

This document describes an evaluation framework used by City Staff to analyze possible Land Use Code alternatives for alignment with project guiding principles and goals as directed by City Council.

Scope. Alternatives evaluated focused only on the key topic areas presented to Council at previous work sessions and explored during community engagement, recognizing that there are many other changes to the existing Land Use Code (e.g. code reorganization, increasing graphic representations, clarifying language and rules of measurement, and more) that will also be brought forward for Council consideration. Key topic areas included:

- Increased menu of housing choices and associated regulations
 - Accessory Dwelling Units/ADUs
 - 2-5 plexes
- Affordable housing
- Size, height, form, and allowed density of specific housing types
- Interaction between the code and private covenants (HOAs)
- Notification, community input, and review procedures for residential development
- Infrastructure and utilities (including parking)

Evaluation framework. A number of factors are important considerations in evaluating and prioritizing specific code alternatives for inclusion in the City’s Land Use Code. Each alternative was evaluated across a series of questions to confirm feasibility and alignment within each of the following topic areas:

- Alignment with the 5 Guiding Principles
- Potential impact on equity (as informed by the attached Equity Factors Matrix completed in May 2022)
- Feasibility of implementation, including financial and legal considerations
- Whether each alternative aligns with policies outlined in key adopted plans
- Considerations for economic feasibility and enforceability

The Evaluation Framework is attached to this document. Evaluation criteria are listed in the left-hand column and zone districts/topic areas across the top (RL/Low Density Residential, NCL/Neighborhood Conservation Low Density, NCM/Neighborhood Conservation Medium Density, Affordable Housing, HOAs/Private Covenants, Parking/Infrastructure, Input in Development Review, and Short Term Rentals). Alternatives were evaluated on each criterion using a yes/no/maybe response with additional notes as needed.

Code Alternatives. Staff compiled a list of 33 possible code alternatives for consideration, each of which was evaluated by staff using the attached evaluation framework. All 33 code alternatives are also attached. These alternatives are not intended to be staff recommendations, and instead offer a list of options to consider based on community feedback and previous Council discussions. Where applicable, possible alternatives have been organized into different zone districts (Low Density Residential/RL, Neighborhood Conservation Low Density/NCL, Neighborhood Conservation Medium Density/NCM). The other possible alternatives are city-wide changes for Council to consider. These possible alternatives will continue to be refined through July and August through staff workshops, City Council feedback, and community engagement.

Figure 1: Evaluation Framework

		RL	NCL	NCM	Affordable Housing	HOAs/Private Covenants	Parking/Infrastructure	Input in Development Review	Short Term Rentals
Evaluation Framework									
Respond to each question with yes, maybe, or no:									
Guiding Principles	1 Do these alternatives increase overall housing capacity (market rate and affordable) and/or calibrate market-feasible incentives for deed restricted affordable housing?	yes	yes	yes	yes	no	yes	maybe	yes
	2(a) Do these alternatives enable more affordability overall ?	yes	yes	yes	yes	no	yes	maybe	maybe
	2(b) Do these alternatives enable more affordability near high-frequency transit and growth areas ?	yes	yes	yes	yes	no	yes	maybe	no
	3 Do these alternatives allow for more diverse housing choices that fit in with the existing context ?	yes	yes	yes	yes	maybe	yes	maybe	no
	4 Do these alternatives make the code easier to use and understand ?	no	no	no	yes	no	yes	yes	yes
	5 Do these alternatives improve predictability of the development review process ?	no	no	no	yes	no	yes	yes	yes
Equity	Do these alternatives increase equity as outlined in the Equity Factors Matrix (May 2022)?	indirect yes - supports equity in the context of providing more choices and better access to opportunity areas.	indirect yes - supports equity in the context of providing more choices and better access to opportunity areas.	indirect yes - supports equity in the context of providing more choices and better access to opportunity areas.	yes	no	yes	maybe; increases resident empowerment and participation in process	yes; ensures that new housing units are used for long-term residents and not short-term rentals
Feasibility	Does the city have necessary resources to implement, administer and monitor?	yes; except owner occupancy no	yes	yes	yes; over time will require more compliance and monitoring	no	yes	yes	maybe; will require more compliance and monitoring
	Are these alternatives legally sound ?	yes	yes	yes	yes	yes	yes	yes	yes
	Do these alternatives respond to public input ?	yes	yes	yes	yes	yes	yes	yes	yes
	Do these alternatives require additional action outside of the LUC to fully implement?	mostly no; owner occupancy yes	no	no	yes; requires coordination with housing team	maybe	no	no	yes
Policy Alignment	Do these alternatives help advance other community goals contained in...								
	Our Climate Future	yes	yes	yes	yes	no	yes	yes	yes
	Housing Strategic Plan	yes	yes	yes	yes	no	yes	yes	yes
	City Plan	yes	yes	yes	yes	no	yes	yes	yes
	Transportation/Transit Master plan	maybe	maybe	maybe	yes	no	yes	yes	yes
Subarea Plans (if applicable) - needs more analysis		Additional policy analysis needed to review subarea plans as applicable to different alternatives							
Notes on economic feasibility and enforceability									

