



CITY OF BOULDER
PLANNING BOARD MEETING AGENDA
DATE: February 18, 2016
TIME: 6 p.m.
PLACE: 1777 Broadway, Council Chambers

1. CALL TO ORDER

2. APPROVAL OF MINUTES

The [January 28, 2016](#) minutes are scheduled for review

3. PUBLIC PARTICIPATION

4. DISCUSSION OF DISPOSITIONS, PLANNING BOARD CALL-UPS/CONTINUATIONS

- A. AGENDA TITLE:** [Continuation of a Public Hearing to consider a motion to approve findings of fact and conclusions of law for the denial of the application for a Nonconforming Use Review, application no. LUR2015-00073, for the addition of two bedrooms in the basement of an existing nonconforming duplex at 940 14th St.](#)

Applicant: Lani King, Michael J Hirsch Companies

Owner: 20th Street Apartments 1 LLC and 20th Street Apartments 2 LLC

- B. CALL UP ITEM:** [Approval of a Minor Amendment to an Approved Site Plan to install two vendor kiosks and a walk-in cooler made from repurposed shipping containers in the public plaza between 1710 and 1750 29th St.](#) within the Twenty Ninth Street shopping center. The kiosks will be for alcohol service and will include fenced areas with controlled points of entry. The project includes railings, outdoor seating, umbrellas, planters and other landscaping and furniture elements, including a public turf area adjacent to the new vendors. Approval includes an amendment to the Twenty Ninth Street Signage Program to include the central portion of the plaza in the sign program as a Type 4 Storefront type. The project site is zoned Business – Regional 1 (BR-1). Case No. LUR2015-00119.

5. DISCUSSION ITEMS

- A. [Middle Income Housing Strategy](#)** – in preparation for a February 23, 2016 Council Study Session, staff requests feedback from the Planning Board on a recently completed Middle Income Housing Study and the proposed steps to create a middle income housing strategy.

6. MATTERS FROM THE PLANNING BOARD, PLANNING DIRECTOR, AND CITY ATTORNEY

- A. BVCP Update**

7. DEBRIEF MEETING/CALENDAR CHECK

8. ADJOURNMENT

**CITY OF BOULDER PLANNING BOARD
MEETING GUIDELINES**

CALL TO ORDER

The Board must have a quorum (four members present) before the meeting can be called to order.

AGENDA

The Board may rearrange the order of the Agenda or delete items for good cause. The Board may not add items requiring public notice.

PUBLIC PARTICIPATION

The public is welcome to address the Board (3 minutes* maximum per speaker) during the Public Participation portion of the meeting regarding any item not scheduled for a public hearing. The only items scheduled for a public hearing are those listed under the category PUBLIC HEARING ITEMS on the Agenda. Any exhibits introduced into the record at this time must be provided in quantities of ten (10) to the Board Secretary for distribution to the Board and admission into the record.

DISCUSSION AND STUDY SESSION ITEMS

Discussion and study session items do not require motions of approval or recommendation.

PUBLIC HEARING ITEMS

A Public Hearing item requires a motion and a vote. The general format for hearing of an action item is as follows:

1. Presentations

- a. Staff presentation (10 minutes maximum*)
- b. Applicant presentation (10 minute maximum*). Any exhibits introduced into the record at this time must be provided in quantities of ten (10) to the Board Secretary for distribution to the Board and admission into the record.
- c. Planning Board questioning of staff or applicant for information only.

2. Public Hearing

Each speaker will be allowed an oral presentation (3 minutes maximum*). All speakers wishing to pool their time must be present, and time allotted will be determined by the Chair. No pooled time presentation will be permitted to exceed ten minutes total.

- Time remaining is presented by a Green blinking light that means one minute remains, a Yellow light means 30 seconds remain, and a Red light and beep means time has expired.
- Speakers should introduce themselves, giving name and address. If officially representing a group, homeowners' association, etc., please state that for the record as well.
- Speakers are requested not to repeat items addressed by previous speakers other than to express points of agreement or disagreement. Refrain from reading long documents, and summarize comments wherever possible. Long documents may be submitted and will become a part of the official record.
- Speakers should address the Land Use Regulation criteria and, if possible, reference the rules that the Board uses to decide a case.
- Any exhibits introduced into the record at the hearing must be provided in quantities of ten (10) to the Secretary for distribution to the Board and admission into the record.
- Citizens can send a letter to the Planning staff at 1739 Broadway, Boulder, CO 80302, two weeks before the Planning Board meeting, to be included in the Board packet. Correspondence received after this time will be distributed at the Board meeting.

3. Board Action

- d. Board motion. Motions may take any number of forms. With regard to a specific development proposal, the motion generally is to either approve the project (with or without conditions), to deny it, or to continue the matter to a date certain (generally in order to obtain additional information).
- e. Board discussion. This is undertaken entirely by members of the Board. The applicant, members of the public or city staff participate only if called upon by the Chair.
- f. Board action (the vote). An affirmative vote of at least four members of the Board is required to pass a motion approving any action. If the vote taken results in either a tie, a vote of three to two, or a vote of three to one in favor of approval, the applicant shall be automatically allowed a rehearing upon requesting the same in writing within seven days.

MATTERS FROM THE PLANNING BOARD, DIRECTOR, AND CITY ATTORNEY

Any Planning Board member, the Planning Director, or the City Attorney may introduce before the Board matters which are not included in the formal agenda.

ADJOURNMENT

The Board's goal is that regular meetings adjourn by 10:30 p.m. and that study sessions adjourn by 10:00 p.m. Agenda items will not be commenced after 10:00 p.m. except by majority vote of Board members present.

*The Chair may lengthen or shorten the time allotted as appropriate. If the allotted time is exceeded, the Chair may request that the speaker conclude his or her comments.

CITY OF BOULDER
PLANNING BOARD ACTION MINUTES
January 28, 2016
1777 Broadway, Council Chambers

A permanent set of these minutes and a tape recording (maintained for a period of seven years) are retained in Central Records (telephone: 303-441-3043). Minutes and streaming audio are also available on the web at: <http://www.bouldercolorado.gov/>

PLANNING BOARD MEMBERS PRESENT:

Bryan Bowen, Chair
John Putnam
John Gerstle
Liz Payton
Crystal Gray
Tim Plass, appointed as alternate board member

PLANNING BOARD MEMBERS ABSENT:

Leonard May, recused from project for public hearing (*Agenda Item 5A*)

STAFF PRESENT:

Charles Ferro, Development Review Manager
Hella Pannewig, Assistant City Attorney
Cindy Spence, Administrative Specialist III
Elaine McLaughlin, Senior Planner
David Thompson, Civil Engineer II – Transportation
Sam Assefa, Senior Urban Designer
Edward Stafford, Development Review Manager for Public Works
Kalani Pahoia, Urban Designer
Michelle Allen, Senior Housing Planner

1. CALL TO ORDER

Chair, **B. Bowen**, declared a quorum at 7:03 p.m. and the following business was conducted.

2. APPROVAL OF MINUTES

None to approve

3. PUBLIC PARTICIPATION

No one spoke.

4. DISCUSSION OF DISPOSITIONS, PLANNING BOARD CALL-UPS / CONTINUATIONS

No items were discussed.

5. PUBLIC HEARING ITEMS

A. AGENDA TITLE: SITE REVIEW AND REZONING: Applications under case no.'s LUR2015-00042 and LUR2015-00043, with a proposal to rezone properties located at 2170 30th Street and 3000 Pearl Street from Business- Regional 1 (BR-1) to Mixed Use 4 (MU-4) consistent with the Boulder Valley Comprehensive Plan, and rezoning of northeastern portion of property at 2120 32nd Street from Industrial-General (IG) to Business-Regional 1 (BR-1) consistent with the Boulder Valley Comprehensive Plan; and Site Review for a mixed use development of these properties and 2100 30th Street to include a mix of uses with office, retail, restaurant, and multi-family residential apartments. The proposal includes a request for amendments to the Transit Village Area Plan Connections Plan.

Applicant: Shane White

Property Owners:

- Hollister Properties LLLP, a Colorado Limited liability limited partnership
- Bridge Commercial Partners Fund IV, LLC, a Delaware limited liability company
- Alvin E. Baker and Virginia Ann Baker

Staff Presentation:

C. Ferro introduced the item.

E. McLaughlin presented the item to the board.

Board Questions:

E. McLaughlin answered questions from the board.

Applicant Presentation:

Tim Downey and **Shane White** with Southern Land Company and **Danica Powell** with Trestle Strategy Group, the applicants and owners' representatives, presented the item to the Board.

Board Questions:

D. Powell, S. White, Kelly Davis with OZ Architecture, **Ben Crenshaw** with Southern Land Company, and **Steven Tuttle** with Fox Tuttle Hernandez Transportation Group, the applicants and owners' representatives, answered questions from the Board.

Design Advisory Board (DAB) Comments:

Jamison Brown, Chair of Design Advisory Board, addressed the Planning Board and stated that the project was reviewed by DAB twice and the project improved dramatically through the process. The DAB approved of the project.

Public Hearing:

1. **Jeremy Durham**, representing Boulder Housing Partners (BHP), discussed the options for meeting the affordable housing requirements of the project. He informed the Planning Board that the developer has reached out to BHP to discuss a potential partnership in lieu of a cash-in-lieu approach. BHP has been actively working on a partnership and expects it to evolve over the next several months. He discussed some

- of the benefits to having a partnership as opposed to on-site affordable housing. He proposed a possible 48-60 units.
2. **Clif Harald**, representing the Boulder Economic Council, stated that he is in support of the project. The requirements are consistent with TVAP, site criteria and land use code. This project will provide significant community benefits and will meet growing demands.
 3. **Eric Budd**, representing the Better Boulder Steering Committee, asked the Planning Board to approve this project. He indicated that it will be a good mix of diverse housing units and the density is appropriate for the transit village center. The project promotes street life. They would like to see an improvement in the number of car spaces on site and how the transportation management program can be used to reduce this number. They have no position regarding on-site affordable housing vs. off-site.
 4. **Doyle Albee**, a resident of Solana Apartments, stated that his personal carbon footprint is lower since he moved there. He is in support of the project.
 5. **Karen Klerman** wanted to provide a positive reference for Southern Land Company. They do high quality projects and they are very professional. The proposed project is demonstrates that the developer has listened to the community and the guidance from the planning department. She is in support of the project.
 6. **Jaime Roth** is in support of Reve Project. The project will provide walkability and the density makes sense.
 7. **Ben Binder** stated his main concern is traffic. With density, traffic issues won't disappear. The proposed area will be the most congested area in the city. He suggested reducing the density of the project and placing permanent affordable housing on site.
 8. **Sean Kelly**, a Solana Apartments resident, is excited by the project but concerned that he does not see many "green" spaces, as in plantings. In addition, he would like to see more connections to the bike and hiking paths north of Pearl Street and to the Boulder Creek Trail.

Board Comments:

- The board agreed to discuss the key issues collectively, rather than individually.
- All board members overall agreed that they were in support of the project and that the project embraces the ditch, the public realm and will be a good compliment for Boulder Junction.
- Most board members felt that the TVAP and BVRC guidelines are being met. **C. Gray** had concern with the proposed variety of heights of the buildings, in particular three and four story buildings.

- The board was in support of the change in re-zoning and felt it was appropriate.
- **L. Payton** expressed concern with the balance of employee base vs. the number of residential units available. She stated that it would have been nice to see Building 2 reallocate some of its space to residential.
- **J. Putnam** stated that he may request the addition of a few conditions regarding the addition of wiring to support for future photovoltaic systems, reduced parking and to add EV charging stations but leave details open for staff.
- The board was in agreement with **J. Putnam's** suggested conditions.
- Several board members had concerns with the affordable housing issue and agreed that they would like to see on-site affordable housing. The overall concern was that if the developer did a cash-in-lieu project, then an affordable housing project would end up on the fringe of the city and it would be challenging to find a location and obtain neighborhood acceptance. On-site affordable housing could make the project better. The board stated that there may be some creative solutions with BHP for on-site affordable housing.
- **C. Gray** suggested that the Planning Board recommend that before the City Manager approves a cash-in-lieu option for the entire 20 percent Inclusionary Housing requirement, that the City Manager inform the City Council of the decision before it is finalized; because the first 10 percent the developer can buy out and the second 10 percent and the City Manager has to approve. All board members were in agreement to her suggestion. **H. Pannewig** clarified however that the on-site requirement referenced by C. Gray only applies to development of “for sale” units and not “for rental” units.
- The board was in agreement to recommend to City Council to review the on-site affordable housing issue since Planning Board does not have the necessary tools to compel the developer to include it and find some creative solutions.
- **J. Gerstle**, with respect to the TVAP connections plan, expressed concern with regards to the proposed traffic flowing through the plaza. He suggested reviewing the projected traffic flow to the uses proposed for the plaza and possibly improve the situation.
- In addition, **J. Gerstle** questioned the dog park location on the southern and eastern border of the project, whether it would be accessible or not to the public. He suggested that it should be kept open for a future connection to 32nd Street because it will become a desirable connection, therefore it could perhaps be expanded or the use of the land changed.

Design Issues:

- The board discussed design elements separately.

- **C. Gray** expressed her concern in varying the heights of the buildings, especially the ones proposed on 30th Street. She suggested dropping the height in order to create a building that would not appear to be monolithic and to break up the façade along Pearl Street and 30th Street.
- Several other board members did not agree with **C. Gray** stating that the buildings do not appear to be monolithic and that the architecture would be hitting the desired three to four stories and suggested keeping the proposal as is.
- **T. Plass** mentioned that he is not concerned with the height but with the pedestrian experience along Building 2 and would like to see more details or activities on 30th Street for that building.
- **B. Bowen** informed the Planning Board that DAB had reviewed this project extensively and thought the pedestrian experience and the heights were adequately done.

Motion:

On a motion by **B. Bowen**, seconded by **J. Putnam**, the Planning Board voted 5-1 (**C. Gray** opposed, **L. May** recused) to approve Site Review Application no. LUR2015-00042 along with the proposed amendments to the TVAP Connections Plan, and that the Planning Board recommend to City Council approval of Rezoning Application no. LUR2015-00043, incorporating the staff memorandum and the attached Site Review and Rezoning Criteria Checklists as findings of fact, subject to the recommended conditions of approval as listed in the packet with addition of the following conditions:

- The Planning Board approves and requires a 15% reduction of motor vehicle parking spaces and that the Applicant provide a TDM plan, subject to approval by staff,
- Each building shall be pre-wired for future photovoltaic systems, from the roof-top to the primary electrical panel and switch gear building,
- As part of the TEC doc review, the Applicant shall submit a revised site plan that shows some amount of EV parking.

C. Gray opposed, stating that the project does not meet the site review criteria due to lack of height variance and the TVAP criteria for three and four story buildings is not met.

J. Putnam encouraged the applicant to consider the pedestrian experience along 30th Street as well as on-site affordable housing.

L. Payton made a friendly amendment to change the parking reduction to 20% from 15%. **B. Bowen** and **J. Putnam** accepted the friendly amendment.

On a motion by **C. Gray** seconded by **L. Payton**, the Planning Board voted 5-1 (**J. Putnam** opposed by abstention) to further recommend that City Council examine changes to the Inclusionary Housing Ordinance to allow the city to require on-site affordable housing and consider changes to the site review criteria to be able to require on-site affordable housing.

6. MATTERS FROM THE PLANNING BOARD, PLANNING DIRECTOR, AND CITY ATTORNEY

A. APA Conference, April 2016, Phoenix, AZ – Attendance of Planning Board Members

- **J. Gerstle** expressed interest in attending.

B. Possible Joint Meeting with Planning Commission in March 2016

- **Most board members stated that they would not have a conflict.**
- **C. Spence** informed the board that **L. May** (absent) stated he would be out of the country at that time.
- **C. Spence** will confirm the meeting date, time and location and inform the board.

7. DEBRIEF MEETING/CALENDAR CHECK

8. ADJOURNMENT

The Planning Board adjourned the meeting at 11:26 p.m.

APPROVED BY

Board Chair

DATE

DRAFT

CITY OF BOULDER
PLANNING BOARD AGENDA ITEM
MEETING DATE: February 18, 2016

AGENDA TITLE: Continuation of a Public Hearing to consider a motion to approve findings of fact and conclusions of law for the denial of the application for a Nonconforming Use Review, application no. LUR2015-00073, for the addition of two bedrooms in the basement of an existing nonconforming duplex at 940 14th St.

Applicant: Lani King, Michael J Hirsch Companies
Owner: 20th Street Apartments 1 LLC and 20th Street Apartments 2 LLC

REQUESTING DEPARTMENT:

Planning, Housing & Sustainability
David Driskell, Executive Director
Susan Richstone, Deputy Director
Charles Ferro, Development Review Manager
Sloane Walbert, Planner I

OBJECTIVE:

Define the steps for Planning Board consideration of this request:

1. Planning Board action to adopt the findings of denial, as proposed, or modify and adopt the findings of denial for Nonconforming Use Review, case no. LUR2015-00073.

SUMMARY:

Proposal: NONCONFORMING USE REVIEW for the addition of bedrooms in the basement of an existing nonconforming duplex.
Project Name: 940 14TH ST NONCONFORMING DUPLEX
Location: 940 14th Street
Size of Tract: 0.11-acre
Zoning: Residential - Low 1 (RL-1)
Comprehensive Plan: Low Density Residential

SUMMARY

On February 4, 2016, the Planning Board held a quasi-judicial hearing to review the proposed application for a Nonconforming Use Review at 940 14th St. described above. On a motion by **L. Payton**, seconded by **L. May**, the Planning Board voted 4-2 to deny the application (B. Bowen and J. Putnam opposed). Subsequently, on a motion by **L. Payton**, seconded by **J. Putnam**, the Board unanimously voted to continue the hearing to its next meeting for preparation and consideration of draft findings of fact. The Planning Board is required to make findings within 30 days of the hearing. Staff has prepared the following draft findings of denial.

FINDINGS OF FACT

Introduction

In accordance with the requirements of Chapter 9-2-15, B.R.C. 1981, the City of Boulder Planning Board (the "Planning Board"), on February 4, 2016, held a public hearing after giving notice as required by law on the application for the above captioned Nonconforming Use Review.

Lani King of Michael J Hirsch Companies, as the proponent (the "Applicant") of the application for a Nonconforming Use Review, is seeking approval to convert the basement of a legal nonconforming duplex, which was previously approved for "utility" and "storage" purposes, into two bedrooms and a bathroom, thereby converting the lower unit of the duplex from a one bedroom unit into a three bedroom unit. The resulting duplex would have two 3-bedroom units. The development proposal includes several site improvements to improve the physical appearance of the site and life safety upgrades to the basement.

The Applicant has the burden of proof to demonstrate that the application meets all applicable requirements of the Boulder Revised Code, Subsection 1-3-5(h), B.R.C. 1981. (Nonconforming Use Review # LUR2015-00073) (the "Project").

Criteria

The review criteria for a non-conforming use review can be found in Section 9-2-15(e) and (f), B.R.C. 1981, and read as follows:

- (e) Criteria for Review: No use review application will be approved unless the approving agency finds all of the following:
 - (1) Consistency With Zoning and Nonconformity: The use is consistent with the purpose of the zoning district as set forth in section 9-2-5, "Zoning Districts," B.R.C. 1981, except in the case of a nonconforming use;
 - (2) Rationale: The use either:
 - (A) Provides direct service or convenience to or reduces adverse impacts to the surrounding uses or neighborhood;
 - (B) Provides a compatible transition between higher intensity and lower intensity uses;
 - (C) Is necessary to foster a specific city policy, as expressed in the Boulder Valley Comprehensive Plan, including, without limitation, historic preservation, moderate income housing, residential and nonresidential mixed uses in appropriate locations and group living arrangements for special populations; or
 - (D) Is an existing legal nonconforming use or a change thereto that is permitted under subsection (f) of this section;
 - (3) Compatibility: The location, size, design and operating characteristics of the proposed development or change to an existing development are such that the use will be reasonably compatible with and have minimal negative impact on the use of nearby properties or for residential uses in industrial zoning districts, the proposed development reasonably mitigates the potential negative impacts from nearby properties;
 - (4) Infrastructure: As compared to development permitted under section 9-6-1, "Schedule of Permitted Land Uses," B.R.C. 1981, in the zone, or as compared to the existing level of

impact of a nonconforming use, the proposed development will not significantly adversely affect the infrastructure of the surrounding area, including, without limitation, water, wastewater and storm drainage utilities and streets;

- (5) Character of Area: The use will not change the predominant character of the surrounding area or the character established by adopted design guidelines or plans for the area; and
 - (6) Conversion of Dwelling Units to Nonresidential Uses: There shall be a presumption against approving the conversion of dwelling units in the residential zoning districts to nonresidential uses that are allowed pursuant to a use review, or through the change of one nonconforming use to another nonconforming use. The presumption against such a conversion may be overcome by a finding that the use to be approved serves another compelling social, human services, governmental or recreational need in the community, including, without limitation, a use for a daycare center, park, religious assembly, social service use, benevolent organization use, art or craft studio space, museum or an educational use.
- (f) Additional Criteria for Modifications to Nonconforming Uses: No application for a change to a nonconforming use shall be granted unless all of the following criteria are met in addition to the criteria set forth above:
- (1) Reasonable Measures Required: The applicant has undertaken all reasonable measures to reduce or alleviate the effects of the nonconformity upon the surrounding area, including, without limitation, objectionable conditions, glare, adverse visual impacts, noise pollution, air emissions, vehicular traffic, storage of equipment, materials and refuse, and on-street parking, so that the change will not adversely affect the surrounding area.
 - (2) Reduction in Nonconformity/Improvement of Appearance: The proposed change or expansion will either reduce the degree of nonconformity of the use or improve the physical appearance of the structure or the site without increasing the degree of nonconformity.
 - (3) Compliance With This Title/Exceptions: The proposed change in use complies with all of the requirements of this title:
 - (A) Except for a change of a nonconforming use to another nonconforming use; and
 - (B) Unless a variance to the setback requirements has been granted pursuant to section 9-2-3, "Variances and Interpretations," B.R.C. 1981, or the setback has been varied through the application of the requirements of section 9-2-14, "Site Review," B.R.C. 1981.
 - (4) Cannot Reasonably Be Made Conforming: The existing building or lot cannot reasonably be utilized or made to conform to the requirements of chapter 9-6, "Use Standards," 9-7, "Form and Bulk Standards," 9-8, "Intensity Standards," or 9-9, "Development Standards," B.R.C. 1981.
 - (5) No Increase in Floor Area Over Ten Percent: The change or expansion will not result in a cumulative increase in floor area of more than ten percent of the existing floor area.
 - (6) Approving Authority May Grant Zoning Variances: The approving authority may grant the variances permitted by subsection 9-2-3(d), B.R.C. 1981, upon finding that the criteria set forth in subsection 9-2-3(h), B.R.C. 1981, have been met.

Summary of Findings

Based on a consideration of the entire evidentiary record, the Planning Board makes the following findings of fact. The Applicant failed to demonstrate, based upon a preponderance of evidence, that:

1. Compatibility: Section 9-2-15(e)(3), B.R.C. 1981. The location, size, design and operating characteristics of the proposed change to the existing development are such that the use will be reasonably compatible with and have minimal negative impact on the use of nearby properties.
2. Character of Area: Section 9-2-15(e)(5), B.R.C. 1981. The use would not change the predominant character of the surrounding area.
3. Reasonable Measures Required: Section 9-2-15(f)(1), B.R.C. 1981. The applicant has undertaken all reasonable measures to reduce or alleviate the effects of the nonconformity upon the surrounding area, including, without limitation, objectionable conditions, glare, adverse visual impacts, noise pollution, air emissions, vehicular traffic, storage of equipment, materials and refuse, and on-street parking, so that the change will not adversely affect the surrounding area.
4. Cannot Reasonably Be Made Conforming: Section 9-2-15(f)(4), B.R.C. 1981. The existing building or lot cannot reasonably be utilized or made to conform to the requirements of chapter 9-6, "Use Standards," B.R.C. 1981, 9-7, "Form and Bulk Standards," or 9-9, "Development Standards," B.R.C. 1981.

Findings of Fact and Conclusions of Law

In evaluating the credibility and weight to be given to the evidence, the Planning Board considered the entire record (which included materials provided by the Applicant, Planning staff, and the public and testimony and information produced at the public hearing), and weighed a number of specific factors, the collective and corroborative weights of which were considered as follows:

1. Compatibility: Section 9-2-15(e)(3), B.R.C. 1981. The Applicant failed to demonstrate by a preponderance of evidence that the addition of bedrooms would be reasonably compatible with and have minimal negative impact on the use of nearby properties. The site of the Project is located in the Residential-Low 1 (RL-1) zoning district, which is defined as *"single-family detached residential dwelling units at low to very low residential densities."* All of the properties surrounding the project site are also zoned RL-1. Duplexes are generally prohibited in the RL-1 zoning district. The Board determined that the addition of bedrooms would increase the likelihood of higher occupancy of the duplex and with such would increase negative impacts on the use of nearby properties in terms of vehicular traffic, parking, and noise. The addition of residents would not be compatible with the intent of the 1974 downzoning of the area to a low density single-family zone district.
2. Character of Area: Section 9-2-15(e)(5), B.R.C. 1981. The Applicant failed to demonstrate by a preponderance of evidence that the addition of bedrooms would not change the predominant character of the surrounding area. The area is currently zoned RL-1 for detached single-family dwelling units. This zoning designation establishes the character of the area. The 1974 downzoning to RL-1 was intended to limit the addition of higher intensity uses in the area. The addition of bedrooms would change the practical occupancy capacity of the building. The area is currently a mix of student renters and permanent residents. The addition of bedrooms in the basement would likely attribute to a change in the character of area by exacerbating the trend of changeover from permanent residents to

student residents who typically live in higher occupancy situations, such as this building would offer, than permanent residents.

