density in single-family residential zone districts or concentrated in

designated areas through mid-high-density development, must be considered in the context of the City's existing water and wastewater infrastructure capacity. The City is approaching capacity limits in both systems, and Council should be aware that growth accommodated in one area of the City may constrain future growth opportunities elsewhere. These are not independent decisions; the cumulative demand created by any new units, whether ADUs, duplexes, or larger multifamily development, draws from the same finite system capacity. There is ongoing work to update the Integrated Water Supply Plan (IWSP) and Wastewater Treatment Preliminary Design Plan that will be able to further inform these conversations.

NEXT STEPS

Staff recommends that Council provide direction on each of the questions above. Based on Council's input, staff would:

- Research and prepare appropriate draft UDO amendments.
- Analyze the City's current ADU design standards and permitting process to identify specific barriers to factory-built ADUs, if directed.
- Develop a pre-approved ADU plans program framework, including program structure options and resource needs through a future budget proposal, if directed.
- Coordinate with Public Works to evaluate water and wastewater capacity implications of any density-related policy direction Council wishes to pursue.
- Return to Council with findings and proposed UDO amendments for review and action.

STAFF RECOMMENDATION

This is for informational purposes only.

STAFF REFERENCE

If Council members have any questions, please contact Becky Smith, Director of Planning & Development, at bsmith@northglenn.org or 303.450.8741.

ATTACHMENTS

1. Northglenn ADU Handout
2. Presentation



City of Northglenn
 Planning and Development Department
 11701 Community Center Drive
 Northglenn, CO 80233
 Planning Division (303) 450-8739
 Building Division (303) 450-8745
[Northglenn Planning Department](#)

ACCESSORY DWELLING UNITS ZONING, BUILDING CODE, AND PERMIT REQUIREMENTS GUIDANCE DOCUMENT

Definition: An Accessory Dwelling Unit (ADU) is a subordinate dwelling unit added to, created within, or detached from a single-family residence. It must include provisions for living, sleeping, cooking, and sanitation. Mobile homes and HUD-Code manufactured homes are not considered ADUs.

Where ADUs are Allowed: ADUs are Permitted in the following zoning districts RS-1, RS-2, RS-3, RM-1, RM-2, or MN and PD.

Zoning Regulations for ADUs

Regulation	Zone district					
	RS-1	RS-2	RS-3	RM-1	RM-2	MN
Front Setback	30'	25'	15'	15'	15'	5' min / 15' max
Side Setback	5'	5'	5'	5'	5'	5'
Rear Setback*	None	None	None	None	None	5'
Height Limit	20'	20'	20'	20'	20'	20'
Size Limit (SF)	750	750	750	750	750	750
Building Coverage	40%	40%	60%	60%	60%	60%
Rear Yard Structure Cover	30%	30%	30%	30%	30%	30%

*Most residential properties have a 5 ft. rear utility easement. ADU placement is subject to easement review.

**** Where ADUs are Not Allowed:** ADUs are generally prohibited in multifamily dwellings or live/work units, if the PD (Planned Development) plan includes multifamily or live/work units, ADUs would not be permitted. To determine if ADUs are allowed on a specific property within a PD district, Contact the Planning Department.

ADU Development Standards

A. General Requirements

- Only one ADU shall be allowed per property.
- Accessory dwelling units occupied for the use of short-term rentals will require the property owner to reside on the property.
- ADUs for multifamily dwellings or live/work units are prohibited.
- No mobile home (pre-1976), trailer, travel trailer, camping trailer, truck camper, or motor vehicle shall be used as an ADU.
- ADUs may be manufactured or prefabricated homes, provided they comply with pre-approved designs designated by the Director of Planning and Development and meet all other ADU requirements.

B. Ownership Requirements

- The property owner must reside in either the primary dwelling or the ADU.
- Under no circumstances may ownership of an ADU be legally separated from ownership of the primary residence or associated lot structures.

