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Public Works and Development Lima Plaza Campus - Arapahoe Room 6954 S. Lima St., Centennial, CO 80112

REGULAR MEETING OF THE ARAPAHOE COUNTY PLANNING COMMISSION

TUESDAY, OCTOBER 15, 2019 @ 6:30 P.M.

- 1. CALL TO ORDER
- 2. GENERAL BUSINESS ITEMS
 - 2.I. September 17, 2019 Planning Commission Meeting Minutes

Documents:

PLANNING COMMISSION MINUTES 09-17-2019.PDF

- 3. STUDY SESSION ITEMS
 - 3.I. Housing Density Study Session

PRESENTER: Loretta Daniel, Long Range Planning Manager

REQUEST: Information and discussions regarding amending the comprehensive plan

for housing density

DIRECTION/ACTION: Informational Only

Documents:

PC_STUDY SESSION_HOUSNG DENSITY_10.15.2019.PDF

ANNOUNCEMENTS:

- The next Planning Commission meeting is schedule for November 5, 2019 at the Arapahoe County Administration Building, 5334 S Prince St., East Hearing Room, Littleton, CO 80112.
- Planning Commission agendas, Board of County Commission agendas, and other important Arapahoe County information may be viewed online at www.arapahoegov.com or you may contact the Planning Division at 720-874-6650.

PLANNING COMMISSION MEMBERS:

Jamie WollmanRandall MillerDiane ChaffinJane Rieck, ChairRichard SallKathryn Latsis

Rodney Brockelman

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meeting, should you require special accommodations.

MINUTES OF THE REGULAR MEETING OF THE ARAPAHOE COUNTY PLANNING COMMISSION TUESDAY, SEPTEMBER 17, 2019

ATTENDANCE	A regular meeting of the Arapahoe County Planning Commission was called and held in accordance with the statutes of the State of Colorado and the Arapahoe County Land Development Code. The following Planning Commission members were in attendance: Jane Rieck, Chair; Richard Sall, Diane Chaffin, Kathryn Latsis, Chair Pro-Tem, Jamie Wollman, and Randall Miller. Also present were: Robert Hill, Senior Asst. County Attorney; Sarah White, Engineer; Bill Skinner, Senior Planner; Jason Reynolds, Current Planning Program Manager; Loretta Daniel, Long Range Planning Program Manager; Alan White, Planning Professional Project Specialist; Jan Yeckes, Planning Division Manager, and members of the public.
CALL TO ORDER	Chair Rieck called the meeting to order at 6:30 p.m. and noted a quorum of the Board was present.
DISCLOSURE MATTERS	There were no Planning Commission member conflicts with the matters before them.
ANNOUNCEMENTS	Ms. Yeckes introduced Loretta Daniel, who joined the County as the Long Range Planning Program Manager. She was pleased to welcome Loretta, who most recently joined us from the City of Arvada, with prior experience with the City of Aurora, Town of Castle Rock, and the private sector prior to moving to Colorado. Ms. Yeckes also provided a flyer regarding the October 3 rd East County Public Open House, which was organized to provide information to east county citizens and gather input on changes they would like to see to Zoning regulations and other services. She explained the open house was expanded to provide information from select Public Works & Development divisions and other County departments.
GENERAL BUSINESS ITEMS:	
APPROVAL OF THE MINUTES	The motion was made by Ms. Wollman and duly seconded by Ms. Latsis to accept the minutes from the August 20, 2019, Planning Commission meeting, with one correction to page 2, 4 th paragraph, "Brodie Smith, applicant,and providing that provided the basis"
	The motion passed unanimously.

REGULAR ITEMS:

ITEM 1

Case No. SD19-001, Prosper Metropolitan District Nos. 1 through 4 Service Plan Amendments and Nos. 5 through 10 Service Plans – Bill Skinner, Senior Planner, Public Works and Development (PWD)

Mr. Skinner introduced the purpose of the application and recommended the Planning Commission (PC) listen to the applicant's presentation prior to questions or discussion.