Possible Code Alternatives - Evaluation Framework | July 5, 2023

<p>What kind of impact do these alternatives have on economic feasibility of projects?</p>	<p>limiting to 2 units maximum and requiring owner occupancy have biggest impact</p>	<p>requiring integration of existing structures for more than 3 units has biggest impact</p>	<p>requiring integration of existing structures for more than 3 units has biggest impact</p>	<p>moderate to large impact; if calibrated to market conditions, can make affordable housing more feasible to build</p>	<p>depending on regulations of individual HOAs, could have large impact on feasibility</p>	<p>moderate to large impact on feasibility, especially for multi-unit affordable projects</p>	<p>minor impact on feasibility</p>	<p>minor impact on feasibility</p>
<p>How enforceable are these alternatives?</p>	<p>easily enforceable <i>except</i> owner occupancy; need definitions for conversion of existing structures, affordable housing incentives require additional compliance and monitoring</p>	<p>fairly enforceable; need definitions for conversion of existing structures, affordable housing incentives require additional compliance and monitoring</p>	<p>fairly enforceable; need definitions for conversion of existing structures, affordable housing incentives require additional compliance and monitoring</p>	<p>fairly enforceable; will require compliance and monitoring of deed restrictions and commitments</p>	<p>difficult to enforce</p>	<p>easily enforceable</p>	<p>easily enforceable</p>	<p>fairly enforceable; may require additional resources added to current compliance processes</p>

Figure 2: Possible Alternatives

Possible Alternatives	
RL (Low-Density Residential Zone)	
1	Limit ADUs to one story when there is no alley
2	Allow ADU with single unit dwelling, not with a duplex
3	Require ADU properties to be owner occupied (meaning owner has to reside in one of the units)
4	Allow two units maximum (house + ADU or duplex only)
5	Allow duplexes ONLY IF 1) a lot is 100ft width or wider <i>or</i> 2) one unit is an affordable housing unit <i>or</i> 3) the duplex converts and integrates an existing structure <i>or</i> 4) a lot is within 1/4 mile of current or future high-frequency transit
NCL (Neighborhood Conservation Low Density Zone)	
6	Decrease minimum lot size to 4,500 sf
7	Allow two units maximum on lots 4,500 - 6,000 sf (house + ADU or duplex)
8	Restrict ADU height to the height of the primary building.
9	Allow three units maximum on lots 6,000+ sf ONLY IF 1) a duplex + ADU or triplex converts and integrates an existing structure <i>or</i> 2) a triplex or 3-unit cottage court includes one affordable unit <i>or</i> 3) a lot is within 1/4 mile of current or future high-frequency transit
NCM (Neighborhood Conservation Medium Density Zone)	
10	Decrease minimum lot size to 4,500 sf
11	Allow three units maximum on lots 4,500 - 6,000 sf (single unit, duplex, row house and ADU only)
12	Allow five units maximum on lots larger than 6,000 sf
13	Allow six units on 6,000 sf or larger ONLY IF the development converts and integrates an existing structure (single unit, duplex, row house and ADU only) AND one unit is affordable
14	Allow a Cottage Court (minimum 3 units, maximum 6 units) on lots 9,000 sf or larger
Affordable Housing	
15	Expand affordable housing incentives citywide and calibrate market-feasible incentives for ownership and rental
16	Update definitions of affordable housing to match market needs for ownership and rental