C. Size

- Detached ADUs or ADUs added as an addition to the primary structure shall not exceed 750 square feet.
- However, ADUs located entirely within the basement of an existing single-family home may exceed 750 square feet if fully contained within the primary building footprint.

D. Location and Design

- ADUs shall be allowed as both attached and detached structures.
- Attached ADUs shall have a separate exterior entrance from the primary dwelling unit and shall contain cooking, sleeping, and sanitary facilities.
- ADUs shall not have more than one bedroom.
- Pitched, gable, or hip roofs may extend up to five feet above the 20' height limit if at least 70% of the roof area has a minimum pitch of 4:12.

E. Utilities and Services

- Separate water and sewer services are not permitted.
 - See ***Building Code Specific Requirements*** for more details
- Separate electric and gas metering is allowed.
- The plumbing systems in ***attached*** ADUs will typically connect to plumbing systems within the primary dwelling unit.

- The plumbing systems in **detached** ADUs may connect to plumbing systems in the primary dwelling unit or may be installed in the side yard, bypassing the primary unit, and connecting directly to the underground water service pipe and building sewer in the front yard area.
- Existing building sewer pipes may not have sufficient depth to serve detached ADUs. If sufficient depth is not available, a sewage pump or sewage ejector may be required.

Code and Regulatory Requirements

- Building standards and code requirements for ADUs are governed by Northglenn UDO Article 11-4, Article 11-6, and Chapter 10 of the Northglenn Municipal Code.
- State Code: Modular and prefab ADUs must comply with state certification requirements (Colorado Division of Housing) in addition to local building code.

Architectural & Site Requirements

F. Permitted Materials

- **Exterior Cladding:** Materials should be consistent with the primary dwelling's design.
- **Roofing:** Must match or complement the primary structure's roofing materials.
- **Windows and Doors:** Should align with the architectural style of the main property.
- ADU building material regulations online: [Article 11-4 Development Standards](#)

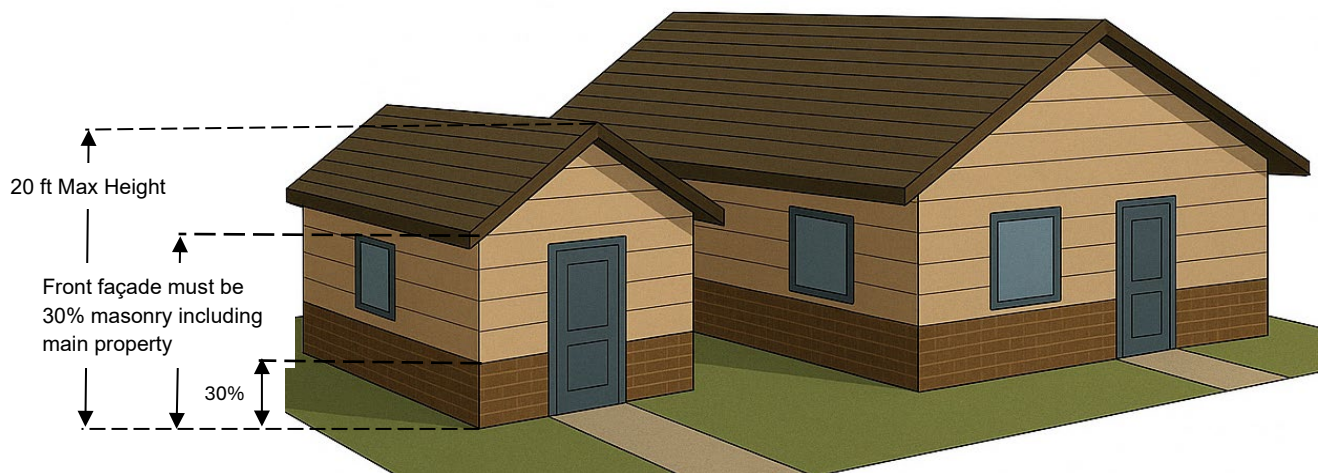


Figure 1: Detached

Note: If the main dwelling unit does not include any masonry on its front façade, the 30% masonry requirement for the ADU will not obligate the main dwelling to be retrofitted with masonry. However, the ADU must still meet the 30% masonry requirement on its own front façade unless otherwise approved through the site plan or design review process.