3. Reasonable Measures Required: Section 9-2-15(f)(1), B.R.C. 1981. The Applicant failed to demonstrate by a preponderance of the evidence that the Applicant has undertaken all reasonable measures to reduce or alleviate the effects of the nonconformity upon the surrounding area. The addition of two bedrooms to a one bedroom unit, increasing the overall number of bedrooms in the building to six, would increase the occupancy capacity of the unit and building and would thereby exacerbate the effects of the nonconformity of the use as a duplex in a zone allowing only detached single-family units. Evidence showed that higher occupancy in this area typically increases vehicular traffic, parking needs, noise issues, and other objectionable conditions such as adequate storage of materials, equipment that adversely affect the surrounding area.
4. Cannot Reasonably Be Made Conforming: Section 9-2-15(f)(4), B.R.C. 1981. No evidence has been presented to demonstrate that the building or lot cannot reasonably be utilized or made conforming as a detached single-family unit rather than a duplex.

Conclusion

For these reasons, the Planning Board finds that the Applicant has failed to establish that the proposal meets the non-conforming use review standards of section 9-2-15, B.R.C. 1981.

PLANNING BOARD OPTIONS

Planning Board may adopt the findings of denial, as proposed, or modify and adopt the findings of denial.

STAFF RECOMMENDATION

Staff recommends that Planning Board adopt this memorandum as findings of denial for the 940 14th Street Nonconforming Use Review application in the form of the following motion:

The Planning Board finds that application no. LUR2015-00073 fails to meet the requirements of the Boulder Revised Code, denies the application, and adopts the staff memorandum dated for the February 18, 2016 Planning Board meeting as findings of fact and conclusions of law.

MEMORANDUM

To: Planning Board
FROM: Sloane Walbert, Case Manager
DATE: February 12, 2016
SUBJECT: **Call Up Item:** Approval of a Minor Amendment to an Approved Site Plan to install two vendor kiosks and a walk-in cooler made from repurposed shipping containers in the public plaza between 1710 and 1750 29th St. within the Twenty Ninth Street shopping center. The kiosks will be for alcohol service and will include fenced areas with controlled points of entry. The project includes railings, outdoor seating, umbrellas, planters and other landscaping and furniture elements, including a public turf area adjacent to the new vendors. Approval includes an amendment to the Twenty Ninth Street Signage Program to include the central portion of the plaza in the sign program as a Type 4 Storefront type. The project site is zoned Business – Regional 1 (BR-1). Case No. LUR2015-00119.

Background. The subject development is generally located between 28th and 30th Streets and Arapahoe Avenue and Walnut Street (refer to **Figure 1**). The project site is located within the Business Regional - 1 (BR-1) zone district, defined in the land use code as, “*business centers of the Boulder Valley, containing a wide range of retail and commercial operations, including the largest regional-scale businesses, which serve outlying residential development; and where the goals of the Boulder Urban Renewal Plan are implemented*” (section 9-5-2(c)(2)(I), B.R.C. 1981).

The project site is located within the Twenty Ninth Street shopping center. The current configuration was approved as a Site Review Amendment (#LUR2004-00007) to redevelop the original Crossroads Mall PUD (Planned Unit Development). The amendment approval was for the construction of an outdoor retail and entertainment complex and associated circulation with approximately 877,000 sq ft of commercial, office and entertainment floor area.

A large portion of the city’s commercial activity takes place in the Boulder Valley Regional Center (BVRC), making this subcommunity a major regional destination area due to its abundance of shopping, restaurants, services, and jobs. Twenty Ninth Street is a major draw for the city. Within the BVRC, the development pattern shifts from a grid of streets and alleys west of Folsom to a more auto-oriented pattern to the east featuring longer “super-blocks” lined with retail and surface parking lots.

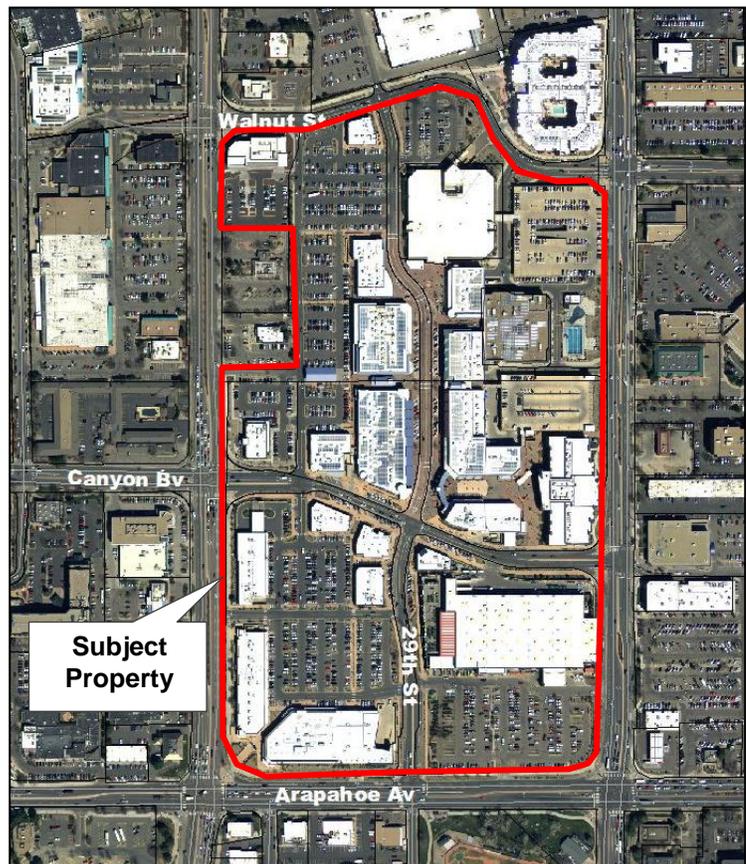


Figure 1: Vicinity Map

As shown in **Figure 2**, the project site is located northeast of the intersection of Canyon Boulevard and 29th Street within the Twenty Ninth Street shopping center near to the Century Theaters. The proposal includes a re-envisioning of the public plaza, which is elevated from the street level and is most easily accessible by stairs from 29th Street. The project site is located adjacent to a number of restaurants, offices and numerous retail businesses.

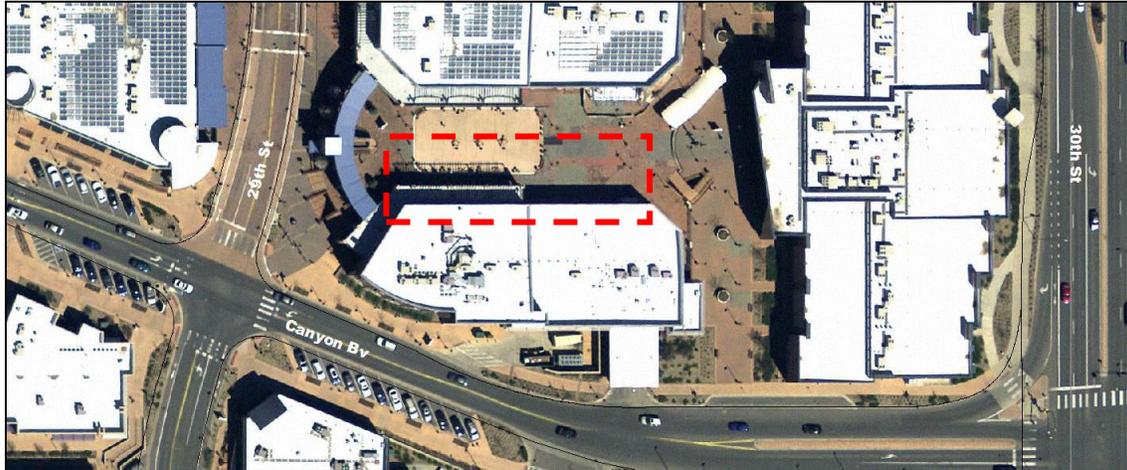


Figure 2: Project Site

The plaza was designed and intended as an active public space surrounded by retail and restaurant uses, but has largely become more of “dead space.” The original approval included a customer service kiosk, display areas for artwork and science exhibits, a performance area and outdoor seating areas. Refer to **Figures 3 and 4** below. The current proposal is intended to activate the space as originally intended.

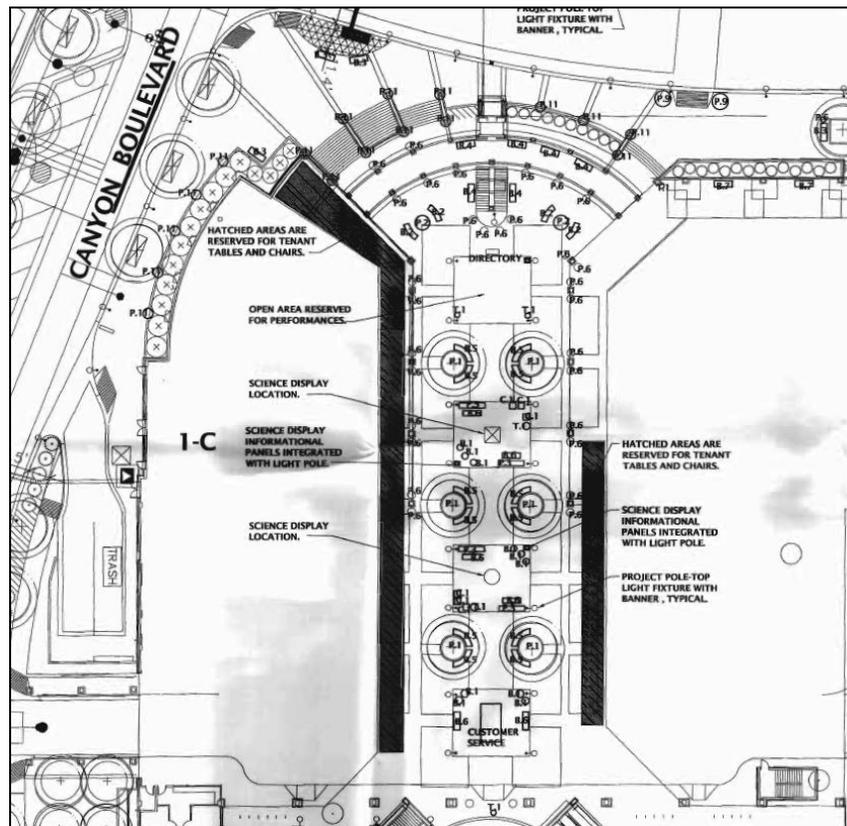


Figure 3: Original Approved Plans



Figure 4: Original Conceptual Representation of Plaza

Subsequently, in 2011 a minor modification to the PUD was approved for the installation of a concrete slab with removable railing within the plaza for an ice/roller-skate rink. This proposal involved the removal of the customer service kiosk and large planters and trees from the plaza. In 2015, the property owner received approval to remove the ice rink and replace the concrete pavers and to reinstall outdoor seating in the plaza.

Project Proposal. The current proposal includes the following:

- The addition of three container buildings constructed from repurposed shipping containers for two new tenants in the central portion of the plaza, two measuring 8 feet by 40 feet and one measuring 8 feet by 24 feet. The containers would total 832 square feet.
- The containers will be utilized by restaurant/tavern uses and will be surrounded by outdoor seating areas. The plaza area being served by these two vendors will be separated from the rest of the plaza with railings and planters. They will also be separated from each other due to liquor licensing laws.
- The addition of an artificial turf area on the east end of the plaza, to be open to all users of the center. The turf area is proposed to contain outdoor furniture, umbrellas, lawn games and other items to enliven the space.
- An amendment to the Twenty Ninth Street Signage Program to include the central portion of the plaza in the sign program as a Type 4 Storefront type. Building signs were not previously approved for the central portion of the plaza in the sign program. Storefront Type 4 is classified as “single level entertainment Interior Building Sign Zone.”

Refer to **Attachment C** for approved plans.

Review Process. The property is subject to an approved PUD and subsequent Site Review (PUD #P-81-67, LUR2004-00007). A Minor Amendment to an Approved Site Plan is required to modify the intent of the original approval, which takes a different approach to how to activate the public space. In addition to modifying the intent of the approval, any additions exceeding 10 percent of the overall floor area in an approved PUD are subject to the Minor Amendment process. A Minor Site Review Amendment is subject to Planning Board call-up per Land Use Code section 9-2-14(l), B.R.C. 1981.

Project Analysis: Overall, the proposal was found to be consistent with the criteria for Minor Amendments to Approved Site Plans found in section 9-2-14(l), B.R.C. 1981. The criteria for a Minor Amendment requires an evaluation of a project with specific Site Review criteria in subsections 9-2-14(h)(2)(A), (C), and (F), B.R.C. 1981, Open Space, Landscaping, and Building Design respectively. Please refer to **Attachment B** for staff's complete analysis of the review criteria.

Public Comment: Required public notice was provided in the form of written notifications of the application to property owners within 600 feet of the subject property. In addition, a public notice sign was posted on the property. Therefore, all public notice requirements of section 9-4-3, "Public Notice Requirements," B.R.C. 1981 were met. Staff has not received any inquiries or public comments regarding the proposal.

Conclusion: Staff finds that the application for a Minor Amendment meets the criteria of section 9-2-14(l), B.R.C. 1981. The proposal was approved by staff on February 10, 2016 and the decision may be called up before Planning Board on or before **February 24, 2016**. There is one Planning Board hearing scheduled during the required 14-day call-up period on **February 18, 2016**. Questions about the project or decision should be directed to the Case Manager, Sloane Walbert at (303) 441-4231 or walberts@bouldercolorado.gov.

Attachments.

Attachment A: Staff Disposition

Attachment B: Site Review Criteria Checklist

Attachment C: Approved Plan Set



**CITY OF BOULDER
Planning and Development Services**

1739 Broadway, Third Floor • P.O. Box 791, Boulder, CO 80306-0791
phone 303-441-1880 • fax 303-441-3241 • email plandevlop@bouldercolorado.gov
www.boulderplandevlop.net

**CITY OF BOULDER PLANNING DEPARTMENT
NOTICE OF DISPOSITION**

You are hereby advised that the following action was taken by the Planning Department based on the standards and criteria of the Land Use Regulations as set forth in Chapter 9-2, B.R.C. 1981, as applied to the proposed development.

DECISION:	APPROVED WITH CONDITIONS
PROJECT NAME:	TWENTY NINTH STREET BEER GARDEN
DESCRIPTION:	MINOR AMENDMENT TO APPROVED SITE PLAN to install two vendor kiosks and a walk-in cooler made from repurposed shipping containers in the public plaza between 1710 and 1750 29th St. The kiosks will serve alcohol and will include fenced areas with controlled points of entry. The project includes railings, outdoor seating, umbrellas, planters and other landscaping and furniture elements, including a public turf area adjacent to the new vendors. Approval includes an amendment to the Twenty Ninth Street Signage Program to include the central portion of the plaza in the sign program as a Type 4 Storefront type.
LOCATION:	1710 29TH ST
COOR:	N03W04
LEGAL DESCRIPTION:	Lot 10, Twenty Ninth Street Subdivision, County of Boulder, State of Colorado
APPLICANT:	ANDY GREENWOOD
OWNER:	U.S. Bank National Association as Trustee of the Charlotte Ball Seymour Trust, f/b/o Charlotte Seymour Lovejoy; Roberta Williamson Seymour, as Co-Trustee of the Seymour-Ball Trust for Lee Seymour and The Seymour-Ball Trust for Alexander Williamson Seymour; and Martin Hall, as Co-Trustee of The Seymour-Ball Trust for Lee Seymour and The Seymour-Ball Trust for Alexander Williamson Seymour
APPLICATION:	Minor Site Review Amendment, LUR2015-00119
ZONING:	Business Regional – 1 (BR-1)
CASE MANAGER:	Sloane Walbert
VESTED PROPERTY RIGHT:	NO; the owner has waived the opportunity to create such right under Section 9-2-19, B.R.C. 1981.

FOR CONDITIONS OF APPROVAL, SEE THE FOLLOWING PAGES OF THIS DISPOSITION.

Approved On: 2/10/16
Date

By: [Signature]
David Driskell, Executive Director of Community Planning and Sustainability

This decision may be appealed to the Planning Board by filing an appeal letter with the Planning Department within two weeks of the decision date. If no such appeal is filed, the decision shall be deemed final fourteen days after the date above mentioned.

Address: 1710 29TH ST

Appeal to Planning Board expires: 2/24/16

Final decision date: _____

IN ORDER FOR A BUILDING PERMIT APPLICATION TO BE PROCESSED FOR THIS PROJECT, A SIGNED DEVELOPMENT AGREEMENT AND FINAL PLANS FOR CITY SIGNATURE MUST BE SUBMITTED TO THE PLANNING DEPARTMENT WITH DISPOSITION CONDITIONS AS APPROVED SHOWN ON THE FINAL PLANS, IF THE DEVELOPMENT AGREEMENT IS NOT SIGNED WITHIN NINETY (90) DAYS OF THE FINAL DECISION DATE, THE PLANNING DEPARTMENT APPROVAL AUTOMATICALLY EXPIRES.

Pursuant to Section 9-2-12 of the Land Use Regulations (Boulder Revised Code, 1981), the applicant must begin and substantially complete the approved development within three years from the date of final approval. Failure to "substantially complete" (as defined in Section 9-2-12) the development within three years shall cause this development approval to expire.

CONDITIONS OF APPROVAL

1. The Applicant shall ensure that the **development shall be in compliance with all plans prepared by the Applicant** on February 5, 2016, on file in the City of Boulder Planning Department, except to the extent that the development may be modified by the conditions of this approval.
2. The Applicant shall **comply with all previous conditions contained in any previous approvals**, except to the extent that any previous conditions may be modified by this approval, including, but not limited to, the following:
 - a. Development Agreement recorded at Reception No. 2660078 on January 24, 2005; and
 - b. Subdivision Agreement recorded at Reception No. 2673340 on March 21, 2005.

Address: 1710 29TH ST

Section 9-2-14 (I), B.R.C. 1981, "Minor Amendments to Approved Site Plans"

(1) Standards: Changes to approved building location, or additions to existing buildings which exceed the limits of a minor modification, may be considered through the minor amendment process, if the following standards are met:

The proposal exceeds the limits of a minor modification because it alters the intent of the original approval for the public plaza space, particularly the installation of railings. The proposal is a minor amendment because the plaza was approved for vendor kiosks as part of the original approval. The new shipping containers would change the "approved building locations."

N/A (A) In a residential zone as set forth in section 9-5-2, "Zoning Districts," B.R.C. 1981, all approved dwelling units within the development phase have been completed;

Not applicable. The project site is zoned BR-1.

N/A (B) In residential zones, dwelling unit type is not changed;

Not applicable. The project site is zoned BR-1.

N/A (C) The required open space per dwelling unit requirement of the zone is met on the lot of the detached dwelling unit to be expanded, and

Not applicable. The development does not contain detached dwelling units.

N/A (D) The total open space per dwelling unit in the development is not reduced by more than ten percent of that required for the zone; or

Not applicable. The proposal will minimally reduce the open space and will not reduce open space beyond that required for the zone.

N/A (E) If the residential open space provided within the development or an approved phase of a development cannot be determined, the detached dwelling unit is not expanded by more than ten percent and there is no variation to the required setbacks for that lot;

Not applicable. The proposal does not involve a detached dwelling unit.

✓ (F) For a building in a nonresidential use module, the building coverage is not increased by more than twenty percent, the addition does not cause a reduction in required open space, and any additional required parking that is provided, is substantially accommodated within the existing parking arrangement;

The building coverage will be increased by 832 square feet from the current configuration for the shipping containers. The original approval for Twenty Ninth Street was 877,063 square feet and the increase in coverage is less than one percent. This coverage is located on pavers in the plaza, which is located above the parking garage, and will not impact drainage. The proposed project does not cause a reduction in required open space.

Twenty Ninth Street contains over 50,000 square feet of leasable area and less than 30 percent of the total floor area is occupied by restaurants, taverns, or brewpubs. Hence, one parking space is required per 250 square feet of floor area for the proposal. The shipping containers will add 832 square feet, which requires 4 parking spaces. Currently, 3,036 spaces are required and 3,316 spaces are provided in the shopping center. Thus, the required vehicular parking can be accommodated.

In terms of bike parking, one space is required per 750 square feet of floor area. Hence, the development is required to provide the minimum of four spaces. The proposal includes the addition of u-racks adjacent to the existing racks for short-term bike parking, located on 29th St. next to the stairs up to the plaza. The long-term bike spaces will be located in the existing underground garage directly below the plaza and will be for

employees only.

- ✓ (G) The portion of any building over the permitted height under section 9-7-1, "Schedule of Form and Bulk Standards," B.R.C. 1981, is not increased;

No portion of any building is over the permitted height.

- ✓ (H) The proposed minor amendment does not require public infrastructure improvements or other off-site improvements.

As the project site is located within the completed Twenty Ninth Street PUD, all of the required public infrastructure improvements have already been completed and no further improvements are required.

(2) Amendments to the Site Review Approval Process: Applications for minor amendment shall be approved according to the procedures prescribed by this section for site review approval, except:

- ✓ (A) If an applicant requests approval of a minor amendment to an approved site review, the city manager will determine which properties within the development would be affected by the proposed change. The manager will provide notice pursuant to subsection 9-4-3(b), B.R.C. 1981, of the proposed change to all property owners so determined to be affected, and to all property owners within a radius of six hundred feet of the subject property.

- ✓ (B) Only the owners of the subject property shall be required to sign the application.

- ✓ (C) The minor amendment shall be found to comply with the review criteria of subparagraphs (h)(2)(A), (h)(2)(C), and (h)(2)(F) of this section, and

See checklist below.

- ✓ (D) The minor amendment is found to be substantially consistent with the intent of the original approval, including conditions of approval, the intended design character and site arrangement of the development, and specific limitations on additions or total size of the building which were required to keep the building in general proportion to others in the surrounding area or minimize visual impacts.

- ✓ (E) The city manager may amend, waive, or create a development agreement.

Subparagraphs (h)(2)(A), (h)(2)(C), and (h)(2)(F) of section 9-2-14:

(h) Criteria for Review: No site review application shall be approved unless the approving agency finds that:

(2) Site Design: Projects should preserve and enhance the community's unique sense of place through creative design that respects historic character, relationship to the natural environment, multi-modal transportation connectivity and its physical setting. Projects should utilize site design techniques which are consistent with the purpose of site review in subsection (a) of this section and enhance the quality of the project. In determining whether this subsection is met, the approving agency will consider the following factors:

(A) Open Space: Open space, including, without limitation, parks, recreation areas and playgrounds:

- ✓ (i) Useable open space is arranged to be accessible and functional and incorporates quality landscaping, a mixture of sun and shade and places to gather;

The quality of the open space in the development will be greatly improved with the proposal. The addition of vendors with outdoor seating and the public turf area will re-energize the under-utilized outdoor plaza with activities and functions similar to those that were originally envisioned and approved through the original Site Review. The proposal will incorporate outdoor seating, lighting, umbrellas, planters, and other landscaping and furniture elements. The existing hardscape plaza is completely bare apart from the paving materials and light poles. It is currently a dead space for the shopping center, with a lack of places to sit and gathering points. The space will be highly accessible to all users

of the center.

- N/A (ii) Private open space is provided for each detached residential unit;
Not applicable. The proposal will not impact private open space for the residential use.
- N/A (iii) The project provides for the preservation of or mitigation of adverse impacts to natural features, including, without limitation, healthy long-lived trees, significant plant communities, ground and surface water, wetlands, riparian areas, drainage areas and species on the federal Endangered Species List, "Species of Special Concern in Boulder County" designated by Boulder County, or prairie dogs (*Cynomys ludovicianus*), which is a species of local concern, and their habitat;
Not applicable; there are no notable natural features associated with the project site.
- ✓ (iv) The open space provides a relief to the density, both within the project and from surrounding development;
Open space is distributed throughout the development and provides a relief to the density. The addition of outdoor seating, planters, and other landscaping and furniture elements will serve to break up the currently bare plaza and provide a relief to the density within the project
- ✓ (v) Open space designed for active recreational purposes is of a size that it will be functionally useable and located in a safe and convenient proximity to the uses to which it is meant to serve;
The proposed public turf area on the east side of the plaza will serve as a gathering place and for informal recreation, with table tennis, jenga, scrabble, dominos, etc. It is an appropriate size for the purpose and will be easily accessible for the users of the center.
- N/A (vi) The open space provides a buffer to protect sensitive environmental features and natural areas; and
Not applicable; there are no sensitive environmental features or natural areas on the developed site.
- ✓ (vii) If possible, open space is linked to an area- or city-wide system.
The development is existing and no opportunities exist to connect to a larger open space system.

(C) Landscaping:

- ✓ (i) The project provides for aesthetic enhancement and a variety of plant and hard surface materials, and the selection of materials provides for a variety of colors and contrasts and the preservation or use of local native vegetation where appropriate;
The proposal will greatly enhance the aesthetic of the public plaza and includes a variety of planter types, outdoor furniture and an area of artificial turf. The planters will contain a variety of grasses and perennials. The plaza is currently hardscape and no native vegetation exists.
- N/A (ii) Landscape design attempts to avoid, minimize or mitigate impacts on and off site to important native species, healthy, long lived trees, plant communities of special concern, threatened and endangered species and habitat by integrating the existing natural environment into the project;
Not applicable; the site is developed and contains no important native species, plant communities of special concern, threatened and endangered species.
- ✓ (iii) The project provides significant amounts of plant material sized in excess of the landscaping requirements of sections 9-9-12, "Landscaping and Screening Standards," and 9-9-13, "Streetscape Design Standards," B.R.C. 1981; and
The plaza was never intended to contain a significant amount of plant material. However, the proposal includes the addition of 39 planters in the plaza, which will contain a variety of grasses and perennials.

