



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: KATIE KENT, COMMUNITY DEVELOPMENT DIRECTOR
RE: WORKSESSION RE. PROPOSED AMENDMENTS TO THE PUD SECTION OF FRISCO TOWN
CODE; SPECIFICALLY SECTION 180-2.4.2 AND 180-4.3
DATE: AUGUST 22, 2023

Summary and Background: The Unified Development Code (UDC) makes available a procedure to depart from certain requirements of the Code through a rezoning to a Planned Unit Development (PUD) Overlay District. A PUD Overlay District is a tool that communities use to promote creative design efforts on the part of owners, builders, architects, and developers, and to produce developments that are in keeping with the overall objectives of the Town's Community Plan.

The PUD Overlay District is generally used when there is special public interest that does not coincide with the traditional zoning in a geographic area. The PUD Overlay District may only be used when an application is not able to meet the requirements of a standard zone classification. The PUD is a mapped area with restrictions in addition to, or less than, those in the underlying traditional zone. Rather than attempt to create a new zoning category, an overlay zone is superimposed over the traditional zone and establishes additional regulations or reduces or extends the existing uses.

The Town has historically allowed developers to rezone a portion of land into a PUD which provides an overlay zoning to the underlying zone district. These areas have traditionally been larger tracts of lands such as Mountain Side PUD, The Reserve at Frisco PUD, and Frisco Park PUD.

Over the past several years, property owners have inquired about utilizing the PUD rezoning process; usually as an attempt to provide additional housing or reduce setbacks to protect sensitive environmental areas. These inquiries have not advanced into rezoning applications due to the existing PUD regulations containing requirements that are not conducive to the available vacant land in Frisco including:

- Usable open space requirement of 55% of the site
- Thirty (30) foot perimeter setbacks

Town Council reviewed the existing PUD regulations and requirements during the June 27, 2023 meeting. During this work session, Council noted that the existing PUD regulations and requirements did not encourage creative developments that propose workforce housing as a public benefit, and as a result, Council directed staff to propose amendments to the UDC. The Town's Attorney has reviewed the proposed modifications and his suggestions are included in

the attachments to this report. These amendments are before the Town Council for review on August 22, 2023.

Pursuant to sub-section §180-2.4.3.D, an amendment to the text of the UDC is a legislative decision by the Town Council. Prior to the Town Council's consideration of an Ordinance to amend the text of the UDC, the Planning Commission must first review the proposed amendment and forward a recommendation to the Town Council. The Planning Commission will be reviewing the proposed modifications on August 17, 2023, and forwarding a recommendation to Town Council. Planning Commission comments, and associated recommendations, will be provided at the August 22, 2023 Town Council work session. First reading of an ordinance to amend the text of the UDC is tentatively schedule for September 12, 2023.

Analysis: In response to direction from Town Council, Staff drafted proposed modifications to the PUD Overlay District. Staff is suggesting amending the PUD Overlay District rather than modifying specific zone districts for the following reasons:

- A PUD requires a property owner and/or developer to apply for a development review application that includes submittal of a PUD Plan. With the PUD Plan, the applicant must submit a narrative that states the development standards they are proposing and how they differ from the development standards permitted within the underlying zone district. This could include increased density, reduced parking, reduced setbacks, etc.
- A PUD is not guaranteed. By utilizing the PUD process, the Town has the opportunity to review the associated narrative and PUD Plan in response to what is proposed. Through the UDC, a PUD application follows a rezoning process. Therefore, Planning Commission provides a recommendation to the Town Council. Town Council is the final decision maker on a PUD and will continue to be so.

For clarity and to more effectively implement the use of the PUD Overlay District for applicants who are proposing developments that promote creative developments with an expressed community need, Staff recommends amending Chapter 180, Unified Development Code. Staff is proposing the following code text amendments:

180-2.4.2 REZONING TO A PLANNED UNIT DEVELOPMENT

Staff proposes modifications to the existing section of Code to finetune the standards for review. Proposed changes are shown in track changes so Council members can provide feedback.