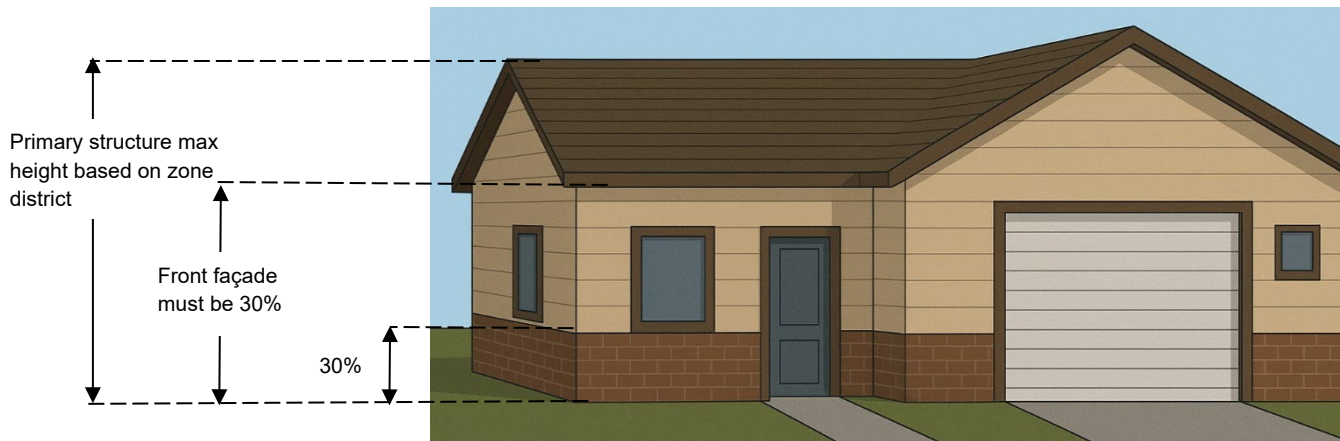


Figure 2: Attached ADU

G. Parking Requirements

- One off-street parking space shall be required per ADU, only if additional parking demand is anticipated beyond what is already provided for the primary residence.

Building Permit Application Requirements

- Apply online: A [building permit](#) *is required for all ADUs.*
- Homeowners or architects may initiate the permit but cannot perform the work themselves.
- The following licensed contractors must be listed before issuance:
 - General Construction
 - Electrical
 - Mechanical
 - Plumbing

Building Code Requirements

- City of Northglenn has adopted the 2021 International Building Codes as amended:
 - ADUs must have independent heating and water heaters.
 - ADUs may require 1-hour fire-rated separation if adjacent to the primary structure.
 - Radon control systems required for new ADUs. (Existing basement conversions may be exempt.)
 - Blower door test (air leakage test) may be required before Certificate of Occupancy, exemptions apply based on structure type and construction method.