N/A (iv) The setbacks, yards and useable open space along public rights of way are landscaped to provide attractive streetscapes, to enhance architectural features and to contribute to the development of an attractive site plan.

Not applicable; the plaza is not bound by any public rights of way.

(F) Building Design, Livability and Relationship to the Existing or Proposed Surrounding Area:

✓ (i) The building height, mass, scale, orientation, architecture and configuration are compatible with the existing character of the area or the character established by adopted design guidelines or plans for the area;

The building height, mass, scale, architecture and configuration are compatible with the approved Twenty Ninth Street Design Guidelines. According to the design guidelines, the character of the development is contemporary styling with an emphasis on transparency, color, and non-traditional forms. The architecture of the buildings surrounding the plaza are characterized by stucco, sandstone tile, painted steel columns, beams and lattice work. There are also repeating linear wooden shade structures elements at the balcony level above and wooden slats on the storefront directly to the south. The ribbed steel containers, railings and wood screening are compatible with these elements. The new railings will match the existing railings on the balcony above in material and color.

✓ (ii) The height of buildings is in general proportion to the height of existing buildings and the proposed or projected heights of approved buildings or approved plans or design guidelines for the immediate area;

The maximum height of the shipping containers is 9'-6". This is consistent with the formerly approved customer service kiosk.

✓ (iii) The orientation of buildings minimizes shadows on and blocking of views from adjacent properties;

There will be no impact on other properties following the proposed expansion, as the containers are located within the central part of the Twenty Ninth Street PUD and will be shaded by the surrounding buildings.

✓ (iv) If the character of the area is identifiable, the project is made compatible by the appropriate use of color, materials, landscaping, signs and lighting;

The project is compliant with the approved Twenty Ninth Street Design Guidelines in terms of color, materials, landscaping signs and lighting. The ribbed steel containers, railings and wood screening are compatible with character of the development. The new railings will match the existing railings on the balcony above in material and color.

✓ (v) Projects are designed to a human scale and promote a safe and vibrant pedestrian experience through the location of building frontages along public streets, plazas, sidewalks and paths, and through the use of building elements, design details and landscape materials that include, without limitation, the location of entrances and windows, and the creation of transparency and activity at the pedestrian level;

The central district of the development was intended to be pedestrian oriented and contain the majority of the common area amenities. The area was also intended to have an entertainment focus. The proposal will activate the plaza space and meet this intent. The proposal is designed to facilitate pedestrian flows. The railings are required for liquor licensing but could be removed if the shipping containers were ever utilized by other uses.

N/A (vi) To the extent practical, the project provides public amenities and planned public facilities;

All of the public facilities required as part of the original Twenty Ninth Street PUD have been constructed, so this criterion is not applicable.

N/A (vii) For residential projects, the project assists the community in producing a variety of housing types, such

as multifamily, townhouses and detached single family units, as well as mixed lot sizes, number of bedrooms and sizes of units;

- N/A (viii) For residential projects, noise is minimized between units, between buildings and from either on-site or off-site external sources through spacing, landscaping and building materials;
- ✓ (ix) A lighting plan is provided which augments security, energy conservation, safety and aesthetics;
A preliminary lighting plan has been provided. Two previously approved light poles that have been removed from the plaza will be re-installed at the same locations. They will match the existing light poles.
- ✓ (x) The project incorporates the natural environment into the design and avoids, minimizes or mitigates impacts to natural systems;
The proposal will not interact with the natural environment because it will be located interior to an existing development.
- ✓ (xi) Buildings minimize or mitigate energy use; support on-site renewable energy generation and/or energy management systems; construction wastes are minimized; the project mitigates urban heat island effects; and the project reasonably mitigates or minimizes water use and impacts on water quality;
The applicant will be required to meet current energy code requirements for commercial buildings, which include the 2012 International Energy Conservation Code (IECC) standard as well as the 2010 American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE) 90.1 standards, with additional local amendments requiring a 30 percent increase in performance requirements. This requirement is considered aggressive and represents a significant step toward improved energy efficiency in buildings in balance with the cost impact for new construction. As discussed as a part of the adoption process in October, 2013, the recently adopted codes if supported by continued improvements in cost-efficient building and energy management technology, could achieve a "net zero" building code by 2031 (in which buildings, on balance, produce as much energy as they consume).
- ✓ (xii) Exteriors of buildings present a sense of permanence through the use of authentic materials such as stone, brick, wood, metal or similar products and building material detailing;
The proposal is consistent with the approved Twenty Ninth Street Design Guidelines and will be consistent with the rest of the shopping center in terms of materials and colors. The ribbed steel containers, railings and wood screening are compatible with character of the development. The structures are intended to have a one to five-year life, but may be in place longer.
- ✓ (xiii) Cut and fill are minimized on the site, the design of buildings conforms to the natural contours of the land, and the site design minimizes erosion, slope instability, landslide, mudflow or subsidence, and minimizes the potential threat to property caused by geological hazards;
No cut and fill are required for the proposed building addition. Standard met.
- N/A (xiv) In the urbanizing areas along the Boulder Valley Comprehensive Plan boundaries between Area II and Area III, the building and site design provide for a well-defined urban edge; and
- N/A (xv) In the urbanizing areas located on the major streets shown on the map in Appendix A to this title near the Boulder Valley Comprehensive Plan boundaries between Area II and Area III, the buildings and site design establish a sense of entry and arrival to the City by creating a defined urban edge and a transition between rural and urban areas.



PLAZA VIEW
LOOKING NORTHEAST



BALCONY VIEW
LOOKING NORTHEAST

CONCEPT RENDERINGS OF PROPOSED
SHIPPING CONTAINER VENDOR STRUCTURES

ATTACHMENT C

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Minor Amendment Submittal
Proposed Plaza Modification
29TH STREET MALL PLAZA
1710 29TH ST. STE. 1048 & 1050
Boulder, Colorado 80301

Sheet Title
MINOR AMENDMENT
8_ARCH PLANS
CONCEPT RENDERING

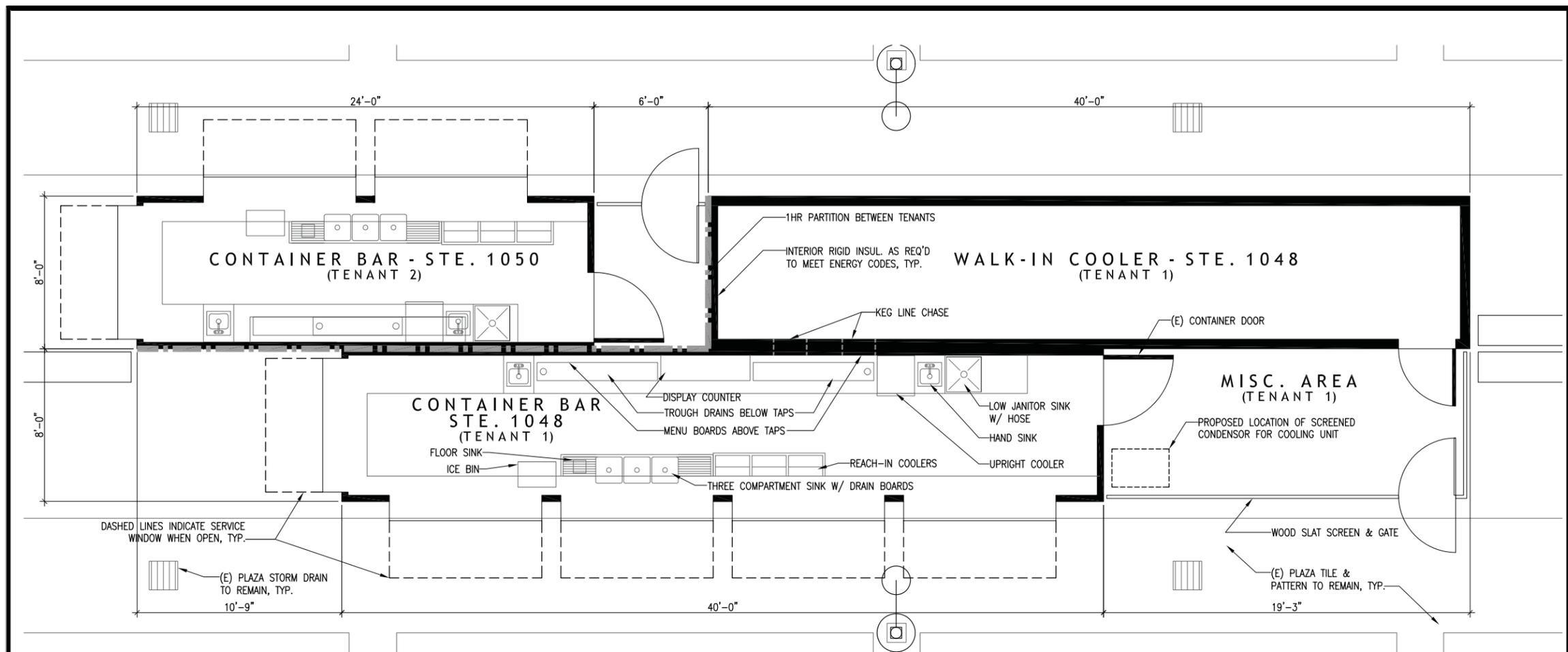
Date
FEBRUARY 05, 2016

Sheet Number
A-0

1938 Barrel Beer Garden - Boulder.pln 11/12/15 10:59 AM

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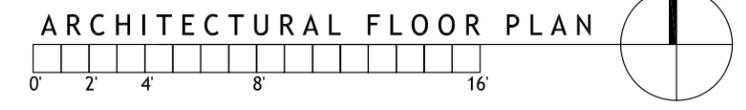
1938 Burned Beer Gender - Boulder.pln 11/12/15 10:59 AM



NOTE:

- (E) = EXISTING
- (N) = NEW

CONTAINER BUILDINGS TO BE SPRINKLERED PER IBC 402.5



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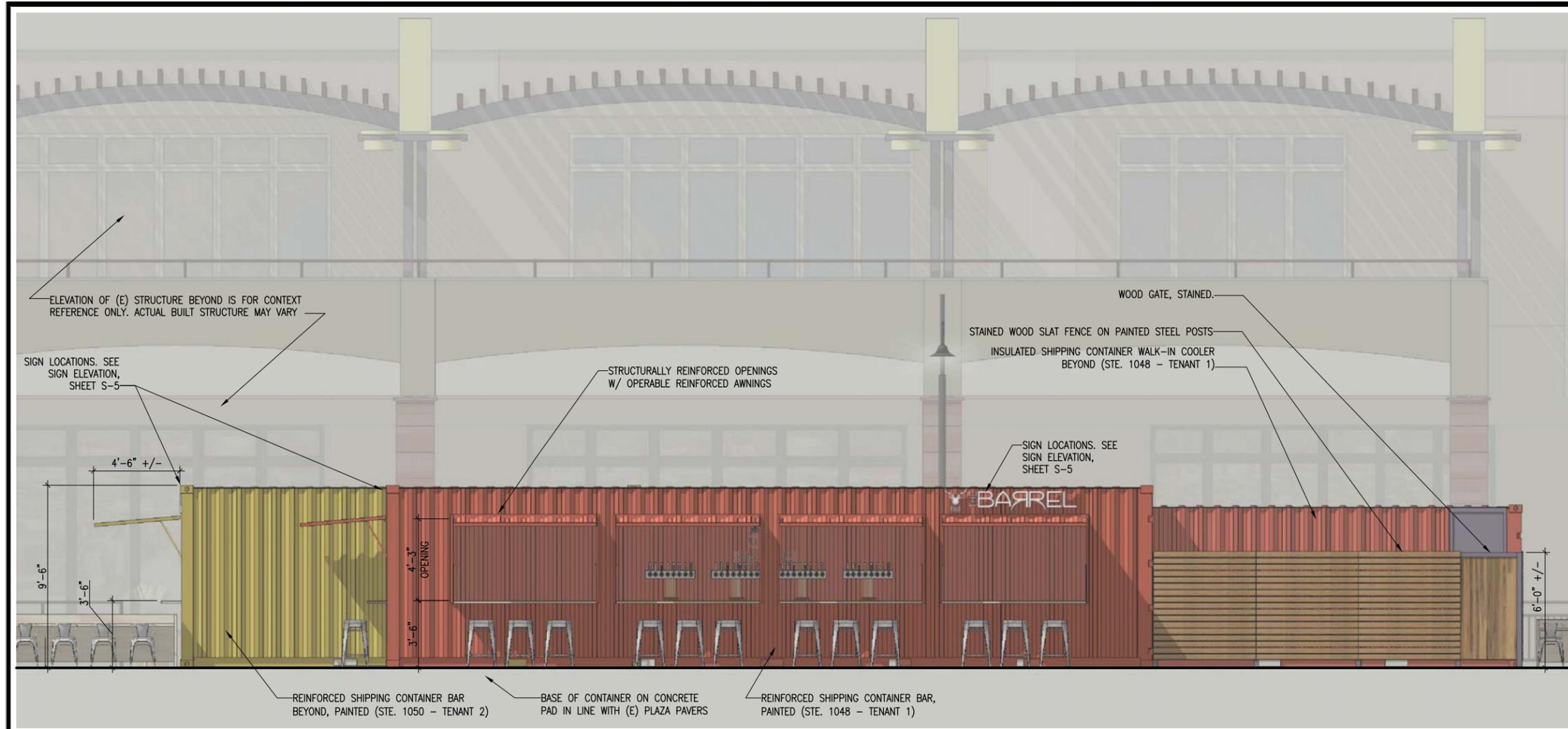
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8_ARCH PLANS
ARCHITECTURAL PLANS

Date

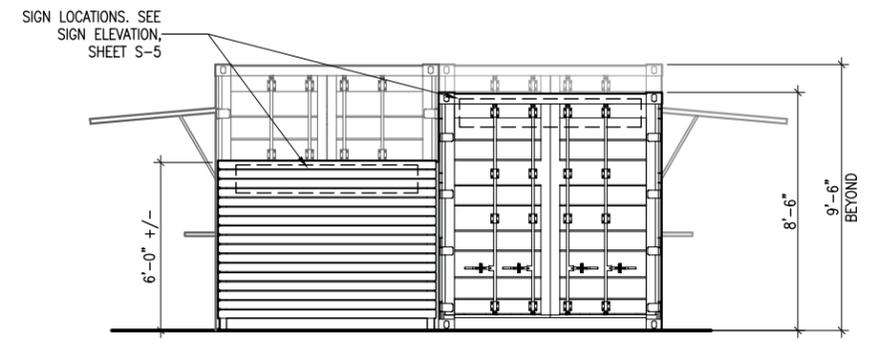
FEBRUARY 05, 2016

Sheet Number

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SOUTH ELEVATION 1
A-2



EAST ELEVATION 2
A-2



1998 Barrel Beer Gender - Boulder.pln 11/12/15 10:59 AM

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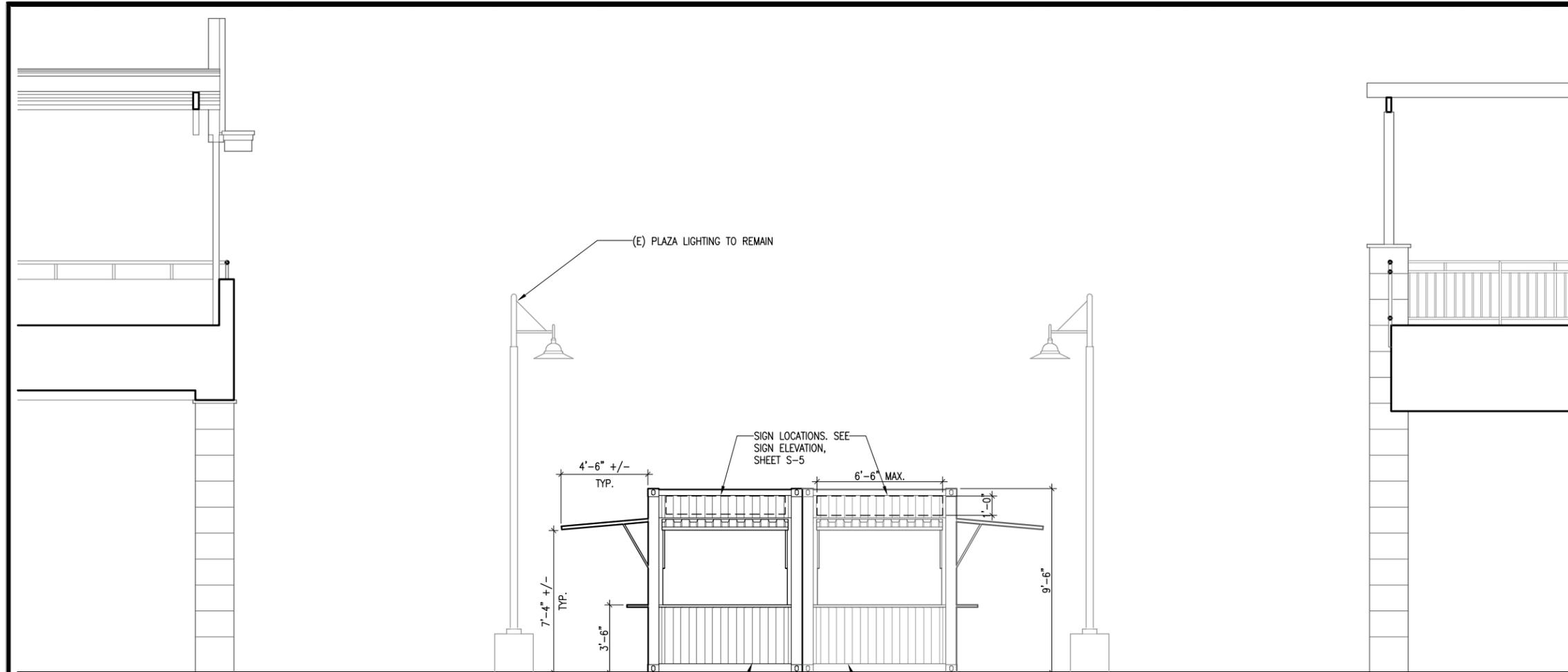
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ELEVATIONS

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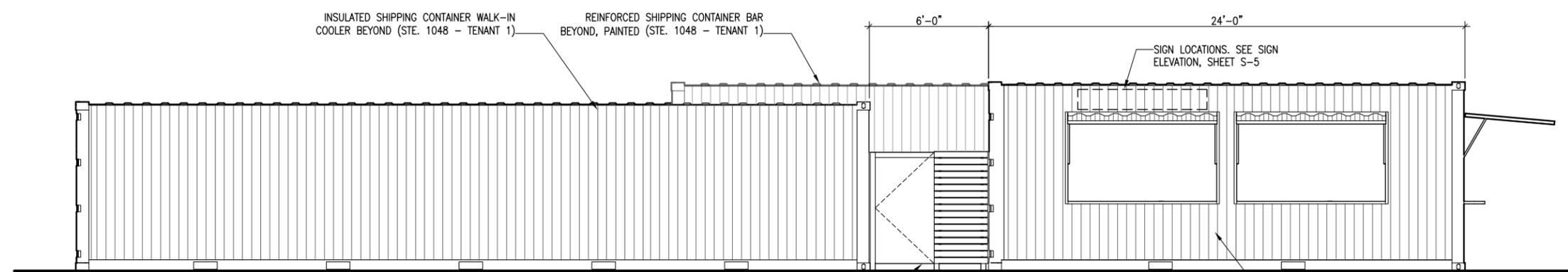
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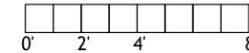
WEST ELEVATION 1



A-3



NORTH ELEVATION 2



A-3

1598 Burned Beer Gender - Boulder.pln 11/12/15 10:59 AM

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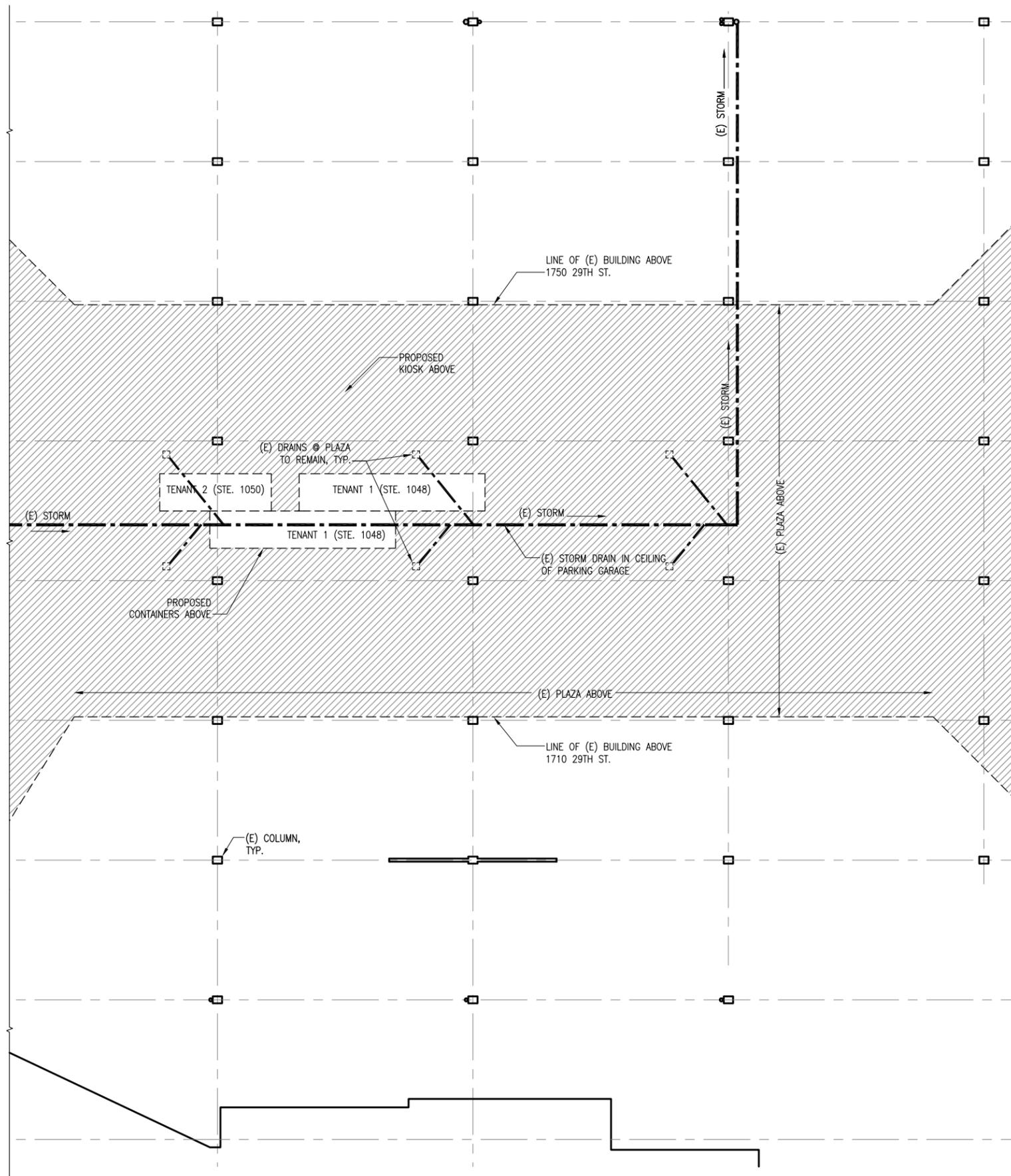
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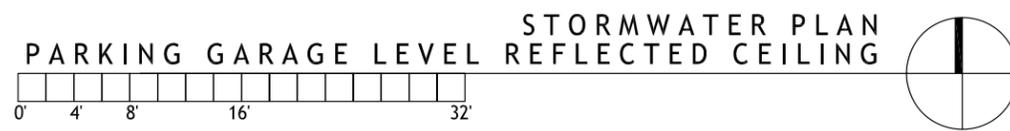
A-3

1998 Burndt Beer Gender - Boulder.pln 11/12/15 10:59 AM



KEY:
 (E) EXISTING
 (N) NEW

NOTE:
 PLAN IS DIAGRAMMATIC TO SHOW PROPOSED
 UTILITY CONNECTION TO EXISTING SERVICES
 NO PUBLIC IMPROVEMENTS ARE REQUIRED



