PLANNING AND ZONING COMMISSION DISCUSSION ITEM STAFF SUMMARY JUNE 1, 2022 PLANNING AND ZONING COMMISSION MEETING

DATE: May 27, 2022

AGENDA ITEM NUMBER: 9

DISCUSSION ITEM:

Discussing the concept of attached single-family residences (duplexes) in the Residential Low Density (RL) Zone district

SUMMARY:

Current Dillon Municipal Code (DMC) Provisions:

The Residential Low Density (RL) Zone district contains several neighborhoods in the Town of Dillon which are served by W. Buffalo Street, Three Rivers Street, Tenderfoot Street, E. & W. La Bonte Street, Gold Run Circle, and Oro Grande Street, see *Figure 1*.

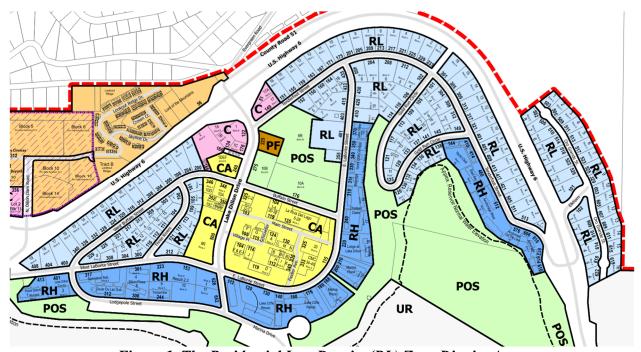


Figure 1. The Residential Low Density (RL) Zone District Areas

The Residential Low Density (RL) Zone district purpose statement in the Dillon Municipal Code (DMC) reads:

The purpose of this zone is to provide areas suitable and desirable primarily for single-family uses with provisions for associated public service uses and planned developments under controlled conditions. This district is intended to preserve or

create quiet residential neighborhoods that are harmonious with existing development. New development and alterations of existing development should conform to the architectural character of this district. This district is intended for residential uses; however, uses compatible with and convenient to residential uses such as churches, child care centers and group homes may be allowed if they conform to the intent of this district. Commercial uses would not be consistent within this district.

The permitted uses currently adopted in the Dillon Municipal Code (DMC) for the Residential Low Density (RL) Zone district are as follow:

- *a)* Single-family dwellings.
- b) Structures and uses accessory to and on the same parcel and <sic> the primary dwelling unit which are in keeping with the residential character of the zone.
- c) Home occupations which meet the requirements as set forth in Section 16-4-70.
- d) Accessory dwelling units which meet the requirements as set forth in Sections 16-4-35 through 16-4-45.

The RL Zone is further permitted to have the following uses by way of the Conditional Use Permit process:

- a) Churches.
- b) Governmental structures or uses, including but not limited to recreation buildings, parks or playgrounds.
- c) Nursery school, day nursery, kindergarten or similar child care facilities.
- d) Planned developments.
- e) Schools, both public and private.
- f) Veterinary clinics.
- g) Parking or storage uses accessory to a primary single-family use and located on an adjoining lot.

The RL Zone has a required minimum lot size of *eight-thousand* (8,000) square feet; however the typical lot size in the RL zone is approximately four-tenths (0.4) to a half-acre plus (\sim 17,425 to 21,780 + square feet).

DMC Ch. 16 Section 16-3-120 Residential Low Density (RL) Zone

Discussing the Housing Crisis:

Dillon is nearly built-out with little prospect of increasing its housing stock. Short of the current multi-family projects proposed with existing land-use approvals, a handful of RL zoned vacant parcels, massive private investment in mixed-use redevelopment of privately held properties in the Core Area, or redevelopment with increased density in existing multi-family complexes, also privately owned as condominium units, augmenting the number of available dwelling units in Dillon is clearly challenged. Redevelopment in the Core Area (CA) or Residential High Density (RH) Zone districts of current multi-family developments are financially and seemingly daunting prospects, and remain long-term goals for the community. Yet, housing, most critically for the community's workforce, is scarce, if not utterly unattainable. Even the current efforts for the

potential workforce housing development on the U.S. Forest Service Administrative Site on County Road 51, adjacent to the Town of Dillon, is years from reality and faces a \$90-\$100 million potential price tag for some 177 rental units.

