

STUDY SESSION MEMORANDUM

TO: Mayor and Members of City Council

FROM:Nuria Rivera-Vandermyde, City Manager
Brad Mueller, Director of Planning & Development Services
Charles Ferro, Senior Planning Manager
Karl Guiler, Senior Policy Advisor

DATE: April 25, 2024

SUBJECT: Zoning for Affordable Housing Phase Two - Update and Discussion

EXECUTIVE SUMMARY

The purpose of this memorandum is to provide an update on the <u>Zoning for Affordable</u> <u>Housing Land Use Code Update Project</u>, which has entered a second phase at the request of council. Staff is sharing analysis of the additional suggested options offered by council in Sep. 2023 to achieve more housing opportunities in the city. Staff is also seeking further direction from the City Council about which specific changes should be explored further and integrated into a proposed ordinance.

Following the study session discussion, staff intends to refine the options, engage the community on the proposed options, and receive input from the Planning Board and Housing Advisory Board before returning to City Council. A draft Project Charter for Zoning for Affordable Housing Phase Two is provided for council review in **Attachment A**, which outlines the scope, goals, objectives, and timeline for the project along with community engagement strategies.

Key findings from the detailed land use analysis of the suggested options indicate there are pathways to more housing opportunities in the lower density zoning districts while still complying with the maximum density limitations in the <u>Boulder Valley</u> <u>Comprehensive Plan (BVCP)</u>. The BVCP states that an average density will be maintained for a designation but assumes "variations of the densities on a small area basis within any particular designation."(Chapter IV on Residential Categories, p. 105). That said, the intent of several policies in BVCP need to be considered. These include preserving neighborhood character and describing the subject areas as composed of "predominantly single-family detached units". Since the BVCP notes an average

approach to calculating density, staff conducted an analysis of what the existing gross vs. net density would be for the RL-1, RR-1, and RR-2 zones and capacity for more units through zoning changes. The assumptions used for calculating gross and net density are described as follows:

- *Gross density* is a land area calculation of the zoning district (each polygon that defines a zone) that includes all public rights-of-way, parks, school properties and city-owned open space; and
- *Net density* or parceled density only includes the land area of individual properties with single-family homes (within each polygon) and excluding the other lands described above.

The data of these zoning analyses (including the RM-1 zone) are found in Attachments **B** and **C**. Maps that show the number of lots that could be eligible for additional dwelling units under different scenarios are found in Attachment **D**.

The first phase of the project, which was initiated by City Council as a 2022-2023 Work Program Item, entailed an ordinance changing the <u>land use code</u> to remove regulatory barriers to affordable or modest-sized housing to create more housing opportunities in the city. The intent was to address the ongoing housing crisis and rising costs of housing. Changes were specifically made to the site review process and standards on intensity (e.g., dwelling units per acre, floor area limitations), form and bulk (setbacks), parking, and subdivision standards. These changes were adopted by council in fall 2023 through Ordinance 8599 and went into effect on Jan. 1, 2024.

QUESTIONS FOR CITY COUNCIL

Staff is seeking input from City Council on the scope and direction of the project before drafting an ordinance for consideration in Quarter Three of 2024. The following questions are provided to guide the council discussion:

- 1. Does City Council agree with the proposed project purpose, goals and objectives, and scope of the project as set forth in Attachment A?
- 2. Does City Council agree with the staff recommendations and if not, what changes does the council suggest? (See summary of staff recommendations on page 20.)
- 3. Which potential options should be analyzed further and be the focus of any further outreach and ordinance development?

BACKGROUND

On <u>Oct. 5, 2023</u>, City Council voted unanimously to adopt <u>Ordinance 8599</u> on third reading, which removed regulatory barriers to affordable or modest-sized housing through changes to the site review process, intensity, form and bulk, use, parking, and subdivision standards. The changes adopted in the ordinance went into effect on Jan. 1, 2024.

At the <u>Sept. 21, 2023</u> second reading public hearing, several City Council members offered suggestions for additional changes to achieve more housing as a second phase of the project with more public outreach and analysis. The suggestions, listed below and considered Phase Two, are intended to serve as changes consistent with the current <u>BVCP</u>. These options could be done without any updates to the BVCP to permit more density and/or address the city's housing needs. An information packet on this project was sent to council on <u>Feb. 1, 2024</u> as an update about the project and to provide new council members with the context of the project. Each suggestion is analyzed in the 'Analysis' section as follows.

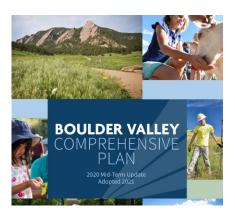
Phase Two Suggestions from City Council

- 1. Add RMX-1 (Mixed Density Residential 1) to the scope of the project Explore changes to the RMX-1 zone that would apply the current floor area ratio (FAR) maximums per lot and remove the lot area per dwelling unit requirement.
- 2. Add RM-1 (Medium Density Residential 1) to the scope of the project Explore changes to the RM-1 zone that would remove the minimum open space per dwelling unit requirement and replace with the FAR limit of the RMX-1 zone.
- 3. **Opportunities for additional housing density in lower density areas** Analyze density in low density areas in more depth and explore whether there are areas where additional density, consistent with the BVCP land use designations, may be possible (e.g., allowance for duplexes on corner lots along multi-modal corridors etc.) without any BVCP updates.
- 4. Explore additional restrictions in low density residential zones to encourage home ownership Explore additional regulations to enable homeownership in low density residential zones and preservation of the character of such areas, such as owner-occupancy on lots where additional dwelling units may be allowed. This option was added based on concerns that investors may buy up properties and rent the homes if additional units are permitted.
- 5. Exemption for "missing middle" housing Consider an exemption to the Site Review process for projects that provide 100% "missing middle" type housing if there are no land use modifications associated with the project. Solicit feedback on this type of housing and proposed changes from groups assisting/housing those with disabilities.
- 6. Further analyze minimum thresholds for Site Review and whether any thresholds should be tied to number of dwelling units Consider changing additional zones in Table 2-2 in Section 9-2-14, "Site Review," B.R.C. 1981 to "0" to make them eligible for Site Review.

7. Rethink whether research and development (R&D) uses should be incentivized by additional residential FAR in the industrial zones – Consider removal of R&D uses from the allowance for additional residential FAR and list other light industrial uses that should be promoted for light industrial areas.

ANALYSIS

One of the requests from City Council as part of this project was to analyze the large areas of low density residential neighborhoods of the city, as well as the mixed and medium density areas, to determine if additional housing would be possible by changing zoning in a manner consistent with the <u>BVCP</u>. Changes to zoning would have to be found consistent with the descriptions and prescribed density of the BVCP land use designations. Page 105 of the BVCP notes the following regarding residential density (dwelling units per acre):



Land Use Category

Characteristics, Uses & BVCP Density/Intensity

Residential Categories

Residential land uses on the BVCP Land Use Designation Map, for the most part, reflect the existing land use pattern or current zoning for an area. Many residential areas developed in the city and the county over the last 40 years are characterized by a mixture of housing types ranging from single-family detached to townhouses and apartments. A variety of housing types will continue to be encouraged in developing areas.

Residential densities range from very low to high density. It is assumed that variations of the densities on a small area basis within any particular designation may occur, but an average density will be maintained for the designation. In certain residential areas, there is also the potential for limited small neighborhood shopping facilities, offices or services through special review.

The passage emphasizes that "a variety of housing types will continue to be encouraged in developing areas." This statement refers to zones that are not "established" and largely those that are not neighborhoods containing predominantly single-family dwellings. It also recognizes that "variations of the densities on a small area basis within any particular designation may occur, but an average density will be maintained for the designation." This means that a small block or area within a land use designation might have a density that exceeds that of the designation (e.g., six dwellings per acre) but that because there are other areas lower in density within contiguous areas of the zone, the average would still comply with the maximum. An example of this would be a block in RL-1 that has 12 dwelling units per acre, exceeding the six dwelling units per acre maximum, that is still consistent since the density is less than six dwelling units per acre when averaged across contiguous areas of the zone.

The findings of the existing gross vs. net density analysis are that some additional housing capacity could be added even with the net density approach (refer to definitions of "net" and "gross" density on page 2). Using this approach, the low-density residential zones of the city could support a substantial increase in the amount of housing and still be consistent with the six dwelling units per acre maximum.

While an increase in density could be consistent with the BVCP's maximum density per land use designations, the BVCP also describes low density areas as "*predominantly single-family detached units*." As discussed below, this policy intent must be taken into account in any policy direction on how many duplexes or other housing units may be permitted in these areas without changing the BVCP. Staff is seeking direction from council on the key issue related to how much housing should be added consistent with BVCP guidance. Analysis of each of the council suggestions for the project are described below:

City Council Suggestion –

1. Add RMX-1 (Mixed Density Residential – 1) to the scope of the project – Explore changes to the RMX-1 zone that would apply the current floor area ratio (FAR) maximums per lot and remove the lot area per dwelling unit requirement.

The RMX-1 zone district is largely found in portions of the Whittier, Newlands, University Hill, and Goss Grove neighborhoods around downtown as shown on Figure 1. RMX-1 comprises less than 2% of the city's land area. The BVCP designates these areas as Mixed Density Residential at a density of 6 to 20 dwelling units per acre. Goss Grove, University Hill, and the areas north and west of downtown have higher densities than areas in Whittier. The purpose of the RMX-1 in the land use

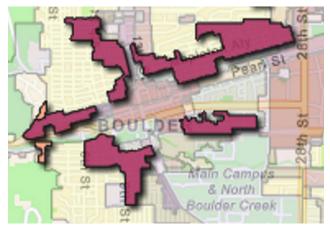


Figure 1- RMX-1 zone locations.

code is stated as follows: "Residential - Mixed 1: Mixed density residential areas with a variety of single-family, detached, duplexes, and multi-family units that will be maintained; and where existing structures may be renovated or rehabilitated."

See Attachment B for land use maps showing both gross and net densities in these areas. RMX-1 is shown in the attachment in purple and indicates an existing diversity in density ranging from six to 13 dwelling units per acre (gross) and 10 to 18 dwelling units per acre (parceled; net).

RMX-1 areas are typically neighborhoods that were built in the late 19^{th} to early 20^{th} century with single-family homes that were rezoned to allow high density residential in the 1960s before being rezoned in 1997 to low density residential. The current density allowance is one dwelling unit per every 6,000 square feet, which is only slightly higher than the density allowed in the RL-1 zone (Residential Low – 1) at one dwelling unit per 7,000 square feet. Because of the rezoning, many of the areas of RMX-1 are

nonconforming to density and include a mix of single-family homes with multi-family residential projects.

The rezoning occurred due to concerns about older homes being demolished and rebuilt as apartment buildings that were found to be incompatible with the historic character of the neighborhood. Further, the reduction in density was in response to growing parking and traffic issues around the downtown. The BVCP describes this land use intent and history in the excerpt below:

L	and Use Category	Characteristics, Uses & BVCP Density/Intensity					
	Mixed Density Residential (MXR)	Characteristics and Locations: MXR areas surround downtown in the Pre-World War II older neighborhoods and are located in some areas planned for new development. Additionally, in older downtown neighborhoods that were developed with single-family homes but for a time were zoned for higher densities, a variety of housing types and densities are found within a single block. The city's goal is to preserve the current neighborhood character and mix of housing types and not exacerbate traffic and parking problems in those older areas. Some new housing units may be added.					
		For areas designated for new development (outside of the Pre-WWII neighborhoods), the goal is to provide a substantial amount of affordable housing in mixed-density neighborhoods that have a variety of housing types and densities.					
		Uses: Consists of single-family and multi-family residential units. May include some complementary uses implemented through zoning.					
		BVCP Density/Intensity: 6 to 20 dwelling units per acre					

<u>Alignment with BVCP</u>: In the past, the land use code specified two types of zoning districts – established zones and redeveloping zones. Established zones were those where very little change was anticipated, whereas redeveloping zones were areas where growth and evolving character were expected. This terminology was removed in 2006 but has continued to inform zoning regulations to be consistent with the BVCP. Because of the established nature and history of the RMX-1 zone, staff did not suggest changes to RMX-1 as part of phase one of this project. Staff concerns remain that allowing additional density would result in development pressure leading to a loss of historic structures. There are also concerns that redevelopment may be out of character with the neighborhood and/or exacerbate parking and traffic impacts. Depending on the size of project, some may be able to build by-right without a discretionary review where there would be a greater level of scrutiny on the designs and potential impacts.

The option of requiring the same FAR for multi-family buildings as what is required for single-family homes in the RMX-1 zone would help to preserve the neighborhood character and scale. However, a FAR limit would not ensure that density would remain below 20 dwelling units per acre as specified in the BVCP.

