



**CITY OF BOULDER  
CITY COUNCIL AGENDA ITEM**

**MEETING DATE: October 2, 2018**

**AGENDA TITLE**

Consideration of a Motion to accept the September 25, 2018 Advance Study Session Summary on the construction of large homes on large lots within the Residential-Estate (RE) and Residential-Rural (RR) zoning districts and other code changes considerations.

**PRESENTER/S**

Jane S. Brautigam, City Manager

Jim Robertson, Director for Planning + Sustainability (P+S)

Tanya Ange, Deputy City Manager

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**BRIEF SUMMARY OF STUDY SESSION TOPIC**

Large Homes / Large Lots

The purpose of this study session was to receive initial feedback and direction from the City Council on addressing large homes being constructed within the residential zoning districts, including but not limited to the Residential – Estate (RE) and Residential – Rural (RR) zoning districts, that may be incompatible with the existing neighborhood character, and the city’s energy efficiency and affordability goals. The existing form, bulk, and intensity standards of the Land Use Code comprise a suite of regulations including building coverage, floor area ratio, side yard bulk-plane, side wall length, setbacks, and building height – many of which were adopted through the Compatible Infill Development project by City Council on Oct. 6, 2009 (see this [link](#)). These regulations could be amended, or new development tools could be created, such as incentives or disincentives, to encourage the construction of smaller energy-efficient homes, that are compatible with their neighborhoods and align with the city’s long term energy-efficiency and affordability goals.

Proposed Land Use Code Change list

Staff also reviewed the latest land use code change list to receive any updated feedback on the list including the priority and status of each item. Staff shared this list with City Council at the

January 2018 retreat and has since updated it based on feedback from the council at the retreat.

## **DIRECTION**

Staff posed the following questions for City Council. Summaries of the direction to staff are provided under each:

### **1. Does City Council agree with the draft *Why* and *Purpose* statements?**

#### Why Statement

There was general agreement on the following comments:

- Keep context and history separate, remove those extraneous elements to tighten up the Why statement.
- Change the last sentence of the Why Statement to state that we want more smaller homes.
- Take out references to RE and RR, as the project should consider all residential zones, particularly RL-1.
- The Why Statement, or perhaps a preamble to the Why statement, should include and acknowledge the radically changing demographics that occurs with the replacement of existing smaller homes with larger more expensive homes.
- Energy-efficiency goals should be part of the Why and Purpose statements.
- Housing Affordability goals should be part of the Why and Purpose statements
- Smart and efficient use of Land is part of the Why and Purpose statements
- Preservation, including of historic resources, is also part of the reason Why and Purpose for the project.
- No clear evidence that the 2009 Compatible Development regulations brought houses more in-line with the existing neighborhoods, remove that sentence from the Why statement.
- Encouraging more smaller homes rather than fewer large ones, also helps to address the jobs/housing imbalance issue in the city.

#### Purpose Statement

There was general agreement on the following comments:

- The city needs smaller homes, not just compatible ones, as compatible homes may actually be too large, based on the redevelopment that has already occurred. Smaller homes have less impact on the planet and are generally more affordable and should be the emphasis of this project.
- Encourage creativity in redevelopment of property, provided they are designed appropriately and a retain permeability.
- Encourage preservation of existing homes in these areas through incentives and disincentives.
- Provide a range of options with incentives and disincentives, with incentives/disincentives based on the Energy Efficiency Code and deed restrictions for preserving housing affordability among the possibilities.
- Want to encourage broader economic diversity in these neighborhoods.

Additional comments:

- Need more data, reference the Erica Meltzer article in the Boulder Daily Camera from a few years ago as a starting point. ([link to the article here](#))
- Should move forward with new regulations, rather than going back and re-analyzing the 2009 regulations, but some data would be good.
- The problem of large homes is persisting and growing, so moving forward quickly is critical to address the problem before it's too late.
- Need to be aware of *Mission Creep*, should focus on preserving the existing homes with incentives to further encourage preservation.
- People are incentivized now to building larger homes as speculative builds. Need to reverse that trend so property owners and developers are incentivized to build more smaller homes.

**2. What are City Council's goals for this project?**

- a) Does Council want to encourage the infill redevelopment of large lots into two or more houses through allowed subdivisions, rather than infill redevelopment of a single larger home?
  - b) Does Council wish to take specific measures to prevent or discourage the construction of houses above a certain size, regardless of lot size or compatibility with the neighborhood?
- Eight members of Council were in favor of 2a), and one Council Member was opposed at this time. Ultimate support for this strategy depends on the specifics and options as yet to be developed.
  - Eight members of Council were in favor of 2b), and one Council Member expressed that more data was needed before they could make a decision regarding 2b). Ultimate support for this strategy depends on the specifics and options as yet to be developed.