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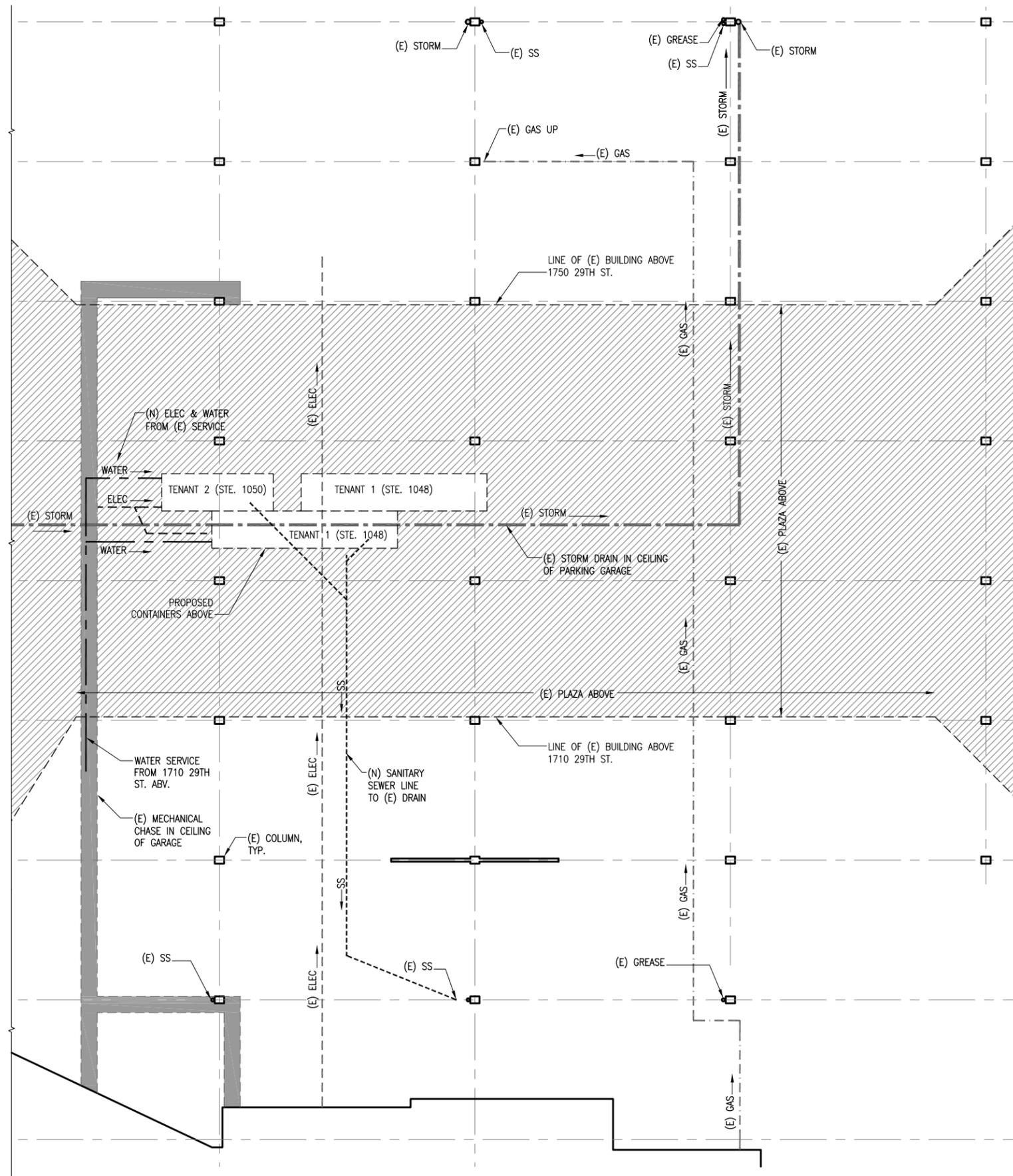
Minor Amendment Submittal
 Proposed Plaza Modification
29TH STREET MALL PLAZA
 1710 29TH ST. STE. 1048 & 1050
 Boulder, Colorado 80301

Sheet Title
 MINOR AMENDMENT
 12_STORMWATER

Date
 FEBRUARY 05, 2016

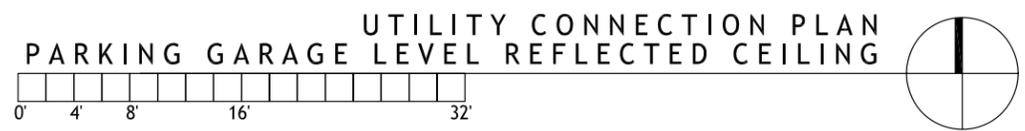
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SW-1

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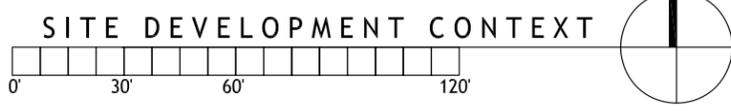
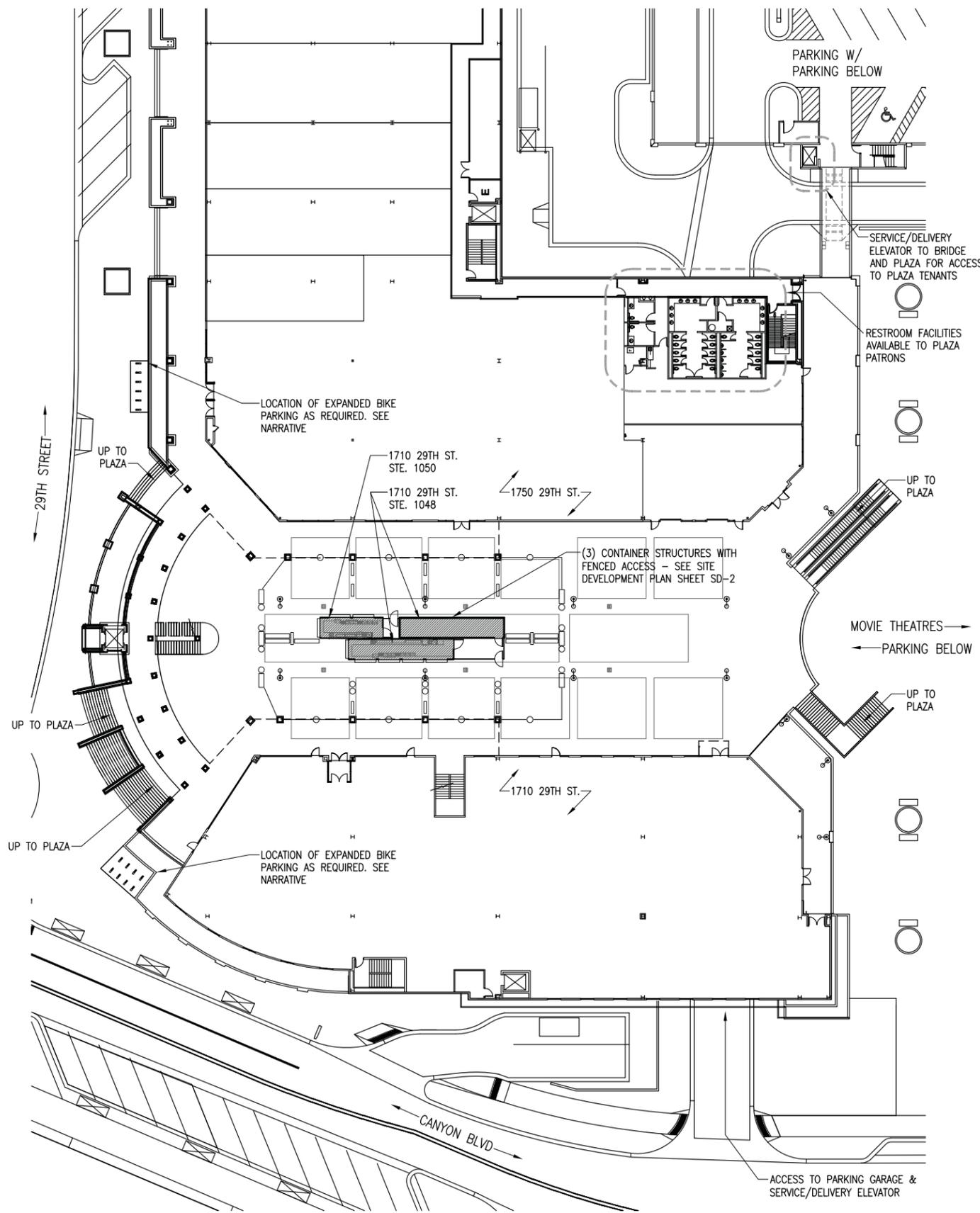
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Sheet Title
 MINOR AMENDMENT
 11_UTILITY PLAN

Date
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Sheet Number
U-1

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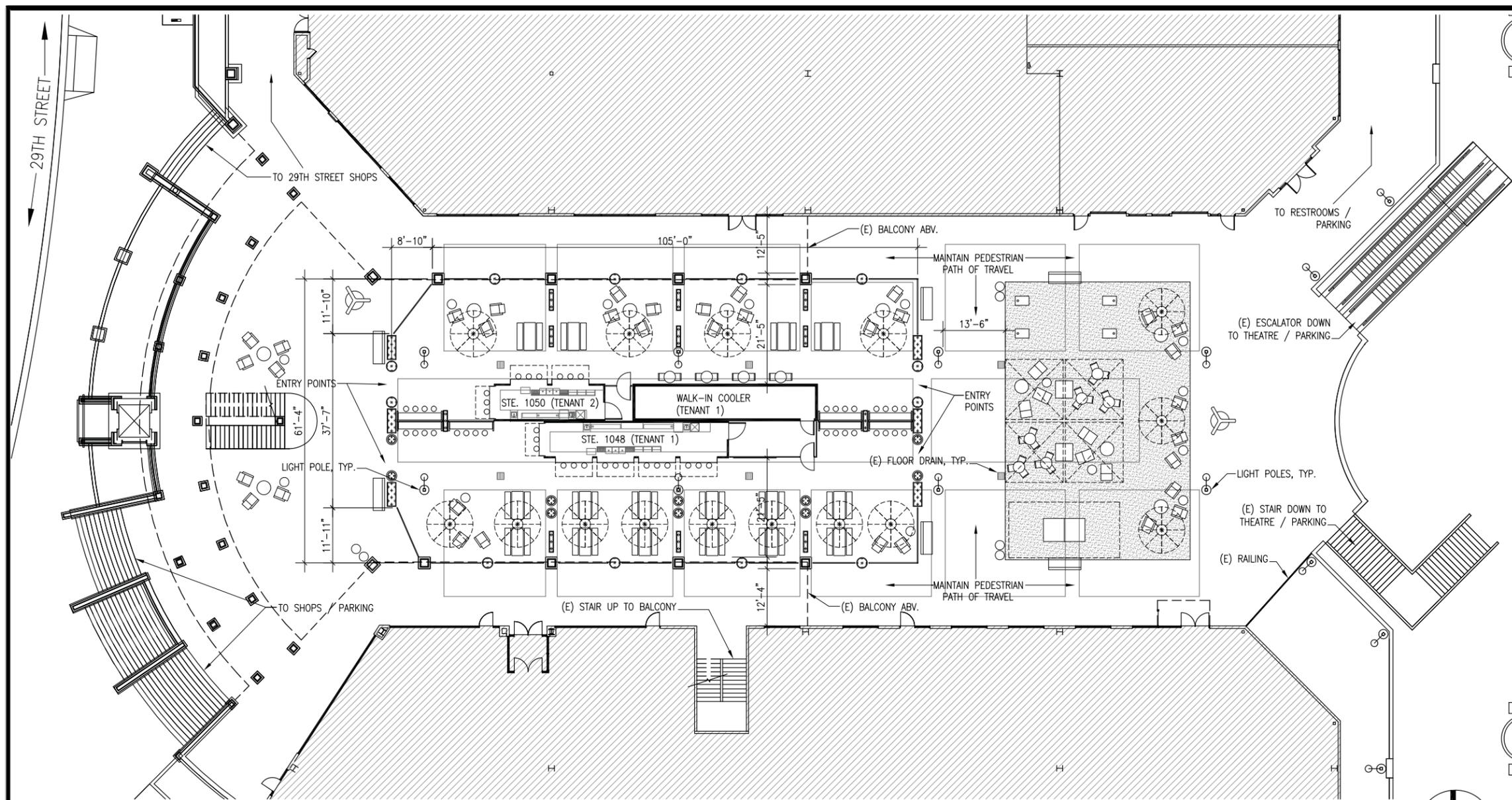
MINOR AMENDMENT
 7_SITE PLAN
 SITE DEVELOPMENT
 CONTEXT

Date

FEBRUARY 05, 2016

Sheet Number

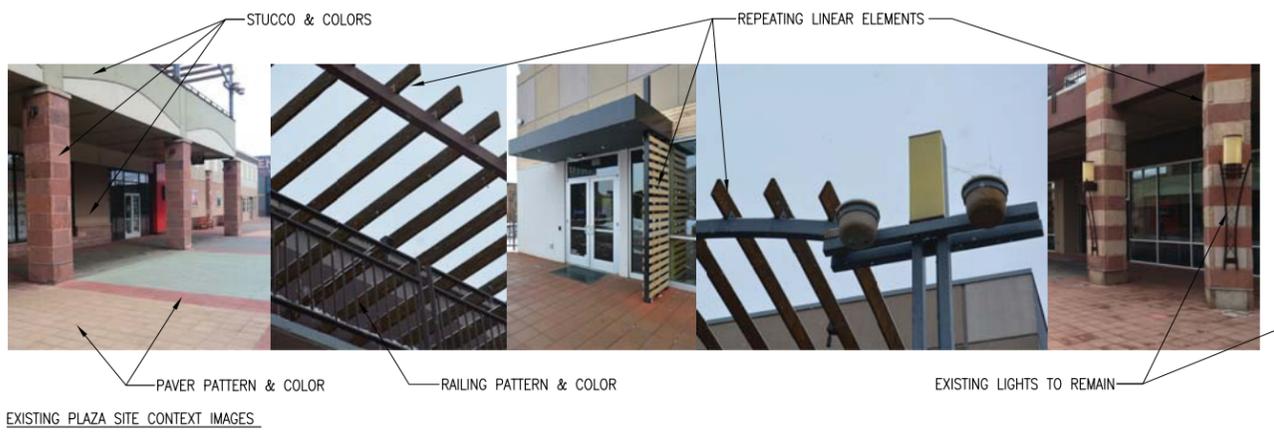
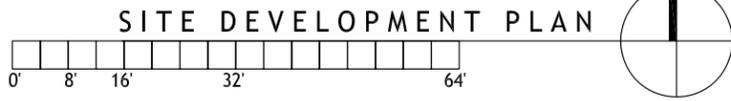
SD-1



7. SITE DEVELOPMENT PLAN

- 7 (A) THE EXISTING TOPOGRAPHIC CHARACTER OF THE LAND, SHOWING CONTOURS AT TWO FOOT INTERVALS;
THE PROPOSED FACILITY WILL BE PLACED UPON THE EXISTING 29TH STREET OUTDOOR PLAZA AND WILL NOT AFFECT THE EXISTING TOPOGRAPHIC CHARACTER OF THE SITE.
- 7 (B) THE SITE AND LOCATION OF PROPOSED USES WITH DIMENSIONS INDICATING THE DISTANCE FROM LOT LINES;
THE SITE DEVELOPMENT PLAN SHOWS THE LOCATIONS OF THE THREE PROPOSED CONTAINER STRUCTURES AND OTHER DESIGN ELEMENTS, SUCH AS FENCING AND PLANTERS. DIMENSIONS INDICATE THE DISTANCE OF THE CONTAINERS FROM THE EXISTING BUILDINGS, ALL OWNED BY MACERICH COMPANY.
- 7 (C) THE LOCATION AND SIZE OF ALL EXISTING AND PROPOSED BUILDINGS, STRUCTURES, AND IMPROVEMENTS, AND THE GENERAL LOCATION OF ADJACENT STREETS, STRUCTURES, AND PROPERTIES;
SHEET SD-1, SITE DEVELOPMENT CONTEXT, SHOWS THE EXISTING BUILDINGS AROUND THE EXISTING PLAZA AND THE GENERAL LOCATION OF ADJACENT STREETS.
- 7 (D) THE DENSITY AND TYPE OF USES;
THE PROPOSAL IS FOR THE INSTALLATION OF REFIT SHIPPING CONTAINERS ON THE EXISTING EXTERIOR PLAZA IN THE 29TH STREET CENTER COMMERCIAL DEVELOPMENT FOR USE AS A CRAFT BEER GARDEN AND OUTDOOR LOUNGE, AND A SECOND TENANT POSSIBLY SERVING WINE, AS IT IS LOCATED BETWEEN EXISTING RETAIL ESTABLISHMENTS AND A MOVIE THEATRE. THE FACILITY WILL SERVE PATRONS ALREADY IN THE CENTER, AND WILL NOT IMPACT DENSITY.
- 7 (E) THE INTERNAL TRAFFIC AND CIRCULATION SYSTEMS, OFF-STREET PARKING AREAS, SERVICE AREAS, LOADING AREAS, AND MAJOR POINTS OF ACCESS TO PUBLIC RIGHTS-OF-WAY;
THE PROPOSED FACILITY WILL NOT ALTER THE EXISTING INTERNAL TRAFFIC AND CIRCULATION SYSTEMS, THE OFF-STREET PARKING AREAS, OR THE MAJOR POINTS OF ACCESS TO THE PUBLIC RIGHT-OF-WAY. SERVICE AND LOADING AREAS ARE CALLED OUT ON THE SITE DEVELOPMENT CONTEXT PLAN, SHEET SD-1.
- 7 (F) THE LOCATION, HEIGHT, AND SIZE OF PROPOSED SIGNS, LIGHTING, AND ADVERTISING DEVICES;
ALL SIGNAGE IS ANTICIPATED TO BE ON THE TENANT CONTAINERS THEMSELVES. SEE LIGHTING PLAN S-5 & ARCHITECTURAL ELEVATIONS A-2, A-3.
- 7 (G) THE AREAS THAT ARE TO BE CONVEYED, DEDICATED, OR RESERVED AS PARKS, RECREATION AREAS, PLAYGROUNDS, OUTLOTS, OR OPEN SPACE AND AS SITES FOR SCHOOLS AND OTHER PUBLIC BUILDINGS;
THE TEMPORARY CONTAINERS PLANNED DO NOT REQUIRE DEDICATION OF ADDITIONAL RECREATION OR OPEN SPACE.
- 7 (H) THE AREAS THAT ARE TO BE CONVEYED, DEDICATED, OR RESERVED FOR STREETS, ALLEY AND UTILITY EASEMENTS;
THE PROPOSED FACILITY IS WITHIN A FULLY FUNCTIONING COMMERCIAL DEVELOPMENT AND WILL NOT REQUIRE DEDICATION OF ANY ADDITIONAL STREETS, ALLEYS, OR UTILITY EASEMENTS. SEE 'E' ABOVE.
- 7 (I) THE AREAS SUBJECT TO THE ONE HUNDRED YEAR FLOOD AS DEFINED IN CHAPTER 9-3-3, "REGULATIONS GOVERNING THE FLOODPLAIN", B.R.C. 1981, AND ANY AREA OF THE SITE THAT IS WITHIN A DESIGNATED SPACE CONVEYANCE ZONE OR HIGH HAZARD ZONE;
N/A
- 7 (J) A GENERAL LANDSCAPING PLAN AT THE TIME OF INITIAL SUBMISSION TO BE FOLLOWED BY A DETAILED LANDSCAPING PLAN PRIOR TO OR AS A CONDITION OF APPROVAL SHOWING THE SPACING, SIZES, SPECIFIC TYPES OF LANDSCAPING MATERIALS, QUANTITIES OF ALL PLANTS AND WHETHER THE PLANT IS CONIFEROUS OR DECIDUOUS. ALL TREES WITH A DIAMETER OF SIX (6) INCHES AND OVER MEASURED FIFTY-FOUR (54) INCHES ABOVE THE GROUND ON THE PROPERTY OR IN THE LANDSCAPE SETBACK OF ANY PROPERTY ADJACENT TO THE DEVELOPMENT SHALL BE SHOWN ON THE LANDSCAPING PLAN;
LANDSCAPE AREAS AS WELL AS GENERAL TYPES OF PLANT MATERIAL ARE CALLED OUT ON THE PLAZA LANDSCAPE PLAN, SHEET S-3

- 7 (K) A NORTH ARROW AND SCALE OF DRAWING CLEARLY INDICATED ON EACH SHEET. ACCOMPLISHED.
- 7 (L) A TREE INVENTORY THAT INCLUDES THE LOCATION, SIZE, SPECIES AND GENERAL HEALTH OF ALL TREES WITH A DIAMETER OF SIX (6) INCHES AND OVER MEASURED FIFTY-FOUR (54) INCHES ABOVE THE GROUND ON THE PROPERTY OR IN THE LANDSCAPE SETBACK OF ANY PROPERTY ADJACENT TO THE DEVELOPMENT. THE INVENTORY SHALL INDICATE WHICH TREES WILL BE ADVERSELY AFFECTED AND WHAT IF ANY STEPS WILL BE TAKEN TO MITIGATE THE IMPACT ON THE TREES. THE TREE INVENTORY SHALL BE PREPARED BY A CERTIFIED ARBORIST THAT HAS A VALID CONTRACTOR LICENSE PURSUANT TO CHAPTER 4-28, "TREE CONTRACTOR LICENSE," B.R.C.
NO TREES EXIST ON THE SITE. NEW LANDSCAPING WILL BE PROVIDED. SEE PLAZA LANDSCAPE PLANS, SHEET SD-3



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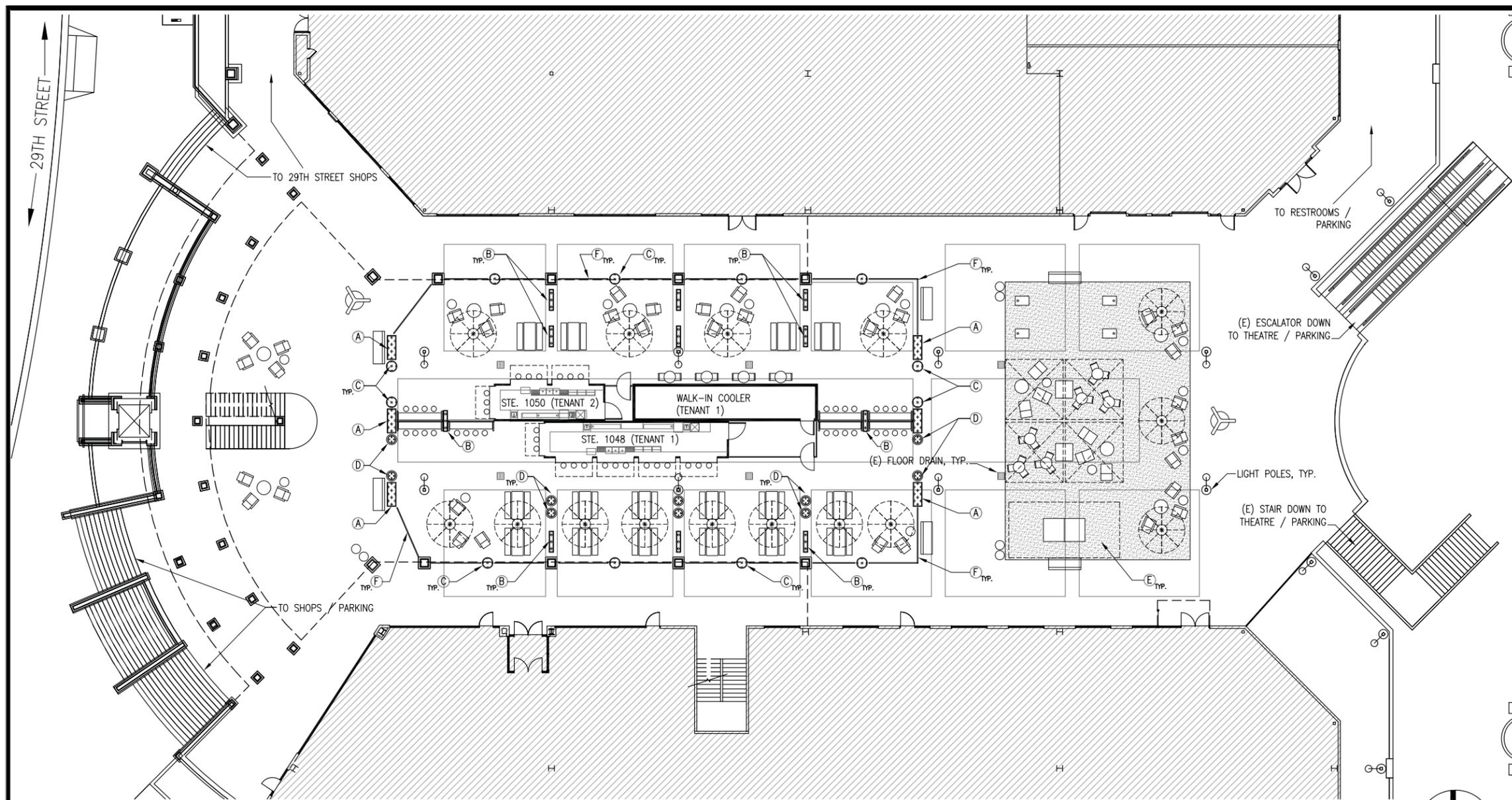


Minor Amendment Submittal
Proposed Plaza Modification
29TH STREET MALL PLAZA
1710 29TH ST. STE. 1048 & 1050
Boulder, Colorado 80301

Sheet Title
MINOR AMENDMENT
7_SITE PLAN
SITE DEVELOPMENT
PLAN
Date
FEBRUARY 05, 2016
Sheet Number
SD-2

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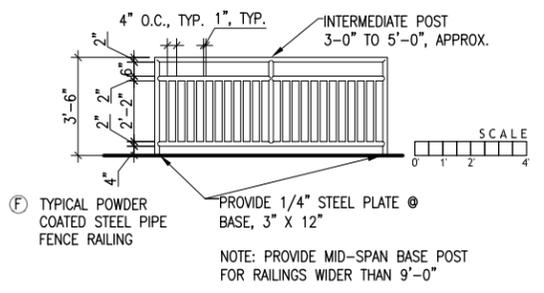


LANDSCAPE COMPONENTS

KEY, DESCRIPTION	MODEL	MANUFACTURER	MATERIAL	SIZE	PLANT TYPE (SEE BELOW)	QTY
(A) BOX PLANTER	TRO 3	CAPITAL GARDENS	FIBERGLASS	63"L, 23.6"D, 23.6H	(P3) (P5) (P6)	6
(B) BOX PLANTER	TRO 5	CAPITAL GARDENS	FIBERGLASS	55.2"L, 11.8"D, 27.6"H	(P4) (P5) (P6)	11
(C) POT PLANTER	PLAIN POT	CAPITAL GARDENS	FIBERGLASS	26.4"DIA, 23.6"H	(P1) (P2)	12
(D) WHISKEY BARREL	TBD	TBD	OAK W/ STEEL STRAPS	27" DIA, 35"H	(P4) (P5) (P6)	10
(E) GREAT LAWN	FOREVER LAWN	DOW	POLYETHYLENE MONOFILAMENT FIBER	60'-0" X 40'-0" FT	(P7)	1
(F) FENCE RAILING		TBD	POWDER COATED STL.	VARRIES - SEE DTL.	N/A	APPROX. 212 LIN. FT