- In addition to meeting local zoning and building requirements, ADUs that are considered modular, manufactured, or tiny homes, must meet Colorado state certification standards.
 - The Colorado Division of Housing (DOH) regulates the construction, certification, and installation of: Modular Homes (factory-built, permanent foundation); Tiny Homes (factory-built, permanent or temporary foundation); HUD-Code Manufactured Homes (federally regulated, installed under state oversight); Mobile Homes (pre-1976, additional compliance steps required)
 - A condition of building permit approval for these structures requires:
 - Colorado Division of Housing approval of the design and construction plans –to be submitted at time of permitting with the City.
 - Manufacturers, sellers, installers, and special inspectors must be registered with the state and in good standing.
 - For more details, visit the Colorado Division of Housing website: [Home | Division of Housing](#)
- Utility Plan: For detached ADUs a utility plan is required showing the water and sewer connection between the primary dwelling unit's utilities.
 - Application must include the size of the existing water meter on the plan. If you do not know the size, you can contact Utility Billing at [#303.450.8770](#) to request this information.
- ADU applications must include a fixture count of all existing and proposed fixtures in the primary residence and ADU in accordance with Table P2903.6. The total water-supply fixture-unit value shall be converted to a supply demand in gallons per minute using Table P2903.6(1).
- Many residential structures in Northglenn are served with a ¾" water service and equipped with either a ⅝" or ¾" water meter. As flows increase through water service lines and water meters due to higher demand, the pressure loss increases. A ⅝" water meter will provide 18 gallons per minute with 5 psi of pressure loss. A ¾" water meter will provide 24 gallons per minute with 5 psi of pressure loss.
- Detached ADUs located in rear yard areas will increase the length of customer-owned water service piping and may result in a flow rate or flow pressure at an individual fixture supply outlet that is below the required capacities listed in Table P2903.1.
- The ADU application process does not require a sufficient level of detail for the Northglenn Building Division or Public Works Department to determine if the required capacities listed

in Table P2903.1 can be met with the existing water meter, water service, and customer-owned piping. It is strongly encouraged to work with a licensed professional to assess whether or not additional measures would be required to proper water service.

- If it is determined that the required capacity listed in Table P2903.1 cannot be met, then the permittee will need to modify either the customer-owned piping and/or the water service and water meter.
- If the water service and water meter size need to be increased, please contact the *Public Works Department* at #[303.450.8984](tel:303.450.8984). Additional fees will be due if a larger size water service and meter are needed. Tap fees are assessed for water, wastewater, and stormwater based on water tap size.

ACCESSORY DWELLING UNITS & SMALL-SCALE DENSITY OPTIONS

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Study Session

July 6, 2026



**CITY OF
Northglenn**

PURPOSE

To facilitate a discussion regarding the City's Accessory Dwelling Unit (ADU) regulations and potential amendments that could expand housing options and improve affordability.



BACKGROUND

In 2025, Council requested that staff explore amending the Unified Development Ordinance (UDO) to allow shipping containers or conex boxes as ADUs and evaluate other ways to improve housing options and affordability.

Tonight's discussion will include:

- Current ADU standards
- Shipping container/conex box ADUs
- Factory-built ADUs
- Pre-approved ADU plans
- Duplexes in RS-1 & RS-2 zones



CURRENT ADU STANDARDS

ADUs are self-contained living units on the same lot as a primary single-family residence. They are permitted in single-family zones subject to the standards below.

Size

Max 750 sq. ft. Basement ADUs within the existing footprint may exceed 750 sq. ft. No more than one bedroom.

General

One ADU per property. Short-term rental only if owner resides on-site. Not allowed with multifamily or live/work units.

Ownership

Owner must live on-site. ADU ownership cannot be severed from the primary residence.

Location & Design

Attached or detached allowed. Must have a separate exterior entrance, cooking, sleeping & sanitary facilities.

Utilities

No separate water/sewer service connection. Separate metering of electric/gas is allowed.

Unit Types

Manufactured/prefab homes OK with pre-approved designs. Trailers, campers & motor vehicles prohibited.



CONEX BOX ADUs

Section 11-4-8(d)(1)(C)(ii) of the UDO prohibits shipping and conex box containers in residential zoning. Council requested a discussion on whether to allow them as ADUs in single-family zones.

Regulatory Framework

- UDO would need to be amended to allow container dwellings.
- Subject to building codes, fire safety standards, and occupancy limits.
- Permanent foundation required.
- Not covered by the Housing and Urban Development (HUD) or CO Division of Housing (DOH) prefab certification pathway.

Design & Aesthetics

- Other municipalities have paired approval with design standards, exterior finish, door and window placement.
- If directed, staff recommends UDO language with exterior material & design standards to ensure compatibility with the primary dwelling and neighborhood character.

Cost & Feasibility

- No International Residential Code (IRC) prescriptive path exists for container conversion; every element needs project-specific engineering.
- Welding/modifications trigger "special inspection" requirements, adding time and cost.
- Total cost typically exceeds a comparable stick-built ADU.



