

ARAPAHOE COUNTY PLANNING COMMISSION
PUBLIC HEARING
OCTOBER 18, 2022
6:30 P.M.

SUBJECT: LDC22-003 Affordable Housing Land Development Code & Fee Schedule Amendments

Bill Skinner, Senior Planner & Kat Hammer, Senior Planner

October 7, 2022

Purpose:

This county-initiated application proposes amending the Land Development Code (LDC) and Planning Division Fee Schedule to increase alignment with Colorado Department of Local Affairs (DOLA) affordable housing assistance and grant qualification criteria.

Background:

The Arapahoe County Housing Needs Assessment (HNA) published in September 2019 indicates a need for more rental housing units in Arapahoe County, especially for the very lowest income households. The assessment determined the greatest problem facing low income households in the county is housing cost.

The Colorado Department of Local Affairs (DOLA) offers state assistance, including grants, to local governments with the goal of promoting affordable housing. This program derives from HB21-1271, which outlined sixteen affordable housing strategies that communities could implement in order to qualify for grants. If a community has implemented at least three of the sixteen strategies in place, they are eligible for funding under the program.

Staff believes Arapahoe County meets the minimum standard of three strategies to qualify for grants; however, in a competitive grant environment, meeting more of the recommended strategies could improve the County's chances to secure grant funding. Our code could also be more explicit about its support for affordable housing.

The sixteen Qualifying Strategies include:

1. The use of vacant publicly owned real property within the local government for the development of affordable housing;
2. The creation of a program to subsidize or otherwise reduce local development review or fees, including but not limited to building permit fees, planning waivers, and water and sewer tap fees, for affordable housing development;
3. The creation of an expedited development review process for affordable housing aimed at households the annual income of which is at or below one hundred twenty percent of the area median income of households of that size in the county in which the housing is located;
4. The creation of an expedited development review process for acquiring or repurposing underutilized commercial property that can be rezoned to include affordable housing units, including the preservation of existing affordable housing units;
5. The establishment of a density bonus program to increase the construction of units that meet critical housing needs in the local community;

6. With respect to water utility charges, the creation of processes to promote the use of sub-metering of utility charges for affordable housing projects and the creation of expertise in water utility matters dedicated to affordable housing projects;
7. With respect to infrastructure, the creation of a dedicated funding source to subsidize infrastructure costs and associated fees related to publicly owned water, sanitary sewer, storm sewers, and roadways infrastructure;
8. Granting duplexes, triplexes, or other appropriate multi-family housing options as a use by right in single-family residential zoning districts;
9. The classification of a proposed affordable housing development as a use by right when it meets the building density and design standards of a given zoning district;
10. Authorizing accessory dwelling units as a use by right on parcels in single family zoning districts that meet the safety and infrastructure capacity considerations of local governments;
11. Allowing planned unit developments with integrated affordable housing units;
12. Allowing the development of small square footage residential unit sizes;
13. Lessened minimum parking requirements for new affordable housing developments;
14. The creation of a land donation, land acquisition, or land banking program;
15. An inclusionary zoning ordinance (per CRS 29-20-104(1)); and
16. Other novel, innovative, or creative approaches to incentivize affordable housing development.

Of the sixteen Qualifying Strategies, Arapahoe County currently meets numbers 9, 11, and 12. However, our code does not clearly state a link to affordable housing. The attached PowerPoint outlines the proposed amendment to both clarify support for affordable housing and implement more of the Qualifying Strategies.

Discussion and Recommended Regulations:

The Board held a study session regarding housing strategies on April 18, 2022 and directed staff to prepare draft code amendments. If adopted, this initial set of amendments would clearly link the Arapahoe County Land Development Code to HB22-1271 Qualifying Strategies 9, 11, and 12. The proposed change to the Planning Fee Schedule would help implement Qualifying Strategy 2. Staff will schedule a future study session to address other strategies endorsed by the Board in April. Proposed amendments that support affordable housing are summarized below.

Section 7 Definitions

Add definitions for Affordable Housing and Attainable housing to the LDC.

Section 1-3 General Purpose

Add language supporting affordable housing found in the Comp Plan as items 1 -3.P and Q.

Section 2-3 Agricultural and Residential Districts

Add language supporting a range of housing types and clarifying the lack of minimum unit size restrictions unless otherwise stated.

Section 2-3.1 General Purposes for Agricultural Residential Zoning Districts

Remove language pertaining to distribution and concentration of small lots in a limited area.

Section 2-6 Planned Unit Development

Add language clarifying the lack of minimum unit size restrictions unless otherwise stated.

Section 3-3 Use Specific Standards – Manufactures/Mobile Home Parks or Subdivisions

Add language expanding access design options provided critical requirements are otherwise accommodated.

Remove language pertaining to required parking as this should be regulated in the Parking Requirements section of the LDC.

Section 4-2 General Development Design Principles

Add “and attainable” where the term “affordable” is used.

Section 5-3 Zoning Procedures

Add “affordable and attainable” to the PUD approval criteria.