MaryAnn McGeady, McGeady Becher Special District Law, representing Prosper Farms, provided a PowerPoint presentation, a copy of which was retained for the record. She provided a project overview and context for the location of the property. She explained the purpose of metropolitan districts was to ensure appropriate and maintenance for infrastructure improvements. She explained Metro Districts were quasi-municipal corporations and political subdivisions of the state and subject to many of the same statues that govern other local governments. She addressed the set-up of a metro district board. Ms. McGeady explained Metro Districts 1 through 4, organized in 2015, were being amended. She said the multiple-district organization allowed for the financing of the project over an extended period of time. She provided an overview of the debt mill levy cap approved in 2014 (50 mills), Gallagher adjusted for the tax collection year 2019 (55.664 She gave the PC a map for reference. Ms. McGeady explained there was no request to increase the debt limit in the service plan amendments and the new districts would share the same. aggregate debt limit. She stated there were additional amendments planned for the future to ensure the language conformed between all districts. Ms. McGeady said the reason additional districts were being formed related to the overall geographical area of the community to be built. She stated the intent was to ensure the entire structure was in place "before the first resident moved in." She explained the districts would work together and would not be standalone districts.

The PC had questions as to length of time for bonding, reason for additional districts over those that had already been approved, how they would function in relation to each other, and the level of risk that infrastructure might not be completed if there were financial problems part-way through the project.

Ms. McGeady used Highlands Ranch as a comparison for the length of time it had been building out. She stated Prosper was estimated to have a 30-year build-out; however, the timeline for bonding was anticipated to be longer.

On the question of the status of a 1041 application, Jeff Vogel, Vogel & Associates, explained the timeline of the project, including approval of the 1041 application early in the development application cycle. He stated those did not require amendment in relation to the metropolitan district amendments.

Ms. Rieck said she was trying to understand what had changed that necessitated a change in the metro districts.

Ms. McGeady explained the construction of service plans had changed since those put into place years ago. She said, while plans were designed to be flexible, certain levels of change required amendments to the service plans.

Ms. Rieck opened the hearing for public comment. There were no public comments. The public hearing was closed.

It was moved by Ms. Latsis and duly seconded by Ms. Wollman, in the case of SD19-001, Prosper Metropolitan District Service Plan Amendment Nos. 1-4 and Service Plan Nos. 5-10, that the Planning Commission read the staff report, including all exhibits and attachments, listened to the applicant's presentation and any public comment as presented at the hearing, and moved to recommend approval of the application, based on the findings in the staff report, subject to the following conditions:

1. Not less than fourteen (14) days prior to the date of issuance of any Bonds (excluding refunding Bonds), the issuing District shall provide the County Planning Division with notice of the District's intent to issue Bonds together with the District's plan of finance for the issuance of the Bonds and a report, or an updated report if one was previously issued, from a third party market research firm or a market research analyst that has been engaged in analyzing residential and commercial market conditions for at least five (5) years (the "Market Analyst"), that it has reviewed the financial projections utilized in sizing the proposed Bond issuance and the District's ability to meet the debt service requirements of such Bonds including, but not limited to, absorption rates, valuation, growth and inflation rates and has

evaluated the same in comparison to current and projected market conditions for Arapahoe County and/or such other areas deemed by such Market Analyst to be comparable, and that such financial projections are reasonable. Additionally, on the date of closing for the Bonds, the issuing District shall deliver to the County Planning Division an opinion of counsel that the Bonds are being issued in compliance with the applicable provisions of the District's Service Plan.

2. The applicant will make continuing changes or modifications to the fourteen Service Plans to address conditions of approval recommended by the Planning Commission or BOCC, if any.

The vote was:

Ms. Rieck, Yes; Ms. Chaffin, Yes; Mr. Miller, Yes; Mr. Sall, Yes; Ms. Latsis; Yes; Ms. Wollman, Yes.

STUDY SESSION ITEMS:

Questions from PC for Staff

Ms. Rieck asked about the proposal for the City of Aurora to annex a portion of the Valley Country Club and the reason they were looking to annex rather than develop in Unincorporated Arapahoe County.

