



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: DON REIMER, COMMUNITY DEVELOPMENT DIRECTOR
RE: PARKING OPTIONS FOR WORKFORCE HOUSING
DATE: MARCH 8, 2022

Summary and Background: Workforce housing continues to be the most urgent challenge faced by the Town of Frisco. Businesses in Town have continued to struggle to hire enough employees to operate, leading to reduced business hours. The Town of Frisco has seen these same challenges in filling open positions, whether it is for full-time professional positions or for seasonal employees.

Over the course of the past several months the Town has been pursuing a workforce housing development partnership with Colorado Department of Transportation (CDOT) for a CDOT owned parcel at 619 Granite Street. As the design team progressed through the initial programming stages of design it became clear that the required parking for the project would have an impact on the number of workforce housing units which could be constructed on the property.

While Town Council and CDOT agreed that the design for the 619 Granite Street project should proceed under the current Code provisions without considering parking reductions, Town Council also provided direction to staff to investigate options to reduce parking requirements for workforce housing developments. Reductions in parking for workforce housing could have positive impacts on two of Town Council Strategic Plan goals, by increasing the number of workforce housing units which could be developed on Town-owned properties, and contributing to a reduction in the number of vehicle miles traveled and resultant emissions as a result of having fewer parking spaces available.

Analysis: The Frisco Unified Development Code (UDC) includes on-site parking minimums to help ensure basic quality of life standards for residential development. It has also been observed that the parking requirements can be challenging when planning for higher density affordable housing developments. The current regulations include parking reductions for deed-restricted workforce housing to require one space per bedroom up to a maximum of two required parking spaces, while market rate housing requires one space per bedroom up to a maximum of four parking spaces required per unit. One visitor parking space is required for every five dwelling units whether the development is market rate or deed restricted. The Historic Overlay is another mechanism in the Code that may be used to reduce the required number of parking spaces for a development.

However, reductions in parking availability may have the greatest negative impact on those that are living in workforce housing. Consider the recent experience of the COVID-19 pandemic: remote work was possible for many, however it also highlighted that remote work is not an option

for a significant portion of the local workforce, including those identified as “essential” workers and those in the service industry. While remote workers, small households, and more affluent households may be trending toward lower demand for personal vehicles, many essential workers, multiple person households, and lower income households may have no viable option other than a personal vehicle for daily travel to and from work.

At the same time, if the goal is to reduce the number of vehicles on the road and vehicle emissions, a more impactful action could be to introduce parking maximums on market rate homes, which frequently are used as short-term rentals or vacation housing, and may have several vehicles parked at a single unit after driving multiple tenants from the airport or other locations.

A part of this discussion gets to equity – whether the parking reduction places a disproportionate burden on those who may be most reliant on private vehicles to get to work. Maybe the resultant impact of parking reductions could be shared with those in market rate units such as remote workers, retirees and short-term renters who have other options.

There are a couple of recent workforce housing applications and developments by the Town which may provide additional insight: Mary Ruth Place, completed in 2018, and 619 Granite, which is nearing the final stages of design.

Mary Ruth Place. This 9-unit workforce housing development was approved in 2017. The unit mix was three 2-bedroom units and six 1-bedroom units. Based on the number of bedrooms, 12 parking spaces were required, and two visitor spaces were also required. However, The Town requested and was granted a waiver under the Historic Overlay to eliminate the required visitor parking spaces, and to reduce the number of per-bedroom spaces from 12 to 10. It should also be pointed out that while the units are being used for workforce housing and are still owned by the Town, no deed restriction has been placed on this property to qualify it as deed restricted under the Code. The base density for the Mary Ruth property was 4 units based on the lot size, so if the density bonus provisions had been used, at least three of the units would have to have been deed restricted.

While the overall project is considered a success, it also provides some evidence as to challenges in the effectiveness of reducing parking requirements. During development of the project, it was suggested that because five of the nine units would be occupied by Town employees, and the property is in close proximity to transit routes on Main Street, tenants would be less reliant on personal vehicles, and the reduced parking would not become an issue. However, we have seen several tenants over the past three-plus years that have had citations for parking. The reasons for this vary, but it generally is because the multiple tenants have multiple cars to get to their jobs, because they do not work at the same location.

Availability and reliability of transit is another challenge. Until 2021, the Summit Stage routes occurred on a half-hour basis; however, routes have been reduced to hourly since then due to driver shortages. Additionally, while the Summit Stage routes provide convenient access to some locations, such as Copper Mountain or the County Commons and hospital, it is much less convenient to get to the Adventure Park, or to other areas of the County if one of the tenants is employed outside of the Frisco area. Resident work hours and schedules may not be compatible with Summit Stage operating hours. Further, it is not just place of employment that needs to be considered when looking at transportation options, it is also the need to get to critical places such as grocery stores, childcare and schools, and medical appointments.

619 Granite. This proposed cooperative project with CDOT will create 22 1- and 2-bedroom apartments. The allowed density per Code for the 0.58-acre parcel would be 9 units, so 13 additional units are being added to the property through the density bonus provisions in the Code. Based on the number of bedrooms, 28 parking spaces are required, plus an additional 4 visitor parking spaces based on the number of units. Because this property did not qualify for the Historic Overlay, there were no waivers considered or granted to reduce the number of required parking spaces.