If council supported moving forward with an increase in density in RMX-1, staff could modify the lot area per unit requirement from 6,000 to 3,000 square feet. This would allow a typical 6,000 square foot property that currently only allows a single-family dwelling to allow a duplex. Applying the FAR maximum to attached dwelling units and changing the lot area per dwelling unit calculation would be a reasonable way of achieving density near the downtown, encouraging conversion of existing historic homes

rather than demolition, and mitigating potential negative impacts. Additional units would still have to meet city off-street parking requirements. Impacts related to on-street parking will continue to be mitigated through the use of the city's neighborhood permit parking districts in many of the RMX-1 areas. Council should consider that the addition of more housing has the potential to increase the number of traffic trips in the neighborhoods.

<u>Staff recommendation</u>: Revise the RMX-1 standards to apply a FAR to attached dwelling units and adjust the intensity standard to be 3,000 square feet per dwelling unit. This would allow more medium density residential uses in walkable neighborhoods adjacent to downtown. Additional units would still meet off-street parking requirements.

City Council Suggestion

2. Add RM-1 (Medium Density Residential – 1) to the scope of the project – Explore changes to the RM-1 zone that would remove the minimum open space per dwelling unit requirement and replace with the FAR limit of the RMX-1 zone.

Medium density areas are found throughout the city and typically on the periphery of neighborhood centers and along transit corridors (see Figure 2 with medium density areas shown in the light orange color). RM-1 comprises roughly 3.5% of the city's land area.

Many of these areas were built in the 1970s and 1980s and have seen less redevelopment in recent years. The BVCP designates these areas as a Medium Density Residential land use, which permits six to 14 dwelling units per acre. Zoning analysis has shown that the existing gross density in these areas is roughly seven dwelling units per acre and net (parceled) is 8.5 dwelling units per acre. The purpose of the RM-1 in the land use code is stated as follows: *"Residential - Mixed 1: Medium density*

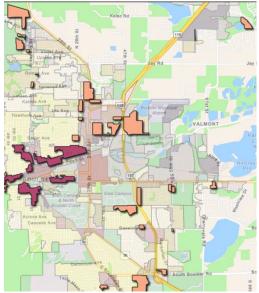


Figure 2- RM-1 zone locations (see light orange color).

residential areas which have been or are to be primarily used for attached residential development, where each unit generally has direct access to ground level, and where complementary uses may be permitted under certain conditions." See Attachment C for the more detailed zoning analysis of RM-1.

The maximum density specified in the BVCP land use designation and the RM-1 zone is 14 dwelling units per acre. While regulating with a FAR maximum would be simpler in implementation and could yield more housing in Medium Density Residential areas, there

would be no guarantee that the density would not exceed 14 dwelling units per acre with only with a FAR limit to regulate intensity of development.

The BVCP's Medium Density Residential description is below:

Medium Density Residential	Characteristics and Locations: MR is characterized by a variety of housing types. Medium- density areas are generally situated near neighborhood and community shopping areas or along some of the major arterials of the city.
(MR)	Uses: Consists of a variety of housing types ranging from single-family detached to attached residential units such as townhomes, multiplexes and some small lot detached units (e.g., patio homes), not necessarily all on one site.
	BVCP Density/Intensity: 6 to 14 dwelling units per acre

<u>Alignment with BVCP</u>: An increase in housing in the RM-1 zone would continue to be consistent with the characteristics of the designation. However, eliminating the open space per dwelling unit requirement could allow for more than 14 dwelling units per acre, which would be inconsistent with the BVCP. Therefore, a density requirement would need to remain in the RM-1 zone to maintain BVCP consistency. Another consideration in the RM-1 zone is that many multi-family properties are condominiums and, thus, with a high number of ownership entities per lot, the likelihood of redevelopment on those lots is low. Recognizing that more than half of the RM-1 parcels have condominiums, there could be a modest increase in housing units allowed by reducing the density requirement from 3,000 square feet to 2,000 square feet of open space per dwelling unit, while still maintaining BVCP compliance.

Regulating the density (dwelling units per acre) of development with minimum open space per dwelling unit requirement is challenging to administer. It also makes it hard to determine the potential density of development since it is based on how a site is designed and configured. One alternative would be to modify the zone to have a lot area per dwelling unit requirement. For instance, a lot area requirement of 3,000 square feet per dwelling unit would be equivalent to medium density (six to 14 dwelling units per acre). **Table 1** below shows this assumption. With many RM-1 lots with the high percentage of condominium ownership and not anticipated to redevelop in the near future, a lot area per dwelling unit requirement could be proposed that would still keep the zone consistent with the BVCP density, while also allowing a modest increase on some lots.

Table 1 – Potential allowable additional units permitted in RM-1 based on different density calculations (staff recommended alternative highlighted)

7	DUCD	.	Potential Additional Housing Units Number of lots (% of lots in zone) that could add a unit				
Zoning District	0		2,500 sf of lot area per unit	2,000 sf of lot area per unit	1,500 sf of lot area per unit	1,000 sf of lot area per unit	
	density	medium			F		
		density					
RM-1	14 du/ac	3,000 sf of	504	827	1,061	1,173	
		lot area per	(14% increase)	(23% increase)	(30% increase)	(33% increase)	
		unit					

Staff recommendation: Since a density cap continues to be necessary to be consistent with the BVCP, the proposal to have a FAR limit would be less critical. As there are no restrictions on housing types (as discussed in Suggestion 3 below), the RM-1 density requirements could either be revised to (1) require 2,000 square feet of open space per dwelling (reduced from 3,000 square feet) or (2) require 2,000 square feet of lot area per dwelling unit and stay consistent with the BVCP. The latter would be a 23% increase in potential housing units for the RM-1 zone. It may make sense to retain an open space per dwelling unit requirement to maintain the character created by the open space in RM-1.

City Council Suggestion

3. Opportunities for additional density in lower density areas – Analyze density in low density areas in more depth and explore whether there are areas where additional density, consistent with the BVCP land use designations, may be possible (e.g., allowance for duplexes on corner lots along multi-modal corridors etc.) without any BVCP updates.

As stated earlier, zoning has been implemented through a net or parceled density approach in low and very low-density residential areas rather than a gross density calculation despite the BVCP's notations about using density averaging. More recent in-depth analysis shows that both existing net and gross density calculations have potential for more housing in low density (e.g., RL-1) and very low density residential (e.g., RR) areas. These areas comprise roughly 28% of the city's land area. The results indicate that most lots in these areas could be large enough to allow a duplex. However, allowing duplexes on all lots would arguably be inconsistent with the intent for low density residential and very low-density residential land uses as areas of "*predominantly of single family detached units*." This is discussed further below.

Below is the description of the Low Density Residential BVCP land use designation pertaining to RL-1 and RL-2 areas:

Low Density Residential (LR)	Characteristics and Locations: LR is the most prevalent land use designation in the city, covering the primarily single-family home neighborhoods, including the historic neighborhoods and Post-WWII neighborhoods.
	Uses: Consists predominantly of single-family detached units.
	BVCP Density/Intensity: 2 to 6 dwelling units per acre

Below is the description of the Very Low Density Residential BVCP land use designation pertaining to RR-1 and RR-2 areas:

Very Low Density Residential (VLR)	Characteristics and Locations: VLR tends to have larger lots and more rural characteristics. Many of these areas are located in unincorporated Boulder County in the Area III–Rural Preservation Area or Area II and may not have urban services. There are several areas in North Boulder and East Boulder within the city limits designated VLR.
(0 =,	Uses: Consists predominantly of single-family detached units and related agricultural uses.
	BVCP Density/Intensity: 2 dwelling units per acre or less

The descriptions of these zones in Title 9, B.R.C. 1981 are as follows:

"Residential - Rural 1, Residential - Rural 2, Residential - Estate, and Residential -Low 1: Primarily single-family detached dwelling units with some duplexes and attached dwelling units at low to very low residential densities."

The Zoning for Affordable Housing Phase One Ordinance 8599 permits duplexes and triplexes in the low-density residential zones consistent with the current density limitations of the zones (i.e., 7,000 square feet of lot area per dwelling unit in RL-1 and 30,000 square feet of lot area per dwelling unit in the RR zones). This change enabled the potential for roughly 1,600 additional units over time in the low-density areas of the city. City Council has asked that additional changes be made to these zones to enable more housing.

<u>Alignment with BVCP</u>: Similar to the discussion above on RMX-1, the land use code has considered the RL-1 and RR zones as "established" zones in the past. While not explicitly stated in the land use code today, established zones are those where there was very little change anticipated, whereas redeveloping zones were areas where more growth and changing character were expected. For this reason, staff has been cautious about proposing wholesale changes to the low-density areas of the city without a broader community engagement process associated with a comprehensive planning update. A BVCP update would be the most appropriate approach to engaging the community on changes that may impact the intensity and character of the RL-1 and RR neighborhoods. If the vision for these areas of the city is modified than zoning can be revised consistent with the updated BVCP. Staff's analysis has found there is capacity for housing growth in the low-density areas consistent with the density maximums specified in the land use designations. However, it is largely a policy decision on behalf of City Council as to what extent of additional growth is appropriate and consistent with the current BVCP. While additional density could be added consistent with the maximum densities defined by the BVCP, the council must also consider the BVCP's description regarding the character of these zones as areas being "*predominantly single-family detached units*" before providing direction to staff.

Tables 2 and **3** below depict a detailed analysis of the RL-1, RR-1, and RR-2 zones and the potential for additional housing units in several different scenarios. To be consistent with the BVCP's intent for the zones to be "*predominantly single-family detached units*," staff also assumed only duplex units in these scenarios. Attachment C contains a more detailed analysis of the content of **Tables 2** and **3** below. To see how many lots would be eligible under each of the scenarios below, see Attachment D, which includes Maps 1 through 8 relating to the RL-1, RR-1, and RR-2 zones.

Table 2– Potential allowable additional units permitted in RL-1 based on different density calculations (staff recommended alternative highlighted)

			Potential Additional Housing Units Number of lots (% of lots in zone) that could add a unit				
	maximum	Current maximum density per zoning (lot area per unit required)	,	/	/	3,000 sf of lot area per unit	
RL-1	6 du/ac	7,000 sf of lot area per unit	2,128 (19% increase)	4,325 (39% increase)	8,008 (73% increase)	9,310 (85% increase)	
Maps showing eligible lots			See Map 1	See Map 2	See Map 3	See Map 4	

Table 3 – Potential allowable additional units permitted in RR-1 and RR-2, consistent with the BVCP, based on different density calculations (staff recommended alternative highlighted)

			Potential Additional Housing Units Number of lots (% of lots in zone) that could add a unit				
Zoning			/	20,000 sf of lot	· ·	10,000 sf of lot	
		density per zoning	per unit	area per unit	area per unit	area per unit	
	·	(lot area per unit required)					
RR-1		requireu)	7	37	110	124	
KK-1			/	57	110	124	
	2 du/ac	30,000 sf of lot area	(5% increase)	(28% increase)	(82% increase)	(93% increase)	
RR-2	2 du/ac	per unit	9	33	80	229	
		-					
			(3% increase)	(13% increase)	(31% increase)	(88% increase)	
Maps sh	owing eligib	ole lots	See Map 5	See Map 6	See Map 7	See Map 8	

Staff recommendation: The analysis above shows varying degrees of potential density increases in the RL-1, RR-1, and RR-2 zoning districts. All would be considered

consistent with the BVCP land use designation maximum densities of six dwelling units in RL-1 and two dwelling units per acre in RR-1 and RR-2. However, not all would be consistent with the intent of areas being "*predominantly single-family detached units*." Based on this and consistent with the highlighted recommended alternatives above, staff recommends options where only a percentage of the zone (less than 50% can add a duplex) as reflected below:

- **RL-1** Reduce the lot area per dwelling unit from 7,000 to 4,000 square feet per dwelling unit. This would enable a potential density increase of 39% consistent with the BVCP's intent to keep areas "*predominantly single-family*." Map 2 shows the extent of lots that would be large enough to accommodate an additional unit under this option. This option would limit duplexes to lots that are larger than 7,000 square feet and would avoid increasing density on smaller non-standard lots and in areas that are already impacted by increased density on lots smaller than 7,000 square feet in the older parts of the city.
- **RR-1** Reduce the lot area per dwelling unit from 30,000 to 20,000 square feet per dwelling unit. This would enable a potential density increase of 28% consistent with the BVCP. Map 6 shows the extent of lots that would be large enough to accommodate an additional unit under this option.
- **RR-2** Reduce the lot area per dwelling unit requirement of 30,000 to 15,000 square feet per dwelling unit. This would enable a potential density increase of 31% consistent with the BVCP. Map 7 shows the extent of lots that would be large enough to accommodate an additional unit under this option.

Lastly, staff recommends this path since it is not expected that all lots that can have a duplex will immediately be reconfigured to have a duplex. Therefore, areas would continue to be "*predominantly single-family detached units*" for the foreseeable future. Changes beyond this scope would require BVCP updates changing the vision of these low-density residential areas before any zoning changes could be made.