180-4.3 PLANNED UNIT DEVELOPMENT OVERLAY (PUD) DISTRICT

Staff is proposing a complete strike-through of the existing section 180-4.3 of the UDC. Proposed language provides a more in-depth analysis of PUD standards. Specific changes include:

- Criteria for PUD rezoning proposals based on the community benefit. Developments proposing affordable housing as a community benefit have different listed standards than a development proposing to protect open space as a community benefit.
- Removal of 30% open space requirement for projects that have a workforce housing community benefit.
- Removal of thirty (30) foot perimeter setbacks for projects that have a workforce housing community benefit.

- Addition of a workforce housing requirement
 - All PUD developments shall provide a minimum of 25% workforce units. Deed restricted unit(s) shall be occupied by a member of the household who earns the majority of their income in Summit County, or from an employer based in Summit County.
 - Occupant(s) of workforce unit shall not own any interest alone, or in conjunction with, other developed residential property.
 - No short-term rentals shall be permitted within the deed restricted unit(s).

Staff notes that by removing specific restrictions from Section 180-4.3, it does not mean that development can be constructed with no setbacks, height restrictions, etc. When an application is submitted for a PUD rezoning, the Town reviews which development standards of the underlying zone district the applicant is proposing to differ from. If these are not agreed upon, and approved, all requirements within the underlying zone district would still apply. All sections of the Frisco Town Code apply to development within a PUD, with the exception of any stated differences that the Town approves within the PUD Plan and narrative. The Town takes into consideration what flexibility from the Town Code the application is requesting and analyzes if the project's overall benefit to the community warrants flexibility to certain town code requirements such as setbacks or parking requirements.

Pursuant to sub-section §180-2.4.3.D, an amendment to the text of the UDCs a legislative decision by the Town Council. Prior to the Town Council's consideration of an Ordinance to amend the text of the UDC, the Planning Commission must first review the proposed amendment and forward a recommendation to the Town Council. Prior to recommending approval or disapproval, either in whole or in part, of a proposed code text amendment, the Planning Commission must consider whether and to what extent a proposed amendment:

1. *Is consistent with the Master Plan and other Town policies;*
2. *Conflicts with other provisions of this Chapter or other provisions in the Frisco Town Code;*
3. *Is necessary to address a demonstrated community need;*
4. *Is necessary to respond to substantial changes in conditions and/or policy; and*
5. *Is consistent with the general purpose and intent of this Chapter.*

These proposed code text amendments are consistent with the Frisco Community Plan, including the guiding principles:

Guiding Principle 1: Inclusive Community,

- *1.5B. Stimulate the creation of workforce housing through town policies, incentives, and regulatory procedures.*

Guiding Principle 2: Thriving Economy

- *2.1B Provide opportunities for a balanced mix of housing and services to support local businesses, employees, residents, and visitors.*
- *2.1C As development and infill occurs, ensure that the Town's overall mix of land uses remains aligned with community goals.*
- *2.1E Support the creation of home-based businesses and remote workers.*
- *2.3C Expand workforce housing options to support small businesses, and local employees.*

On August 17, 2023, the Planning Commission will be reviewing the proposed modifications, and forwarding a recommendation to Town Council. Planning Commission comments, and associated recommendations, will be provided at the August 22, 2023 Town Council work session.

Financial Impact: There is no direct financial impact related to these code amendments.

Environmental Sustainability: No direct significant impacts to environmental sustainability are anticipated.

Alignment with Strategic Plan: The 2023-2026 Frisco Strategic Plan was adopted on July 25, 2023, and includes the strategic objective, "We enhance Community Inclusivity." Within this objective, the Town of Frisco is committed to making decisions and policies which welcome and support all, so they can pursue their full potential in our unique mountain town.

The proposed modifications are consistent with the Strategic Plan and the Town Council's project goals. Additionally, Frisco Town Council aspires to double the amount of deed restricted workforce housing units within the next 5 years. The proposed Code Amendments provide incentives to developers, which also could be applied to Town projects, which will assist in achieving these goals.

Staff Recommendation: Staff recommends that the Town Council provide feedback on the proposed Code Amendments to Chapter 180, Sections 2.4.3 and 4.3 regarding the Planned Unit Development Overlay District.

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

Diane McBride, Assistant Town Manager
Tom Fisher, Town Manager
Leslie Edwards, Finance Director

Attachments:

Attachment 1 – Chapter 180, Section 2.4.2
Attachment 2 – Chapter 180, Section 4.3