Considering current real estate prices, the affordability of housing has created a dire housing crisis for Summit County, and specifically, the Town of Dillon's workforce. This continues to strain sustainable services for the community in general. Even the couch surfer's rent, once 'leasable' for \$500 a month, is no longer available, nor at such a 'bargain' price. More telling is that even two-bedroom condominiums in Dillon are presently selling for a million dollars, or more. Seemingly as a direct result, very likely in conjunction with the loss of many long term rental properties to the short-term rental market, many businesses are reducing hours, closing their doors, or diligently seeking rental housing for their staff, with limited success. Service providers, including vital municipal services, are competitively cross-hiring the same employees, as the pool of eligible employees with viable housing options becomes increasingly strained. Staffing shortages are felt in every sector. This is simply unsustainable.

Cities and states around the country are taking aggressive action in response to increasing levels of unattainable housing for many working-class individuals and families. In 2019 the Minneapolis City Council voted to approve a comprehensive housing plan "that called for upzoning all single-family residential zones to allow duplexes and triplexes to be built in these districts" ¹. Oregon followed suit by passing HB 2001, creating a statewide mandate in an effort to "restore housing affordability for all." "No other state in the nation has yet achieved such progressive residential zoning reform." "Over the next few years, the 50 towns and cities in Oregon with populations of 10,000 people or more will be required to adopt zoning changes that allow for duplexes on current single-family-zoned lots." ². These are groundbreaking efforts, if not norm-altering regulations, with the goal of bringing equity and affordability into the housing supply. It has been argued that, not only does single-family zoning stem from historic "classist motivations", but it also continues to "promote exclusion" and in locations where housing costs are extraordinarily high "it contributes to shortages of housing" ³.

While it is easy to believe such "upzoning" might lead to higher property values due to increased development potential of such properties, and thus an actual decrease in housing attainability, it is believed the long-term gain can encourage a wider range of housing types and subsequently lower housing costs ⁴. Don Elliot, FAICP, Clarion Associates (a renowned planning, zoning, and sustainability consulting firm with strong roots in Colorado), summarizes the "single-family zoning conundrum" quite articulately,

America is full of highly desirable neighborhoods with a mix of single-family homes, duplexes, "missing middle" housing, and larger apartments. Meeting the desire to live in a single-family home does not mean that zoning needs to prohibit all other forms of housing. Logically, it also does not mean that every current single-family zone needs to be revised to accommodate other forms of housing, but the need for more equitable housing regulations may bring us to that conclusion. ⁵

Mr. Elliot is an esteemed speaker and land use intellect, frequently contributing to the Rocky Mountain Land Use Institute (RMLUI) at the University of Denver, as well as more prolifically in symposiums, consultations, and land use planning efforts worldwide.

At this early stage in evaluating this widespread and nationally evolving conversation (for example California, Washington, Oregon, Idaho, Connecticut, and even cities and small towns in Colorado), Town staff is simply presenting the concept of potentially permitting attached single-family residences in the RL zone for discussion with the Planning Commission to consider the potential benefits, as well as full consideration of the potential detriments.

The Town of Dillon has already attempted to address an aspect of the referenced "missing middle" and attainable housing need in the Residential Low Density (RL) and Residential Medium Density (RM) zone districts by amending the Accessory Dwelling Unit (ADU) Code provisions to simplify the application, review, and approval process; providing more flexibility in unit size; allowing them in attached single-family residences (duplexes); and even the very progressive measure to allow them in detached accessory structures up to nine-hundred (900) square feet (not just over detached garages). The specific regulations for ADU's may be viewed beginning here: DMC Ch. 16
Accessory Dwelling Units. The Town has even incentivized ADU's that are deed restricted for Summit County workers by waiving / refunding water and sewer tap fees associated with the ADU's by way of utilizing housing funds (5A) to offset those tap fees. Summit County and some of its communities have noticed these Town of Dillon efforts and are also considering similar such ADU revisions to their zoning codes.