<u>**RL-2** and <u>**RE**</u> zones</u>: It should be noted that RL-2 is excluded from this analysis because the zone already allows a variety of housing types and because any density changes could result in significant changes to the many Planned Unit Developments (PUDs) in the RL-2 zone. Separate from this code change project, P&DS intends to study RL-2 and PUDs in the near future. RE (Residential Estate) is also excluded since <u>Ordinance 8599</u> already enabled a density increase to permit duplexes in that zone since the change was consistent with the BVCP.

Duplexes on corner lots: Staff does not recommend allowing duplexes on corner lots in these zones since it is often difficult to determine what constitutes a corner lot based on the variety of angles of street intersections and direction of streets throughout the city. For instance, it raises questions about whether all of the lots shown with stars in Figure 3 for reference should be considered a corner lot. In addition, corner lots are not always larger than interior lots. For these reasons, this option could be difficult to interpret and

implement. Staff, therefore, recommends more straightforward options for determining eligible sites based on lot area.

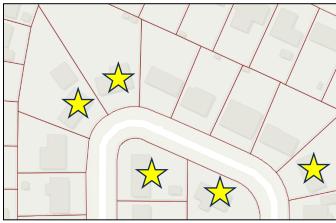


Figure 3- Which of these starred lots should be considered corner lots?

<u>Allow duplexes along transit corridors</u>: If council wanted to enable duplexes broadly like the scenarios above, the allowance for duplexes could potentially be limited to RL-1, RR-1 and RR-2 properties that are within a $\frac{1}{4}$ mile to $\frac{1}{2}$ mile of transit corridors. There would be clear planning rationale for allowing increased density along corridors, but depending on the chosen density calculation, it may make sense to enable additional units only on larger lots that are outside certain older areas of the city to avoid increased impacts, similar to the RMX-1 discussion above. Staff would recommend a calculation of 4,000 or 5,000 square feet lot area required per unit, as it would not apply to nonstandard and nonconforming lots in older parts of the city that already have a comparatively higher density. The city would need to clearly define what would qualify as a "transit corridor".

City Council Suggestion

4. Explore additional restrictions in low density residential zones – Explore additional regulations to enable homeownership in low density residential zones and preservation of the character of such areas, such as owner-occupancy on lots where additional dwelling units may be allowed.

There has been a steady drop in owner occupancy in the city in recent years, which has caused concern for many residents about neighborhood stability and upkeep. Owner occupancy requirements are used in some communities to address concerns about how neighborhood character could change as the amount of renters increase. Residents have also expressed concerns about investment companies buying single-family homes to rent for profit. Despite this, the city has no owner occupancy requirements for single-family detached homes except those required for lots with accessory dwelling units. Because of these concerns, one former council member requested that staff explore whether it makes

sense to require owner occupancy for any low-density residential lot that has more than one dwelling unit.

Requiring owner occupancy of accessory dwelling units (ADUs and sometimes called Secondary Residences) is common among communities, although several state governments have recently passed legislation prohibiting this requirement and some localities have removed this requirement since it is found to be a barrier to housing. While relatively common with ADUs as a way to help define a unit that is accessory to a principal unit, it is less common to require owner occupancy as a condition of approval to add an additional housing unit like a duplex, which would be considered a principal unit or use on a lot.

Staff has not come across many communities that require owner occupancy for principal units. Glenwood Springs in Colorado has been raised as an example, but the town is only exploring a requirement that local work force be allowed in additional units as duplexes and not as an owner occupancy requirement. Glenwood Springs, like many communities, has opted to not explore owner occupancy from a social equity perspective.

St. Paul, Minnesota is an example of a community that requires owner occupancy for additional units, but the city treats the additional units as a density bonus. The bonus includes several options beyond the owner occupancy requirement and is implemented in zones considered high density residential as opposed to low density residential so it is not entirely analogous to Boulder. Refer to Saint Paul's website <u>"Density Bonus in the H1-H2 Residential Districts"</u> for more information.

The closest example to what is requested as part of this project is <u>California Senate Bill 9</u> which enables traditional single-family lot owners to subdivide their lot and/or create a duplex. The bill contains an owner occupancy requirement, which requires a homeowner to live in one of the units for three years from the time a subdivision is approved. Santa Cruz, California offers an example of how this is implemented on an <u>eligibility checklist</u> found on Santa Cruz's website.

As stated in prior discussions on occupancy, many communities have been moving away from regulating occupancy and owner occupancy in favor of addressing impacts such as property maintenance, noise, and refuse directly through enforcement rather than indirect regulation. A <u>Planetizen article</u> discusses how owner occupancy requirements further constrain housing supply and that such regulations are seen as "*a back door way of regulating property upkeep and mitigation of noise*" since "*owner-occupiers are sometimes seen as more responsible towards property maintenance and community concerns*." Another article indicates that the contained housing supply contributes to driving up housing costs: Are owner-occupancy requirements driving up housing cost?

An article from the Brookings Institute argues against requiring owner occupancy noting:

"these owner-occupancy rules have several negative effects on equity, efforts to build multifamily housing, and the overall housing supply. Because renters typically have lower incomes than homeowners and are racially more diverse, owner-occupancy requirements affect the economic and demographic makeup of neighborhoods. Owner-occupancy requirements also prevent property owners from developing repeat expertise in acquiring and renovating existing housing stock to add ADUs; as a result, lenders are less likely to finance ADUs. Finally, owner-occupancy rules constrain supply because each existing house can only give rise to one rental unit, not two, and homes owned by non-residents cannot add an ADU. (Relatedly, many codes are explicit that if an investor purchases an owner-occupied home, it must leave the ADU vacant. Local governments could avoid these impacts by simply regulating upkeep. Rather than assume that renters will be bad neighbors, local officials could enforce housing codes, blight ordinances, and noise ordinances. Instead, they rely on owner-occupancy as a shortcut for regulating maintenance."

Staff recommendation: Previous guidance from City Council has been to remove zoning barriers to increase the potential for additional housing units. Adding a requirement for owner occupancy would add an additional zoning barrier. Further, it would add an administrative burden for the city to monitor and enforce owner-occupancy. It would be possible to administer the requirement similar to ADUs, but nonetheless, it would add a new task to permit reviews. This would complicate and delay permit reviews. It may also present a future area of regulatory conflict if the state passes a prohibition on owner-occupancy requirements for ADUs that would not apply to duplexes (or triplexes). Owners may also just opt to subdivide their lots to create one new single-family house that is not subject to the requirement instead of converting their homes to a duplex. For these reasons, staff does not recommend moving forward with this requirement.

City Council Suggestion

5. Exemption for "missing middle" housing – Consider an exemption to the Site Review process for projects that provide 100% "missing middle" housing if there are no land use modifications associated with the project. Solicit feedback on this type of housing and proposed changes from groups assisting/housing with those with disabilities.

During the Phase One project discussions in 2023 with City Council, staff recommended that projects that were middle housing (i.e., duplexes, triplexes, fourplexes, or townhouses) be exempt from the Site Review process <u>if</u> all zoning requirements were met (e.g., no requested modifications). This was proposed to encourage more middle housing in the city since, today, only roughly 9% of housing units in Boulder are considered "middle" housing.

City Council chose not to include this option in <u>Ordinance 8599 (Zoning for Affordable Housing Phase One)</u>, but rather asked that staff take a second look into the issue before recommending again. One council member raised concerns that perhaps middle housing may not be a preferred housing option in the future since it may not be conducive for older residents or people with disabilities if accessibility requirements did not apply to housing units like duplexes, triplexes, etc. The council member recommended that staff

investigate building code requirements and reach out to the Center for People with Disabilities to determine whether middle housing made sense for disabled persons.

The International Residential Code only establishes accessibility requirements for any buildings that are over five dwelling units or if any residential building has more than one unit has units on top of each other. What this means is that many middle housing type units would not have accessibility requirements such as elevators or ramps for access.

Staff reached out to the Center for People with Disabilities about the possibility for a Site Review exemption for middle housing to see if this housing typology would be desirable for disabled persons. Because many middle housing units would not have accessibility requirements, the center expressed concern stating their preference was for housing types that include <u>universal design</u>. Universal design, which aims to have environments and products that are accessible to all, is further described in an article named <u>"Beyond Accessibility To Universal Design</u>".

<u>Staff recommendation</u>: Staff has already made code changes in the prior <u>Zoning for</u> <u>Affordable Housing Phase One Ordinance 8599</u> to incentivize middle housing through enabling greater flexibility in the code related to townhouses and broader allowances for duplexes and triplexes. This phase of the project proposes an option to increase the number of duplexes in low density residential areas, as described above. Considering these options and factoring in the accessibly concerns from the Center for People with Disabilities, staff does not find an exemption for middle housing necessary and recommends that the option not be further pursued. Lastly, the city could consider future amendments to the building code in the future that could add accessibility requirements for middle housing type units but that would have to be explored further.

City Council Suggestion

6. Further analyze minimum thresholds for Site Review and whether any thresholds should be tied to number of dwelling units – Consider changing additional zones in Table 2-2 in Section 9-2-14, "Site Review," B.R.C. 1981 to "0" to make them eligible for Site Review.

Ordinance 8599 (Zoning for Affordable Housing Phase One) included modifications to the Site Review requirements to remove thresholds based on number of dwelling units, and instead use floor area or lot area size. The rationale was that basing the process on number of dwelling units could discourage the provision of additional housing units. City Council requested that additional zones be looked at for whether any triggers based on the number of dwelling units could be modified.

While Site Review could discourage some applicants from applying, in many instances applicants pursue the Site Review process because it allows for more code flexibility with respect to setbacks and height. It is also advantageous to the city for getting more innovative, high-quality designs and more permanently affordable housing. In that theme of thought, council also requested that some Site Review threshold based on lot size be

lowered so that more projects could opt to undergo Site Review (not required). For instance, some zones do not allow an applicant to apply for Site Review unless the size of the site is of a certain size (e.g., one acre). Some zones allow Site Review irrespective of the size of the site and are denoted in the Site Review threshold table as "0". Higher thresholds are typically intended for properties where Site Review would be less desired (e.g., low density residential zones, business commercial service (BCS)), either by a lower anticipated level of change or situations where variances (requiring demonstration of hardships) are more appropriate.

Staff recommendation: Based on the council direction and further analysis, staff has the following suggestions for modifications:

- *Reduce the Site Review threshold in the Business Community zones (BC-1 and BC-2) and Business Transitional (BT) zones, which is currently one acre down to no minimum required.* BC zones are predominantly neighborhood centers and may see more interest in coming years for residential uses (ground floor uses would be required to be commercial unless approved through Use Review per the current code). Additional residential could benefit from additional flexibility and the option for increased permanently affordable housing through the city's community benefit requirements in the Site Review process. Site Review also ensures a higher quality design outcome.
- *Reduce the Site Review threshold in the Industrial General (IG) and Industrial Manufacturing (IM) zones from two acres to one acre.* Similar to the option above, there will likely be more interest in the IG and IM zone in the future for residential and mixed use. To ensure higher quality, compatible projects, and greater potential for increased permanently affordable housing, staff finds that this change would be appropriate.
- Remove the number of dwelling units from the threshold in the following zones and enable any site to be eligible for Site Review: MH (Mobile Home) and MU-3 (Mixed Use 3).
- Remove all thresholds that note "5 or more units are permitted on the property" and replace with "7,500 square feet of floor area" in the following zones: RH-3, RH-4, RH-5, RH-6, RH-7, RM-1, RM-2 and RM-3. This change follows the logic of changes in Ordinance 8599 that assumes 1,500 square feet of floor area per unit.
- Change the RMX-1 threshold from "5 or more units are permitted on the property" to "1 acre".
- Change the RR-1 and RR-1 thresholds from "5 or more units are permitted on the property" to "3 acres".

• Change the RL-1 and RL-2 thresholds from "5 or more units are permitted on the property to "3 acres" and include a Site Review requirement for any subdivisions of 20 or more lots.

City Council Suggestion

7. Rethink whether research and development (R&D) uses should allow additional residential FAR in the industrial zones – Consider removal of R&D uses from the allowance for additional residential FAR and list other light industrial uses that should be promoted for light industrial areas.

Ordinance 8599 (Zoning for Affordable Housing Phase One) was adopted by council with a provision that enables industrial projects to have a higher FAR if residential is paired with research and development and/or light manufacturing uses. This was intended to encourage residential infill in industrial zones without driving out light industrial uses. While this provision was included in the ordinance, council questioned whether research and development (R&D) should be promoted over other light industrial uses to preserve and requested further analysis of this.