17 Extend required affordability term to 99 years

Private Covenants/HOAs

18 Allow an HOA to regulate the option for detached or attached ADU

19 Specify that HOA's can continue regulate aesthetics (color, window placement, height, materials, etc.) within the bounds of their existing rules

20 Add language to allow HOA's to regulate site placement (additional setbacks, separation requirements)

21 Allow an HOA to regulate whether a lot can be further subdivided

Parking/Infrastructure

22 Reduce parking requirements for multi-unit developments: 1 bedroom = from 1.5 to 1, 2 bedroom = from 1.75 to 1.5

23 Reduce parking requirements for affordable housing ONLY if the development has 6 or more units: 1 bedroom = 0.75 spaces per unit, 2 bedroom = 1 space per unit, 3 bedroom = 1.25 spaces per unit, 4 bedroom = 1.5 spaces per unit

24 Require 1 parking space for an ADU

25 Allow a tandem parking space to count ONLY IF an ADU or extra occupancy

Input in Development Review

26 Allow residential projects to be reviewed under Basic Development Review

27 Require a neighborhood meeting for some projects (larger, more complex, etc.)

28 Require a pre-application conceptual review meeting for projects over 6 units

29 Establish a defined comment period for public comments on Basic Development Reviews

30 Require projects with Modifications go to P&Z when it involves a modification for certain code sections (such as parking, height, density)

31 Require projects with Modifications go to P&Z when it involves more than a certain number of modifications

Short Term Rentals

32 Restrict new ADUs from being used as short term rentals (STR)

33 Allow ADU or Accessory Structures with STR license to continue operating under current license

Figure 3: Equity Factors Matrix

Equity Factors	Summary of Possible Changes	How these changes impact equity	Specific examples in Possible Alternatives	Alignment with Goals in other Plans
Racial Inequity	<ul style="list-style-type: none"> Increased housing supply, diversity and price points Increased mix of for-sale & rental Increased housing types, price points, density in high-opportunity areas ADUs in all districts 	<ul style="list-style-type: none"> Reduce wealth disparities by increasing homeownership opportunities Reduce disproportionately higher poverty rates by race with more affordable housing costs 	<ul style="list-style-type: none"> Residential zones add new housing types including duplex, cottage court, triplex, rowhouse, apartment options Density bonuses and reduced parking for affordable housing 	<p>Housing Strategic Plan</p> <p>2020 Strategic Plan</p> <p>Our Climate Future CityPlan</p> <p>Livable Larimer County 5-Year Plan</p>
Health Inequity	<ul style="list-style-type: none"> Increased housing supply, diversity and price points Increased mixed-use housing Bonus density for affordable housing in TOD zones Increased housing diversity in 'Health Equity Index' priority areas (CityPlan) 	<ul style="list-style-type: none"> Housing that is affordable enables more spending on health care, transportation, other critical needs Being housed can reduce health disparities for BIPOC, low income, disabled residents 	<ul style="list-style-type: none"> Smaller minimum lot sizes in NCL and NCM districts allows smaller, more affordable housing types Affordable housing bonuses incentivize more housing units near basic services and transportation 	<p>Housing Strategic Plan</p> <p>CityPlan</p> <p>Livable Larimer County 5-Year Plan</p>
Gentrification/ Displacement Risk	<ul style="list-style-type: none"> Increased housing diversity and supply in areas of displacement risk AND high-opportunity areas Increased housing options and sizes for ownership Increased smaller and multifamily housing across price points 	<ul style="list-style-type: none"> More for-sale and rental housing options increases ability to stay in neighborhood More affordable housing supply reduces potential for eviction due to rent hikes 	<ul style="list-style-type: none"> Increase in housing density and diversity in high Vulnerability Index areas Increase in housing density and diversity in high-opportunity areas for Economy, Mobility, Education 	<p>Housing Strategic Plan</p> <p>CityPlan</p>
Climate Resilience & Environmental Justice	<ul style="list-style-type: none"> More housing supply and diversity for people to withstand climate events and disasters More types and locations of housing with proximity to parks/green space/nature More housing near TOD reduces vehicle usage 	<ul style="list-style-type: none"> Denser neighborhoods reduce vehicle miles traveled (VMT) and greenhouse gas emissions Denser housing allows space for parks/green space/tree canopy to mitigate pollution Lower housing costs allow residents to better afford utility costs 	<ul style="list-style-type: none"> Duplexes, triplexes, cottage courts, rowhouses, ADUs increase access to yards, green spaces, parks, trails Increased housing allows proximity to critical services/jobs; reduces driving trips 	<p>Our Climate Future</p> <p>Housing Strategic Plan</p> <p>CityPlan</p>
Access to Opportunity	<ul style="list-style-type: none"> More zones allow housing diversity in order to access public and private goods (parks, quality schools, healthy food sources, multimodal transportation) in more neighborhoods 	<ul style="list-style-type: none"> Increases housing supply, diversity, price points in high-opportunity areas for Economy, Education, Mobility, Environment 	<ul style="list-style-type: none"> Increased housing diversity and price points in high-opportunity areas in NCL, NCM, NCB districts in downtown and along College Ave. 	<p>Housing Strategic Plan</p>