NOTE: SOILS AND BARK MULCH IN PLANTERS SHALL COMPLY WITH CITY OF BOULDER LANDSCAPE STANDARDS



(F) TYPICAL POWDER COATED STEEL PIPE FENCE RAILING
 PROVIDE 1/4" STEEL PLATE @ BASE, 3" X 12"
 NOTE: PROVIDE MID-SPAN BASE POST FOR RAILINGS WIDER THAN 9'-0"

PLANTER CONTENTS

KEY, COMMON NAME	BOTANICAL NAME
(P1) FEATHER REED GRASS	CALAMAGROSTIS ACUTIFLORA
(P2) BLUE FESCUE	FESTUCA OVINA
(P3) HAMELN DWARF FOUNTAIN GRASS	PENNISETUM ALOPECUROIDES 'HAMELN'
(P4) PRAIRIE BLUES	SCHIZACHYRIUM SCOPARIUM
(P5) STERNTALER	COREOPSIS LANCEOLATA
(P6) COREOPSIS RUM PUNCH	COREOPSIS RUM PUNCH
(P7) FOREVER LAWN	N/A



NOTE: PLANT SPECIES DIRECTION PROVIDED BY STUDIO TERRA

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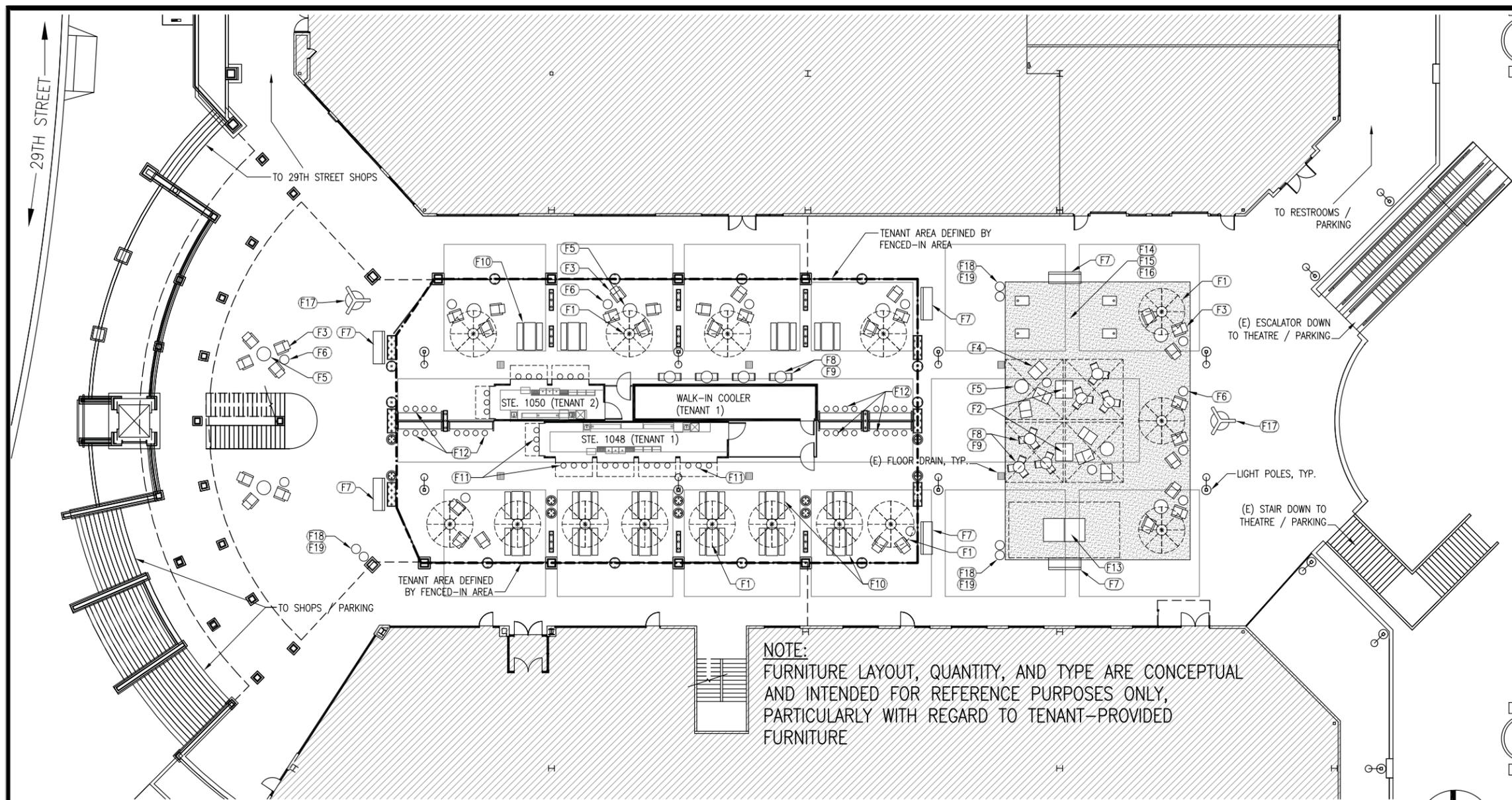
MINOR AMENDMENT
 7_SITE PLAN
 LANDSCAPE

Date

FEBRUARY 05, 2016

Sheet Number

SD-3



FURNITURE PLAN



KEY DESCRIPTION	MANUFACTURER	FINISH/COLOR	QUANTITY (MACERICH)	QUANTITY (TENANT)
F1 BAYMASTER CLASSIC HEXAGON UMBRELLA	TUUCI	FABRIC: GINKGO - FRAME: ALUMINUM	3	12
F2 DUAL CANTILEVER UMBRELLA	TUUCI	FABRIC: SILVER - FRAME: ALUMA-TEAK	2	0
F3 3 SLAT FLAT TALL ADIRONDACK CHAIR	LOLL	RECYCLED HDPE - LEAF GREEN, SKY BLUE, CHARCOAL GRAY	16	18
F4 MAUI CHAIR	KANNOA	HIGH DENSITY POLYMER WICKER	6	0
F5 SATELLITE COCKTAIL ROUND COFFEE TABLE	LOLL	RECYCLED HDPE - CLOUD WHITE	6	0
F6 TETRA SIDE TABLE	LOLL	RECYCLED HDPE - CLOUD WHITE	8	6
F7 PICKET LOW BACK BENCH	LOLL	RECYCLED HDPE - CHARCOAL GREY	6	0
F8 BISTRO CAFE TABLE	EMU	ALUMINUM	6	4
F9 STAR SIDE CHAIR	EMU	ALUMINUM - ANTIQUE BLUE 61	18	8
F10 ALFRESCO TABLE 82 & BENCH 81	LOLL	RECYCLED HDPE - LEAF GREEN	0	16-TABLE 32-BENCH
F11 TOLEX STYLE BAR STOOL	RETRO-FURNISH	POWDER-COATED STEEL	0	24
F12 RETRO CAFE ARM CHAIR	RETRO-FURNISH	POWDER-COATED STEEL	0	28
F13 OUTDOOR TABLE TENNIS	CORNILLEAU	RESIN LAMINATE TOP - BLUE	1	0
F14 OUTDOOR JENGA	ESTY	WOOD	1	0
F15 OUTDOOR SCRABBLE	ESTY	WOOD - PAINT	1	0
F16 OUTDOOR DOMINOES	ESTY	WOOD - PAINT	1	0
F17 STREET CHARGE SOLAR CHARGING STATION	NRG	POWDER-COATED STEEL W/ SOLAR	2	0
F18 TRASH CAN	MATCH EXISTING	MATCH EXISTING	3	0
F19 RECYCLE CAN	MATCH EXISTING	MATCH EXISTING	3	0

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MINOR AMENDMENT
7_SITE PLAN
FURNITURE

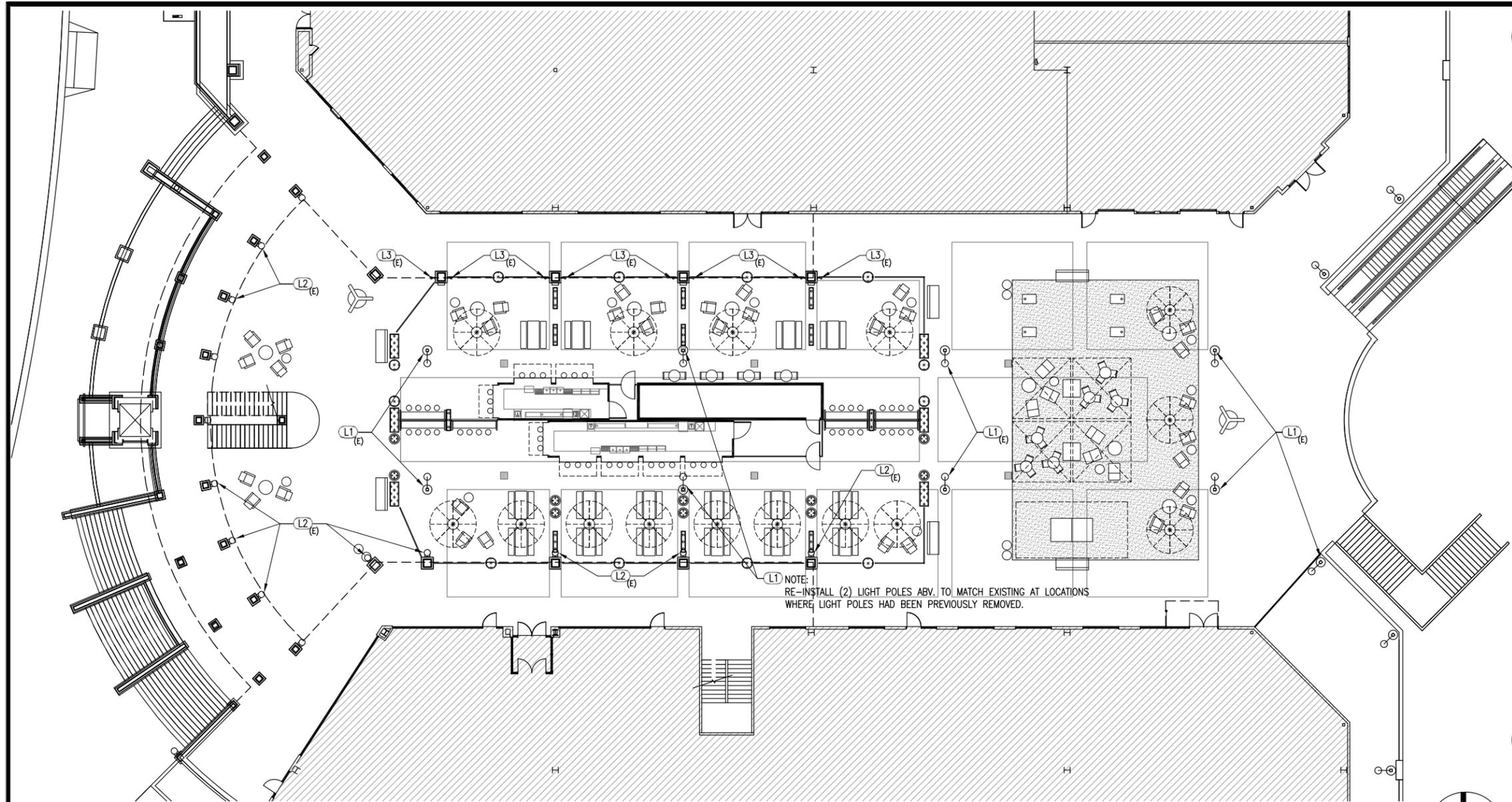
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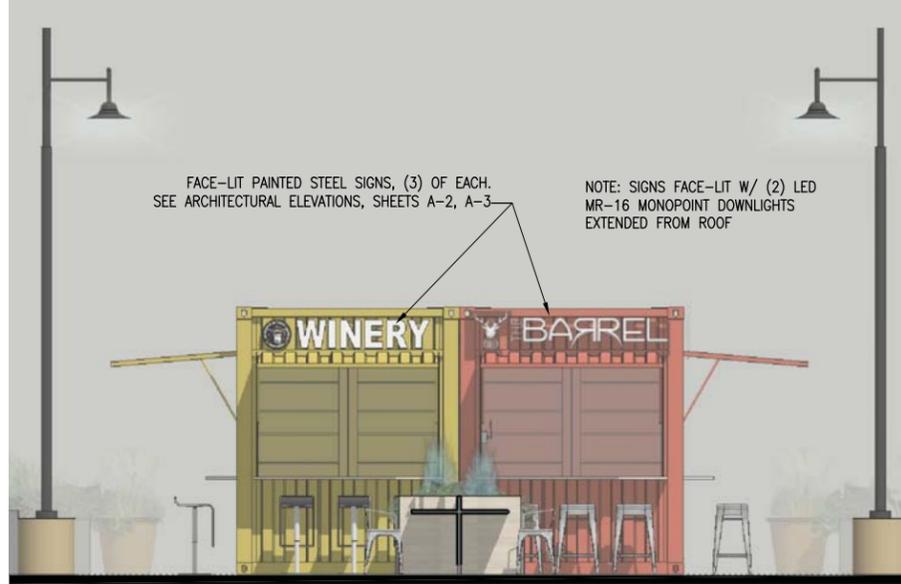
SD-4

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NOTE:
RE-INSTALL (2) LIGHT POLES ABV. TO MATCH EXISTING AT LOCATIONS
WHERE LIGHT POLES HAD BEEN PREVIOUSLY REMOVED.

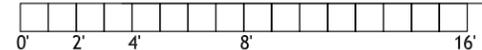
PLAZA LIGHTING PLAN



FACE-LIT PAINTED STEEL SIGNS, (3) OF EACH.
SEE ARCHITECTURAL ELEVATIONS, SHEETS A-2, A-3

NOTE: SIGNS FACE-LIT W/ (2) LED
MR-16 MONOPOINT DOWNLIGHTS
EXTENDED FROM ROOF

SIGN ELEVATION



1
SD-5



PLAZA LIGHTING

KEY	DESCRIPTION
(L1)	POLE DOWN LIGHT (EXISTING & NEW)
(F2)	DECORATIVE SCENCE (EXISTING)
(F3)	DOWN SPOT LIGHT (EXISTING)

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MINOR AMENDMENT
7_SITE PLAN
LIGHTING

Date

FEBRUARY 05, 2016

Sheet Number

SD-5

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TYPICAL BUILDING SIGN TYPES

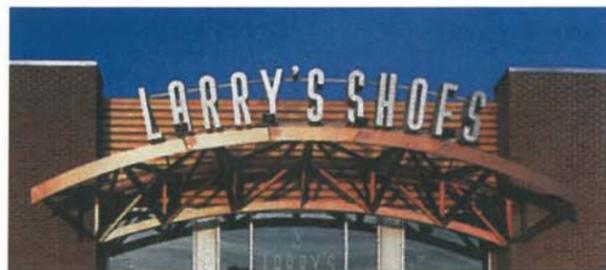
SIGN TYPE A - CANOPY SIGNS

Canopy signs are located above the storefront and/or entry doors, parallel to the building facade and mounted on top of or on the fascia of the canopy at the leading edge. The colors, finishes and materials used should convey the tenant's unique identity and create a unified design with the tenant's storefront display. Canopy signs should express characteristics which evoke a sense of contemporary high craftsmanship and design sensitivity. The tenant shall submit the design of the proposed sign for review according to the procedures outlined.

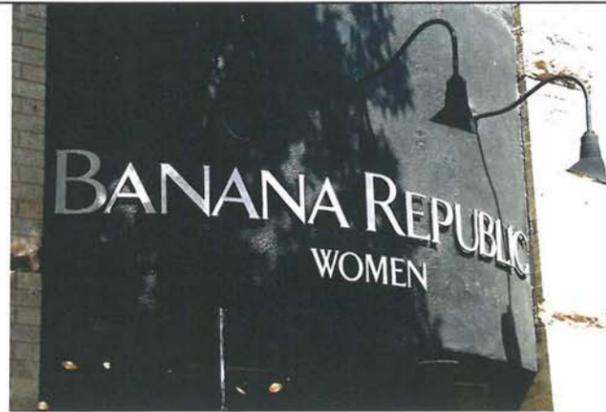
Mounting Restrictions: Canopy signs shall not overlap or cover building features such as cornices, eaves, windows, door frames, columns and other decorative elements. Letter forms shall not project more than 9" from the face of the sign panel.

Where non-illuminated sign types are considered, the following restrictions shall apply:

- Individual dimensional letters mounted directly to sign surface (awning fascia or sign panel backing) shall be at least 1/2" thick on 1/2" spacers, or 1" thick if directly applied.
- Letters formed from thin metal plate or similar materials shall be pin mounted at least 1" from the signing surface (awning fascia or sign panel backing).
- External (spot) illumination for non-illuminated signs is strongly recommended.
- All illumination must comply with the City of Boulder's lighting ordinance.



Examples of a standing canopy signs



Example of a fascia mounted sign

SIGN TYPE B - FASCIA MOUNTED SIGN

Fascia mounted signs are located above the storefront display windows and/or entry doors, parallel to the building facade. The colors, finishes and materials used should convey the tenant's unique identity and create a unified design with the tenant's storefront display. Fascia mounted signs can be used in locations where appropriate; substituting for Sign Type A - Canopy Signs.

Mounting Restrictions: Wall mounted fascia signs shall not overlap or cover building features such as cornices, eaves, windows, door frames, columns and other decorative elements. Wall mounted letter forms shall not project more than 10" from the building.

Where non-illuminated sign types are considered, the following restrictions shall apply:

- Individual dimensional letters mounted directly to wall surface shall be at least 1/2" thick on 1/2" spacers, or 1" thick if directly applied.
- Letters formed from thin metal plate or similar materials shall be pin mounted at least 1" from the signing surface.
- The landlord requires external (spot) illumination for non-illuminated signs.
- All illumination must comply with the City of Boulder's lighting ordinance.

SIGN TYPE C - SUSPENDED CANOPY BLADE SIGN

Double sided suspended canopy signs may occur in locations where the Landlord has provided architectural canopies as part of the base building. Armature for suspended canopy signs should be constructed as a rigid element not allowing the sign to swing. Suspended signs should display the tenant's unique characteristic while evoking the sense of contemporary high craftsmanship and design sensitivity. The tenant shall submit the design of the proposed sign for review according to the procedures outlined.

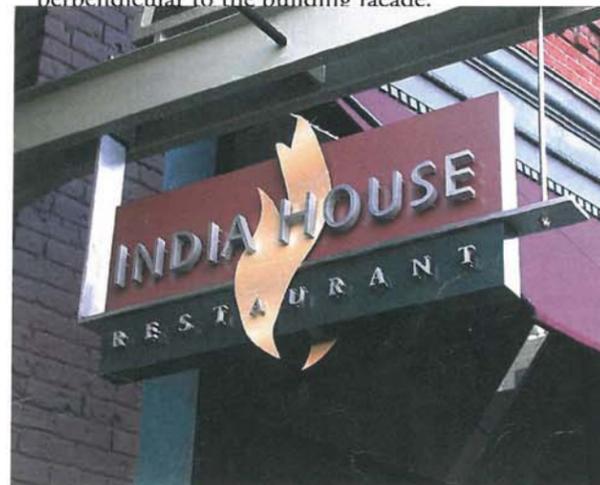
Maximum Sign Area: 9 square feet (12 square feet including armature) per face.

Illumination: Suspended signs may be internally illuminated or externally illuminated with appropriately designed down lighting outriggers.

- All illumination must comply with the City of Boulder's lighting ordinance.

Mounting Restrictions:

- Minimum clear distance from the bottom of a suspended sign to a pedestrian surface shall be 9'-6".
- The sign shall be positioned at the center line of the canopy.
- Second level tenants may mount sign parallel or perpendicular to the building facade.



Example of a suspended blade sign



Example of a projecting blade sign

SIGN TYPE D - PROJECTING BLADE SIGN

The tenant may elect to utilize a double sided projecting blade sign that is mounted perpendicular to the building for their primary identity. Blade mounted signs should display the tenant's unique characteristic while evoking the sense of contemporary high craftsmanship and design sensitivity.

Maximum Sign Area: 9 square feet (12 square feet including armature) per face.

Illumination: Projecting signs may be externally illuminated with appropriately designed down lighting outriggers or internally illuminated.

- All illumination must comply with the City of Boulder's lighting ordinance.

Mounting Restrictions: Minimum clear distance from the bottom of a projecting blade sign to a pedestrian surface shall be 9'-6". Tenant blade signs shall not project from the building face more than a maximum of 4'-0".

Special Conditions: Tenants with a corner location may elect to install a sign at each face of the building for optimum exposure.

PLANNER / DESIGNER:
COMMOARTS
Communications Arts Incorporated
1112 Pearl Street
Boulder, Colorado 80302
(303) 447-8202

ARCHITECT:
SEM Architects Inc
677 S Colorado Blvd, #200
Denver, Colorado 80246
(303) 220-8900

CIVIL ENGINEER & SURVEYOR:
Drexel, Barrell & Co.
4840 Pearl East Circle, #114
Boulder, Colorado 80301
(303) 442-4338

LANDSCAPE ARCHITECT:
dhm design corporation
1390 Lawrence Street, #100
Denver, Colorado 80204
(303) 892-5566

ELECTRICAL & LIGHTING:
SPARLING / CANDELA
720 Olive Way, #1400
Seattle, Washington 98101
(800) 667-0610

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TWENTY NINTH STREET
Site Review
28th Street & Arapahoe Avenue
Boulder, Colorado
Westcor Partners

Date	12.06.04
Proj No	
Drawn	
Checked	

Date	Issue
03.07.05	Resubmitted
03.18.05	Resubmitted
04.04.05	Resubmitted
04.07.05	Resubmitted

Title

GR-7

TYPICAL BUILDING SIGN TYPES (continued)

SIGN TYPE E - VERTICAL BLADE SIGN

Specific tenants located in buildings 1B and 1C may utilize a double sided vertical blade sign that is mounted perpendicular to the building for their primary identity. Vertical blade signs are only allowed in these specific locations within the Building Interior Sign Zone and will not be considered for storefronts outside of these locations. The tenant shall submit the design of the proposed sign for review according to the procedures outlined.

Illumination: Vertical blade signs may be internally illuminated or externally illuminated with appropriately designed lighting outriggers. However, externally illuminated signs may not be up-lit.

Mounting Restrictions: Vertical blade signs shall not project more than a maximum of 6'-0" from the face of the building and 6'-0" above the parapet wall.

Maximum Sign Area: Fifty (50) square feet per display face. The sign shall have a maximum thickness of 3'-0", including all projecting dimensional objects.

Special Conditions: Only specific tenants located in buildings 1B and 1C will be allowed to use this sign type; see "Type 4" locations on the "Tenant Storefront Conditions Map" on page GR-10 for these locations.



Examples of a vertical blade signs

SIGN TYPE F - WALL PLACARD

The tenant may propose additional identity features which emphasize the tenant logo or information about merchandise. Such plaques may be etched or cast metallic material attached to the building surface.

SIGN TYPE G - WALL MOUNTED SIGNS (Anchor Tenants)

In addition to other sign types, anchor tenants may also have wall mounted signs where appropriate. Wall signs are parallel to the building facade/walls and should not project more than fifteen inches from the wall. The colors, finishes and materials used should convey the tenant's unique identity and create a unified design with the tenant's storefront display. Wall signs should express characteristics which evoke a sense of contemporary high craftsmanship and design sensitivity. The tenant shall submit the design of the proposed sign for review according to the procedures outlined.

Maximum Sign Area: the total area of all wall signs may not exceed 15% of the area of that portion of the building face between the ground level and the roof line or a line twenty-five feet above grade level, whichever is less. The length of a wall sign shall not exceed (60) sixty percent of the length of the wall or the width of the leased space which it is located, whichever is less.

Mounting Restrictions: Wall signs shall not extend beyond the roof line of a building except as permitted on a parapet wall. No part of a wall sign shall be located more than twenty five feet above grade.

Letter Heights: refer to "Tenant Signage Requirements" on page GR-5 for specific letter heights.



An example of a wall mounted sign for anchor tenants



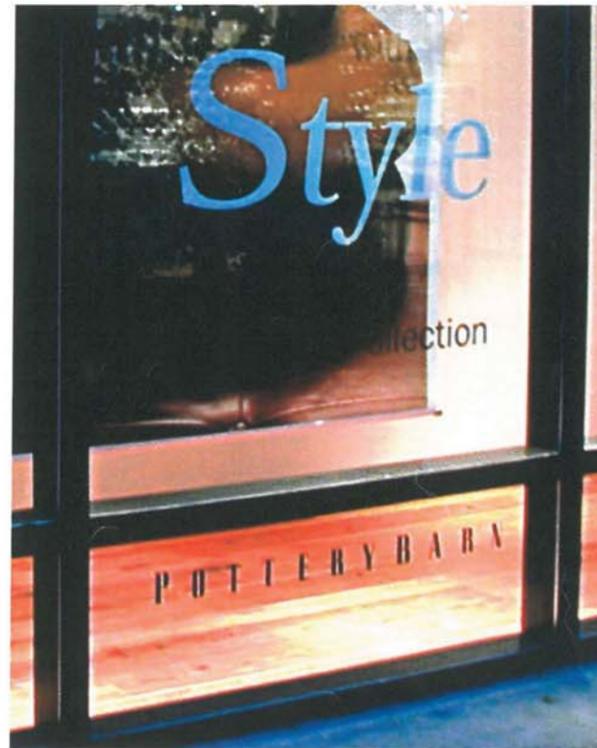
Wall placard sign

SIGN TYPE H - WINDOW SIGNS & TYPE BANDS

The tenant may apply a logotype, a logo, or a decorative type band to the second surface of storefront glazing. Window signs are meant to be subordinate to the primary identity signage; type bands are to provide additional information such as good or services provided, or a changing marketing campaign. Graphic read should be subtle and toned down.