During the development of the design of the project, the design team inquired of the owners – the Town and CDOT – if there was any interest in requesting a Code amendment that would reduce the parking requirement and thereby allow additional units on the parcel. While the Town was receptive, CDOT was adamantly opposed, as half of the units are reserved for CDOT employees, and it is critical that they be able to get to the CDOT facilities on a reliable, timely basis to perform such essential services as snowplowing. As noted above, current Summit Stage transit operations do not have the operating hours or service routes which would provide CDOT adequate security that having fewer parking spaces available for their employees would not impact their services.

Codes in Nearby Areas. When looking at potentially changing Code requirements, it is important to look at other communities to see if any have instituted policies which would support the ideas. In the case of parking requirement reductions for workforce housing, there are no examples, except in instances where the workforce housing parking reduction was paired with another policy, such as a parking district or enhanced transit options, to achieve the goal. Examples of Breckenridge and Summit County parking regulations, and how they would apply to the aforementioned projects, follow.

Breckenridge: The Town of Breckenridge does not have any specific workforce housing parking reductions in the Town Code. It does, however, have different parking minimum requirements than Frisco, but there is no distinction between workforce housing compared to market-rate units. For multi-unit developments, a minimum of one parking space is required for each studio or efficiency unit, and a minimum of 1.5 spaces for each unit that has one or more bedrooms. Applying this to the Mary Ruth and 619 Granite projects would result in 13.5 spaces required for Mary Ruth, and 30.5 spaces for 619 Granite, not including required visitor parking.

Summit County: Summit County also does not have any specific reductions for workforce housing. For multi-unit developments, a minimum of 1.5 parking spaces are required for each studio or 1-bedroom unit, and a minimum of 2 spaces are required for each unit that are two or more bedrooms. Applying this to the Mary Ruth and 619 Granite projects would result in 15 spaces required for Mary Ruth, and 36 spaces for 619 Granite. Summit County does not have a visitor parking requirement.

Staff will continue researching other similar communities for successful examples of parking reductions for workforce housing developments. It appears that at this point Frisco currently includes more of a parking reduction specific to workforce housing than other jurisdictions, by capping the number of required spaces at 2 regardless of unit size, while market rate units are capped at a maximum of 4 required spaces per unit.

Options. While there may not be a usable Code example to reduce workforce housing requirements from other communities, there are a number of options which could be considered that could support the desired result – increasing the number of units that could be built on the

limited land area available in Frisco by reducing the amount of parking required on-site, while still maintaining the quality of life for the tenants of the housing.

- On-street visitor parking. Allow the visitor parking space requirement to be fulfilled by with parking in the right-of-way adjacent to the development. Items to consider include snow removal, as well as the current restriction on overnight parking in Town rights-of-way. If the adjacent right-of way is unimproved, or does not have developed parking spaces and curb, gutter and sidewalk, the developer would be responsible to make these improvements to be eligible.
- Pay tenants to not have a vehicle. Tenants get a monthly rent reduction to not have a vehicle. The challenge is the effectiveness could be variable and there may be some months where there are still too many cars for the development.
- Allow some percentage of required parking spaces for units to be in a right-of-way adjacent to the property. This would potentially require additional items for implementation, including permitting and enforcement, and arrangements for snow removal.
- Develop off-site parking. This could be funded through a number of options, including a fee-in-lieu, and daily rates for users. In Frisco, there are two primary challenges – the lack of land for a surface lot or parking structure, the cost of developing a structure, and the opportunity cost of developing a parking structure when the land could have a more beneficial community or economic use. Parking could be developed in Town rights-of-ways, but would have to be metered, or have a permit system established; both would require enforcement to be effective.
- Improve transit. The concept of transit oriented development to reduce vehicle miles travelled, reliance on personal vehicles, and thereby emissions, is attractive and desirable. However, in Frisco, available transit or shared vehicle options are limited. Summit Stage has been discussed above, the Frisco Flyer has not made a comeback, and traditional taxi service and uber and lyft have a very limited presence in the County. In order to decrease dependence on personal vehicles, it is absolutely essential to increase availability of other transit or transportation options.

If any of the above options were made available for workforce housing, requests from developers of market rate housing, as well as current property residents who may have an older unit with insufficient parking, and short-term rental managers may seek similar allowances for their situations. However, simply relocating the parking for a property elsewhere does not result in a change to the desired behavior of reducing the number of vehicles on the road.

Financial Impact: No direct financial impact would occur as a result of this discussion, pending Council direction on further actions. Reducing the number of required parking spaces in a workforce housing development may result in the ability to develop more units on smaller parcels of land, increasing efficiency. Increasing transit opportunities to provide transportation alternatives for the residents of workforce housing would require a new budget line item.

Environmental Sustainability: Adopting parking policies that incentivize alternative modes of transportation such as bicycles or public transit or reduce or disincentivize use of personal vehicles aligns with the Town's climate action goals.

Alignment with Strategic Plan: How the Town regulates parking is a balance of several of its high-priority goals of Inclusive Community, Thriving Economy, Sustainable Environment, Quality

Core Services, and Vibrant Recreation.

Staff Recommendation: Staff requests Council feedback on options which should be further investigated.

Reviews and Approvals: This report has been reviewed and approved by:

Leslie Edwards, Finance Director
Diane McBride, Interim Town Manager

Attachments: None