

Board Summary Report

| File #: 25-110 | Agenda Date: 2/11/2025 | Agenda #: |
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| То: | Board of County Commissioners | |
| Through: | Bryan Weimer, Director, Public Works & Development | |
| Prepared By: | | |
| Jason Reynolds, I | Planning Division Manager, PWD | |
| Presenter: | Jason Reynolds, Planning Division Manager, PWD | |
| Subject: | | |
| 2:45 PM *HB24- | 1313 Transit Oriented Communities Implementation | |

Purpose and Request:

In 2024, the Colorado Legislature approved several land use and housing bills, including HB24-1313 Transit-Oriented Communities. This study session will provide information on Arapahoe County's transit areas, reporting requirements to the Department of Local Affairs (DOLA), and progress on affordability and displacement mitigation strategies required by the law. Staff is seeking general direction on implementation; with eight Transit Areas and state-mandated deadlines, staff recommends focusing planning and zoning efforts in a few of the Transit Areas.

Background and Discussion: The Transit-Oriented Communities bill requires local communities to increase zoning capacity (AKA density) near transit. As part of increasing the density, communities must also establish an administrative approval process for multi-family projects on smaller parcels near transit. The bill allows communities to enforce infrastructure standards and deny projects if infrastructure is inadequate.

HB24-1313 requires communities to perform several analyses and deliver reports to DOLA. The general process includes:

1- Using DOLA's published map of Transit Areas, calculate a Housing Opportunity Goal for the jurisdiction. Transit Areas are parcels located one half mile from a light rail station and one quarter mile from certain bus routes. After removing Exempt Parcels such as open space and industrially zoned

areas, the resulting acreage is multiplied by 40 dwelling units per acre to arrive at the jurisdiction's Housing Opportunity Goal.

- 2- Each jurisdiction then identifies proposed Transit Centers to meet the Housing Opportunity Goal. We are not required to designate every Transit Area as a Transit Center but we do need to establish zoning that will achieve the Housing Opportunity Goal.
- 3- Establish a net housing density for each Transit Center. The density in Transit Centers must be between 15 and 500 dwelling units per acre; the total zoned units must meet or exceed the jurisdiction's Housing Opportunity Goal.
- 4- Establish an administrative approval process for multi-family development projects on parcels smaller than five acres that are located within a Transit Center.
- 5- Implement affordability strategies identified in the law. From a menu of strategies, jurisdictions must implement two "standard affordability strategies" and one "long-term affordability strategy" (examples include establishing a density bonus for affordable housing and making a commitment for affordable housing under Proposition 123).
- 6- Implement at least two displacement mitigation strategies from a menu of options (DOLA is required to develop the menu on or before June 30, 2025).

Once we have calculated the Housing Opportunity Goal, the general process will involve comprehensive planning, creating new transit-oriented zoning regulations, rezoning Transit Centers, and ensuring public engagement during all those efforts.

Key Deadlines

June 30, 2025 - Preliminary Transit Oriented Communities Assessment Report

This report documents how a jurisdiction calculated its Housing Opportunity Goal. The report may include a description of existing affordability and displacement mitigation strategies. This is primarily a mapping exercise: identifying potential Transit Areas, removing exempt parcels, and using the final area calculation to generate the Housing Opportunity Goal.

December 31, 2026 - Final Housing Opportunity Goal Report

This report will document the jurisdiction's designated Transit Centers and demonstrate that those Transit Centers have sufficient zoning capacity to achieve the Housing Opportunity Goal. The report must also include affordability strategies, displacement mitigation strategies, and community engagement efforts.

December 31, 2026 - Optional Insufficient Water Supplies Report

If a jurisdiction's water providers do not have sufficient capacity to serve the number of units in the Housing Opportunity Goal, the jurisdiction may request a modification to its Housing Opportunity Goal based on water supply analyses. The water supply documentation will need to be submitted to DOLA for reevaluation every three years.

December 31, 2027 - Demonstrate Full Compliance with HB24-1313

Local governments have until this date to demonstrate that they have implemented the steps necessary to comply with the law.

Every Three Years - Three-year Status Report

Three years after being declared a Certified Transit Oriented Community, we will submit a report confirming that we remain in compliance with the law.

Arapahoe County's Transit Areas and Recommended Planning Efforts

DOLA identified eight Transit Areas within unincorporated Arapahoe County:

- 1- Quebec and Iliff bus routes in the Four Square Mile area
- 2- Yale light rail station
- 3- Belleview light rail station
- 4- Arapahoe light rail station
- 5- Dry Creek light rail station
- 6- County Line light rail station
- 7- Federal bus route north of Hwy 285
- 8- Dayton Station at Yosemite and I-225 (Greenwood Village disconnection)

Planning staff recommends focusing efforts on the following Transit Areas: Quebec/Iliff/Four Square Mile, Dry Creek, and Federal north of 285. The Four Square Mile area features aging commercial developments along the future Parker bus rapid transit line and both the Quebec and Iliff bus corridors. Currently, we are conducting a sub-area planning process for Four Square Mile and anticipate its completion later this year. That planning process provides a platform to engage the community regarding potential higher densities in targeted areas. The Dry Creek light rail station already features higher density residential development and the Planning Division has received inquiries about additional multi-family in the area. With fewer established residential neighborhoods, the Dry Creek station is an opportunity for significantly higher density and could contribute significantly to the Housing Opportunity Goal. Finally, the unincorporated area west of Federal represents a significant redevelopment opportunity along the future Federal bus rapid transit line. This is also an area without a sub-area plan and the transit-oriented community planning process would establish a vision for that area.

For various reasons, staff does not recommend focusing efforts on the other stations. Briefly, the reasons

include:

- Yale light rail station This station is already developed in accordance with Denver's station plan, is surrounded by established neighborhoods, and has limited connectivity across I-25.
- Belleview light rail station There are only two privately-owned unincorporated parcels (McDonalds and Taco Bell) and the future Belleview interchange design has not been finalized.
- Arapahoe light rail station The Arapahoe County parcels within the Transit Area are already developed with townhomes and do not have direct pedestrian access to the station.
- County Line light rail station There are no eligible parcels: the only area of Arapahoe County within the Transit Area is part of I-25 right-of-way and an entrance ramp.
- Dayton Station While this site is unincorporated after Greenwood Village voted to disconnect the property, the site is adjacent to Aurora's jurisdiction and likely to be annexed.

Fiscal Impact: No direct expenditures but completing all the required tasks will require significant staff time.

Alternatives: Planning and mapping staff will prepare the Preliminary Transit-Oriented Communities Assessment Report for DOLA review before the June 30, 2025, deadline. Staff is seeking Board direction on where we should focus our planning and implementation efforts. The Board has several options:

1- Staff recommendation - focus on Quebec/Iliff/Four Square Mile, Dry Creek, and Federal areas;

- 2 Direct staff to evaluate additional Transit Areas such as the Yale Station; or
- 3 Seek additional information before providing general direction.

Alignment with Strategic Plan:

□Be fiscally sustainable

 \boxtimes Provide essential and mandated service

 \boxtimes Be community focused

Staff Recommendation: Staff recommends focusing planning and zoning efforts in the Four Square Mile area, Dry Creek station, and the Federal area north of US 285.