Staff has discussed this topic with a planning consultant and attorney who represent many R&D applicants. Staff has learned that some R&D applicants may be open to having residential on sites and others less so. There may be some legal considerations and barriers in some instances to some companies agreeing to have residential on sites. Based on these discussions, staff continues to find that there is no harm to including an incentive for more residential floor area on sites that include R&D uses, since it encourages mixed-use in the industrial zones (more residential and inclusion of industrial uses). Further, there is no penalty to industrial uses that do not include a residential component. Staff, however, finds that there may be some light manufacturing uses that should not be integrated with residential and therefore, recommends including only the following light industrial uses below (with definitions):

- *Business support services* means establishments that provide support services primarily to other businesses such as: duplicating, mailing, parcel shipping, security, property management, business equipment repair, and office supplies.

- *Building material sales* means a business primarily engaged in the retail sale from the premises of supplies used in construction including, without limitation, doors, hardware, windows, cabinets, paint, wall coverings, floor coverings, garden supplies, and large appliances and where the storage of materials is primarily within the principal building, but does not include a lumber yard.

- *Warehouse or distribution facility* means an establishment primarily engaged in the storage and distribution of goods and materials in large quantity to retailers or other businesses for resale to individual or business customers.

- *Wholesale business* means a business primarily engaged in the selling of merchandise to retailers; to industrial, commercial, institutional, or professional business users, or to other wholesalers; or acting as agents or brokers and buying merchandise for or selling merchandise to such individuals or companies.

- *Light manufacturing* means facilities for the manufacturing, fabrication, processing, or assembly of products, provided that such facilities are completely enclosed and provided that any noise, smoke, vapor, dust, odor, glare, vibration, fumes, or other environmental contamination produced by such facility is confined to the lot upon which such facilities are located and is regulated in accordance with applicable city, state, or federal regulations. Light manufacturing may include a showroom or ancillary sales of products related to the items manufactured on-site.

- *Building and landscaping contractor* means the various trades that make up the construction and landscape industry such as plumbing, carpentry, electrical, mechanical, painting, roofing, concrete, landscaping, and irrigation.

- *Equipment repair and rental* means a business that rents and/or repairs items such as tools, construction, lawn, garden, building maintenance, party equipment, and the rental of moving trucks and trailers, but does not include an automobile repair or rental facility, and may include outdoor storage of equipment.

- *Research and development* means a facility that engages in product or process design, development, prototyping, or testing for an industry. Such industries may include but are not limited to biotechnology, life sciences, pharmaceuticals, medical or dental instruments or supplies, food, clothing, outdoor equipment, computer hardware or software, or electronics. Facilities may also include laboratory, office, warehousing, and light manufacturing functions as part of the research and development use.

- *Non-vehicular repair and rental services* means a business that primarily provides services rather than goods and does not include outdoor storage, such as: appliance repair, electronics repair, furniture repair, small power equipment repair, and tool and equipment rental.

- *Service of vehicles* means the repair, servicing, maintenance, or installation of accessories for vehicles including motorcycles, motorbikes, automobiles, trucks, snowmobiles, trailers, campers, recreational vehicles, sailboats, and powerboats where outdoor storage of a vehicle does not exceed five consecutive days.

Staff recommendation: Staff recommends keeping the research and development use in the list of uses that would enable a residential floor area bonus in the industrial zones as way to incentivize residential in industrial zones and maintain/preserve industrial uses. Staff recommends narrowing the list of light manufacturing uses to only those listed above.

PUBLIC AND STAKEHOLDER ENGAGEMENT

Community Engagement

Significant community input was received as part of the first phase of the Zoning for Affordable Housing project. As much of this feedback continues to be relevant, council

members can access prior engagement summaries received during the course of the project in the <u>staff memo for the Mar. 23, 2023 study session memo</u>.

Attachment A contains a draft Project Charter for the second phase of the project. Staff will begin more robust community engagement once the preferred options are defined by City Council.

Board Feedback to Date

Housing Advisory Board

Once City Council provides input on a specific option or options to analyze further, staff intends to present the information to the Housing Advisory Board and obtain feedback.

Planning Board

Once City Council provides input on a specific option or options to analyze further, staff intends to present the information to the Planning Board and obtain feedback. Planning Board will make a recommendation on any ordinance prior to City Council review and decision on an ordinance.

SUMMARY OF STAFF RECOMMENDATIONS

Suggestion No. 1 - Add RMX-1 (Mixed Density Residential – 1) to the scope of the project – Explore changes to the RMX-1 zone that would apply the current floor area ratio (FAR) maximums per lot, but removes the lot area per dwelling unit requirement.

Staff recommendation: Revise the RMX-1 zone to apply the FAR to multi-family units in addition to single-family units and adjust the intensity standard to be 3,000 square feet per dwelling unit instead of the current 6,000 square feet per dwelling unit requirement.

Suggestion No. 2 - Add RM-1 (Medium Density Residential – 1) to the scope of the project – Explore changes to the RM-1 zone that would remove the minimum open space per dwelling unit requirement and replace with the FAR limit of the RMX-1 zone.

Staff recommendation: Revise RM-1 to permit a density increase by either reducing the 3,000 square feet of open space per dwelling unit to 2,000 square feet of open space per dwelling unit or modify the density calculation to be lot area per dwelling unit and set at 2,000 square feet of lot area per dwelling unit consistent with the 14 dwelling units per acre maximum in the BVCP.

Suggestion No. 3 - Opportunities for additional density in lower density areas – Analyze density in low density areas in more depth and explore whether there are areas where additional density, consistent with the Boulder Valley Comprehensive Plan (BVCP) land use designations, may be possible (e.g., allowance for duplexes on corner lots along multi-modal corridors etc.) before any BVCP updates.

Staff recommendation: Staff recommends the following changes in the RL-1, RR-1 and RR-2 zones:

- **RL-1** Modify the lot area per dwelling unit figure of 7,000 square feet per dwelling unit down to 4,000 square feet per dwelling unit.
- **RR-1** Modify the lot area per dwelling unit figure of 30,000 square feet per dwelling unit down to 20,000 square feet per dwelling unit.
- **RR-2** Modify the lot area per dwelling unit figure of 30,000 square feet per dwelling unit down to 15,000 square feet per dwelling unit.

Suggestion No. 4 - Explore additional restrictions in low density residential zones – Explore whether additional regulations to enable homeownership in low density residential zones and preserving the character of such areas, such as owner-occupancy on lots where additional dwelling units may be allowed.

Staff recommendation: Staff does not recommend moving forward with this requirement.

Suggestion No. 5 - Exemption for middle housing – Consider an exemption to the Site Review process for projects that provide 100% middle housing if there are no land use modifications associated with the project. Solicit feedback from groups assisting with those with disabilities on these changes.

Staff recommendation: Do not pursue this option. There are other options already integrated into the code to incentivize middle housing.

Suggestion No. 6 - Further analyze minimum thresholds for Site Review and whether any thresholds should be tied to number of dwelling units – Consider changing additional zones in <u>Table 2-2 in Section 9-2-14</u>, <u>"Site Review," B.R.C. 1981</u> to "0" to make them eligible for Site Review.

Staff recommendation: Staff recommends changes to the Site Review threshold table that remove all references to dwelling units as a trigger and the lowering of land area thresholds in BC, BT, IG and IM zones.

Suggestion No. 7 - Rethink whether research and development (R&D) uses should allow additional residential FAR in the industrial zones – Consider removal of R&D uses from the allowance for additional residential FAR and list other light industrial uses that should be promoted for light industrial areas.

Staff recommendation: Staff recommends keeping the research and development use in the list of uses that would enable a residential floor area bonus in the industrial zones as way to incentivize residential in industrial zones and maintain/preserve industrial uses. Staff recommends narrowing the list of light manufacturing uses to only those listed on pages 18-19.

NEXT STEPS

Following direction from City Council at the study session, staff plans to move forward with community outreach. Staff also plans to attend meetings of Planning Board and Housing Advisory Board in the coming weeks to inform the boards of the project's second phase and obtain feedback on any preferred options or narrowed set of options. If necessary, staff may return to City Council in the June timeframe for any additional direction. Tentatively, a draft ordinance is scheduled to be brought forward to Housing Advisory Board and Planning Board in August or September and City Council in October. The goal is to complete this project in Quarter Three of 2024.

ATTACHMENTS

Attachment A-	Draft Project Charter
Attachment B-	Land Use Maps analysis showing existing gross and net (parceled)
	densities in residential zones
Attachment C-	Detailed zoning analysis of RM-1, RL-1, RR-1, and RR-2 zones
Attachment D-	Maps 1 through 8 depicting the number of eligible lots in RL-1,
	RR-1, and RR-2 zones based on the variety of modified density
	calculations

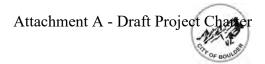
Zoning for Affordable Housing 2.0

Land Use Code Amendment Project Charter – Working Draft

Project Purpose & Goals for Phase 1.0 and 2.0

Background

Boulder's housing market is unaffordable to many, driving some residents to struggle to find housing in the city and driving some to leave. Those who work in Boulder often cannot afford to live in the city so in-commuting is a necessity. Further, older adults on fixed incomes struggle to pay property taxes that continue to rise significantly and stay in their home and the community.



In response, Boulder has taken on a multifaceted approach to encourage more affordable housing within the city limits through the city's inclusionary housing program and zoning regulations. While zoning has been developed to require a minimum percentage of on-site affordable units and funding through in lieu fees, there is community interest in exploring additional methods to secure more deed restricted permanently affordable housing and generally smaller, less expensive housing. Some zoning regulations, particularly the intensity standards that specify maximum density that were developed decades ago and predate the problem, and often discourage or prevent affordable housing opportunities.

Some maximum density requirements use a standard of calculation such as lot area per dwelling unit or open space per dwelling unit limits that encourage provision of larger, more expensive units since a density yield is lower than a floor area allowance and thus when the floor area is broken up by the allowable number of units, the outcome is typically larger floor area units that are not conducive with changing demographics in the community where demand is for more, modest sized units meeting middle income needs.

Problem Statement

Boulder housing is increasingly more costly to rent or own making it ever more challenging for some to afford to live or stay in Boulder. Occupancy limitations and other zoning regulations may make such challenges more pronounced. Current zoning restriction may not enable inclusiveness of different cultural living arrangements.

Project Purpose Statement

Continue to evaluate the land use code for other modifications that could remove zoning barriers to more affordable units and smaller, modest-sized units.

Goals and Objectives

- Review city standards and regulations and identify areas where zoning may discourage affordable or modest sized dwelling units, including without limitation, the intensity standards and parking requirements.
- > Vet the options with the community to inform any proposed ordinance changes.
- Prepare land use code amendments that provide greater opportunities to obtain more housing affordable options.

BVCP Guidance and Policies

The following "Core Values" expressed in the BVCP relate to occupancy and housing choice:

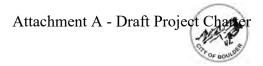
"A welcoming, inclusive and diverse community"

"A diversity of housing types and price ranges"

Further, the following "Focus Areas" also relate to occupancy and housing choice:

Housing Affordability & Diversity

Boulder's increasing housing affordability challenge, particularly for middle income households as well as for low and moderate incomes, made housing a major focus of this update (i.e., 2015). Additionally, the plan's guidance about housing and neighborhoods defines the kind of community Boulder is and will become. The plan includes several land use related policies to support additional housing and new types of housing (e.g., townhomes, live-work) in certain locations such as the Boulder Valley Regional Center



and light industrial areas. The Housing section also contains new policies addressing affordability. A new enhanced community benefit policy is also located in Section 1.

Growth—Balance of Future Jobs & Housing

For several decades, the plan has recognized Boulder's role as a regional job center and includes policies regarding jobs and housing balance. Boulder's potential for non-residential growth continues to outweigh housing and could lead to higher rates of in-commuting. Therefore, land use related policy changes in this plan aim to reduce future imbalances by recommending additional housing in commercial and industrial areas (and corresponding regulatory changes) and reductions of non-residential land use potential in the Boulder Valley Regional Center. The plan further emphasizes the importance of working toward regional solutions for transportation and housing through its policies for a Renewed Vision for Transit, regional travel coordination and transit facilities, and regional housing cooperation.

The "Housing" section of the BVCP outlines the challenges related to housing in Boulder:

The high cost of local housing results in many households paying a disproportionate amount of their income for housing or finding it necessary to move farther from their work to find affordable housing (often out of Boulder County). Households that find housing costs burdensome, or by the combined costs of housing and transportation have less money available for other necessities, may find it difficult to actively participate in the community. This leads to a more transient and less stable workforce, a less culturally and socioeconomically diverse community, additional demands on supportive human services, and to an exclusion of key community members from civic affairs.

Housing trends facing the community include:

- Continued escalation of housing costs that disproportionately impact low and moderate income households;
- The "shed rate," the rate at which homes are lost from the affordable range, outpacing the current replacement rate;
- An aging population;
- Loss of middle-income households in the community;
- Diminishing diversity of housing types and price ranges;
- The University of Colorado's anticipated continued student growth;
- The growing difficulty of providing affordable housing attractive to families with children in a land-constrained community; and
- The need to evaluate regulations that creatively accommodate an expanding variety of household types, including multi-generational households.

