



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: KATIE KENT, COMMUNITY DEVELOPMENT DIRECTOR
RE: SECOND READING - ORDINANCE 23-24, AN ORDINANCE AMENDING CHAPTER 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING THE UNIFIED DEVELOPMENT CODE, BY AMENDING SECTION 180-2.4.2, CONCERNING REZONING TO A PLANNED UNIT DEVELOPMENT; AND SECTION 180-4.3, CONCERNING PLANNED UNIT DEVELOPMENT OVERLAY DISTRICT.

DATE: SEPTEMBER 26, 2023

Summary and Background: During the June 27, 2023 Town Council work session, staff reviewed with Council the existing Planned Unit Development (PUD) regulations and requirements. 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 Unified Development Code (UDC).

Staff reviewed these proposed amendments to the UDC during the August 22, 2023, Town Council work session. During this work session, Council directed staff to move forward with modifying the PUD Overlay District with the following modifications to the language presented at the work session:

- Section 180-2.4.2.B: Reinsert "type of use". Council discussed that uses that are not permitted in the underlying zone district, by right or conditional use, should be considered within a PUD. Staff has reinserted "type of use" which allows any uses to be proposed within a PUD; regardless of the underlying zone district requirements.
- Section 180-4.3: Remove the 30' perimeter setback for PUD's proposing a community benefit of open space.

Additionally, within Section 180-2.4.2.E.3, staff clarified that a modification of the number of dwellings still requires review.

This modification to the text of the UDC is a legislative decision by the Town Council, pursuant to sub-section §180-2.4.3.D, and is before the Town Council on September 12, 2023, as Ordinance 23-24. All changes presented above are in the proposed Ordinance, and the Ordinance has been reviewed by the Town Attorney.

Town Council reviewed and approved the proposed amendments at first reading of Ordinance 23-24 at their September 12, 2023 Town Council meeting.

Analysis: The Unified Development Code (UDC) makes available a procedure to depart from certain requirements of the UDC 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

Staff recommended 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 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 recommended amending Chapter 180, UDC. Staff proposed the following code text amendments:

180-2.4.2 REZONING TO A PLANNED UNIT DEVELOPMENT

Staff proposed modifications to the existing section of Code to finetune the standards for review. Changes made to 180-2.4.2 since the August 22, 2023, work session include:

- In response to Town Council feedback at the August 22, 2023, work session, “type of use” has been reinserted into Section 180-2.4.2.B. This allows any uses to be proposed within a PUD; regardless of the underlying zone district requirements.
- In response to Planning Commission feedback at the August 17, 2023, meeting, a modification has been made to Section 180-2.4.2.E.3 that clarifies that a modification of the number of dwellings still requires review.

180-4.3 PLANNED UNIT DEVELOPMENT OVERLAY (PUD) DISTRICT

Staff proposed a complete strike-through of the existing section 180-4.3 of the UDC. Changes made, as presented at the work session 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).
- In response to Town Council feedback at the August 22, 2023 work session, the 30’ perimeter setback for PUD’s proposing a community benefit of open space has been removed.

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.

Town Council reviewed and approved the proposed amendments at first reading of Ordinance 23-24 at their September 12, 2023 Town Council meeting.

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 approve Ordinance 23-24 on Second Reading.

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 – Ordinance 23-24