The following are suggestions for applying second surface display window signage or type bands:

- Machine cut vinyl diffuser film (sandblast effect) applied to second surface of window glazing
- Gilt metal leaf, with the addition of vinyl
- Silk-screened inks or vinyls



A window sign/graphic and type band

SIGN TYPE J - PRINTED MENUS-DISPLAYS (For Restaurants Only)

The tenant has the option of displaying the printed table menu in a tamper resistant enclosure fabricated in materials appropriate to the restaurant design. Menus adhered to the backside of storefront glazing are prohibited.



A printed menu display for a restaurant tenant

SIGN TYPE L- AWNING SIGNS

Some Tenants will have the opportunity to have additional signage placed on storefront awnings. The colors, finishes and materials used should convey the tenant's unique identity and create a unified design with the tenant's storefront display. The tenant shall submit the design of the proposed sign for review according to the procedures outlined.

Awning signs are encouraged to be graphics comprised of logos, crests and accent graphics with minimum use of text.

All signage elements should be silk screened or fabric applique to fabric awning surfaces. Metal awnings should be silk screened or cut vinyl rated for exterior use.

Maximum Sign Area: 150 square feet or 1 square foot of sign area for every linear foot of awning length that is parallel to the building.

Illumination: Internally illuminated awnings are not allowed.

PLANNER / DESIGNER:
COMMARTS
Communications Arts Incorporated
112 Pearl Street
Boulder, Colorado 80302
(303) 447-8202

ARCHITECT:
SEM Architects Inc
677 S Colorado Blvd, #200
Denver, Colorado 80246
(303) 220-9900
CIVIL ENGINEER & SURVEYOR:

Drexel, Barrell & Co.
4840 Pearl East Circle, #114
Boulder, Colorado 80301
(303) 442-4338

LANDSCAPE ARCHITECT:
dhm design corporation
1390 Lawrence Street, #100
Denver, Colorado 80204
(303) 892-5566

ELECTRICAL & LIGHTING:
SPARLING / CANDELA
730 Olive Way, #1400
Seattle, Washington 98101
(800) 667-0610

westcor
Westcor Partners



TWENTY NINTH STREET
Site Review

28th Street & Arapahoe Avenue
Boulder, Colorado

Westcor Partners

Date • 12.06.04
Proj No •
Drawn •
Checked •

Date • Issue
03.07.05 • Resubmitted
03.18.05 • Resubmitted
04.04.05 • Resubmitted
04.07.05 • Resubmitted

Title •

TYPICAL BUILDING SIGN TYPES (continued)

SIGN TYPE M - ADDITIONAL DIMENSIONAL GRAPHIC ELEMENTS

For tenants with storefronts that are within the Project Interior Building Sign Zone it is highly encouraged that they consider the use of additional dimensional graphic elements. These additional graphic elements help reinforce the identity of the tenant without the use of additional words, trademarks and conventional signage. Colors, finishes and materials used should convey the tenant's unique identity and create a unified design with the tenant's storefront display. Dimensional elements may be separate from than the main signage helping create visual interest and depth to the storefront. Dimensional elements should have the characteristics that evoke a sense of contemporary high craftsmanship and design sensitivity; premium fabrication of these elements is absolutely required. The tenant shall submit the design of the proposed sign for review according to the procedures outlined. The Landlord reserves the right to reject any sign or sign element for any reason.

Dimensional elements shall not overlap or cover any building features such as cornices, eaves, windows, door frames, columns, and other decorative elements. Nor should these elements obstruct or overlap onto neighboring tenant spaces.

Maximum Sign Area: the area of all visible sides of dimensional graphic elements/icons will be calculated and will count towards the maximum allowable signage.

SIGN TYPE N - DECORATIVE TYPE FRIEZE

Certain areas on specific building elevations lend themselves to the addition of a decorative type frieze. Type friezes will consist of quotes and phrases that are general in character and nature; type friezes will not be tenant related or specific and will have no mention of tenant names or products sold. All copy for type friezes will be provided by the Landlord.

Type friezes can be either incised into the surface of the building or applied dimensional letters on top of the wall surface.



The use of large scale dimensional element not only make this kiosk a landmark but it quickly and easily conveys the message of the tenant through visual icons.



The use of materials, colors and icons is consistent with the tenants brand image and goods sold, helping further establish the tenant brand and image.



The large eyeglass frames along with the eye chart immediately convey the message to the visitor that this is an eyeglass store even before seeing the blade sign.



An example of a type frieze using applied dimensional letters.



The type frieze above the west entrance to Norlin Library uses incised letter forms.

PLANNER / DESIGNER:
COMMOARTS
Communications Arts Incorporated
1112 Pearl Street
Boulder, Colorado 80302
(303) 447-8202

ARCHITECT:
SEM Architects Inc
677 S Colorado Blvd, #200
Denver, Colorado 80246
(303) 220-8900

CIVIL ENGINEER & SURVEYOR:
Drexel, Barrell & Co.
4840 Pearl East Circle, #114
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JANUARY 18, 2016



City of Boulder Planning and Development Services
Boulder, CO 80302

ARCHITECTURE
741A PEARL STREET
BOULDER CO 80302
TEL 303 449 6605
WWW.ARCADEA.COM

6 _ WRITTEN STATEMENT REVISED

DEAR CASE MANAGER,

The following written statement addresses the Criteria for Review under Section 9-2-14(h), B.R.C. 1981 for Minor Amendment to an Approved Site Plan for the outdoor plaza between 1710 and 1750 29th Street at the 29th Street Mall.

6 (A) STATEMENT OF CURRENT OWNERSHIP:

The property owned by Macerich Partnership, L.P.

6 (B) AN EXPLANATION OF THE OBJECTIVES TO BE ACHIEVED BY THE PROJECT, INCLUDING WITHOUT LIMITATION BUILDING DESCRIPTIONS, SKETCHES, OR ELEVATIONS THAT MAY BE REQUIRED TO DESCRIBE THE OBJECTIVES:

The objective is to re-energize the under-utilized outdoor plaza west of the theaters with activities and functions similar to those that were originally envisioned and approved through the Discretionary Review Process. Please refer to 7_Site Plans and 8_Architectural Plans for additional information. In addition to the two new vendor container buildings and outdoor seating areas, Macerich has plans to supply additional furniture, umbrellas, lawn games and other items to enliven the other areas of the plaza adjacent to this specific proposal. Those elements are described in a separate furniture plan. Macerich feels this proposal will restore a very important element that will increase enjoyment of the mall by the general public and increase pedestrian activity for surrounding retail establishments.

The proposed plan is to install three vendor container buildings in the existing plaza that previously contained a skating rink. This plaza originally was ringed by restaurants that all served alcohol and that all had outdoor seating in the plaza. The original concept plan for the plaza (approved in 2004) showed the center section filled with vendor kiosks. This plan simply re-establishes the original uses and separates them in the same way from other general recreational uses of the plaza. The container buildings will be constructed from three re-purposed shipping containers, two measuring 8ft x 40ft and one measuring 8ft x 24ft. One of the vendors will be selling a selection of locally-sourced craft beer for consumption at a designated area of the plaza. The second vendor is likely to be selling a selection of locally-sourced wine, but this has not yet been finalized. The plaza areas being served by these two vendors will be separated from the rest of the plaza with railings and planters and will have controlled points of entry as shown on the plan. They will also be separated from each other, as shown on the site development plan due to liquor licensing laws.

6 (C) A DEVELOPMENT SCHEDULE INDICATING THE APPROXIMATE DATE WHEN CONSTRUCTION OF THE PROJECT OR PHASES OF THE PROJECT CAN BE EXPECTED TO BEGIN AND BE COMPLETED:

Construction will begin within three months following approval and is anticipated to continue for a maximum of three additional months. Macerich would like to have the project completed by the end of May, if possible.

6 (D) COPIES OF ANY SPECIAL AGREEMENTS, CONVEYANCES, RESTRICTIONS, OR COVENANTS THAT WILL GOVERN THE USE, MAINTENANCE, AND CONTINUED PROTECTION OF THE GOALS OF THE PROJECT AND ANY RELATED PARKS, RECREATION AREAS, PLAYGROUNDS, OUTLOTS, OR OPEN SPACE:

Parking Reduction, approved Nov. 13, 2015: ADR2015-0112. See attached.

CRITERIA FOR REVIEW FROM SECTION 9-2-14(H):

(1) Boulder Valley Comprehensive Plan:

(A) The proposed site plan is consistent with the land use map and the service area map and, on balance, the policies of the Boulder Valley Comprehensive Plan.

The site of the proposed plan is located in the 29th Street Mall, designated as Mixed-Use Business /MUB under the Boulder Valley Comprehensive Plan. The objective of the proposed plan is to re-energize the plaza that is surrounded by a mix of existing uses including retail, restaurant, office, and entertainment. The proposed plan brings back the types of activities and functions that were originally envisioned and approved through the Discretionary Review Process, and which are consistent with the function of the outdoor mall.

(B) The proposed development shall not exceed the maximum density associated with the Boulder Valley Comprehensive Plan residential land use designation. Additionally, if the density of existing residential development within a three-hundred-foot area surrounding the site is at or exceeds the density permitted in the Boulder Valley Comprehensive Plan, then the maximum density permitted on the site shall not exceed the lesser of:

- (i) The density permitted in the Boulder Valley Comprehensive Plan, or,*
- (ii) The maximum number of units that could be placed on the site without waiving or varying any of the requirements of [chapter 9-8](#), "Intensity Standards," B.R.C. 1981.*

The proposed plan is within the boundaries of the existing outdoor plaza and does not include a residential component.

(C) The proposed development's success in meeting the broad range of BVCP policies considers the economic feasibility of implementation techniques require to meet other site review criteria.

The proposed plan is tiny in scope and is well within the range of BVCP policies.

(2) Site Design:

Projects should preserve and enhance the community's unique sense of place through creative design that respects historic character, relationship to the natural environment, multi-modal transportation connectivity and its physical setting. Projects should utilize site design techniques which are consistent with the purpose of site review in subsection (a) of this section and enhance the quality of the project. In determining whether this subsection is met, the approving agency will consider the following factors:

(A) Open Space: Open space, including, without limitation, parks, recreation areas, and playgrounds:

- (i) Useable open space is arranged to be accessible and functional and incorporates quality landscaping, a mixture of sun and shade and places to gather;*
- (ii) Private open space is provided for each detached residential unit;*
- (iii) The project provides for the preservation of or mitigation of adverse impacts to natural features, including, without limitation, healthy long-lived trees, significant plant communities, ground and surface water, wetlands, riparian areas, drainage areas and species on the federal Endangered Species List, "Species of Special Concern in Boulder County" designated by Boulder County, or prairie dogs (*Cynomys ludovicianus*), which is a species of local concern, and their habitat;*
- (iv) The open space provides a relief to the density, both within the project and from surrounding development;*
- (v) Open space designed for active recreational purposes is of a size that it will be functionally useable and located in a safe and convenient proximity to the uses to which it is meant to serve;*
- (vi) The open space provides a buffer to protect sensitive environmental features and natural areas; and*
- (vii) If possible, open space is linked to an area- or city-wide system.*

(B) Open Space in Mixed Use Developments (Developments that contain a mix of residential and nonresidential uses)

- (i) The open space provides for a balance of private and shared areas for the residential uses and common open space that is available for use by both the residential and non-residential uses that will meet the needs of the anticipated residents, occupants, tenants, and visitors of the property; and*
- (ii) The open space provides active areas and passive areas that will meet the needs of the anticipated residents, occupants, tenants, and visitors of the property and are compatible with the surrounding area or an adopted plan for the area.*

(C) Landscaping:

- (i) The project provides for aesthetic enhancement and a variety of plant and hard surface materials, and the selection of materials provides for a variety of colors and contrasts and the preservation or use of local native vegetation where appropriate;*
- (ii) Landscape design attempts to avoid, minimize, or mitigate impacts to important native species, plant communities of special concern, threatened and endangered species and habitat by integrating the existing natural environment into the project;*
- (iii) The project provides significant amounts of plant material sized in excess of the landscaping requirements of [sections 9-9-12](#), "Landscaping and Screening Standards" and [9-9-13](#), "Streetscape Design Standards," B.R.C. 1981; and*

(iv) The setbacks, yards, and useable open space along public rights-of-way are landscaped to provide attractive streetscapes, to enhance architectural features, and to contribute to the development of an attractive site plan.

The proposed plan is to incorporate outdoor seating, lighting, umbrellas, planters, and other landscaping and furniture elements in addition to the two vendor container buildings. The existing hard-scape plaza currently is completely bare apart from the paving materials and light poles. It has almost no activity, no landscaping elements, no seating, and no other vendor container buildings since the removal of a previously-approved ice skating rink and a 300 sf customer service kiosk. The proposed plan will bring new life and enjoyment to the plaza by adding back the functions and amenities similar to what was originally envisioned and approved. See 7_Site Development Plan sheets SD-3 and SD-4 for proposed landscaping, furniture, and other amenities.

(D) Circulation: Circulation, including, without limitation, the transportation system that serves the property, whether public or private and whether constructed by the developer or not:

- (i) High speeds are discouraged or a physical separation between streets and the project is provided;*
- (ii) Potential conflicts with vehicles are minimized;*
- (iii) Safe and convenient connections are provided that support multi-modal mobility through and between properties, accessible to the public within the project and between the project and the existing and proposed transportation systems, including, without limitation, streets, bikeways, pedestrian ways and trails;*
- (iv) Alternatives to the automobile are promoted by incorporating site design techniques, land use patterns, and supporting infrastructure that supports and encourages walking, biking, and other alternatives to the single-occupant vehicle;*
- (v) Where practical and beneficial, a significant shift away from single-occupant vehicle use to alternate modes is promoted through the use of travel demand management techniques;*
- (vi) On-site facilities for external linkage are provided with other modes of transportation, where applicable;*
- (vii) The amount of land devoted to the street system is minimized; and*
- (viii) The project is designed for the types of traffic expected, including, without limitation, automobiles, bicycles, and pedestrians, and provides safety, separation from living areas, and control of noise and exhaust.*

The proposed plan does not affect or alter any vehicular transportation systems within the 29th Street Mall property. Sufficient pedestrian circulation is maintained in the open-air plaza and is intended to encourage and enhance the pedestrian connection between the retail stores along 29th Street to the west and the Movie Theater to the east.

(E) Parking:

- (i) The project incorporates into the design of parking areas measures to provide safety, convenience, and separation of pedestrian movements from vehicular movements;*
- (ii) The design of parking areas makes efficient use of the land and uses the minimum amount of land necessary to meet the parking needs of the project;*

- (iii) Parking areas and lighting are designed to reduce the visual impact on the project, adjacent properties, and adjacent streets; and*
- (iv) Parking areas utilize landscaping materials to provide shade in excess of the requirements in Subsection 9-9-6 (d), "Parking Area Design Standards," and Section 9-9-14, "Parking Lot Landscaping Standards," B.R.C. 1981.*

The proposed plan increases the need for parking within the entire 29th Street Mall property in a minor way. The patrons of these container buildings will be patrons of the mall in general and will be similar in number to the patrons of the skating rink and outdoor restaurant and bar activity that existed in the plaza previously. Overall, the area in question represents less than 1/4 of 1% of the area of the Mall, so the impact is really too small to measure. However, in the interest of calculating parking requirements in the most conservative manner possible, the parking charts have been revised. See attached documents.

(F) Building Design, Livability, and Relationship to the Existing or Proposed Surrounding Area:

- (i) The building height, mass, scale, orientation, and configuration are compatible with the existing character of the area or the character established by an adopted plan for the area;*
- (ii) The height of buildings is in general proportion to the height of existing buildings and the proposed or projected heights of approved buildings or approved plans for the immediate area;*
- (iii) The orientation of buildings minimizes shadows on and blocking of views from adjacent properties;*
- (iv) If the character of the area is identifiable, the project is made compatible by the appropriate use of color, materials, landscaping, signs, and lighting;*
- (v) Projects are designed to a human scale and promote a safe and vibrant pedestrian experience through the location of building frontages along public streets, plazas, sidewalks and paths, and through the use of building elements, design details and landscape materials that include, without limitation, the location of entrances and windows, and the creation of transparency and activity at the pedestrian level;*
- (vi) To the extent practical, the project provides public amenities and planned public facilities;*
- (vii) For residential projects, the project assists the community in producing a variety of housing types, such as multifamily, townhouses and detached single family units, as well as mixed lot sizes, number of bedrooms and sizes of units;*
- (viii) For residential projects, noise is minimized between units, between buildings, and from either onsite or off-site external sources through spacing, landscaping, and building materials;*
- (x) A lighting plan is provided which augments security, energy conservation, safety, and aesthetics;*
- (xi) The project incorporates the natural environment into the design and avoids, minimizes, or mitigates impacts to natural systems;*
- (xii) Buildings minimize or mitigate energy use; support on-site renewable energy generation and/or energy management systems; construction wastes are minimized; the project mitigates urban heat island effects; and the project reasonably mitigates or minimizes water use and impacts on water quality.*

(xiii) Exteriors or buildings present a sense of permanence through the use of authentic materials such as stone, brick, wood, metal or similar products and building material detailing;

(xiv) Cut and fill are minimized on the site, the design of buildings conforms to the natural contours of the land, and the site design minimizes erosion, slope instability, landslide, mudflow or subsidence, and minimizes the potential threat to property caused by geological hazards;

(xv) In the urbanizing areas along the Boulder Valley Comprehensive Plan boundaries between Area II and Area III, the building and site design provide for a well-defined urban edge; and

(xvi) In the urbanizing areas located on the major streets shown on the map in Appendix A of this title near the Boulder Valley Comprehensive Plan boundaries between Area II and Area III, the buildings and site design establish a sense of entry and arrival to the City by creating a defined urban edge and a transition between rural and urban areas.

The proposed plan will meet the above criteria in all ways. The container buildings will be small in scale and designed to complement the surrounding architecture. See 7_Site Development Plan sheet SD-5 for a detailed lighting plan.

(G) Solar Siting and Construction: For the purpose of ensuring the maximum potential for utilization of solar energy in the City, all applicants for residential site reviews shall place streets, lots, open spaces, and buildings so as to maximize the potential for the use of solar energy in accordance with the following solar siting criteria:

(i) Placement of Open Space and Streets: Open space areas are located wherever practical to protect buildings from shading by other buildings within the development or from buildings on adjacent properties. Topography and other natural features and constraints may justify deviations from this criterion.

(ii) Lot Layout and Building Siting: Lots are oriented and buildings are sited in a way which maximizes the solar potential of each principal building. Lots are designed to facilitate siting a structure which is unshaded by other nearby structures. Wherever practical, buildings are sited close to the north lot line to increase yard space to the south for better owner control of shading.

(iii) Building Form: The shapes of buildings are designed to maximize utilization of solar energy. Buildings shall meet the solar access protection and solar siting requirements of [section 9-9-17](#), "Solar Access," B.R.C. 1981.

(iv) Landscaping: The shading effects of proposed landscaping on adjacent buildings are minimized.

These small container buildings will have a minimal impact on shading and do not affect solar energy generation by any surrounding buildings. Solar Access Area III does not require a detailed solar shadow analysis.

(H) Additional Criteria for Poles Above the Permitted Height: No site review application for a pole above the permitted height will be approved unless the approving agency finds all of the following:

(i) The light pole is required for nighttime recreation activities, which are compatible with the surrounding neighborhood, or the light or traffic signal pole is required

for safety, or the electrical utility pole is required to serve the needs of the City; and

(ii) The pole is at the minimum height appropriate to accomplish the purposes for which the pole was erected and is designed and constructed so as to minimize light and electromagnetic pollution.

No additional light poles are proposed, although two previously-approved light poles that were previously removed from the plaza will be re-installed at the same locations. They will match the other existing light poles and do not extend above the permitted height. See 7_Site Development Plan sheet SD-5.

(I) Land Use Intensity Modifications:

(i) Potential Land Use Intensity Modifications:

(a) The density of a project may be increased in the BR-1 district through a reduction of the lot area requirement or in the Downtown (DT), BR-2, or MU-3 districts through a reduction in the open space requirements.

(b) The open space requirements in all Downtown (DT) districts may be reduced by up to one hundred percent.

(c) The open space per lot requirements for the total amount of open space required on the lot in the BR-2 district may be reduced by up to fifty percent.

(d) Land use intensity may be increased up to 25 percent in the BR-1 district through a reduction of the lot area requirement.

(ii) Additional Criteria for Land Use Intensity Modifications: A land use intensity increase will be permitted up to the maximum amount set forth below if the approving agency finds that the criteria in paragraph (h)(1) through subparagraph (h)(2)(H) of this section and following criteria have been met:

(a) Open Space Needs Met: The needs of the project's occupants and visitors for high quality and functional useable open space can be met adequately;

(b) Character of Project and Area: The open space reduction does not adversely affect the character of the development or the character of the surrounding area; and

(c) Open Space and Lot Area Reductions: The specific percentage reduction in open space or lot area requested by the applicant is justified by any one or combination of the following site design features not to exceed the maximum reduction set forth above:

(i) Close proximity to a public mall or park for which the development is specially assessed or to which the project contributes funding of capital improvements beyond that required by the parks and recreation component of the development excise tax set forth in [chapter 3-8](#), "Development Excise Tax," B.R.C. 1981: maximum one hundred percent reduction in all Downtown (DT) districts and ten percent in the BR-1 district; (ii) Architectural treatment that results in reducing the apparent bulk and mass of the structure or structures and site planning which increases the openness of the site: maximum five percent reduction;

- (iii) A common park, recreation, or playground area functionally useable and accessible by the development's occupants for active recreational purposes and sized for the number of inhabitants of the development, maximum five percent reduction; or developed facilities within the project designed to meet the active recreational needs of the occupants: maximum five percent reduction;*
- (iv) Permanent dedication of the development to use by a unique residential population whose needs for conventional open space are reduced: maximum five percent reduction;*
- (v) The reduction in open space is part of a development with a mix of residential and non-residential uses within an BR-2 zoning district that, due to the ratio of residential to non-residential uses and because of the size, type, and mix of dwelling units, the need for open space is reduced: maximum reduction fifteen percent; and*
- (vi) The reduction in open space is part of a development with a mix of residential and non-residential uses within an BR-2 zoning district that provides high quality urban design elements that will meet the needs of anticipated residents, occupants, tenants, and visitors of the property or will accommodate public gatherings, important activities, or events in the life of the community and its people, that may include, without limitation, recreational or cultural amenities, intimate spaces that foster social interaction, street furniture, landscaping, and hard surface treatments for the open space: maximum reduction 25 percent.*

This proposal does not impact density and will dramatically improve the quality of the open space that it serves, thus contributing to the enjoyment of that open space by patrons to the Mall.

(J) Additional Criteria for Floor Area Ratio Increase for Buildings in the BR-1 District:

- (i) Process: For buildings in the BR-1 district, the floor area ratio ("FAR") permitted under table 8-2, section 9-8-2, "Floor Area Ratio Requirements," B.R.C. 1981, may be increased by the city manager under the criteria set forth in this subparagraph.*
- (ii) Maximum FAR Increase: The maximum FAR increase allowed for buildings thirty-five feet and over in height in the BR-1 district shall be from 2:1 to 4:1.*
- (iii) Criteria for the BR-1 District: The FAR may be increased in the BR-1 district to the extent allowed in subparagraph (h)(2)(J)(ii) of this section if the approving agency finds that the following criteria are met:*
 - (a) Site and building design provide open space exceeding the required useable open space by at least ten percent: an increase in FAR not to exceed 0.25:1.*
 - (b) Site and building design provide private outdoor space for each office unit equal to at least ten percent of the lot area for buildings 25 feet and under and at least 20 percent of the lot area for buildings above 25 feet: an increase in FAR not to exceed 0.25:1.*
 - (c) Site and building design provide a street front facade and an alley facade at a pedestrian scale, including, without limitation, features such as*

awnings and windows, well-defined building entrances, and other building details: an increase in FAR not to exceed 0.25:1.

(d) For a building containing residential and non-residential uses in which neither use comprises less than 25 percent of the total square footage: an increase in FAR not to exceed 1:1.

(e) The unused portion of the allowed FAR of historic buildings designated as landmarks under [chapter 9-11](#), "Historic Preservation," B.R.C. 1981, may be transferred to other sites in the same zoning district. However, the increase in FAR of a proposed building to which FAR is transferred under this paragraph may not exceed an increase of 0.5:1.

(f) For a building which provides one full level of parking below grade, an increase in FAR not to exceed 0.5:1 may be granted.

At a maximum, this proposal would increase the floor area of the Mall by less than 1/10 of 1% from the approved plan. As the existing cumulative floor area ratio of the Mall properties of approximately 843,835 sf on a site of 2.7 million sf is less than 0.3:1 where 2.0:1 is allowed in the BR-1 zone district, this increase is insignificant and well below the allowable limits.

(K) Additional Criteria for Parking Reductions: The off-street parking requirements of [section 9-9-6](#), "Parking Standards," B.R.C. 1981, may be modified as follows:

(i) Process: The city manager may grant a parking reduction not to exceed fifty percent of the required parking. The planning board or city council may grant a reduction exceeding fifty percent.