2a) Comments

- Need to establish a minimum lot size where this would apply in residential zones.
- Need encourage creativity with a range of options for multiple smaller homes, look at the Poplar project as an example.
- Changes should avoid homogeneity, encourage creativity, and should not be too prescriptive.
- Should keep the permeability with any development of multiple units on a given parcel
- In the RE and RR, consider allowing multiple ADU's per lot.
- Consider a pilot project for tiny homes. They are less offensive than a single large home.
- Consider setting maximum land/house price if we allow subdivision of land/ multiple units on a lot, based on a percentage of the Area Median Income (AMI) for deed restricting the additional units.
- If triplexes and 4-plexes, they should be designed to look like a single home and still not too large.

- Need to keep large single lots open for wildlife, and permeability.
- Should discourage the clearing of existing mature trees and vegetation that goes along with the demolition of existing homes and construction of large homes. Large obtrusive and opaque fencing discourages a connected neighborhood, and inhibits wildlife movement, consider split-rail or open fencing standards with height limitations.
- Incorporate an incentives approach
- Concern was expressed that this strategy could open up single lots to development of multiple structures, that could then decrease the permeability and the open land that characterizes some of these areas.

## 2b) Comments

- Yes, consider a hard size-limit for single-family homes. Need to establish a minimum lot size where this would apply in residential zones.
- Incorporate an incentives approach as well as a size limit, could be a matrix of options and requirements tied to home/development square footage.
- Consider additional energy code requirements for large homes that exceed a certain threshold (a financial disincentive).
- We can ratchet up the energy code, requiring a net-positive rating for homes over a certain size (net-positive requires buildings to produce and contribute energy to the energy grid). Should also include embodied energy requirements in the home materials and construction.
- Need a stricter energy code, and hard limits for more restrictive Land Use Code form and bulk development regulations. Look forward to seeing options presented.
- Council has an appetite to move forward with a hard limit on home sizes if the community is in support as well.
- Concern was expressed that this strategy could economically hurt existing homeowners and that an inventory of the existing housing may be warranted.

## **3. Is the preservation of the existing housing stock a priority in these districts?**

- Yes, in all relevant residential zones.
- Consider incentives to landmark a home that would then allow subdivision and development of the newly created lot.
- Look at the RMX-1 landmarking example, including the 10,000 SF lot size threshold.

## **4. Should city staff analyze adjusting the size and bulk compatibility standards (such as Floor Area Ratio) for the RE and RR districts?**

- Yes, do so in all relevant residential zones.
- Council is generally in support of a hard size-limit. More study is needed to determine what that maximum floor area limit should be.
- Need too see a variety of options presented related to changes that could be made to the existing form and bulk regulations of the Land Use Code.
- Changes should be made to keep single-family homes modest in size.

**5. Should city staff analyze incentives for the preservation, and/or disincentives for the demolition of existing housing in the RE and RR districts?**

- Yes, in all relevant residential zones.
- Finding the sweet spot of tying any incentives to a limitation on home size will be critical. Need to make it financially advantageous to build multiple smaller homes rather than a single larger home.
- Deed restricting a second home or unit on a lot for affordability is an option; or creating a higher tax/impact fee for the creation of a second unit as well.
- Regulations should target speculative large-home construction by developers and not hurt the original/existing homeowner.
- Need to incentivize getting more affordability similar to the Accessory Dwelling Unit discussion City Council has recently had.
- Powerful economic incentives should be calibrated to encourage more smaller-homes and creative solutions; such as tiny homes, cottage court developments, additions to existing homes, accessory dwelling units, and/or duplexes, tri-plex's and four-plexes that look and feel like a single-family house.
- Consider speeding up Net-Zero Energy requirements that would result in smaller houses. Although the city may not want to place an undue burden on modest-sized homes too soon.
- Access to solar could be an issue given existing trees and vegetation.
- In the RE and RR districts, neighborhoods typically have wide streets that could accommodate on-street parking. Consider an incentive to *not* require off-street parking. The lot area should be for houses and landscaping, not cars.

**Additional Areas for Further Study**

- Initial ideas for lot size thresholds:
  - Any lot 7,000 SF or greater - corresponds to the minimum lot size of the RL-1 Zoning District.
  - Lot sizes similar to those along Balsam Avenue, across from the old hospital site, preliminarily – lots 6,000 SF and greater.
- Study and present options on Floor Area Maximum limits for single-family homes.
  - Perhaps 2,400 SF - requires further study.
- Look at the occupancy requirements of three unrelated individuals, consider providing an exception similar to the Accessory Dwelling Unit project, to incentivize smaller homes and ADU's in these neighborhoods.
- Swimming pools and spas use an enormous amount of energy, consider disincentives for pools and spas in the Energy Code update.

**6. Does City Council have any comments or questions on the Land Use Code Change list?**

- Council agrees with the list and that it's prioritized correctly.
- A lot of work has been done thus far, acknowledging that there is more to come.