

## Land Development Code Amendment Affordable Housing

Study Session March 25, 2025

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#### **Summary of key findings**

- Despite periodic building booms, the region has not produced enough housing to keep pace with population and job growth.
- Low-income households (below 60% Area Median Income) represent the greatest need for additional housing.
- Aging population and smaller household trends will require more diverse housing types.
- Housing types and affordability are unevenly distributed across the region.



# Background: DRCOG Regional Housing Assessment



#### 10-year regional housing needs

Component	Housing units
Current need	52,000
Future need	164,000
Total units	216,000

Source: ECOnorthwest analysis; DRCOG synthesis of State Demography Office 2022 Household Forecast and U.S. Census Bureau, American Community Survey 5-year 2013 Public Use Microdata Sample estimates; Metro Denver Homeless Initiative State of Homelessness Report, 2022–2023

The Denver region
will need to produce
about 216,000 new
housing units
between 2023-2032
to meet current and
future regional
housing needs.

Between now & 2032:

Arapahoe County has a local need for 2,270 housing units

Over 137,000 units for households earning 0-60% Area Median Income are needed in the Denver Region

2023-2050 Denver Region needs to produce just over 511,000 new housing units (AC 6,800 new housing units)

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### **Background: State Legislation**



#### HB24-1304, Minimum Parking Requirements

 Prohibit minimum parking requirements for Multi-Family Development and adaptive re-use for residential purposes

#### HB24-1313, Housing in Transit-Oriented Communities

- Focus on zoning capacity
- Rezone transit areas
  - Average density of 40 DU/acre (minimum of 15 DU/acre)

#### Proposition 123, Affordable Housing Programs

- Focus on housing production
- Created the State Affordable Housing Fund providing grant money to local jurisdictions that provide an Affordable Housing Commitment
- Arapahoe County commitment includes a goal of 130 affordable units



#### **Proposed Changes:**



Recommended changes appear in five chapters of the LDC:

- 1. Chapter 2, Zoning Districts
  - A. Creation of Multi-Family Residential Zone & Location Criteria
  - B. Creation of Mixed-Use Zone & Location Criteria
- 2. Chapter 3, Permitted Uses
  - A. Permitted Use Table
    - 1. Additional Types of Residential Uses
    - 2. Multi-Family & Mixed Use
  - B. Use Specific Standards
    - 1. Incentives for Affordable Housing
    - 2. Manufactured/Mobile Home Parks or Subdivisions
- 3. Chapter 4, Development Guidelines and Standards
  - A. Creation of new Multi-Family & Mixed-Use Dimensional Standards
  - B. Parking Affordable Housing, Mobile Homes & Multi-Family (HB24-1304)
- 4. Chapter 5, Zoning Procedures
  - A. Projects including affordable housing eligible for shorter 2-step PUD process
- 5. Chapter 7, Definitions
  - A. Manufactured Homes
  - B. Additional Types of Residential Uses



## **Planning Commission Study Session:**



The Planning Commission had concerns regarding the following issues:

- Impacts on existing developments, including infrastructure and roadways
- Whether adequate funds would be accessible to developers
- Concerns for the marketability of affordable units
- Enforcement and monitoring
- Bypassing a neighborhood meeting requirement

The Planning Commission recommended that the proposed changes be modified to require neighborhood meetings, regardless if the development included affordable housing units.

DECISION POINT: SHOULD STAFF ADD BACK THE NEIGHBORHOOD MEETING REQUIREMENT FOR APPLICATIONS THAT NORMALLY REQUIRE ONE?



#### **Multi-Family Zone District**



- Currently, the Code does not permit multifamily development by-right;
- PUD process with public hearings;
- Creation of a MF zone district allows multifamily development with approval of an Administrative Site Plan

Would allow higher-density multi-family housing and neighborhood-serving commercial uses:

- Conveniently located near collector and arterial streets
- Transitional areas
- No minimum lot size
- Maximum building height of 55 feet for MF & 40 for other dwelling units
- Proposed density is 13 35 DU/acre



#### **Mixed-Use Zone District**



- The Code does not allow mixed-use development by-right;
- PUD Required
- Creation of a MU zone will allow mixed-use projects to be approved administratively.

Mix of commercial and higher density residential land uses adjacent to transit and major road corridors in urbanized areas

- Easy multi-modal access for high density residential and offices, retail and service uses
- Allow for multi-family, live-work dwelling units
- Maximum building height is 75 feet
- Minimum density is 35 DU/acre

Property must be within Urban area and within ¼ mile of arterial streets and transit systems, as well as, near neighborhood services and employment





- Two-tiered approach minimum of 10% of total units as affordable units
- Affordable Housing:
- "Housing that addresses the housing needs of households that earn less than 80 percent of the Area Median Income (AMI), and where monthly housing costs are not more than 30 percent of the household's monthly income."
- Affordable Units must utilize federal low-income housing tax credits
- (LIHTC), or County incentives per a written agreement, which would have a recorded deed restriction.
- The developer would be required to provide agreements for affordable housing units within the development to receive incentives