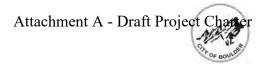
Therefore, the policies in this section support the following city and county goals related to housing:

- Support Community Housing Needs;
- Preserve & Enhance Housing Choices; and
- Integrate Growth & Community Housing Goals

The following BVCP policies have been identified for their relevancy to affordability and housing choice:

1.11 Jobs: Housing Balance

Boulder is a major employment center, with more jobs than housing for people who work here. This has resulted in both positive and negative impacts, including economic prosperity, significant in-commuting and high demand on existing housing. The city will continue to be a major employment center and will seek opportunities to improve the balance of jobs and housing while maintaining a healthy economy.



This will be accomplished by encouraging new housing and mixed-use neighborhoods in areas close to where people work, encouraging transit-oriented development in appropriate locations, preserving service commercial uses, converting commercial and industrial uses to residential uses in appropriate locations, improving regional transportation alternatives and mitigating the impacts of traffic congestion.

2.10 Preservation & Support for Residential Neighborhoods

The city will work with neighborhoods to protect and enhance neighborhood character and livability and preserve the relative affordability of existing housing stock. The city will also work with neighborhoods to identify areas for additional housing, libraries, recreation centers, parks, open space or small retail uses that could be integrated into and supportive of neighborhoods. The city will seek appropriate building scale and compatible character in new development or redevelopment, appropriately sized and sensitively designed streets and desired public facilities and mixed commercial uses. The city will also encourage neighborhood schools and safe routes to school.

7.01 Local Solutions to Affordable Housing

The city and county will employ local regulations, policies and programs to meet the housing needs of low, moderate and middle-income households. Appropriate federal, state and local programs and resources will be used locally and in collaboration with other jurisdictions. The city and county recognize that affordable housing provides a significant community benefit and will continually monitor and evaluate policies, processes, programs and regulations to further the region's affordable housing goals. The city and county will work to integrate effective community engagement with funding and development requirements and other processes to achieve effective local solutions.

7.06 Mixture of Housing Types

The city and county, through their land use regulations and housing policies, will encourage the private sector to provide and maintain a mixture of housing types with varied prices, sizes and densities to meet the housing needs of the low-, moderate- and middle-income households of the Boulder Valley population. The city will encourage property owners to provide a mix of housing types, as appropriate. This may include support for ADUs/OAUs, alley houses, cottage courts and building multiple small units rather than one large house on a lot.

7.08 Preserve Existing Housing Stock

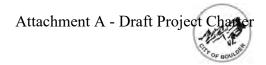
The city and county, recognizing the value of their existing housing stock, will encourage its preservation and rehabilitation through land use policies and regulations. Special efforts will be made to preserve and rehabilitate existing housing serving low-, moderate- and middle-income households. Special efforts will also be made to preserve and rehabilitate existing housing serving low-, moderate- and middle-income households and to promote a net gain in affordable and middle-income housing.

7.10 Housing for a Full Range of Households

The city and county will encourage preservation and development of housing attractive to current and future households, persons at all stages of life and abilities, and to a variety of household incomes and configurations. This includes singles, couples, families with children and other dependents, extended families, non-traditional households and seniors.

7.11 Balancing Housing Supply with Employment Base

The Boulder Valley housing supply should reflect, to the extent possible, employer workforce housing needs, locations and salary ranges. Key considerations include housing type, mix and affordability. The



city will explore policies and programs to increase housing for Boulder workers and their families by fostering mixed-use and multi-family development in proximity to transit, employment or services and by considering the conversion of commercial- and industrial-zoned or -designated land to allow future residential use.

7.12 Permanently Affordable Housing for Additional Intensity

The city will develop regulations and policies to ensure that when additional intensity is provided through changes to zoning, a larger proportion of the additional development potential for the residential use will be permanently affordable housing for low-, moderate- and middle-income households.

10.02 Community Engagement

The city and county recognize that environmental, economic and social sustainability of the Boulder Valley are built upon full involvement of the community. The city and county support better decision-making and outcomes that are achieved by facilitating open and respectful dialogue and will actively and continually pursue innovative public participation and neighborhood involvement. Efforts will be made to: 1. Use effective technologies and techniques for public outreach and input; 2. Remove barriers to participation; 3. Involve community members potentially affected by or interested in a decision as well as those not usually engaged in civic life; and 4. Represent the views or interests of those less able to actively participate in the public engagement process, especially vulnerable and traditionally underrepresented populations. Therefore, the city and county support the right of all community members to contribute to governmental decisions through continual efforts to maintain and improve public communication and the open, transparent conduct of business. Emphasis will be placed on notification and engagement of the public in decisions involving large development proposals or major land use decisions that may have significant impacts and/ or benefits to the community.

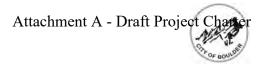
Phase 1.0

On Oct. 5, City Council adopted an ordinance that changed the Land Use Code to removes barriers in order to allow more housing units in some areas, enable smaller homes and encourage a greater diversity of housing types. This includes allowing more housing units in growth areas like the Boulder Valley Regional Center, neighborhood centers and industrial areas as well as allowing duplexes and triplexes in low density residential areas if they are consistent with current density limits. The adopted Phase 1.0 changes went into effect on **Jan. 1, 2024**.

Phase 2.0

Other changes, which were found to necessitate additional public outreach and analysis, were requested by City Council to be accomplished as part of a second phase of the project. The following changes are under consideration for Phase 2.0:

- **Exemption for middle housing** Consider an exemption to the Site Review process for projects that provide 100% middle housing if there are no land use modifications associated with the project. Solicit feedback from groups assisting people with disabilities on these changes.
- Add RMX-1 (Mixed Density Residential 1) to the scope of the project Explore changes to the RMX-1 zone that would apply the current floor area ratio (FAR) maximums per lot, but removes the lot area per dwelling unit requirement.



- Add RM-1 (Medium Density Residential 1) to the scope of the project Explore changes to the RM-1 zone that would remove the minimum open space per dwelling unit requirement and replace with the FAR limit of the RMX-1 zone.
- Rethink whether research and development (R&D) uses should allow additional residential FAR in the industrial zones – Consider removal of R&D uses from the allowance for additional residential FAR and list other light industrial uses that should be promoted for light industrial areas.
- Further analyze minimum thresholds for Site Review and whether any thresholds should be tied to number of dwelling units Consider changing additional zones in <u>Table 2-2 in Section 9-</u>2-14, "Site Review," B.R.C. 1981 to "0" to make them eligible for Site Review.
- Opportunities for additional density in lower density areas Analyze density in low density areas in more depth and explore whether there are areas where additional density, consistent with the Boulder Valley Comprehensive Plan (BVCP) land use designations, may be possible (e.g., allowance for duplexes on corner lots along multi-modal corridors etc.) before any BVCP updates.
- Explore additional restrictions in low density residential zones Explore whether additional regulations to enable homeownership in low density residential zones and preserving the character of such areas, such as owner-occupancy on lots where additional dwelling units may be allowed.

Anticipated Outcomes for Phase 2.0

Adoption of an ordinance to amend the following Title 9, Land Use Code, sections:

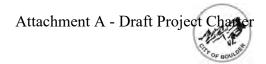
- Chapter 9-2, "Review Process," B.R.C. 1981, if middle housing is excepted and/or Site Review thresholds are changed
- Chapter 9-6, "Use Standards," B.R.C. 1981, if the R&D uses are removed from the Residential in Industrial Standards
- Chapter 9-7, "Form and Bulk Standards," B.R.C. 1981, if further changes to setbacks or bulk requirements are enacted to make it more feasible for middle housing uses
- Chapter 9-8, "Intensity Standards," B.R.C. 1981, if density changes are done in the RMX-1 and RM-1 zoning districts
- Chapter 9-9, "Development Standards," B.R.C. 1981, if more than one principal building are permitted per lot

Engagement & Communication for Phase 2.0

Level of Engagement

The City of Boulder has committed to considering four possible levels when designing future public engagement opportunities (see below chart). For this project, the public will be **Consulted** on any proposed changes to the intensity and development standards. See Appendix for the guiding Boulder Engagement Framework.

Targeted engagement will be focused towards property owners and renters in the RMX-1 and RM-1 zone as well as specific low density residential areas where there is potential for additional housing and historically excluded communities. There will also be opportunities for the broader community to provide input.



Who will be impacted by decision/anticipated interest area

- **Residents and neighborhoods** who may be impacted from potential use changes in traditionally single-family neighborhoods.
- **Commercial and residential property owners or firms**, who own or manage properties that are anticipated for more housing
- **Under-represented groups** that may have an interest in use changes but may be unfamiliar with the methods to offer input.
- **City staff, City boards, and City Council** who will administer any amended Use Standards of the Land Use Code, and who will render development approval decisions.

Overall engagement objectives

- Model the engagement framework by using the city's decision-making wheel, levels of engagement and inclusive participation.
- Involve people who are affected by or interested in the outcomes of this project, including historically excluded communities.
- Provide engagement options.
- Remain open to new and innovative approaches to engaging the community.
- Provide necessary background information in advance to facilitate meaningful participation.
- Be efficient with the public's time.
- Be clear about how the public's input influences recommendations for transparency and building trust and to support decision-makers.
- Show why ideas were or were not included in the staff recommendation.

Engagement strategies

Since the COVID-19 pandemic, engagement has been done routinely in a hybrid manner with some in person engagement and some virtual. The following engagement tools and techniques will be implemented throughout the project.

FOCUS GROUP MEETINGS

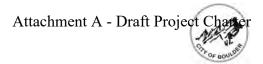
Purpose: Staff will plan to host one or more focus group meetings (in person) to present code changes that may affect specific neighborhoods and stakeholders. The focus of the meetings will be to hear feedback from specific neighborhoods about the City Council requested changes.

Logistics: Staff will work with key neighborhood groups and interested stakeholders. Engagement staff are may need to assist in the event.

Neighborhood groups to **consult** throughout this process are:

Single-family detached neighborhoods: Broader outreach will be necessary to single-family detached neighborhoods to receive feedback on the possibility of allowing duplexes more broadly if council instructs staff to move forward with these changes.

Interest groups: It is imperative that this project focus on targeted stakeholder outreach as well. This includes interested groups such as PLAN Boulder, Better Boulder, the Boulder Chamber of Commerce, and the following other focus groups:



- Hill Revitalization Working Group (HRWG)
- University of Colorado, Local Government & Community Relations, Office of Government and Community Engagement
- Boulder Housing Network
- Community Connectors-in-Residence (CC-in-R)

Logistics: Schedule a consultation with CC-in-R through the engagement team after drafting the racial equity instrument.

WEBSITE UPDATES

Purpose: The existing project website will be maintained and updated throughout the remainder of the project to inform the public of the project, provide updates, provide dates to Council and Board meetings and public hearings and links to any engagement opportunities.

Logistics: Work with communications staff to make updates as needed to the website.

NEWSLETTER AND EMAIL UPDATES

Purpose: Updates on the project will be provided to interested parties

Logistics: Staff will work with communications staff to draft content for the planning newsletter. Additional email updates will be provided on an as-needed basis. Staff will work with both communications and engagement teams on messaging in emails.

CHANNEL 8

Purpose: Channel 8 will be utilized to promote engagement opportunities and raise awareness for any potential zoning for affordable housing changes.

Logistics: Staff will work with communications staff to create and support content for Channel 8. This may involve creating a video that is posted on Channel 8 to inform the public about the project.

NEXTDOOR

Purpose: Nextdoor is another method to promote opportunities to provide input about the project and raise awareness that has a wide reach that may reach people who are not otherwise involved or engaged in planning-related topics. Neighborhoods to contact through NextDoor are:

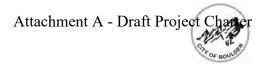
⇒ Mapleton, Whittier, Goss Grove and low-density portions of North, East and South Boulder

Logistics: Staff will work with communications staff to craft posts to promote engagement efforts.

OPEN HOUSES

Purpose: Later in the project when options are being more fully developed and analyzed, open houses will be held virtually or in person to provide updates on the project, present options, and receive feedback on the options. These offer a way for the public to hear summaries of the proposed changes, ask questions of staff, and suggest modifications prior to the formal adoption process.

Logistics: P&DS staff will collaborate with engagement staff to set up virtual meetings and with communications staff to promote them online.



PUBLIC HEARINGS AND UPDATES TO BOARDS

There will be a number of public hearings and updates provided to City Council during the duration of the project. These are other opportunities for the public to share their thoughts and concerns about the project.