(ii) Criteria: Upon submission of documentation by the applicant of how the project meets the following criteria, the approving agency may approve proposed modifications to the parking requirements of [section 9-9-6](#), "Parking Standards," B.R.C. 1981 (see tables 9-1, 9-2, 9-3 and 9-4), if it finds that:

(a) For residential uses, the probable number of motor vehicles to be owned by occupants of and visitors to dwellings in the project will be adequately accommodated;

(b) The parking needs of any non-residential uses will be adequately accommodated through on-street parking or off-street parking;

(c) A mix of residential with either office or retail uses is proposed, and the parking needs of all uses will be accommodated through shared parking;

(d) If joint use of common parking areas is proposed, varying time periods of use will accommodate proposed parking needs; and (e) If the number of off-street parking spaces is reduced because of the nature of the occupancy, the applicant provides assurances that the nature of the occupancy will not change.

As discussed in (E) above, the impact on parking of this proposal is considered to be minimal. However, additional vehicle parking will be provided for. See documents. Additional bicycle parking is proposed to be added See 7_Site Development Plan sheet SD-1.

(L) Additional Criteria for Off-Site Parking: The parking required under [section 9-9-6](#), "Parking Standards," B.R.C. 1981, may be located on a separate lot if the following conditions are met:

- (i) The lots are held in common ownership;*
- (ii) The separate lot is in the same zoning district and located within three hundred feet of the lot that it serves; and*
- (iii) The property used for off-site parking under this Subsection continues under common ownership or control.*

(1) Setbacks on the perimeter of a development cannot be varied by a minor modification to less than the minimum setbacks permitted by the underlying zoning district.

Setbacks on the perimeter of the development are not affected by the proposed plan.

(2) The floor area of the development, including principal and accessory buildings, may be expanded by the cumulative total of no more than the greater of ten percent or 200 square feet or, in the case of a building that exceeds the permitted height, no more than five percent, except that the portion of any building over thirty-five feet in height may not be expanded under the provisions of this paragraph;

The proposed plan includes three shipping containers, each open to the outside, at 832 sf total, the floor area of the container buildings is far less than 10% (0.1%) of the cumulative total of the entire development of approximately 843,835 sf of building area. They also occupy less than 10% of the approximately 26,000 sf plaza. They replace a previously removed customer service kiosk of 300 sf.

(3) Commercial and industrial building envelopes may be moved or expanded by no more than the greater of ten feet, or ten percent of the length of the building, measured along the building's axis in the direction that the building is being moved;

See above. The commercial building envelopes are not affected by the open plaza container buildings, but even if these temporary structures are looked at as an addition to the existing buildings, they still represent much less than 10%.

(4) Principal and accessory buildings not within an approved building envelope may be expanded or moved by no more than ten feet in any direction within the development in residential districts and lots abutting residential districts. The resulting setbacks shall not be less than the minimum allowed setback of the underlying zone.

The proposed plan is not within a residential district.

(5) Dwelling unit type may not be changed;

Dwelling units are not a part of the existing nor the proposed plan.

(6) The portion of any building over the permitted height under Section 9-7-1, "Schedule of Form and Bulk Standards," B.R.C. 1981, may not be expanded under the provisions of this Subsection;

The proposed plan does not alter the development's building height.

(7) No increase may be granted to an open space reduction or to a parking reduction in excess of that allowed in Subsection 9-9-6(f), "Parking Reduction," B.R.C. 1981; and

The proposed plan does not affect open space reduction or parking reduction in any meaningful way.

(8) No change may alter the basic intent of the site plan approval.

The approved site plan envisioned an active and energized open air plaza with food, information, and other kiosks serving patrons of the surrounding retail and office spaces and connecting the main 29th Street retail mall with the Century movie theaters to the east. A previous minor modification allowed Macerich, the Owner, to install an ice / roller skating rink in the plaza as a way to draw people back into the space from 29th St. The most recent approval to remove the rink has left the plaza relatively empty with little activity. The proposed plan is very much in line with the basic intent of the approved site plan as a means of attracting and serving the surrounding retail and office spaces, and re-energizing the space with people and activity.

SINCERELY,



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FEBRUARY 5, 2015



City of Boulder Planning and Development Services
Boulder, CO 80302

RESPONSE TO CITY COMMENTS; LUR2015-00119 REVISED

ARCHITECTURE
741A PEARL STREET
BOULDER CO 80302
TEL 303 449 6605
WWW.ARCADEA.COM

DEAR CASE MANAGER & CITY STAFF,

The following written statement addresses the City Comments for the Minor Amendment Application for the outdoor plaza between 1710 and 1750 29th Street at the 29th Street Mall.

ADDRESSING:

1710 29th Street, Suite 1048
1710 29th Street, Suite 1050

BUILDING AND HOUSING CODES:

1. Each tenant space will be equipped with an automatic sprinkler system to meet code requirements.
2. The tenant spaces have been relocated to the center of the courtyard to allow for the code-required 20-foot clear opening to the sky as well as minimum 10-foot egress clearance around the perimeter and 20-foot clearance to adjacent storefronts. There will be a one-hour separation between the two tenant spaces. For code purposes, these tenant spaces are not considered kiosks due to their size exceeding 300sf total, even if they are not conceived as permanent buildings.

BUILDING / SITE DESIGN:

1. Please refer to the revised drawing package. The steel shipping containers will be painted to match the hues of the surrounding buildings, but with a brighter chroma. The shade umbrellas also very closely match the green stucco of the building to the north. All of the elements have been chosen to harmonize with the existing buildings, elements, and paving colors. The structures are intended to have a one to five-year life, but may be in place longer. Leases are conceived as being one year to begin with.
2. The two vendors will need to be separated from the general public areas and from each other by liquor licensing requirements if they serve alcohol. If there are other uses, the railings around the perimeter can be removed.
3. The ribbed steel containers with folding-up shades fit in well with many elements of the 29th Street architectural look and feel in general, such as: the existing language of painted steel columns, beams, lattice work and even trashcans, the repeating linear wooden shade structures elements at the balcony level above, the wooden slats of the existing storefront directly to the south. The new railings will match the existing railings on the balcony above in material and color. The screened areas for outdoor storage adjacent to the container buildings also relate to these repeating linear elements, but with tighter spacing. The new

planters will also be very close matches to the colors of surrounding walls or other architectural elements. Even the colors in the landscape materials and some of the furnishings are designed to harmonize with the building and paving elements. Some elements in the furniture and interiors of the container buildings will not be designed to harmonize so much as to create a playful mixture and variety. Signs and lighting will also harmonize with the existing. All of the existing lighting is planned to remain in place.

F E E S

Macerich understands this and has or will address this separately.

L A N D S C A P I N G

1. Please refer to the 7_Site Development Plan sheet SD-3. The landscape plan has been thoroughly revised, as have railings, planters, and plant species. Colors of all of these elements have been designed to harmonize with surrounding elements.
2. See above. Plantings have been chosen to be low water-use varieties. It is intended that colorful perennial flowers will be early season types that will fill in until the longer grasses in the centers of the planters have time to grow in. Watering will be done by hand in accordance with the already-established watering and maintenance program the Mall has been using for the past 8+ years.
3. Stone mulch has been replaced with bark mulch. Soils and mulching will be designed in accordance with City landscaping standards and to reduce evaporation and chemical use.

L E G A L D O C U M E N T S :

Macerich understands this and has or will address this separately.

P A R K I N G :

1. Parking counts have been calculated for the tavern uses. Table 9-4 in Section 9-9-6 of the Boulder code refers to "floor area" and makes no reference to the area of outdoor seating. We feel this is an important distinction, and should be consistent with other restaurants and taverns in Boulder that have outdoor seating areas that have not been calculated into parking counts. Given the context, we must consider that most of these patrons are already coming to the mall for other reasons. The number of users is likely to be similar to the number of skaters when the rink occupied this plaza, and that use was more likely to have generated unique destination auto trip visits than these ones. The floor areas of the buildings in this revised plan is only 832sf. At 1 parking space for every 250sf, we'd need an additional 4 vehicle parking spaces (and we'd need an additional 4 bicycle spaces, as 4 is the minimum). These are the numbers that we are showing in the attached chart. However, if we were to take the most conservative view of these tenants that their customers will not also be patrons of the mall and we calculate the total area of the outdoor seating areas separated by railings (and including the buildings), rather than the floor area of the buildings alone, we arrive at 6,830sf. At 1 parking space for 250sf, these uses would require an additional 28 spaces. There is currently a surplus of 280 more spaces provided at 29th Street than what is required (see attached chart). Thus, when the proposed development is complete, even if we assume the most conservative view of the parking requirements, there will still be a surplus of 252 spaces.
2. 4 new bicycle spaces are required. However, according to this most conservative argument above, the addition of the 6,830sf of tavern uses would require 10 new bicycle parking

spaces; 3 long term and 7 short term. We propose to provide these new bike racks/ spaces adjacent to existing racks (refer to Site Development Plan).

PLAN DOCUMENTS:

1. Please refer to revised signage diagram. We are requesting in this Amendment that the area of signage for signs areas 3 and 4 be extended to include the center of the plaza (see attached diagram labelled "Revised-Storefront-Types-3.pdf"). We propose to amend this diagram to allow for sign types B, E, J, M, N in the center of this plaza as a logical extension of the existing approved signage program (see attached diagram labelled "Pages-from-Twenty-Ninth-Street-Sign-Program.pdf").
2. See 7_Site Development Plans for details related to landscaping, railings, details, and existing character. We are assuming that the details of furniture within the tenant spaces are not subject to Site Review requirements and as such may change with tenants and other considerations without the need to amend this Amendment.
3. See 2 above.
4. See 2 above.
5. See 8_Architectural Plans sheet A-2, A-3 (Elevations), and 7_Site Development Plan sheet SD-2 (Site Plan). Please note that with the revised location of the container structures in the middle of the plaza, the doorways on the periphery of the plaza are not encumbered by the back side of the containers as before, but open up to an active plaza environment as originally envisioned.
6. See 7_Site Development Plan sheet SD-5 Plaza Lighting Plan. The pole lights that currently exist will remain in place, as will all of the other lighting in the plaza. Two pole lights with downward casting light will be re-installed in the same location where they previously existed but were removed. This replaces the existing, previously approved lighting plan for the space. The design intent is for a generally low light level to create a romantic evening ambiance. Existing light fixtures will provide adequate lighting for safety considerations as currently exists. It is anticipated that the light spill from the interior lighting of the container buildings as well as small, portable, solar-powered luminaires set on tables will provide a little more lighting when the container buildings are open for business. When closed for business, it is anticipated that the area within the railings will be closed off after dark so that higher light levels will not be necessary.

Thank you very much in advance for your attention. Please feel free to call us with any questions.

SINCERELY,



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**CITY OF BOULDER
PLANNING BOARD AGENDA ITEM**

MEETING DATE: February 18, 2016

AGENDA TITLE: Middle Income Housing Strategy

REQUESTING DEPARTMENT:

David Driskell, Executive Director, Planning Housing + Sustainability
Susan Richstone, Deputy Director for Planning
Jeffrey Yegian, Housing Manager
Lesli Ellis, Comprehensive Planning Manager
Jay Sugnet, Project Manager
Crystal Launder, Housing Planner

OBJECTIVE:

Provide feedback to staff and Council on the development of a Middle Income Housing Strategy as a new component within Boulder's Comprehensive Housing Strategy.

SUMMARY

On Feb. 23, 2016, City Council will hold a study session on developing a Middle Income Housing Strategy (MIHS) as a new component within Boulder's Comprehensive Housing Strategy. The strategy is expected to provide a housing policy framework, including community priorities for action and specific tools to help meet the adopted Housing Boulder goal to "Maintain the Middle."



Staff will provide a brief overview of the City Council Study Session memo, including the findings from the *Middle Income Housing Study* prepared by BBC Research & Consulting. The memo is attached.

For more information, please contact Jay Sugnet at 303-441-4057 or sugnetj@bouldercolorado.gov.



STUDY SESSION MEMORANDUM

TO: Members of City Council

FROM: Jane S. Brautigam, City Manager
David Driskell, Executive Director, Planning, Housing + Sustainability
Jeff Yegian, Housing Division Manager
Susan Richstone, Deputy Director for Planning
Lesli Ellis, Comprehensive Planning Manager
Jay Sugnet, Project Manager
Crystal Launder, Housing Planner

DATE: February 23, 2016

SUBJECT: Middle Income Housing Strategy



EXECUTIVE SUMMARY

The purpose of the study session is to request council feedback on the development of a Middle Income Housing Strategy (MIHS) as a new component within Boulder's Comprehensive Housing Strategy. The strategy is expected to provide a housing policy framework, including community priorities for action and specific tools to help meet the adopted Housing Boulder goal to "Maintain the Middle."

Specifically, this memo and study session will:

- Summarize findings from the recently completed *Middle Income Housing Study* undertaken to better understand how the market is currently performing in relation to housing products and choices for middle income households in Boulder;
- Provide an overview of current trends and projections for new housing development under current land use and zoning, from now through 'build out' (i.e., what we will likely get under current policies, regulations and market trends) and summarize relevant input from the recently completed community survey;
- Present draft "areas of focus" of the strategy for Council feedback;
- Provide an overview of potential interventions based on consultant input, working group discussions, and a review of middle income housing approaches from other cities; and
- Outline proposed next steps toward developing a Middle Income Housing Strategy for Boulder, including the coordination of analysis, community engagement and policy direction with the Boulder Valley Comprehensive Plan.

Why a Middle Income Housing Strategy?

Like the deed-restricted units created through the city's affordable housing program for low and moderate income households, middle income housing helps provide socioeconomic diversity in the community, and reduces in-commuting by members of the city's workforce (for purposes of this discussion, "middle income" is defined as approximately 80 to 150 percent of Area Median Income, which for a three-person household currently translates to annual income of between \$68,200 and \$134,250).

The shrinking of the middle class is a nationwide trend, but is more pronounced in Boulder. Since 1989, middle income households have declined from 43 percent of Boulder's households to 37 percent. Lower income households have remained relatively steady due in large part to efforts by the city and its affordable housing partners, while higher income households are replacing middle income households within an environment of escalating home prices.

As highlighted in the Middle Income Housing Study, the parts of the housing market where affordability has eroded the most for middle income households is in for-sale detached single family housing, where only 17 percent of home sales in 2015 were "middle income affordable." Attached homes (such as townhomes, duplexes and condos) are more within reach for middle income buyers, with 67 percent of 2015 sales being in the affordable range. Rental housing in Boulder, by comparison, continues to be affordable to middle income households, despite recent increases in rent levels. The study shows that 99 percent of market-rate rentals in Boulder are affordable to middle income households. New rental developments are primarily larger complexes oriented towards young professionals and "empty nesters."

The overall erosion of affordability in Boulder is the source of considerable community concern, as expressed in the recently completed community survey for the Boulder Valley Comprehensive Plan (BVCP), last year's Housing Boulder community engagement process, and the continuing debates around growth and development in Boulder.

What Can the City Do?

The *Middle Income Housing Study's* results provide a foundation on which to develop a meaningful strategy that helps expand and sustain housing choices for middle income households in Boulder in a manner consistent with community values.

Boulder is not alone in terms of eroding middle income affordability. Other cities with high housing costs in North America are taking action by setting ambitious goals to increase the share of middle income housing stock. To achieve these goals, several cities adopted regulations requiring middle income units with new development (e.g., inclusionary zoning), created additional funding sources (e.g., linkage fees), changed land uses to encourage middle income housing, and provided incentives (e.g., density bonuses and fee reductions).

To maintain housing in Boulder for middle income people, the city will need to pursue a combination of new goals and policies, regulations and incentives, programmatic interventions, and funding mechanisms. A list of potential interventions is provided later in this memo, many of which were discussed and prioritized last year by the "Maintain the Middle" working group in

the Housing Boulder process. Analysis and strategy development work in the coming months will explore the potential interaction between these interventions, and—importantly—integrate the analysis of potential land use changes and other policy initiatives within the work of the Boulder Valley Comprehensive Plan (BVCP). This work will also look at affordable housing issues more broadly, including how current policies and regulations—including land use—support the city’s continued effort to create permanently affordable housing outcomes for low and moderate income households.

Proposed Process and Next Steps

Staff proposes the following steps to create a Middle Income Housing Strategy:

Clearly Define the Problem We Are Trying to Solve

- ✓ Determine **what the market is currently producing** to serve middle income households and how unit size and location affect pricing over time (*Middle Income Housing Study*).
- ✓ Within the context of the BVCP update, analyze **what housing types the market is likely to produce in the future** based on our current regulatory framework and land availability (*preliminary analysis completed; additional analysis forthcoming*).
- ✓ Define **key areas of focus** to guide further analysis and the development of appropriate strategies and interventions (*draft areas of focus presented in this memo*).

Evaluate and Prioritize Policies, Strategies and Interventions

- Identify and evaluate **potential interventions and their relative effectiveness** in response to the key areas of focus.
- As part of the BVCP, prepare **land use and policy choices or scenarios** that could support middle income housing outcome as well as the city’s broader affordable housing goals, and how each scenario might perform in relation to other potential interventions (land use and policy, regulatory, and funding/programmatic) to produce desired middle income housing types.
- Based on analysis, define **priority policies, strategies and interventions**, incorporating them as appropriate in the BVCP policy and land use changes and in the draft Middle Income Housing Strategy (MIHS) as well as other Housing Boulder strategy initiatives.
- Define **metrics of success** for maintaining and expanding opportunities and choices for middle income households, establishing quantified targets where appropriate.
- Work with the BVCP process subcommittee to develop an **integrated public engagement** plan for the MIHS work within the overall BVCP process.

Develop the Draft MIHS as part of the city’s Comprehensive Housing Strategy

- Prepare the **Middle Income Housing Strategy** based on analysis, community input and direction from boards and council, including priorities for implementation in the two-year Housing Boulder Action Plan.
- As appropriate, update other aspects of the city’s **Comprehensive Housing Strategy and two-year Action Plan** to guide work in support of low and moderate income housing as well.
- Develop a methodology to **monitor key market indicators** to provide better ‘real time’ information on developing trends in the local and regional housing markets, measure the success of city- and partner-led interventions, and inform potential next steps.

Questions for City Council

1. Does council have questions or input on the Middle Income Housing Study (**Attachment A**) or the analysis of future housing outcomes based on current policies and market trends (**Attachment B**)?
2. Does council have feedback on:
 - the proposed “areas of focus” to guide development of the Middle Income Housing Strategy;
 - the approach to analysis, including the evaluation of potential land use changes as part of the BVCP; and,
 - potential regulatory interventions, funding approaches, and other interventions to be explored?
3. Does council have questions or input related to the proposed process and timeline?

I. BACKGROUND

Since adoption of Boulder’s 1999 Housing Strategy, the community has made significant progress toward achieving the city’s adopted housing goals, resulting in thousands of permanently affordable housing units for low and moderate income households and placing Boulder in the forefront of housing policy and action nationwide. However, Boulder’s housing market continues to be strong, and housing affordability challenges have continued to grow, particularly during the recent economic recovery.

In response, City Council set in motion a policy initiative in 2013 to define Boulder’s “next generation” housing strategy that would build and continue the successes of the past while expanding the city’s toolkit to respond more effectively to new and emerging challenges. Subsequent work efforts have included the [Boulder Housing Market Analysis](#) and the [Boulder Housing Choice Survey and Analysis](#); development of the [Toolkit of Housing Options](#); Council adoption of the [Housing Boulder goals](#); and a substantial community outreach and engagement effort that included a town hall meeting, a panel discussion of invited experts from other parts of the country, goal-focused working groups, sub-community meetings, and the piloting of new online engagement tools. In total, well over 1,500 people participated in the community conversations and events since January 2015, building on the 3,000+ participants in the initial survey work which resulted in the presentation of [Preliminary Themes](#) that could form the basis of an updated strategy, and subsequently Council approval of the Housing Boulder Action Plan for 2015 and 2016. The action plan approach was developed in response to community contention around some aspects of the strategy development process, and the perception by some that finalizing the full strategy could not be completed until conclusion of the BVCP update. The action plan has since been updated, and was discussed with Council at its January 2016 retreat. The updated action plan can be found [here](#).

Most relevant for this particular effort, work in 2015 included a Working Group focused specifically on the “Maintain the Middle” goal approved by Council. This group spent several months discussing the topic in depth. A [Maintain the Middle Fact Sheet](#) was created as a basis for the conversation and a summary of the group’s discussions is available as **Attachment C**. The group recommended changes to the Maintain the Middle goal, as well as specific tools worth additional study that are incorporated into later sections of the memo.

The working group's recommendations as well as other input gathered in the 2015 engagement activities will be carried forward as part of the current analysis, and working group members will be invited to review and comment on materials as the strategy development process proceeds.

A complete summary of the Housing Boulder process to date, including access to all related materials, can be found on the project website at www.HousingBoulder.net.

This study session memo will be discussed with the Planning Board on Feb. 18 and board feedback will be presented at the council study session.

II. ANALYSIS

A. Middle Income Housing Study Summary

BBC Research and Consulting (BBC) was contracted to provide a detailed market analysis of middle income housing (**Attachment A**). In addition to the market study, BBC met with developers to discuss market demand for housing; the types of products missing in Boulder; and recommendations for how the city could facilitate development of housing attractive to middle income households (**Attachment C**). Finally, staff conducted research on what other communities are doing to encourage middle income housing (**Attachment D**).

Recommendations from BBC for potential areas of city action as well as results from the review of best practices in other cities are incorporated in later sections of this memo. Following are some of the highlights from the recently completed market study:

- The share of Boulder's **middle income households has declined 6% since 1989**, offset by an increase in high income households.
- It is increasingly difficult for middle income families to find housing in Boulder. **Housing prices have risen 31% in the past two years** alone.
- **Middle income households can afford 99% of city's rentals**, but only 67% of attached homes and 17% of detached homes for sale in 2015; therefore, the main gap in middle income housing products is for-sale.
- The **inventory of homes affordable to middle income households has decreased over the last fifteen years**, with just 72 single-family detached homes affordable to middle income buyers in 2015 compared to 239 in 2000, and 262 attached homes affordable to middle income buyers in 2015, compared to 515 in 2000.
- **Attached homes maintain affordability better than detached homes.**
- Attached units maintain a lower price even in high-demand areas in Boulder and are less likely to expand in size.
- The 2014 Housing Choice survey revealed that 53% of in-commuters surveyed would consider moving to Boulder in the future. To live in Boulder:
 - Half would be willing to live in a townhome;
 - One-third would live in a duplex/triplex/fourplex.

B. Analysis of Current and Future Trends

Policy Basis for Residential Land Use

The land use pattern in the Boulder Valley is well established after decades of guidance from the Boulder Valley Comprehensive Plan (BVCP) and thoughtful growth. The plan reflects community core values, including a compact community with a defined urban edge and protection of the natural environment.

The BVCP is considered “an integral link in the community’s housing strategy.” The land use plan identifies desired locations, densities and types of housing planned for Boulder. Housing policies include a goal for low and moderate income housing (but not middle income). The plan also promotes a “mixture of housing types... to meet the housing needs of the full range of the Boulder Valley population” (Policy 7.06), preservation of existing housing stock (7.07), diversity of housing (Policy 7.09), and balancing housing supply with employment (7.10), to name a few.

Since the 1970s, the city and county have worked together to plan for urban development where it can be served by urban services and restrict residential sprawl, and they have undertaken zoning or regulatory changes or other measures to implement the plan. While the community sees many benefits of its regional land use growth policies such as efficient and sustainable provision of services, open space conservation, and predictability, it also means that city land available for future housing is limited. Almost no vacant parcels lie within city boundaries (those that do remain vacant are either significantly constrained or the focus of community controversy), and most of what can or may be built in the future will rely on redevelopment or retrofit of existing buildings.

Addressing needs of established and stable neighborhoods, preserving the affordability of existing housing, and identifying opportunities for additional housing will be key aspects of a Middle Income Housing Strategy (as well as other efforts to create new affordable housing opportunities in Boulder). As was highlighted in the controversies of last year, community goals for ‘preserving neighborhood character and quality’ and goals for creating new affordable housing opportunities can often be seen as being in conflict. Developing strategies to address and resolve those real and perceived conflicts will be essential; but so too will be strategies that can potentially create new residential neighborhoods where none have existed before, as has been the case in the Boulder Junction area; introducing housing as a use within existing commercial, mixed use and light industrial areas; and transforming public or institutional land into new housing opportunity sites (as in the case of the Boulder Community Health sites on Broadway and Mapleton Hill).

Analysis of Current Trends and Residential Potential

As part of the BVCP foundations work last year, staff analyzed potential for future housing and jobs within city limits and Area II eligible for annexation. The 2040 Projections and assumptions can be found [here](#). In sum, by 2040, the city has capacity for about 6,760 new housing units (including almost 1,400 units projected by CU), and approximately 19,000 new jobs based on existing zoning. While it is anticipated Boulder will reach capacity for housing at or before 2040, current zoning provides capacity for employment growth past 2040.

To prepare for the February study session and upcoming scenario preparation and analysis, staff prepared a finer grained study of the GIS-based housing projections using field verification and assessing what recently has been built in comparable zoning districts. This analysis helps with

understanding the real potential for additional housing under current zoning, and what types of changes to the land use plan and policies may lead to more attainable housing for middle income buyers as well as renters.

