PLANNING & DEVELOPMENT MEMORANDUM #26-2023

SUBJECT:	Housing Policy Recommendations
FROM:	Brook Svoboda, Director of Planning & Development <i>M</i> Becky Smith, Planning Manager Sara Dusenberry, Senior Planner
THROUGH:	Heather Geyer, City Manager Anna Jason Loveland, Interim Deputy City Manager 67 2
то:	Honorable Mayor Meredith Leighty and City Council Members
DATE:	May 1, 2023

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 City received a Department of Local Affairs (DOLA) Innovative Housing Strategies: Planning Program Grant (IHOP) in spring 2022 to undertake a housing needs assessment and develop and adopt policies related to furthering affordable housing. On April 11, 2022, City Council awarded a contract to Thomas P. Miller and Associates (TPMA) to complete the housing needs assessment and assist with developing policies. On Oct. 17, 2022, staff and TPMA presented the findings of the housing assessment with target recommendations to Council.

The recommendations in the assessment seek to improve housing diversity and affordability. The assessment provided three targeted recommendations:

- 1. Development of Overlay Districts
 - a. This approach considers the City's reliance on the redevelopment of existing properties to meet future needs by providing a means to expand the allowed land uses on a property under the Unified Development Ordinance.
 - b. Overlay districts are often used to allow for greater flexibility than the underlying zone(s) allow, typically in a way that permits mixed-use, higher-density residential, or live/work development.
- 2. Provide Targeted Incentives
 - a. This approach provides options related to upfront infrastructure costs for redevelopment and a means for homeowners to improve their properties.
 - b. Covering full or partial costs associated with infrastructure upgrades could help lower developer costs and provide more control over the types of housing development in the City.
 - c. Providing assistance for homeowners to improve their properties may help reduce the transition of residents out of the City who are looking to "move-up" to a housing type not found or in limited quantity in Northglenn.
- 3. Expand Multi-Family Options in Single-Family Zones
 - a. This approach helps address the lack of housing diversity in the City by providing a means to develop middle-density properties.
 - b. A use-by-right development approval process establishes a rule-based approach that improves the ability of the housing market to create new housing in response to increased demand.

c. This approach improves housing affordability by lowering costs to developers through a faster, more predictable approval process and increases housing supply.

Based on discussion with Council at the Oct. 17, 2022 meeting, staff pursued policy related to establishing overlay districts and helping homeowners improve their properties. To improve properties and help diversify housing types, expanding access to Accessory Dwelling Units (ADUs) and their uses were 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. Additionally, TPMA is developing incentives for providing affordable housing as part of a mixed-use development. The incentives will be informed by discussions with the Planning Commission and City Council.

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 rental. 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 a more accessible option 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, making ADUs a more viable option for residents.

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. If Council provides consensus to move forward with the proposed changes, the measures will go to the Planning Commission for consideration at a public hearing. If approved, the recommendations will come back to City Council in the form of an ordinance for consideration on first reading.

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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 pertaining to 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. Overlay Districts Policy Language
- 2. Accessory Dwelling Units Policy Language
- 3. Presentation

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.

ATTACHMENT 3

HOUSING POLICY RECOMMENDATIONS

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Study Session May 1, 2023



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PURPOSE

To seek feedback and consensus on proposed housing policy recommendations.



OVERVIEW

- Background
- Overlay Districts
- Accessory Dwelling Units
- Next Steps



BACKGROUND

- Department of Local Affairs (DOLA) Innovative Housing Strategies: Planning Program Grant (IHOP) received spring 2022
- Completed the Northglenn Housing Needs Assessment in October 2022



BACKGROUND

CONT'D

• Three targeted recommendations:

- Development of overlay districts
- Provide targeted incentives
- Expand multi-family options in single family zones

Adopt housing policy that furthers affordable housing



OVERLAY DISTRICTS

- Allows expansion of land uses without restricting the current uses
- Does not utilize the rezoning process, saving time, money

Aligns with Comprehensive Plan



OVERLAY DISTRICTS CONT'D

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



ACCESSORY DWELLING UNITS

- ADUs may be operated as shortterm 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



NEXT STEPS

- Planning
 Commission
 - May 16, 2023

- City Council
 - June 12, 2023 First Reading
 - July 10, 2023 Public Hearing and Second Reading



QUESTIONS?