Project Scope and Timeline for Phase 2.0

PLANNING STAGE | Q4 2023 / Q1 2024

- Scoping of council requested changes (Nov. Dec. 2023)
- Additional analysis of other potential changes to remove zoning barriers (Nov. Jan. 2024)
- Prepare information packet to City Council on Phase Two (Feb. 2024)

Deliverables

• Information Packet to City Council

SHARED LEARNING STAGE | Q1 2024

- Analyze potential suggested options by City Council (Feb-Mar 2024)
- Check in with City Council on scope of proposed changes and results of feedback. Receive direction on potential changes (April. 2023)
- Consider prior community feedback on project and prepare community engagement plan for City Council consideration

Deliverables

o Study Session with City Council, and meeting materials

OPTIONS STAGE | Q2 2024

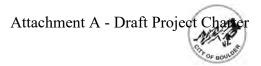
- Move forward with options analysis and refinement of preferred options based on City Council direction (April-May 2024)
- Update Planning Board and Housing Advisory Board (HAB) of potential options and receive feedback (May-June 2024)
- Outreach to the community on the preferred options (April June 2024)
- If necessary, check in with City Council on additional direction (June 2024)

Deliverables

- Analysis of potential code changes
- Summary of board feedback
- Summary of community feedback
- o Matters check in memo to council

DECISION STAGE | Q3 2024

• Create a draft ordinance (June 2024)



- Solicit additional feedback from stakeholder groups and neighborhood associations (June-July 2024)
- Bring forward draft ordinance to Housing Advisory Board (August 2024)
- Bring forward draft ordinance to Planning Board (September 2024)
- First reading of draft ordinance at City Council (October 2024)
- Second reading of draft ordinance at City Council (October 2024)

Deliverables

- Draft ordinance
- Housing Advisory Board, Planning Board and City Council memoranda

POST ADOPTION & PROCESS ASSESSMENT STAGE | Q4 2024

- Communicate with public and stakeholders about changes that occurred
- Debrief successes and challenges encountered
- Identify what worked and what didn't
- Evaluate the degree adopted changes accomplished the project's goals

Schedule for 2023 and 2024

	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	August	September	October
Planning Stage												
Shared Learning Stage												
Options Stage												
Decision Stage												

Project Team & Roles

Team Goals

- Follow City Council and Planning Board direction relative to changes to the code to obtain more affordable or modest-sized housing
- Consult with the community in the formulation of new standards/criteria and incorporate relevant ideas following a Public Engagement Plan and convey feedback to the Planning Board and City Council.
- Solution must be legal, directly address the purpose and issue statement, and should be a simple solution with community support.

Critical Success Factors

- Conduct a meaningful and inclusive public engagement process.
- Address the goals related to increasing housing options in the community while respecting community character.

Expectations

Each member is an active participant by committing to attend meetings; communicate the team's activities to members of the departments not included on the team; and demonstrate candor, openness, and honesty. Members will respect the process and one another by considering all ideas expressed, being thoroughly prepared for each meeting, and respecting information requests and deadlines.

Potential Challenges/Risks

The primary challenge of this project is making sure that proposed code changes avoid land use impact on other uses, unintended consequences and over complication of the code.

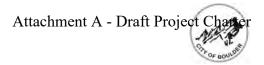
Administrative Procedures

The core team will meet regularly throughout the duration of the project. An agenda will be set prior to each meeting and will be distributed to all team members. Meeting notes will be taken and will be distributed to all team members after each meeting.

	CORI	E TEAM						
Executive Sponsor	Charles Ferro							
Executive Team	Executive Team Brad Mueller, Charles Ferro, Karl Guiler							
	Proje	ct Leads						
Project Manager	Karl Guiler							
Comprehensive	Kathleen King							
Planning								
Housing	Jay Sugnet, Hollie							
	Hendrikson or							
	Sloane Walbert							
	Worki	ng Group						
Legal	Hella Pannewig							
Communications	Cate Stanek	Strategy and tactics						
I.R.	Sean Metrick	Mapping and land use analysis assistance						
Community Vitality	NA	Not needed for this project						
Racial Equity	Aimee Kane							
Community	Vivian Castro-	Consulting role						
Engagement	Wooldridge/							
	Brenda Ritenour							

Executive Sponsor: The executive sponsor provides executive support and strategic direction. The executive sponsor and project manager coordinates and communicates with the executive team on the status of the project, and communicate and share with the core team feedback and direction from the executive team.

Project Manager: The project manager oversees the development of the Land Use Code amendment. The project manager coordinates the core team, manages any necessary consultant firms, and provides overall project management. The project manager will be responsible for preparing (or coordinating) agendas and notes for the core team meetings, coordinating with team members and consultants on the project, managing the project budget, and coordinating public outreach and the working group. The



project manager coordinates the preparation and editing of all council/board/public outreach materials for the project, including deadlines for materials.

Core Team Members: Team leaders will coordinate with the project manager on the consultant work efforts and products, and will communicate with the consultants directly as needed. Core Team members will assist in the preparation and editing of all council/board/public outreach materials including code updates.

Communications Specialist: The communications specialist is responsible for developing and creating internal and external communications output such as press releases, major website updates and additions, talking points, etc., and will provide advice about and support of public outreach. The communications specialist works with the project managers and core team to develop a communications plan that aligns with the project's goals and larger outreach strategy. The communications specialist will be responsible for promoting events through a variety of methods. The communications specialist assists the manager and core team in advising on any public outreach methods as well as editing and producing outreach material that makes the project accessible to members of the public.

Engagement Specialists: Help advise on engagement strategies; review engagement plan and engagement questions; review messaging together with Communications Specialist; support planning for consultations as needed; provide support during consultations as needed and capacity allows

Project Costs/Budget

No consultant costs have been identified for this project at this time. The project will be undertaken by P&DS staff.

Decision-makers

- **City Council:** Decision-making body.
- **Planning Board:** Will provide input throughout the process, and make a recommendation to council that will be informed by other boards and commissions.
- **City Boards and Commissions:** Will provide input throughout process and ultimately, a recommendation to council around their area of focus.

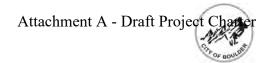
Boards & Commissions

City Council – Will be kept informed about project progress and issues; periodic check-ins to receive policy guidance; invited to public events along with other boards and commissions. Will ultimately decide on the final code changes.

Planning Board – Provides key direction on the development of options periodically. Will make a recommendation to City Council on the final code changes.

Advisory Boards: Identify and resolves issues in specific areas by working with the following boards/commissions:

• Housing Advisory Board



Appendix: Engagement Framework

BOULDER'S ENGAGEMENT SPECTRUM

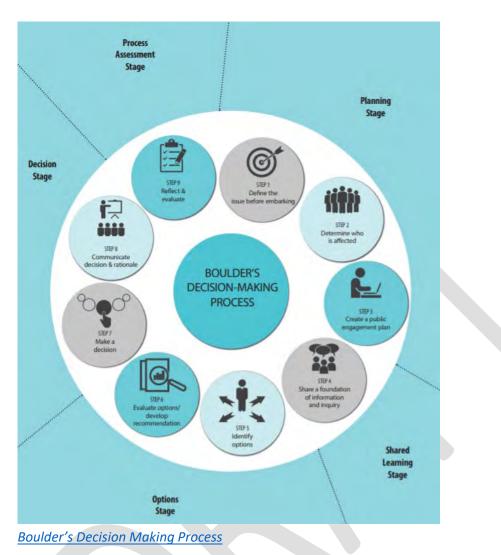
The city will follow a modified version of IAP2's engagement spectrum to help identify the role of the community in project planning and decision-making processes.

INCREASING IMPACT ON THE DECISION

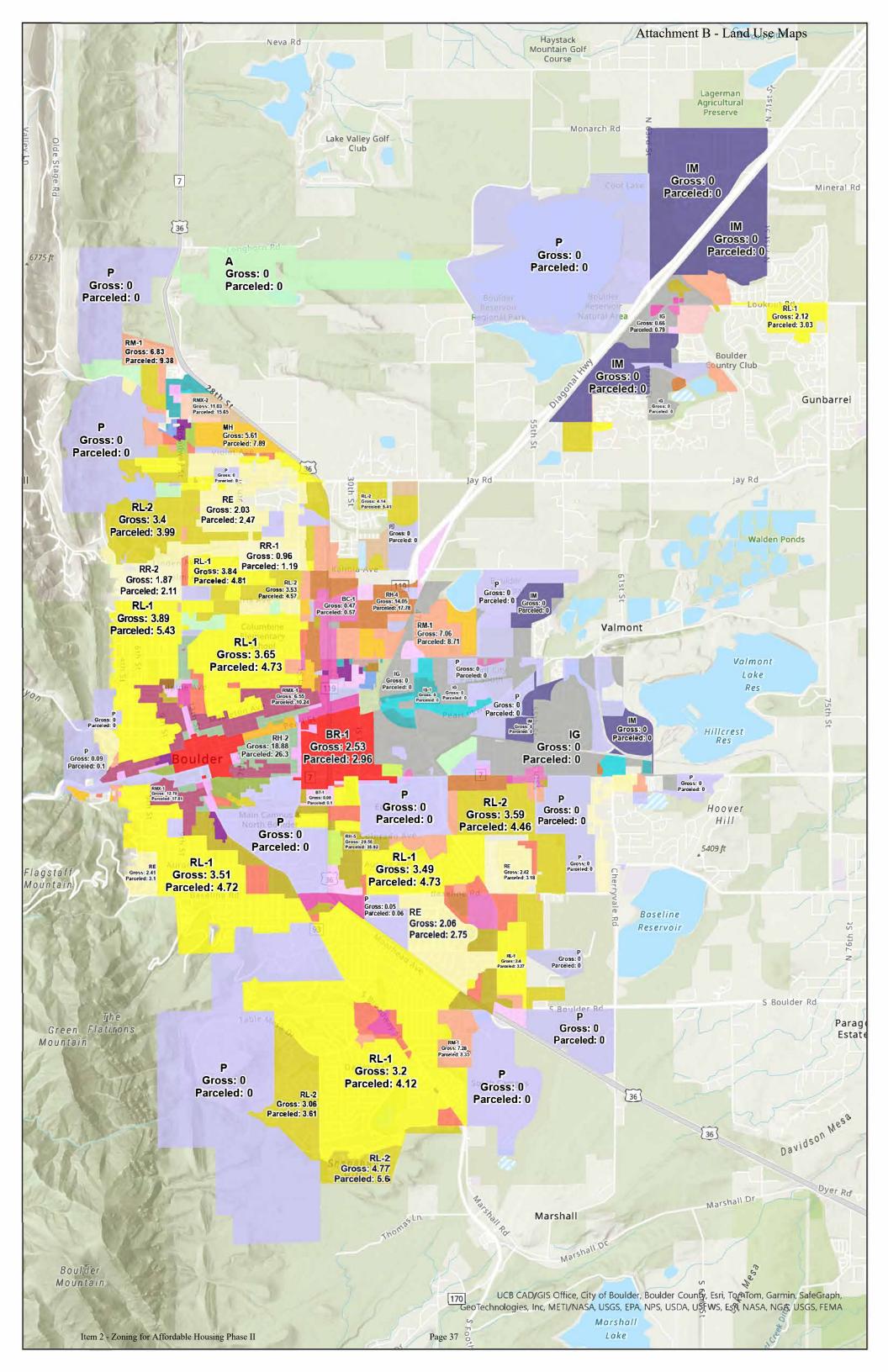
				1 m
	INFORM	CONSULT	INVOLVE	COLLABORATE
PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding a problem, alternatives, opportunities and/or solutions.	To obtain public feedback on public analysis, alternatives and/or decisions.	To work directly with the public throughout a process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and identification of a preferred solution.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge your concerns and aspirations, and share feedback on how public input influenced the decision. We will seek your feedback on drafts and proposals.	We will work with you to ensure that your concerns and aspirations are reflected in any alternatives and share feedback on how the public input influenced the decision.	We will work together with you to formulate solutions and to incorporate your advice and recommendations into the decisions to the maximum extent possible.

