



RECORD OF PROCEEDINGS

**Meeting of the Planning Commission for the Town of Frisco
Town Hall, 1 East Main Street
Thursday, December 7, 2023 at 5:00 P.M.**

Call to Order: Kelsey Withrow, Chair, opened the meeting.

Roll Call: Present: April Connolly, Jessica Forsyth, Lina Lesmes, Andy Stabile, Ira Tane, Kelsey Withrow

Swearing in – Oath of Office: Planning Commissioner New Appointment: Candice De

Roll Call: Present: April Connolly, Candice De, Jessica Forsyth, Lina Lesmes, Andy Stabile, Ira Tane, Kelsey Withrow

Minutes: Approval of the November 16, 2023 Planning Commission meeting minutes
The minutes were approved unanimously.

Public Comment (non-agenda items): There were no public comments.

Agenda Items:

1. Planning File No. UDC-23-0005: A public hearing to consider proposed amendments to the Unified Development Code, Section 180-5.5, Affordable Housing.

Katie Kent, Community Development Director, gave a brief background of the public hearing. In April 2023, Town Council approved amendments to the Town Code, Section 180-5.5, Affordable Housing, through Ordinance 23-10. In July 2023, the Town of Frisco entered into a commitment with the State Affordable Housing Finance Fund known as Proposition 123, which includes the Affordable Housing Support Fund administered by the Department of Local Affairs (DOLA) and the Affordable Housing Financing Fund, overseen by the Office of Economic Development and International Trade (OEDIT). Through this program, the Town has committed to providing sixteen (16) affordable housing units, at an average of five (5) per year over the next three years. In September 2023, the State announced that municipalities classified as Rural Resort Communities, including Frisco, may file a petition for projects receiving funding from the Affordable Housing Financing Fund to serve households with higher incomes than would otherwise be allowable. Ms. Kent reviewed the analysis from the staff memorandum and reviewed the proposed language changes to the code.

COMMISSION QUESTIONS FOR STAFF:

- Commissioners asked if funding would need to be received before the Town could approve the project. Staff responded that for projects planning on funding from the Affordable Housing Financing Fund with an increased AMI average, the approval would have a special condition that funding from that Fund would need to be received.
- Commissioners asked for examples of projects that would qualify for the program and increased AMI. Staff shared that Frisco projects using the new Colorado Middle Income Housing Authority (MIHA) program would target that income bracket. Staff is open to feedback from Commissioners if 140% AMI is too high.
 - Planning Commission envision the project's requested average AMI being determined at the beginning of the Major Site Plan application. The project would not be able to increase the average AMI after Commission's approval.
- Commissioners asked why increased AMI would be at the discretion of the Community Development Director rather than Planning Commission. Staff responded that this aligns with other parts of the code under the Director's discretion, but Commissioners could elect to make the decision their discretion.
- Commissioners questioned whether raising the AMI average could still fall under the definition of "affordable housing." Staff clarified that the code would still maintain a 100% AMI average unless the exception was granted on a specific development.
- Commissioners asked whether the language should be broader to include other programs besides the Affordable Housing Financing Fund. Staff invited Commissioners' suggestions to broaden the language if they saw the need.
- Commissioners asked whether the Town had additional criteria to determine which projects provided sufficient benefit to raise the average AMI to 140%. Currently, the three criteria outlined in the code amendment language are the only criteria. Staff replied that Community Development staff would decide based on financial modeling received from developers.
- Commissioners clarified whether the reason a developer would elect a 140% AMI increase would be because financing for 100% AMI would be too difficult. Staff confirmed that would be the case for some projects. However, projects funded by the Low-Income Housing Tax Credit (LIHTC) would not qualify as they are required.
- Commissioners asked whether a particular project is driving this code change. Staff said the change is driven by the availability of funding under Proposition 123, not by a particular project.
- Commissioners asked whether the Town could consider a limit on the number of Prop 123 petitions per year, to ensure that most projects are kept at the 100% AMI average. Staff confirmed that is an option, but that the Town does not plan to petition for more than 1-2 projects in the next couple of years.
- Commissioners requested an analysis of projects with one (1) visitor parking space for every five (5) or seven (7) as background for the proposed code amendment.