Mr. Reynolds explained the conflict of the proposed residential use with the Airport Influence Area in the Arapahoe County Comprehensive Plan.

Ms. Chaffin asked for an update on the proposed requirement by staff to require public outreach meetings for land development applications. She reported hearing from neighbors who had been invited to provide feedback and their experience with the Waffle House applicant, who did not hold a neighborhood meeting before the hearing.

Mr. Reynolds explained the proposed amendment to the Land Development Code (LDC). He said it was still in the development process and had a formal referral and review process to undergo.

Ms. Latsis asked how meetings would be handled when a neighborhood did not have a formal Homeowner's Association (HOA).

Mr. Reynolds explained they would likely require some sort of direct property owner notification if there was no HOA to provide communication and structure for a meeting. Mr. Reynolds also addressed some earlier questions the PC had during the metro district discussion. He noted some problems in the region that resulted from metro district difficulties, including bankruptcy.

ITEM 1

Land Development Code (LDC) Training – Jason Reynolds, Current Planning Program Manager, and Alan White, Planning Professional.

Mr. Reynolds presented a PowerPoint, a copy of which was retained for the record. He distributed printed copies of the new Land Development Code to the PC. He asked the PC to hold onto their interim copies of the Development Application Manual (DAM), as that had not yet been printed. He stated both the LDC and DAM were also available on the web. Mr. Reynolds also recommended the PC hold onto the Obsolete Zone District chapter from the prior version of the LDC. He explained the PC would not often see those, as no applications were accepted for rezoning to an obsolete zone district; however, the County sometimes saw developments in those zones that did not require rezoning. Further, he explained some PC members might live in one of those zone districts. Mr. Reynolds provided an overview of the chapters in the new code and re-visited some of the benefits of the new structure. He said one of the benefits to the new LDC was a new comprehensive land use table. He said users could now find uses listed, regardless of zone district, to help determine where in the County a use could occur, rather than having to search through uses listed separately under each zone district in order to find the right one. He reported the Procedures Chapter 5 was also an important change for consolidating information common to many code sections into one place. He said a number of sections were reviewed in greater detail, such as the types of "Zoning Cases" (processes) addressed in the LDC. He also reviewed the steps in the updated Planned Unit Development (PUD) system that was put into effect in 2017. He provided examples, from recent land use cases, to help explain various application types. Mr. Reynolds also reviewed the types of Subdivision Cases. He stated that was an area being reviewed for future changes to the LDC, such as aligning with recent Colorado legislation on plat process and whether the rural cluster subdivision should be revised or repealed. He reviewed other case types that fit more under a "Miscellaneous Cases" heading than either Zoning or Subdivision Cases. He stated those included 1041 permits, Location & Extent for public facilities, Certificate of Designation for landfills, Special Districts, Comprehensive Plan Amendments. Administrative Amendment Appeals, and Disconnected ("De-annexed") Land for formerly incorporated property returning to unincorporated status. Mr. Reynolds explained the purpose of the reorganization was to establish some "good bones" for the code that would support substantial changes anticipated in the future to update uses, definitions, development standards, and some additional process changes.

There were discussions concerning Title 32 Special Districts, "Colorado" reference in the LDC and clarification of two-step vs. three-step PUD process.

ITEM 2

Comprehensive Plan Amendment – Townhome Development – Alan White, Planning Professional/Special Projects