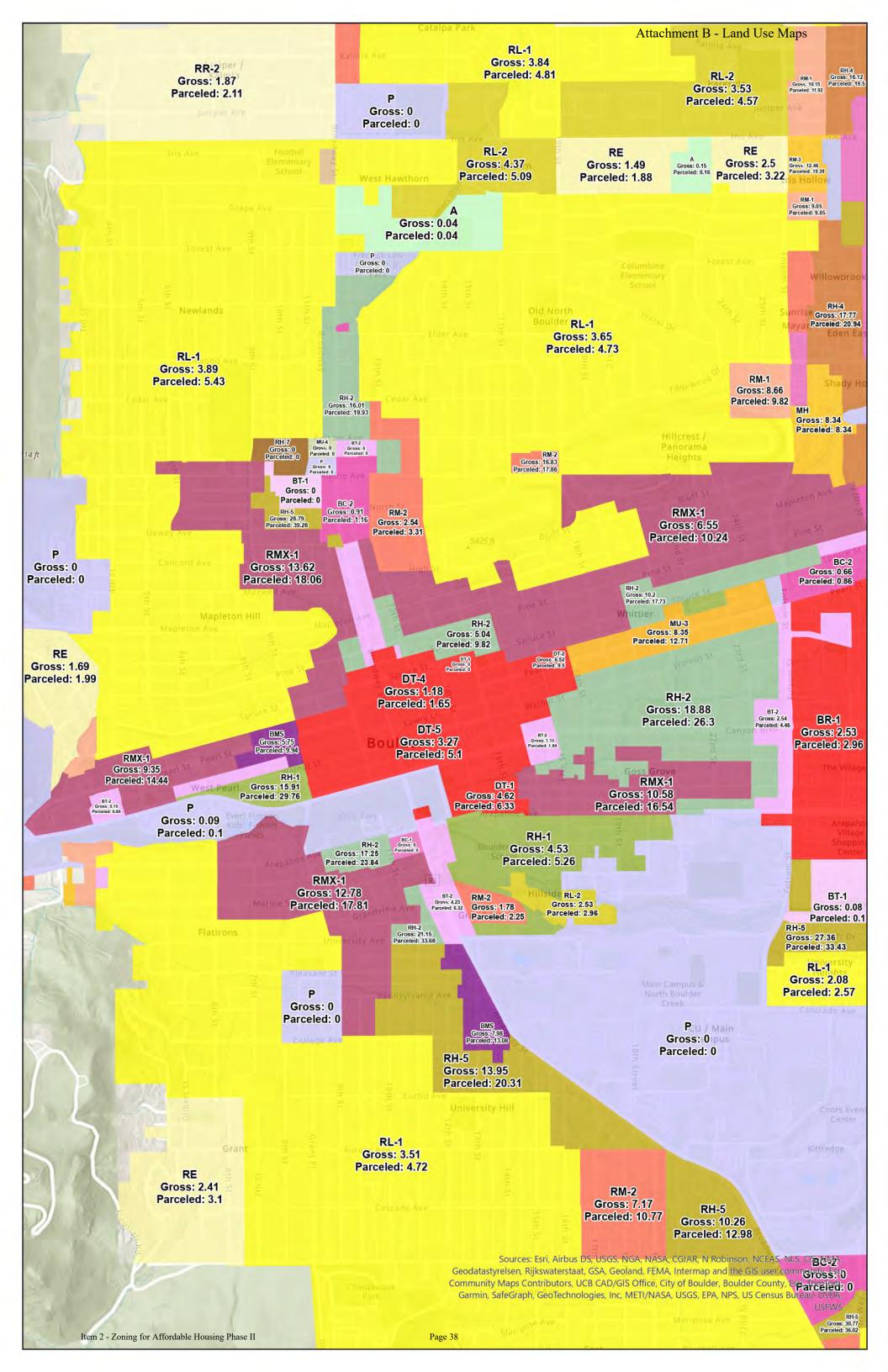
<u>City of Boulder Engagement Strategic Framework</u>

Attachment A - Draft Project Charger



Item 2 - Zoning for Affordable Housing Phase II





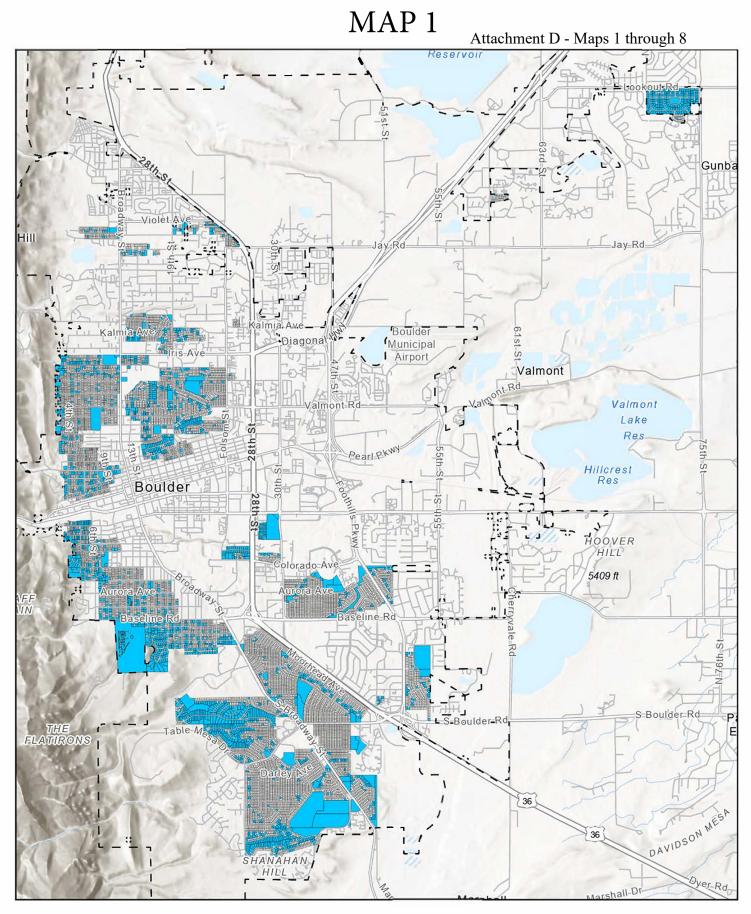
Attachment C - Detailed zoning analysis of RL-1, RR-1 and RR-2 zones with a variety of modified density calculations



Zoning RL-1	Zoning Descrption Residential-Low 1		Parceled Acres 2,605	DU/Acre	Existing Parceled DU/Acre 26 4.32	Total Existing Dwelling Units	Total Potential Dwelling Units at Gross Max Density 20,500	Potential Dwelling Units at Gross Max Density	Parceled Max Density	Additional Potentia Dwelling Units at Parceled Max Density 4,376	Max BVCP Land Use Density	Density Check Gross 6 6.0		Existing Parcels With DU 10,652 of 10,950 total (391 have 2 or more DU currently) Percent of Total Existing Parcels (10,950): Number of total on line 2 that currently have 2 or more DU:	units at 5,000 sqft per unit 2,128 19%	Parcels can have 2 units at 4,000 sqft per unit 4,325	Parcels can have 2 units at 3,500 sqft per unit 8,008	can have 2 units at 3,250 sqft per unit 9,310 85%	Number Parcels can I nave 2 units S at 3,000 I sqft per unit 0 10,288 94% 330	SQFT Per DU per
Zoning RM-1	Zoning Descrption Residential- Medium 1	Gross Acres 609	Parceled Acres	DU/Acre	Existing Parceled DU/Acre	Total Existing Dwelling Units 3 4,27	Total Potential Dwelling Units at Gross Max Density 5 8,528.80	Potential Dwelling Units at Gross Max Density	Parceled Max Density	Additional Potentia Dwelling Units at Parceled Max Density	Max BVCP Land Use Density	Density Check Gross		Existing Parcels With DU 3,132 (1,323 without condos) of 3,538 total (62 have 2 or more DU currently and 2,215 are already condos) Percent of Total Existing Parcels: Number of total on line 6 that currently have 2 or more DU:	units at 2,500 sqft	Parcels can have 2 units at 2,000 sqft per unit 827 0 23%	Parcels can have 2 units at 1,500 sqft per unit 1,061 30%	units at 1,000 sqft per unit 1,173 33%	<parcels without condos</parcels 	3000
Zoning RR-1 RR-2	Zoning Descrption Residential-Rural 1 Residential-Rural 2	Gross Acres 143		DU/Acre 7 0.	Existing Parceled DU/Acre 85 1.0			Potential Dwelling Units at Gross Max Density 4 164	Parceled Max Density 234.6		Max BVCP Land Use Density		2 2	Existing Parcels With DU 120 of 134 total (1 parcels has 2 or more DU) Percent of Total Existing Parcels: Number of total on line 10 that currently have 2 or more DU: 254 of 261 total (3 parcels have 2 or more DU) Percent of Total Existing Parcels: Number of total on line 13 that currently have 2 or more DU:	units at 25,000 sqft	Parcels can have 2 units at 20,000 sqft per unit 37 28% n/a 33	Parcels can have 2 units at 15,000 sqft per unit 110 82% n/a 80	can have 2 units at 10,000 sqft per unit 124 93% n/a 132	nave 2 units at 5,000	30000

inimum QFT Per J per ode 3000

achment C - Detailed zoning analysis of RL-1, RR-1	
zones with a variety of modified density calculations	

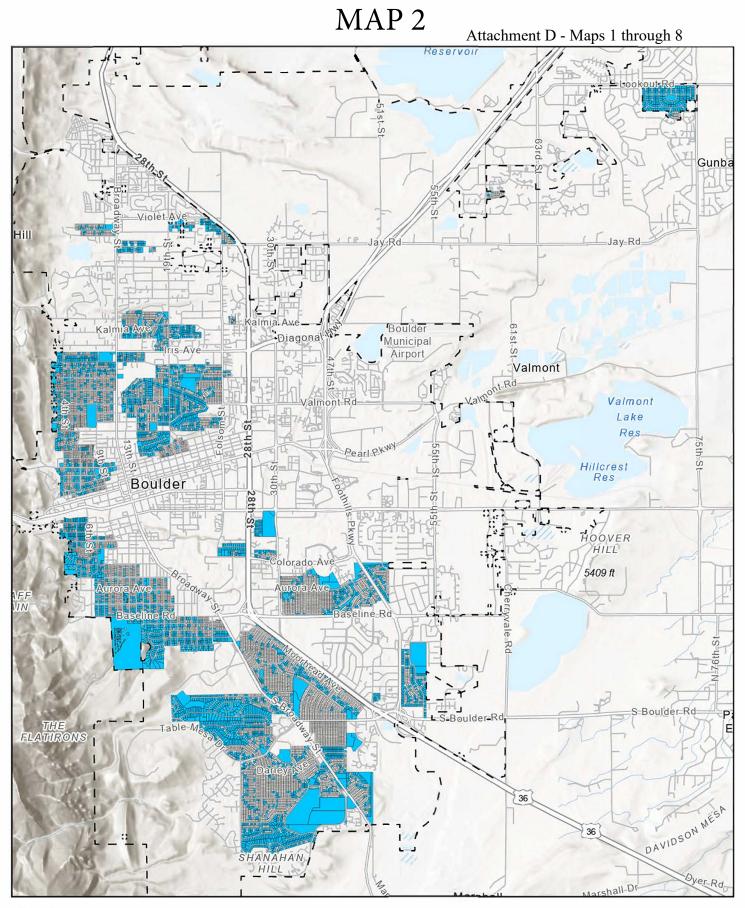


5,000 SQFT of Lot Area Per Unit

RL-1 Parcels That Could Add a Unit at 5,000 SQFT of Lot Area Per Unit

RL-1 Parcels

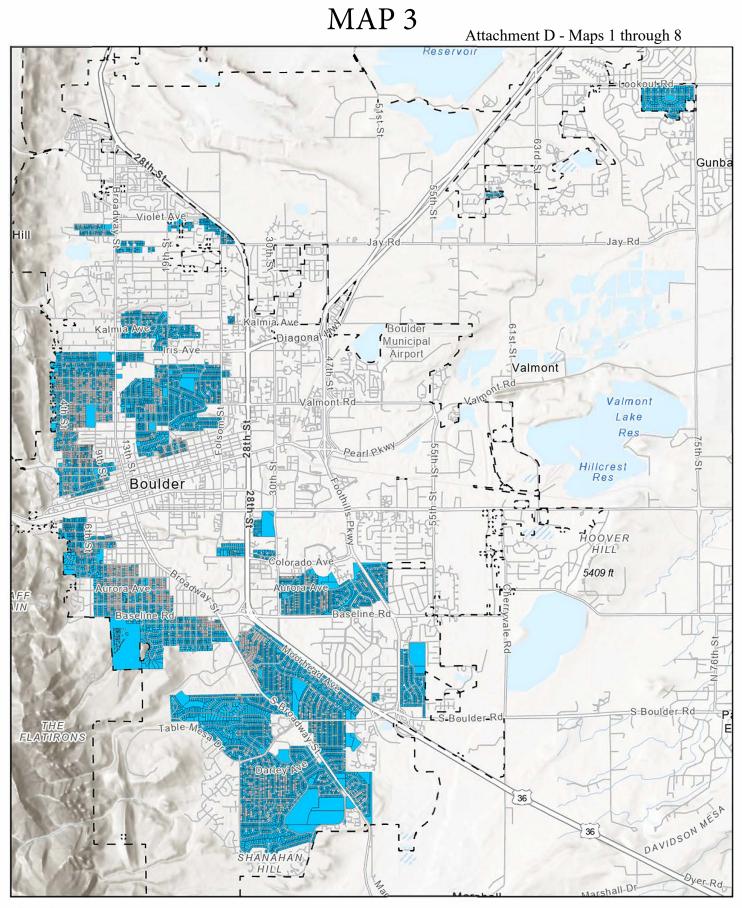
I City 2LiZaits for Affordable Housing Phase II