	<ul style="list-style-type: none"> • More housing diversity and price points reduce 'opportunity hoarding' of public goods 		<ul style="list-style-type: none"> • Increased housing density and diversity in high-opportunity areas in CG, CC, CL, CS, CCN districts. • Increased housing in high-opportunity areas in LMN, MMN, HMN districts 	<p>CityPlan</p> <p>Livable Larimer County 5-Year Plan</p>
Income and Wealth Inequality	<ul style="list-style-type: none"> • Diverse housing types in high-opportunity areas and near multimodal transportation can increase economic opportunity 	<ul style="list-style-type: none"> • Allows greater access to jobs, education, critical services to improve economic prosperity and reduce poverty 	<ul style="list-style-type: none"> • Increased housing supply, diversity and price points in high-opportunity areas • Density bonuses for affordable housing increase access to jobs, services • Affordable housing near TOD reduces transportation spending 	Housing Strategic Plan
Pandemic Response & Recovery	<ul style="list-style-type: none"> • Increased housing diversity and affordability improves ability to shelter and isolate • Diverse housing supply reduces risk of eviction during pandemics and economic downturns 	<ul style="list-style-type: none"> • Increases affordable housing options for essential workers • Density and 'complete neighborhoods' allow access to critical services including medical care and food; reduces impacts of supply chain interruptions 	<ul style="list-style-type: none"> • Duplexes, triplexes, ADUs increase access to yards, green spaces and neighborhood parks • Expansion of housing types, density and price points facilitates ability to work from home 	<p>Housing Strategic Plan</p> <p>Our Climate Future</p> <p>CityPlan</p>
Community Empowerment / Access to the Political Process	<ul style="list-style-type: none"> • Increased housing supply, diversity, price points increase chance to stay in neighborhood, strengthen social cohesion • Incorporates Home2Health engagement process recommendations • Code is easier to read and understand with many graphics 	<ul style="list-style-type: none"> • Housing stability increases likelihood of political participation and power • Displacement leads to disruption of community voice and power • More transparent, easy to read code builds trust in and access to the development process 	<ul style="list-style-type: none"> • Simplified Zone Districts • More housing diversity and price points throughout Districts • Graphic illustrations within the code • ADUs in all zones increase access to process of building ADUs 	Housing Strategic Plan