Mr. White presented a PowerPoint, a copy of which was retained for the record. He reported the updated Comprehensive Plan (Comp Plan) was adopted about a year ago and carried forward considerable language and definitions from the 2001 Comprehensive Plan. He explained that over time, it had become apparent to staff affordable housing was a provision that needed some additional work. He said one aspect of creating affordable housing was density. Mr. White reported that as discussions about density began, Planning staff was asked by Community Resources to review an element of the fiveyear housing plan to make the County eligible for Community Development Block Grants. He said the timing of that request was beneficial and some of the numbers in the Housing Needs Assessment were really astonishing. He commented staff didn't realize the impact of the Area Median Income (AMI) and the levels that needed availability of moderate income housing. He explained at 30% of AMI, it was particularly difficult to find rental housing within Arapahoe County and its cities. He reviewed data that demonstrated the housing gap with respect to deficit of housing units for both rental or for ownership. Mr. White reported one result of the study was demonstration of a deficit of rental units for those who could afford higher-cost housing. He explained this caused renters to take up more of the moderate-income rental housing, creating a greater deficit for those financially impacted by the housing shortage in this range. He also reviewed the gap between the average home price in Arapahoe County and the price of homes needed at various percentages of AMI. Mr. White addressed some current trends, including densities that we were seeing for townhome proposals. He said a recent example, that came to the PC, proposed 13.59 units per acre; whereas, the Comp Plan defined townhome development to be less than 12 units per acre. He explained to meet affordable housing needs, townhomes would need to fall closer to 16 units per acre. Mr. White said staff was recommending bringing forward a proposed amendment to the Comp Plan to consider an adjustment in definitions for Single-Family Detached to change from 1 to 6 du/ac to 1 to 8 du/ac and for Single-Family Attached and Small Multi-Family from 6 to 12 du/ac to the range of 8 to 16 du/ac. He reported that an additional change being recommended is to amend the Multi-Family designation to be uses that exceed 16 du/acre. Mr. White said before initiating a more formal process to amend the Comp Plan, staff was requesting feedback from the PC on whether this was a change they wanted to see.

The Planning Commission had questions and observations about the proposal.

Ms. Chaffin noted the recent case, at nearly 14 du/ac, was coming in at a price-point that would still not support affordable housing. She asked whether there will be areas identified or processes to ensure or encourage that affordable units are included in housing projects.

Mr. White explained there were a number of other things that would have to change in addition to the Comp Plan to ensure affordable housing was implemented; some of which, the County did not directly control. He said some examples might be inclusionary housing requirements in the LDC, providing incentives through reduced landscaping requirements, and trying to facilitate discussions with water providers (special districts) on the cost of a water tap.

Ms. Latsis expressed concerns that the Comp Plan, as an advisory document, could translate to successful implementation of affordable housing.

Mr. White noted there were many considerations as part of a project, including compatibility and other factors that could make these decisions challenging. He asked the PC to provide feedback on whether these densities were appropriate, whether there should be no limit on densities, or consider changes as a proposal went through the process.

Ms. Yeckes reiterated this would not be an administrative amendment. She stated the process would be through a public hearing and would include public input.

Ms. Latsis said she did not have particular issues with the numbers at this point in the discussion; however, cautioned against sugarcoating this to say it would accomplish affordable housing.

Other PC members concurred and noted concerns from county residents about traffic congestion and other impacts of increased density.

Ms. Rieck noted she was on the affordable housing committee for Arapahoe County in the early 1980's. She stated affordable housing was not as simple as density driving the development. She had reservations about this as an approach.

Ms. Latsis stated she was supportive of this as a starting point provided there was the political will to keep working on other elements necessary to accomplish affordable housing goals, including how to ensure these were designed in a way to create desirable neighborhoods without pushing up the cost of housing. She said how do we get from "defining" to "making it happen"?

Mr. White agreed this was one initial step.

Ms. Yeckes asked whether the PC would be more comfortable if the increase above today's defined density was tied to providing some percentage of income-qualified housing.

PC members seemed to prefer this as an option.

Ms. Latsis cited Boulevard One in Lowry as a successful example, noting that it was difficult, if even possible, to discern the incomequalified units from the market-priced units.

Mr. Skinner provided some examples of other tools and incentives that could be implemented through the private market.

Ms. Latsis said she could support less fenced yards and more shared open space with links to affordability in order to get higher density and to do a little more for the greater good.

Ms. Chaffin expressed concerned about changing the numbers without tying it to additional requirements, given that she anticipated seeing higher-density proposals above affordability limits. She asked staff to talk with the Board of County Commissioners (BOCC) to see whether affordable housing was of sufficient interest for change. She said, while the BOCC did not approve the Comp Plan they did approve rezoning applications and those decisions could be made even when proposals did not comply with the Comp Plan.

Mr. Miller asked that Mr. White provide the study session slides to the PC members.