RL-1 Parcels That Could Add a Unit at 4,000 SQFT of Lot Area Per Unit

RL-1 Parcels

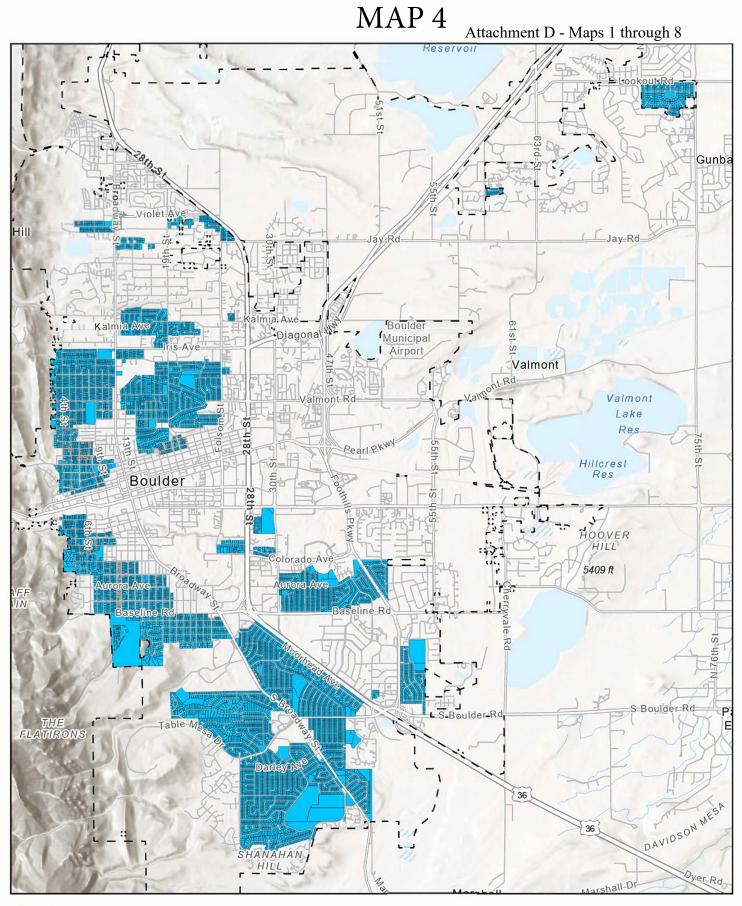
____ City Limits Item 2 - Zoning for Affordable Housing Phase II



RL-1 Parcels That Could Add a Unit at 3,500 SQFT of Lot Area Per Unit

RL-1 Parcels

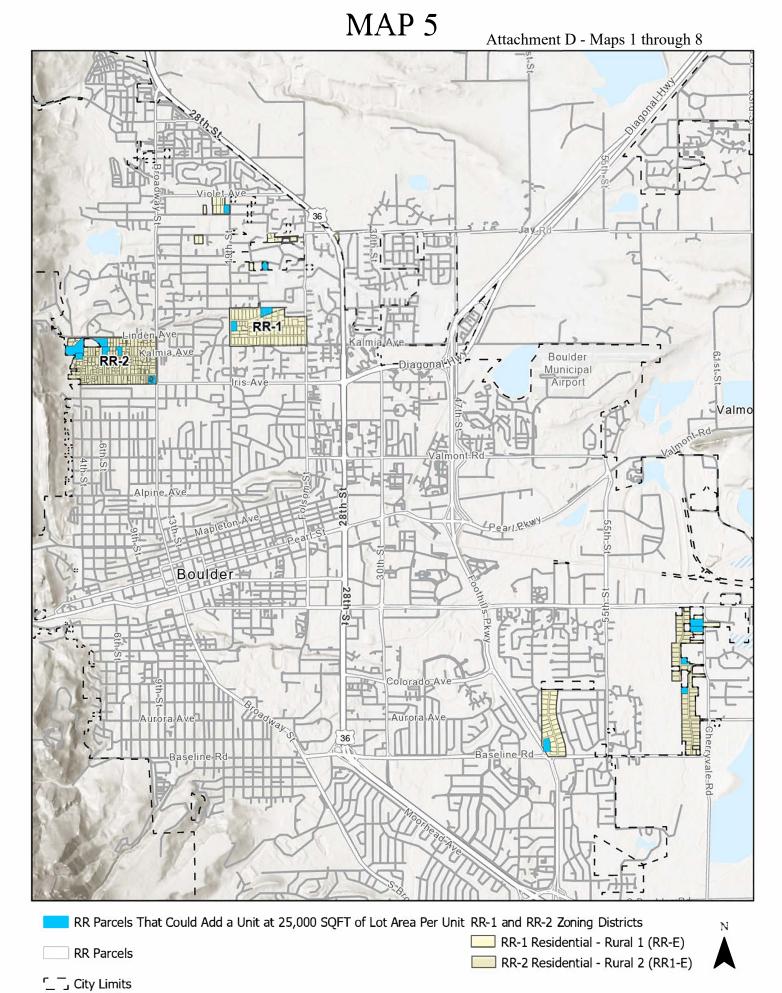
C City Limits Item 2 - Zoning for Affordable Housing Phase II

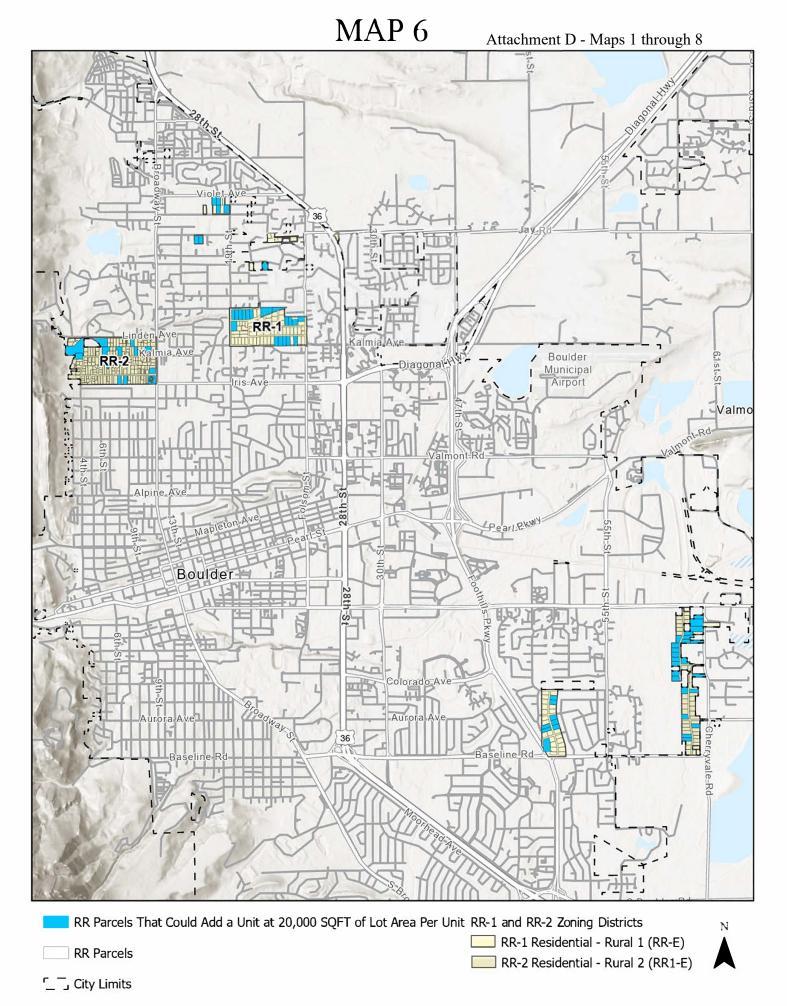


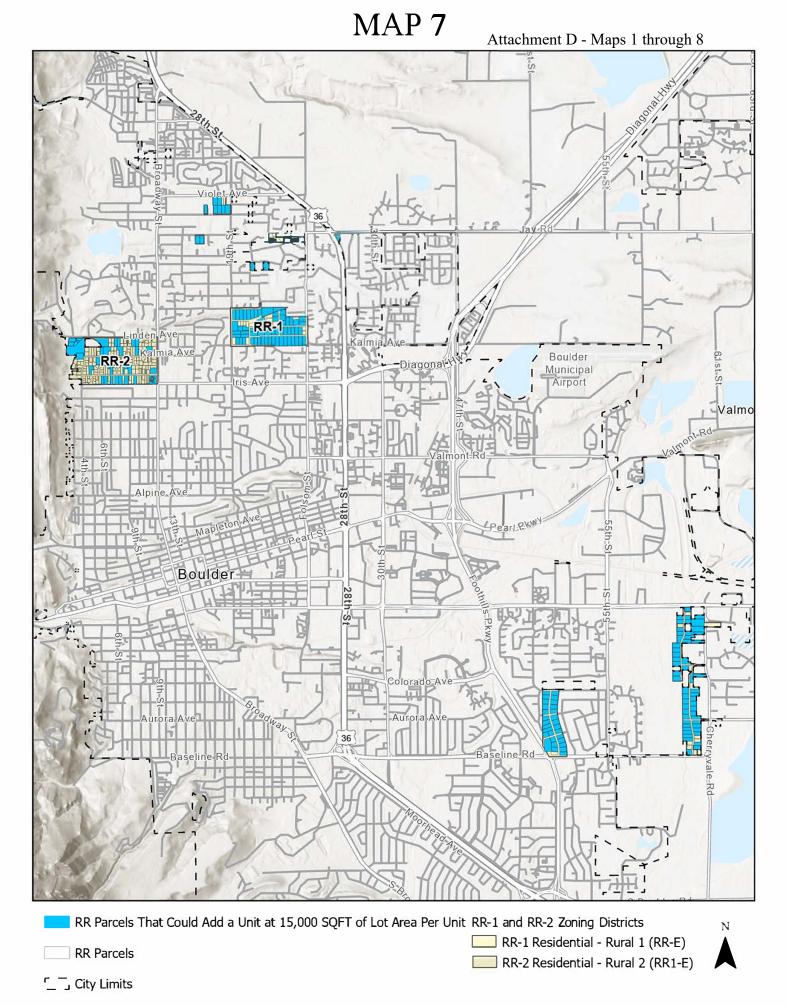
RL-1 Parcels That Could Add a Unit at 3,000 SQFT of Lot Area Per Unit

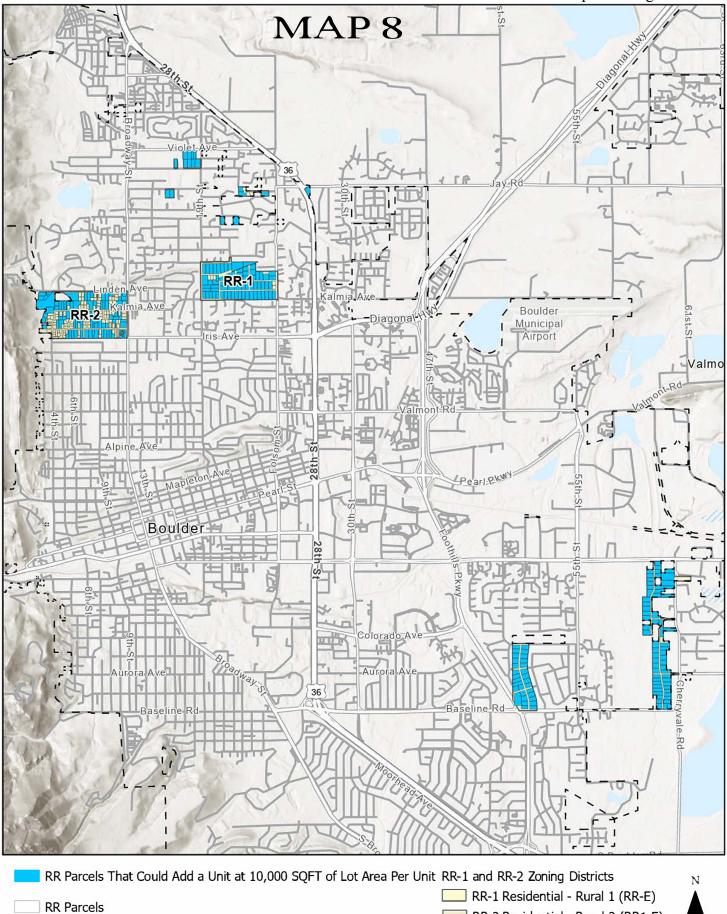
RL-1 Parcels

____ City Limits Item 2 - Zoning for Affordable Housing Phase II









RR-2 Residential - Rural 2 (RR1-E)