Implementing goals stated in the HNA

HNA Housing Goal 3: Action Steps for Creating Partnerships, Item A is: *Arapahoe County should continue to apply the policies and strategies contained in its Comprehensive Plan to lower the cost of housing in the unincorporated areas of the county.* Changes to LDC Section 1-3 General Purpose propose inserting language supporting affordable housing found in the Comp Plan as items 1-3.P and Q in the LDC.

In addition to the aforementioned code changes, staff proposes reducing Planning Division application fees for developments that include an affordable housing component as follows: “Planning Division fees for applications proposing affordable or attainable housing, as defined by the Land Development Code, shall be reduced by a percentage equal to the percentage of affordable or attainable units provided in the development, but not to exceed a 50% reduction of the fees.”

Outreach and Public/Referral Comments

Staff posted the proposed amendments on the County website on September 9, 2022. Notice of public hearing was also published in the October 6, 2022 edition of the Littleton Independent, the Centennial Citizen and the Englewood Herald, and the October 4, 2022 edition of the I-70 Scout newspapers. A summary of the comments received by October 7, 2022 is provided below. Any additional comments received will be presented to the Planning Commission at the hearing.

Agency/Citizen	Referral Comment
Jane Mataich	<p>Question / Comment I'd like to submit a comment on the Proposed Code changes to LDC for Affordable housing.</p> <p>The proposal eliminates "b" below, eliminating 2 required parking spaces for mobile home. I suggest at least 1 required parking space, and also some visitor parking spaces. Please change 2 required parking spaces to 1 required parking space.</p> <p>Most people own a car. If they don't have at least one parking space, then our public streets become parking lots. Streets should be used for travel, not for parking.</p> <p>5. In each manufactured/mobile home park there shall be provided the following</p>

	<p>areas:</p> <ul style="list-style-type: none"> a. Adequate laundry facilities for residents. b. Two off-street parking spaces for each residence. c. A recreation area for the residents. <p><i>Staff response: The proposed change eliminates a duplicate section of the code. The off-street parking standards table (4-1.2.1) already requires two off-street parking spaces per mobile home and one guest space per four units.</i></p>
<p>Sonya Pennock, Chair</p> <p>LWVADC Housing and Homelessness Committee</p>	<p>The League of Women Voters of Arapahoe and Douglas Counties (LWVADC) applauds Arapahoe County's efforts to update the county's Land Development Code (Code) to enhance the county's likelihood to qualify for DOLA affordable housing grant funding - and ultimately to increase affordable and attainable housing in the county.</p> <p>Creating more affordable and attainable housing in our county is a critical need. Having access to more tools to increase that supply of housing would be very valuable.</p> <p>We also urge the Arapahoe County Planning Commission to favorably recommend these Code amendments to the County Commissioners. Finally, we strongly encourage the Arapahoe County Board of County Commissioners to approve these Code Amendments later this fall, and to engage in ongoing efforts to develop affordable and attainable housing in our county.</p>
<p>Dinah Frey Director Community Engagement Department</p> <p>Developmental Pathways</p>	<p>Development Pathways supports the proposed code changes per the letter dated October 7, 2022.</p>

Fiscal Impact

Aside from reduced Planning Division application fees collected from projects that propose affordable housing, there should be no fiscal impact to Arapahoe County.

Staff Findings

The proposed regulations clarify the land use regulations to encourage and promote affordable housing development that is eligible for DOLA grant funding.

Staff Recommendation

Considering the findings and other information provided in this report and its attachments, staff recommends approval of case number LDC22-003, Land Development Code Amendment for Affordable Housing.

Concurrence

The Public Works and Development Planning and Engineering Services Division, as well as the County Attorney's office, have reviewed the revised draft regulations and the Arapahoe County Public Works and Development Department is recommending approval of this case.

Draft Motions

Recommend Approval

In the case of LDC22-003, Affordable Housing, Land Development Code Amendment, I have reviewed the staff report, including all exhibits and attachments and have listened the presentation and any public comment as presented at the hearing and hereby move to recommend approval of the proposed amendment to the Land Development Code, subject to the following condition:

1. Staff, with the approval of the County Attorney, may correct typographical errors and make such revisions to the Code amendment as are necessary to incorporate the approved amendment into the Land Development Code for publication.

Recommend Denial

In the case of LDC22-003, Affordable Housing, Land Development Code Amendment, I have reviewed the staff report, including all exhibits and attachments and have listened the presentation and any public comment as presented at the hearing and hereby move to recommend denial of the proposed amendment to the Land Development Code, based on the following findings:

1. *State new findings in support of denial as part of the motion.*

Continue to Date Certain:

In the case of LDC22-003, Affordable Housing, Land Development Code Amendment, I move to continue the hearing to [date certain], 6:30 p.m., to obtain additional information and to further consider the information presented.

Attachments

- Draft Regulations with Tracked Changes
- Planning Division Fee Schedule with proposed affordable housing fee reduction