Table 3-3.2.2: Affordable	<b>Housing Develo</b>	pment Incentives
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	Tier One	Tier Two
Description	A minimum of 10% of the units are affordable units	A minimum of 50% of total units are affordable units
Density Bonus	10% above the maximum residential density allowed in the zone district	50% above the maximum residential density allowed in the zone district
Increased Height	1 story not to exceed 15 feet	2 stories not to exceed 30 feet (the overall building height shall not exceed 75 feet)
Reduced Setbacks	No reductions	Setbacks may be reduced up to 50% of the zone district. 1





Reduced On-site Unobstructed Open Space	No reduction	On-site unobstructed open space may be reduced by up to 10% for affordable units  An additional reduction of 50% may be approved if the site is located within 1/2 mi of a public park or open space.
Public Land Dedication for Public Parks	No reduction	Dedication of land or cash-in-lieu is waived for affordable units
Expedited Process	All development with affordable housing qualifies for the two-step Planned Unit Development process	No guest parking is required for affordable units  Neighborhood meeting requirements are waived for projects with a minimum of 50% affordable units
Reduced Fees	Planning and Engineering Review Fees shall be reduced by a percentage equal to the percentage of affordable and/or attainable units provided in the development (not to exceed a 50% reduction of the fees)	Planning and Engineering Review Fees shall be reduced by a percentage equal to the percentage of affordable units provided in the development





Reduced Land Use Application Review Timeline	No reduction	1st Review: 20 business days  Applicant must attend a comment review meeting with staff prior to resubmitting.  2nd Review: 10 business days  3rd and all other additional reviews: 5 business days
Reduced Building Permit Review Timeline	No reduction	Applicant/developer may submit building permit after the second round of staff comment for Planning and Engineering review





Landscape	_	_
Tree Preservation 4-	No reduction	Waive tree preservation requirements
1.3		
Landscaping and	No reduction	New development or redevelopment
Screening 4-1.4		regulations do not apply to 100% affordable
		and/or attainable housing developments.
Landscaping Design	No reduction	Remove side landscaping requirement
Standards and		
Guidelines 4-1.4 E.		
b. All development		
sites excluding		
single-family		
detached, shall		
feature consistently		
landscaped areas		
along front, sides,		
and rear property		
line.		



## Percentage of Affordable Units Discussion



- Staff is proposing 10% and 50% as minimums to qualify for incentives.
  - Based on research of inclusionary zoning requirements, ranging from 5% to 25%
- Community Resources suggests
  - Tier 1 include at least 5-10% or a minimum of one unit
  - Tier 2 includes 20-25% affordable units

DECISION POINT: KEEP THE PROPOSED 10%/50% THRESHOLDS OR LOWER THEM TO 5% AND 25% FOR THE TWO TIERS?



## Duration of Affordable Units Discussion



- Staff researched other jurisdictions and found:
  - City and County of Denver- 15 years
  - City and County of Boulder In Perpetuity
  - City of Littleton- 30 years
  - City of Longmont- In Perpetuity

DECISION POINT: LEAVE THEM AS PROPOSED AT 30 YEARS OR MAKE THE DURATION LESS OR MORE YEARS?



### **Parking Regulations**



- HB24-1304 prohibits minimum parking requirements for multi-family residential development, adaptive re-use for residential purposes or purposes which include at least 50% use for residential, and affordable housing developments
- Draft regulations have been updated to shows no minimum parking requirements for multi-family or affordable housing projects



## Additional Types of Residential Uses



- Live-Work Dwelling Unit (permitted use in R-MF and MU)
- Assisted Living Facility (permitted use in R-MF and MU)
- Overnight Shelter (permitted use in R-MF, MU, B-1, B-2, B-3 and I-1)
- Transitional Housing (permitted use in R-MF and MU)



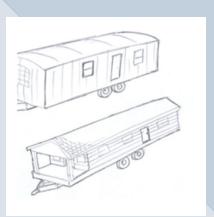
#### Manufactured & Mobile Homes

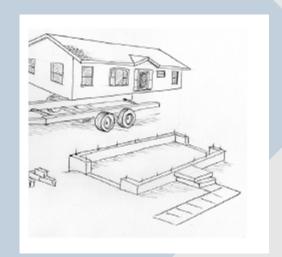


#### Manufactured Home includes:

- 1. Mobile homes
- 2. Modular homes
- 3. Tiny homes
- 4. A preconstructed building dwelling unit or combination of preconstructed building dwelling units that is constructed in compliance with the federal manufactured home construction safety standard, as defined in section 24-32-3302(13), C.R.S., as amended, or in compliance with Part 33, Title 24 Article 32, C.R.S., as amended.
- 5. Manufactured home does not include a "recreational vehicle."

Additionally, staff is proposing changes to mobile home subdivisions regarding parking and access requirements.









## Discussion & Questions