	Ms. Latsis said she was glad to see affordable housing being raised for discussion. Mr. White indicated staff would revisit this with the PC as the proposal moved forward.
ADJOURNMENT	There being no further business to come before the Planning
	Commission, the meeting was adjourned.



Public Works and Development

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BRYAN D. WEIMER, PWLF

Director

MEMORANDUM

DATE: October 8, 2019

TO: Planning Commission Members

FROM: Loretta Daniel, Long Range Planning Program Manager

SUBJECT: Comprehensive Plan Amendment for Residential Densities in the Urban Residential / Single

Family Detached and Attached Land Use Category

Background

At the September 17, 2019 Planning Commission meeting, staff presented a proposal to amend the *Arapahoe County Comprehensive Plan* to increase the residential density allowed in the Urban Residential / Single Family Detached and Attached Land Use Category from 12 to 16 units per acre, and to increase the maximum density for the Single Family Detached Land Use Category from six to eight units per acre. Also presented was information from the *Arapahoe County Housing Needs Assessment* that identified the current housing gap and the need for affordable housing in the County. Staff from the Public Works and Development and Community Resources Departments will be meeting in mid-October to discuss the existing housing programs for lower-income households in the County and potential options to provide a greater range of housing opportunities.

It has become apparent that there is the opportunity for more compact development on smaller, infill parcels in the County since development proposals for infill projects at densities above 12 townhome units per acre are being proposed. These proposed sites are located in the urban areas of the County, and at the October 15, 2019 Study Session, staff would like to continue the discussion on housing density by provide an overview of densities for infill situations and the benefits and shortcomings of expanding the range of density in the Comprehensive Plan.



Discussion

Proposals for infill development on smaller sites are likely to increase as fewer large-scale development sites are available within the urban areas of the County. Also at play are a variety of changes in the housing market in the metro region, including:

- Development on smaller sites in odd shapes. As the "prime" development sites are completed, the focus is shifting to infill sites which typically are smaller and may be oddly shaped. With small and irregularly shaped sites, a more creative approach is needed for site layout and this is achievable with design creativity and slightly higher density ranges.
- Changing buyer preferences. It is not necessarily the higher density of attached housing that attracts
 consumers, but it is the benefits that the density provides, i.e., a more attainable price relative to singlefamily detached housing; closer proximity to retail, services and jobs; lower maintenance; shared open
 spaces; and potential lower transportation costs. With Baby Boomers downsizing and the Millennials
 looking for entry market housing, their preferences may be to live closer to urban neighborhoods rather
 than further out in suburban areas.
- Detached home lots are getting smaller. Lots for single-family detached houses are getting smaller throughout the region. The *Land Development Code* (LDC) includes single-family detached minimum lot sizes of 3,600 s.f. in the Residential 2-B (R-2-B) zone district. Smaller detached homes are being built because with rising land and construction costs, the increased density helps to offset these costs.

Another consideration is the desired consistency between the Comprehensive Plan and the LDC. In the LDC, the R-2-B zone district identifies a minimum lot area of 2,000 s.f. per dwelling unit and a minimum lot width of 25 feet for townhomes. On a hypothetical site and with meeting the requirements for parking, open space, fire access, etc., this translates into a density of approximately 15 townhome units per acre. Currently in the Comprehensive Plan, the Urban Residential / Single Family Detached and Attached Land Use Category has a density range of:

- One to six units per acre for single-family detached residential; and
- Six to 12 units per acre for single-family attached and small multi-family.

As infill sites are being proposed by developers, it can be timely to consider and assess the benefits and impacts infill can have. These can include:

- Providing housing closer to services than may be the case in a suburban or semi-rural area;
- Utilizing existing infrastructure such as roads and utilities;
- Converting land which carries the scars or remnants of a discontinued use to a more viable and compatible use with the surrounding neighborhoods;
- Increasing the intensity of a land use and possibly traffic; and
- Adding more vitality into a residential area by providing new housing and residents.

Staff is seeking input from the Commission on how infill development and modifying residential density ranges in the Comprehensive Plan could be to the benefit of the County.