Most of the nationwide localities that have passed or are considering such single-family zoning reforms have provided for up to four (4) units per lot ⁶. As the Dillon Municipal Code provides a means to have ADU's in duplexes, it is only under that very specific condition that the conversation at hand potentially leads to four (4) 'units' per lot in the RL zone, with potentially two primary units and two accessory, subordinate units. To be clear, it is not currently conceived that four-plex apartment buildings, nor tri-plexes, be permitted in the RL zone.

To address the reality that one side of a duplex might currently garner one to two million dollars, or more, in today's real estate market, there may conceivably be ways to permit attached single-family dwellings (duplexes) that will truly contribute to workforce housing. For instance, if permitted, there could be a requirement that one of the attached single-family dwellings be deed restricted or be required to install a deed restricted accessory dwelling unit dedicated to Summit County workforce housing. Design guidelines can be implemented to require attached single-family homes be "designed to resemble nearby single-family houses", a historic measure implemented in more densely settled neighborhoods ⁶. There are countless other ways such potential permitted use changes in the RL zone might further be constrained to ensure the purposes of the RL zone is preserved, as well as the welfare and wellbeing of the community assuredly protected.

Noteworthy is the reference in this staff summary to "attached single-family dwellings" in lieu of "duplexes". To be clear, they are one in the same in this conversation, and the former ("attached single-family dwellings") is used principally because that is how such are referenced in the International Residential Code (IRC – Building Code). The Building Code requirements of attached single-family and detached single-family residences are thus, essentially the same, wherein there is either a separation of structures by a measured distance or a separation by a fire-resistant party wall. As such, the single-family structures, attached or detached, are consistent with the purpose of the RL zone purpose statement, providing "primarily for single-family uses". Multi-family dwellings, greater than attached single-family dwellings are constrained by different requirements set forth in the International Building Code (IBC) and are thus a wholly different class of residential dwelling. This building code distinction is compelling as it relates to this topic.

Considering other uses permitted as cited in the purpose statement for the RL zone, such as: planned developments, veterinary clinics, churches, schools, child care centers, and group homes, preserving or creating "quiet residential neighborhoods" in the zone, anticipated increased densities and more intensive land use spelled out in the purpose statement is increasingly clear. When contemplating the ever increasing high rate of short-term rentals (STR's) in the RL zone, essentially a commercial lodging use, an "upzoning" to allow attached single-family residences in the RL zone is seemingly more fitting to the defined purpose of the zone than are the STR's. Specifically, "commercial uses would not be consistent within this district" (DMC § 16-3-120).

To reiterate, Town staff is merely asking the question, "should the Town of Dillon consider amendments to the residential low zoning provisions allowing duplexes in the zone?" The conversation is often met with instant, knee-jerk reactions, and political resistance; this is understandable based on the investments in property, the personal feelings of what is the ideal property ownership model, and aspirations of individuals to have and hold their own private space, surrounded by their own green ground, lovingly maintained in their minds. Clearly, the "American Dream" might be so defined for some – owning one's single-family home with surrounding private grounds for perpetual personal privacy, enjoyment, and happiness. Of course, that is an easily recognized mindset. The question here, with ever increasing financial burdens and extraordinary limitations on available physical property, does the 'duplex' concept preclude the very ultimate desires of many property owners? Are there social and community benefits that can easily meld into the 'ideal' aspirational mindset?

What is becoming increasingly apparent, Summit County's housing crisis is not going to be solved by any one measure. It is going to take a broad spectrum of approaches to address the increasingly diresome situation. It can't be solved alone by overly subsidizing new "workforce housing" projects. Even if the RL zone permitted uses were changed to allow a slightly higher density, the slow pace of individual properties transitioning from aging single-family homes to potential duplex developments will be a slow process and will not necessarily lead to a rapid change of the feel and structure of the RL zoned neighborhoods. As Don Elliot wrote, many highly desirable neighborhoods across the country have a variety of housing types, and Dillon, too, could no-doubt maintain highly desirable neighborhoods while actively addressing the housing crisis facing the community. If this is not for Dillon, as it may well not be, it is certainly worthy of discussion as we put every effort into working on solutions to address the housing crisis crippling the community.

STAFF MEMBER RESPONSIBLE: Ned West, AICP, Sr. Town Planner

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