PUBLIC COMMENTS: No comments.

COMMISSIONER DISCUSSIONS:

- Commissioners agreed that the incentives in Section 180-5.5, Affordable Housing should distinguish between rentals and ownership.
- Commissioners agreed that the 140% AMI exception should not apply to the density bonus incentive.
- Commissioners agreed that rental developments for 140% AMI average would not be appropriate, but supporting ownership at that level could make sense.
 - Commissioners suggested adding language about a buffer for who can apply (e.g., up to 30% above the maximum AMI), rather than a hard maximum AMI.
- Commissioners suggested that the Town add other criteria to clarify which projects would provide sufficient benefit to increase the average AMI.
 - Commissioners discussed whether the criterion for meeting a “studied, and found, community need” would be sufficient in proving the benefit, but agreed that an argument could be made for a need at the 140% AMI level and additional criteria may be necessary. Staff pointed out that residents at that income level are leaving the community.
- Commissioners agreed that the decision to petition the State for an increased AMI should be at the discretion of the Planning Commission.
- Commissioners discussed whether parking reduction incentives would be appropriate for projects serving a middle-income AMI, given that residents at that level may be more likely to have cars than low-income residents.
 - Commissioners agreed that further discussion is needed to determine whether projects targeting 140% AMI average should be eligible to utilize the incentives outlined in Section 180-5.5: Affordable Housing.
- Commissioners asked whether a developer could petition the State for a higher-AMI project. Staff clarified that only the Town could petition, so the Town would have to fully support a project in order for it to target a higher AMI. Commissioners expressed concern over only Town-sponsored projects qualifying for higher AMI, while developers would always be held to 100% AMI.
- Commissioners questioned whether this language would make more sense in a different section of the code.
- Commissioners agreed to discuss target AMIs and incentives for rentals vs ownership at the Joint Work Session with Town Council on December 12, 2023. Staff shared that the session would not focus specifically on this topic.
- Commissioners asked whether in 180-5.5.1.B: Density Bonuses, “or” (in blue) is the intended word.

MOTION:

WITH RESPECT TO FILE NO. UDC-23-0005, COMMISSION MEMBER LESMES MOVED TO NOT SUPPORT THE RECOMMENDED FINDINGS SET FORTH IN THE DECEMBER 7, 2023 STAFF REPORT AND THAT THE PLANNING COMMISSION HEREBY DOES NOT RECOMMEND APPROVAL TO TOWN COUNCIL OF THE CODE TEXT AMENDMENTS TO CHAPTER 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING THE UNIFIED DEVELOPMENT CODE, DUE TO CONCERNS OVER THE PROPOSED LANGUAGE; PARTICULARLY GROUPING TOGETHER FOR-SALE AND RENTAL HOUSING AT

140% AMI, DESIRE TO REMOVE THE LANGUAGE FROM THE DENSITY SECTION OF THE AFFORDABLE HOUSING CODE, AND OTHER CONCERNS NOTED IN MEETING MINUTES.

MOTION SECONDED BY PLANNING COMMISSION MEMBER CONNOLLY.

VOTE:

YEAS: CONNOLLY – YEA, DE – YEA, FORSYTH – YEA, LESMES – YEA, STABILE – YEA, TANE – YEA, WITHROW – YEA

NOES: NONE

MOTION: PASSED

Staff and Commissioner Updates:

- Emily Weber, Principal Planner, reminded Commissioners that a joint work session with Town Council is scheduled for December 12, 2023 at 5pm. The session will include an update on housing initiatives and staff priorities in Winter 2024, including starting a Housing Needs Assessment.

Adjournment:

There being no further business, Commissioner WITHROW made a motion to adjourn, seconded by Commissioner STABILE and was unanimous. The meeting adjourned at 6:35 p.m.

Respectfully submitted,

Emma Heth
Community Development Department