CONSIDERATIONS

Comparison

Consideration	Stick-Built ADU	Container ADU
Code Pathway	Prescriptive IRC path (predictable)	No IRC path. Requires project specific engineering.
Inspections	Standard process	“Special inspection” of each modification.
Relative Cost	Baseline	Typically, higher cost than comparable stick-built.
Appeal	Conventional	Design interest for some homeowners.

Does Council wish to direct staff to draft potential amendments to the UDO that would allow shipping container / conex box structures to be used as ADUs in single-family residential zones, with appropriate design and construction standards?



ENCOURAGING FACTORY-BUILT ADUs

Factory-built ADUs are permitted under the current UDO with pre-approved designs, allowing streamlined approval and installation.

The following actions are recommended by Department of Local Affairs (DOLA) to encourage factory-built ADUs:

- Expressly allow both HUD and DOH overseen factory-built units where ADUs are permitted.
- Add design flexibility (e.g., exterior materials & roof slopes need not match the primary home).
- Simplify foundation requirements for standard soil conditions.
- Remove site-specific requirements that don't implicate life/safety but hinder a single design citywide.
- Provide clear utility tie-in guidelines without mandating non-essential upgrades.
- Update internal processes to avoid unnecessary review and inspection.
- Develop a local vendor registry, subject to legal guidance from City Attorney.



FACTORY-BUILT ADU CONSIDERATIONS

Factory-built ADUs can lower cost and expedite installation, but current design standards and processes may create barriers that discourage their use, even though they're already permitted.

Does Council wish to direct staff to analyze the City's current ADU regulations and design standards to identify potential barriers to factory-built ADUs and develop recommendations for UDO amendments and process changes that would streamline their approval and installation?



PRE-APPROVED ADU PLANS

- Allows homeowners to use ADU plans already reviewed for building code compliance. A permit is still required with site-specific information.
- The current UDO already contemplates pre-approved designs.
- Two pre-approved plan options; City can use one or both.

Jurisdiction-owned Plans

City hires an architect/engineer to develop city-owned plans. Pre-approved plans are then made available to homeowners for free.

Architect/designer-owned Plans

Designers submit plans to City for pre-approval. City then connects homeowners to those designers to use pre-approved plans at no cost or a designer-set fee.



BENEFITS OF PRE-APPROVED ADU PLANS

- **Saves homeowners months and thousands of dollars vs. custom design.**
- **Lowers barrier to entry with ready-to-use, customizable plans.**
- **Accelerates permitting via advance code review.**
- **Allows the City to guide designs to reflect local character and priorities.**

Does Council wish to direct staff to develop a pre-approved ADU plans program? If so, which program structure(s)?

- *Jurisdiction-owned*
- *Architect/designer-owned*
- *Combination of both*

Note: The program would come forward as a budget request proposal.



DUPLEXES IN RS-1 & RS-2 ZONES

RS-1 and RS-2 are currently limited to single-family use.

Potential Benefits:

- Modestly increases supply without the scale or visual impact of larger multifamily units.
- Broadens access for first-time buyers, seniors & multigenerational families with smaller, more attainable options.

Considerations:

- Neighborhood impacts: parking, building massing, lot coverage, design compatibility.
- All addressable through appropriate development standards in any UDO amendment.

Does Council wish to direct staff to explore UDO amendments that would allow duplexes as a permitted use in RS-1 and RS-2 zoning districts, with appropriate design and development standards to ensure compatibility with existing neighborhoods?



NEXT STEPS

Based on Council's direction, staff will:

- Research and prepare draft UDO amendment language for any items Council wishes to pursue.
- Analyze current ADU design standards & permitting to identify barriers to factory-built ADUs.
- Develop pre-approved ADU plan program framework, including program structure options and resource needs through a budget proposal.
- Return to Council with findings and proposed UDO amendments for Council review and action.



FEEDBACK & QUESTIONS?



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