The *Middle Income Housing Study* combined with analysis of the projections using GIS and field analysis suggests that the current land use and capacity trends combined with continuing increase in housing prices, will lead to continued loss of affordable middle income housing options in Boulder. A summary of the current trends analysis is included in **Attachment B**, which includes quantitative information by subcommunity. In sum:

- Adjusting the 6,760 additional housing units projected under the current comprehensive plan and zoning to remove units under construction or receiving permits since the projections were prepared (902), units planned by the University of Colorado (1,372), units that will not occur until Phase II of Boulder Junction and the properties are rezoned (987), and units that are owned by religious institutions or private schools (474) reduces the residential capacity by approximately half, leaving 3,025 potential new units.
- The availability of land for new housing units is significantly less than what the projections imply.
- Remaining housing capacity is generally located along corridors, downtown, and in mixed use areas. It is not in neighborhoods, though these places are sometimes adjacent to neighborhoods. The subcommunities with the most housing potential are Crossroads, Central Boulder, and North Boulder.
- Many of the projected units are on sites dispersed throughout the city and are based on redevelopment of existing buildings and sites, which may or may not occur.
- Attached products have trended toward rental apartments, not for-sale units, and only in limited quantities other attached housing types such as townhomes. Additionally, the amenities and style of many recent multi-unit buildings are oriented toward single or younger professionals rather than families (e.g., no playgrounds or limited green space).
- The mixed use districts are currently trending toward non-residential office (e.g., in DT or BT districts), so the residential estimate may be high in these areas.
- Detached single family homes are trending toward larger houses (in new construction as well as through demolition and reconstruction, or significant additions), making them increasingly unaffordable to middle incomes, as noted in the BBC report.
- The few remaining large sites planned and zoned for housing tend to have constraints and face neighborhood opposition, environmental concerns, and/ or other concerns (e.g., Hogan Pancost, Twin Lakes, Waterview, MacKenzie Junction), which makes them reliant on extensive review processes with unpredictable outcomes.
- The city's current regulatory requirements (Inclusionary Housing) assure additional permanently affordable housing units for low and moderate income households. The city's current regulations do not require units affordable to middle income households. Annexation policies do secure permanently affordable middle income housing, however very few additional sites remain eligible for annexation. While current market trends are resulting in market-rate rental units affordable to middle income households, that is not the case for ownership units.
- The analysis does not account for public parcels that are changing to private use, nor does it presume any residential development in industrially zoned areas even though the code contains some provisions allowing residential units in industrial zones.

Demographic Trends

While the Middle Income Housing Strategy will be vision driven (seeking to be the community we want to be, rather than letting market forces alone shape our future), it is critical that it be data informed. Future demographic trends, while not summarized here, will be an important consideration as the strategy begins to take shape. For example, the trend of an aging population suggests that the need for housing for middle income seniors will increase, particularly as older people seek to move out of their current homes but wish to remain a part of the community. The strategy may wish to consider setting specific goals by age group, household type, and/or other areas of need, as was done in Boston's strategy.

Community Survey Responses

"The accelerating pace of housing cost will limit the diversity of housing choice which will, in turn, limit how welcoming and diverse we can be."

The (large houses) are "dwarfing the neighborhoods that had such character. They are using the entire yard to building onto the present houses. I would like to see the trend of smaller homes."

Respondents to BVCP Survey, 2015

The BVCP survey conducted in fall 2015 helps shed light on the importance of this issue to the community. Affordable housing was a major theme across several questions in the weighted and unweighted responses. Survey results can be found [here](#). In particular, open ended comments provided thoughtful insights into community members' concerns about housing and neighborhoods.

- When asked about community values in greatest need of increased attention, respondents thought "a diversity of housing types and price ranges" topped the list (63% for top 3 priorities and 56% for top 2 priorities).
- When asked how Boulder should address future housing (increase, maintain, or reduce current potential), most respondents think Boulder should increase (43%) or maintain (39%) the current potential, while a more modest share would prefer to reduce the potential for additional housing (12%).
- 43% think the city should maintain its system of limiting the rate of housing growth (no more than 1% per year on average).
- In written comments, respondents also noted the increasing importance of housing attainable to low and middle income groups while others expressed concerns about government involvement and neighborhoods.

III. DEFINING THE PROBLEM AND FOCUSING THE RESPONSE

What's the Problem We're Trying to Address?

As shown in the study results, housing in Boulder is increasingly unattainable to middle income homebuyers. In particular, detached single-family homes are already out of reach for most middle income households, and for-sale attached housing—such as townhomes, duplexes and condos—while relatively more affordable, are increasingly out of reach as well. As existing

middle income households age and reach the point of selling their current home, the trend of eroding middle income housing options will continue and potentially accelerate.

Fortunately, rental housing remains affordable for the middle income, although the range of choices for those seeking to live within neighborhoods, rather than in larger complexes, is static. Recent developments in particular are focused on working professionals (where there is significant need and demand) but are less oriented towards families.

This situation is compounded by limited land for new residential development. Opportunities for detached housing that could serve middle income households are extremely limited, and even opportunities for creating new attached housing are less than previous broad-stroke analyses have indicated.

Without intervention, these trends will continue to erode middle income housing opportunities in Boulder.

How Can and Should We Respond?

Staff would like feedback from council regarding the following proposed areas of focus for development of a Middle Income Housing Strategy. Importantly, some of these areas of focus will also help advance the city's goals in relation to lower and moderate income housing choices. Council feedback will help focus the process and community discussion.

1: Focus on homeownership opportunities for middle income households.

Since rentals are largely affordable, the city should explore and adopt tools that support provision of for sale housing that is affordable to middle income homebuyers.

2: Focus on attached housing types.

The *Middle Income Housing Study* found that only 17 percent of detached homes for sale in 2015 were affordable to middle income households. The median detached home sales price in 2015 was \$750,000 while the median sales price for attached homes was \$305,500. The total costs, driven by land costs, of building detached products, even very small units, make it unlikely that detached products could fill the middle income housing need without very high levels of per-unit subsidy. The study also found that attached homes retain affordability better than detached homes. This suggests that Boulder should support the provision of a greater variety of attached housing that appeals to middle income households (e.g., townhomes or courtyard cottages with access to a small yard).

3: Focus on the preservation of existing middle income housing where cost effective.

The *Middle Income Housing Study* shows that a significant percentage of the city's middle income households today live in single-family detached housing throughout the city. As these homes turn over at current market prices, they will be replaced with higher income households. To "maintain the middle," it is essential to look at ways to preserve the affordability of the existing housing stock.

Other cities addressing middle income housing deploy a variety of tools, but few provide direct subsidies to create new units. Currently, Boulder subsidizes the creation of low and

moderate income housing units by its partners through both new construction and the acquisition of existing housing. The level of subsidy ranges between \$35,000 (when other non-city subsidies are leveraged) and \$92,500. Staff is currently working with the Development-Related Impact Fees study consultants to estimate the subsidy to make housing types that are attractive to middle income households. The Housing Boulder Maintain the Middle working group discussed this issue and was split as to the value of publicly subsidizing middle income housing, particularly if it is at the expense of the low and moderate income housing program.

The strategy should evaluate the tradeoffs between tools that could help preserve middle income affordability in existing housing, but with careful consideration of the “bang for the buck” of potential investments in relation to other community housing needs. Direct city investment may be best targeted at the preservation of middle income affordability in attached housing, not detached housing.

4: Create community and support neighborhoods.

The *Middle Income Housing Study* notes that some of the most affordable units are in places that are less desirable or were not built to preferred standards. As the process evaluates potential tools and interventions, such as land use changes in transitional or changing areas, strong consideration should be given to how they can strengthen these communities and neighborhoods. Additionally, opportunities for “gentle infill” (such as accessory units, house-behind-a-house, and duplexes) in established neighborhoods can help create middle income housing opportunities in these areas that will, over time, become predominantly if not entirely high income.

5: Expand the potential for residential development, and ensure that most new housing is affordable to low, moderate and middle income households.

With limited opportunities and little remaining capacity for residential development (approximately 3,025 residential units), most new housing produced in Boulder would need to be attainable to low, moderate and middle incomes if the city is to retain anything close to its current income diversity. If some areas that could be suitable for higher density development are designated for medium density housing types that are more attractive to middle income homebuyers (such as townhomes and duplexes or triplexes) then the overall number of potential units may decline further unless offset by changing land uses in other areas from commercial or light industrial to residential and/or mixed use.

IV. RANGE OF POTENTIAL INTERVENTIONS

Potential interventions are organized under the categories of Land Use and Policy, Regulatory, and Funding/Programmatic. For each category, an initial discussion of potential options is provided drawing on the Housing Boulder [Toolkit of Housing Options](#) as well as consultant recommendations, staff’s review of approaches in other cities, and input from the Maintain the Middle working group.

Additional analysis, community engagement and discussions with Council and boards will be needed to evaluate each category and option and determine which, if any, should be adopted. The process for doing so is briefly outlined under “Next Steps.”

Land Use and Policy Interventions

Potential land use and policy interventions will be evaluated as part of the BVCP process, as outlined in the “Next Steps” section of this memo.

- Land Use and Zoning Designations – As part of the BVCP, assess ways to modify land use descriptions or land use on the map (with subsequent potential changes to zoning and zoning district regulations) to encourage or require housing attractive to middle income households (e.g., smaller attached building and units with better design and amenities). Seattle and Boston, two communities profiled in **Attachment D**, plan to use land use policy followed by zoning changes to introduce desirable housing types for middle income households. The approach can be combined with a “value capture” or “incentive zoning” mechanism to help ensure that any density increase is accompanied by the provision of affordable housing and/or defined housing types. This intervention is relevant for all of the city’s affordable housing goals, not just middle income, though the design of the intervention may vary based on whether it’s intended to drive permanently affordable housing for low and moderate income versus non-subsidized market rate units intended to serve middle income households.

In survey results, “providing permanently affordable housing” was selected as the first priority for developer requirements. Second by a small margin, was limiting height and protecting views, suggesting that design and location are important. Linking height modifications in selected areas with incentive based zoning mechanisms for affordable housing can help ensure the desired additional community benefit in return for increasing density.

- Annexation Policies – Consider increasing the requirement for middle income housing as a condition of annexation. The city’s current policy calls for 40 to 60 percent of the units to be permanently affordable to low, moderate and middle income households.
- Balancing Housing with Employment – As part of the BVCP scenarios, explore changes to the land use plan to encourage residential potential in certain industrial/commercial and public/institutional zones or “areas of change” to improve the imbalance between future residential potential and future job-creation potential. When doing so, focus on opportunities for housing to meet the needs of low, moderate and middle income households. Survey results suggest general support for increasing residential potential while maintaining a slow growth rate.
- Neighborhood Amenities and Improvements – As part of the BVCP, assess and put in place policies to strengthen neighborhoods in conjunction with the preservation of middle income housing opportunities and the creation of new opportunities. In particular, improve transitional residential areas that have affordable housing but lack organized community structures and amenities. Incentive zoning mechanisms or legal/financial tools should be linked to improvements to avoid making housing unaffordable, as they likely will increase property values and thus housing costs.

- Mixed Use Affordable Housing – Survey results suggest that people generally support mixed use but are concerned about the design, type of mix, and the lack of “on site” affordable units in recent developments. Design of features, such as parking and open space, are also important, especially relative to location. Evaluation of potential interventions should assess the relative increase of residential uses in mixed use areas as well as overall housing and transportation costs (factoring in location efficiencies that help reduce overall living expenses) and other benefits such as reduced greenhouse gas emissions.

Regulatory Interventions

A number of regulatory changes or incentives could improve housing options for middle income people. Currently, the only path to create permanently affordable middle income housing units is through annexation. The following interventions would expand current requirements or change the city’s regulatory structure to encourage or require housing types not currently provided by the market, but which would better serve middle income housing needs.

- Middle Income Inclusionary Housing Ordinance – Require a certain percentage of all new units to be deed restricted. This would be similar to the current Inclusionary Housing requirement for 20% of units affordable to low and moderate income households (e.g., New York City allocates required affordable units in three categories: 20% low; 30% moderate; and 50% middle-income). Inclusionary housing is the most widely used tool in other cities to secure middle income housing with long-term affordability.
- Middle Income Housing Density Bonus – Restructure existing zoning districts or create new districts that provide for increased density based on proportional increases in deed restricted middle income units (or affordable units more broadly, including middle income). This would be similar to the bonuses currently offered for affordable housing in the Mixed Use 1 (MU-1) and Residential - Mixed 2 (RMX-2) Zone Districts. Several communities (New York City, Roseville, CA, and San Diego) have affordable density bonus programs. A density bonus could also be offered to incentivize developers to provide specific housing types (micro-units, townhomes, du-, tri-, and four-plexes). The Maintain the Middle working group discussed this tool and agreed that it should be explored in more detail.
- Fee Reductions, Expedited Review Process, and/or Modification of Standards – Similar to the Affordable Housing Benefit Ordinance included in the Housing Boulder Action Plan 2016/17, consider special fee and process accommodations for developments that provide a certain percentage of middle income units. Both Boston and Seattle have included actions around streamlining the review process in their middle income housing strategies.
- Unit Size Regulations – Although smaller units are more affordable, development regulations and market factors often drive the development of larger and more expensive housing units (**Attachment C**). Explore incentives and/or regulations to encourage new homes to be smaller and/or to preserve existing smaller homes and their relative affordability. This type of intervention could also explore regulations and/or disincentives to limit or even prohibit the construction of very large homes and/or the replacement or major expansion of existing smaller homes. At a minimum, it could review the city’s zoning and development regulations to ensure that they drive desired unit sizes. San Francisco, Seattle, Boston and New York

specifically encourage micro-units as part of an overall middle income housing strategy (though obviously these unit types only serve individuals or two-person households).

- **Regulatory Barriers** – Assess regulatory barriers to affordable housing and potential to modify. The most common regulatory barrier identified in other cities and by area developers are minimum parking requirements. Two communities’ affordable housing strategies include components around comprehensive parking reform (Seattle) and targeted parking reductions for desired housing types (New York City).

The Housing Boulder Maintain the Middle working group identified additional regulatory tools worth consideration: raising or eliminating *occupancy limits*; raising *height limits* in specific areas of the city (included in the preceding list); and encouraging more *accessory dwelling units and owner’s accessory units* (**Attachment E**). In addition, several cities profiled in **Attachment D** emphasized accessory units in their efforts to provide middle income housing.

Developers interviewed on how the city could facilitate development of middle income housing (**Attachment C**) identified regulatory barriers, high permitting fees, code complexity, lengthy review processes, and an overall high risk environment as factors pushing the market to develop larger, more expensive housing units (most of these are included in the preceding list of potential interventions). Many developers did agree that smaller units, incentives and an overall culture change would promote the production of more middle income housing units.

Funding / Programmatic Interventions

Funding would be the primary tool to preserve existing middle income housing units, but could also be used for new construction. Some funding currently used by the city (from federal sources) is restricted to low and moderate income housing, but the city could expand the income levels served in how it spends local funds. To not divert current funding sources from current goals related to low and moderate income housing, additional funding sources could include:

- **Tax for Affordable Housing** – Create a new or raise existing taxes to fund middle income housing units (e.g., occupational tax, hotel/accommodations tax, general sales tax, and property tax). Sales tax is one of the funding sources for Aspen’s Housing Development Fund.
- **Commercial Linkage Fee for Middle Income Housing** – Expand the current affordable housing linkage fee on nonresidential development to address middle income housing needs. This is being considered as part of the Development Related Impact Fees and Excise Taxes study. Pitkin County, Roseville, CA, and San Diego, CA have commercial linkage fees that support middle income housing programs and production; however other communities like San Francisco strictly target low to moderate income households with their commercial linkage fee programs.

Funding could be used to expand the city’s current down-payment assistance program to include middle income households. In exchange for the subsidy, the homeowner would agree to 1) a deed restriction to maintain permanent affordability to middle income households, 2) share the home’s appreciation through repaying a loan that would revolve, or 3) a combination of both.

Boston, San Diego, San Francisco and New York City are all examples of cities with homeownership programs with down-payment assistance that serve middle income households.

In addition, the Toolkit for Housing Options identified employer assisted housing as a tool. Employers could assist individual employees in the form of mortgage subsidies, down-payment assistance, and relocation payments. Some employers in mountain communities purchase housing directly for employees as part of an overall recruitment strategy. Other cities also assist employers with matching funds for various employer assisted housing programs.

V. BVCP AND NEXT STEPS

A successful middle income strategy will need a combination of policies (setting specific goals), land use changes, regulatory changes (e.g., incentive zoning) and potentially funding (e.g., linkage fees). Based on Council feedback, staff will proceed to refine the process and schedule for developing a Middle Income Housing Strategy, and work with the BVCP process committee to explore options for an integrated community engagement process. A follow-up study session for the Middle Income Housing Strategy is planned for the third quarter of 2016 to review an initial draft strategy and recommended interventions. The adoption of a final strategy is currently anticipated for early 2017.

Analysis of Scenarios through the Boulder Valley Comprehensive Plan

Since the middle income housing strategy preparation coincides with the update of the BVCP, the community will have opportunities in the coming months to assess how land use or policy changes to the plan might support middle income housing as well as other affordable housing outcomes as well as community objectives related to climate action, transportation, resilience, and jobs:housing balance. As noted above, the BVCP is an integral part of housing policy.

Materials shared with City Council for the [Dec. 15 memo](#) and the [BVCP Phase 3 diagram](#) illustrate how staff will work with the community to blend different objectives into scenarios and do the parallel work of policy integration and public request analysis.

Scenarios will be designed around objectives such as to:

- Identify areas of change and established areas, and test concepts in the transitioning areas;
- Achieve more diverse housing types to achieve middle income housing objectives as well as other affordable housing outcomes;
- Better balance future housing and jobs;
- Reduce Green House Gas emissions, miles traveled, cost for community services, and other impacts of development and growth and achieve community benefits; and
- Improve services, amenities, and placemaking for transitional places (e.g., parks, sidewalks, neighborhood serving retail).

Scenarios and analysis results will be presented using 3D visual maps, descriptions of what they are and what it would take to accomplish them, and analysis of their benefits and impacts.

The process may result in changes to the BVCP in the Built Environment chapter's character maps and descriptions; the Land Use Designation map; the land use definitions (e.g., new or

modified categories, including community benefits to achieve); and/or policies relating to housing, growth management, built environment, and neighborhoods.

A BVCP update often precedes regulatory changes (e.g., to the Land Use Code, to fees, or to enact other implementation tools). However, not all near-term regulatory changes need to wait for the update to be finished since the BVCP currently provides guidance on housing. Legislative approaches may be appropriate (e.g., accessory dwelling unit ordinance). Land use policy alone will not accomplish the challenge of housing affordability, and will need to be followed by regulations, incentives, funding or programmatic changes. As the case studies show, many communities use a mix of tools and strategies to accomplish middle income housing outcomes.

Council will have opportunities to see BVCP scenarios at a study session in April following community input earlier in April.

Next Steps

In addition to the scenario analysis undertaken as part of the BVCP update, staff will:

- Summarize input from the study session and refine the areas of focus and proposed analysis process accordingly;
- Work the BVCP process committee to define an integrated approach to community engagement in the strategy's development;
- Evaluate potential interventions and their relative effectiveness in response to the key areas of focus;
- Based on analysis, define priority policies, strategies and interventions, incorporating them as appropriate in the BVCP policy and land use changes and in the draft Middle Income Housing Strategy as well as other Housing Boulder strategy initiatives;
- Define metrics of success for maintaining and expanding opportunities and choices for middle income households, establishing quantified targets where appropriate;
- Return to Planning Board and Council later this year with the outline of a draft Middle Income Housing Strategy, based on analysis and community input;
- As appropriate and based on the outcome of the BVCP analysis and evaluation of other interventions, propose updates to other aspects of the city's Comprehensive Housing Strategy and two-year Action Plan to guide work in support of low and moderate income housing as well.

For more information, please contact Jay Sugnet at sugnetj@bouldercolorado.gov, (303) 441-4057, or www.HousingBoulder.net.

ATTACHMENTS

- A. Middle Income Housing Study – *BBC Report*
- B. Current Trends
- C. Developer Discussions Memo
- D. Middle Income Housing Approaches from Other Cities
- E. Housing Boulder: Maintain the Middle Working Group Summary



Middle Income Housing Study

City of Boulder

Final Report

Final Report

January 4, 2016

Middle Income Housing Study

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SECTION ES.

Executive Summary

WHY A MIDDLE MARKET FOCUSED STUDY?

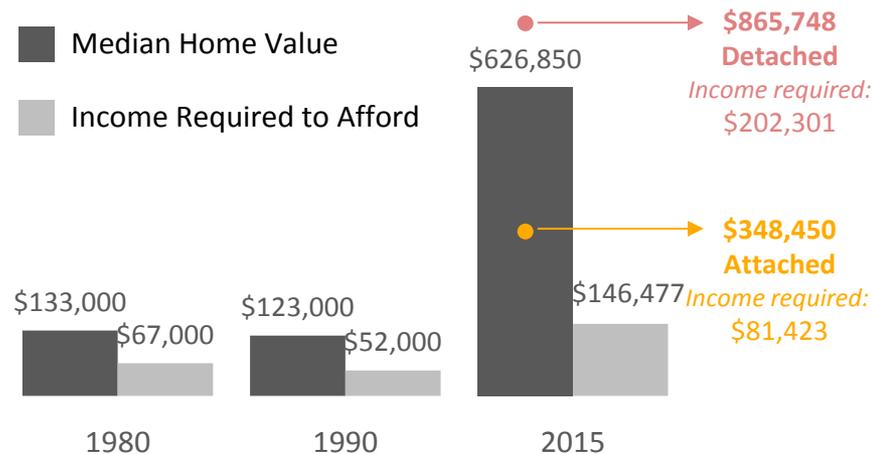
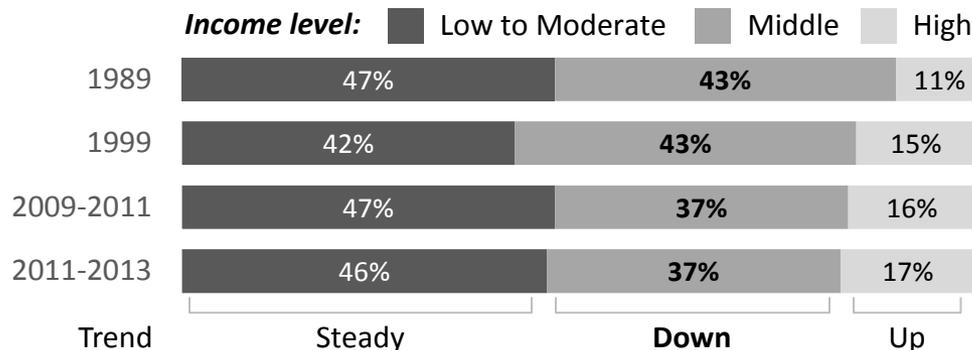
The share of Boulder’s middle income households has declined from 1989, offset by an increase in high income households.

It is becoming increasingly difficult for middle income families to find housing in Boulder.

Housing prices have risen **31%** in the past two years alone.

Middle income households have been an important part of Boulder’s community historically—and are a critical part of the city’s workforce.

Providing middle income housing options helps achieve numerous city goals: **Sustainability, Carbon Reduction, Economic Diversity.**



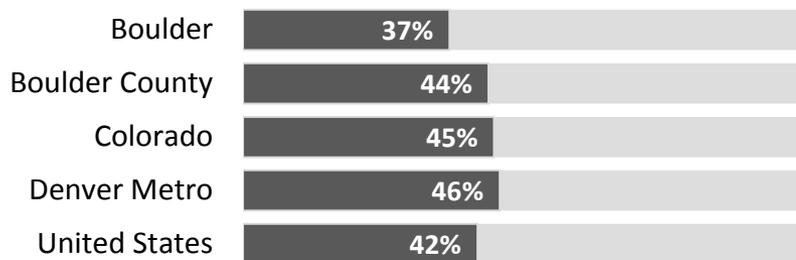
Middle income jobs include:
accountants, architects, librarians, veterinarians, and web developers.

WHO IS THE MIDDLE MARKET?

80-150% of Boulder Area Median Income (AMI)



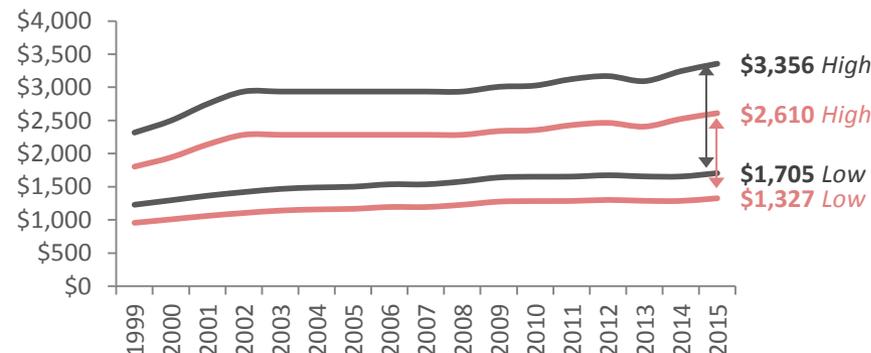
Percent Households that are Middle Market



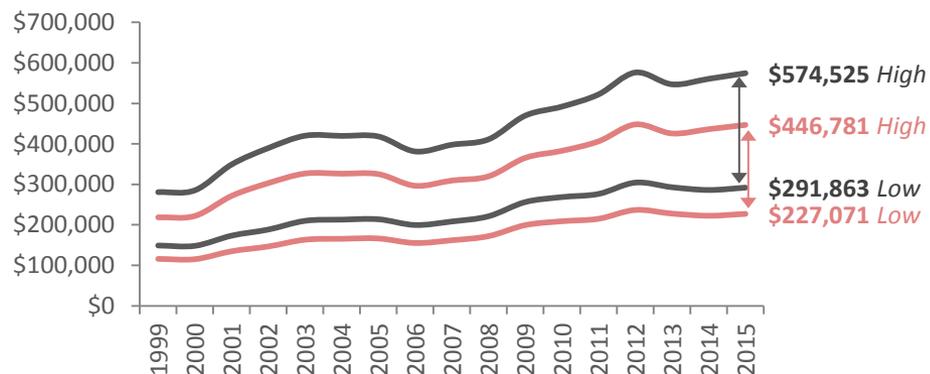
WHAT CAN THE MIDDLE MARKET AFFORD?

— 1-Person Household (Income range: \$53,060 – \$104,400)
 — 3-Person Household (Income range: \$68,200– \$134,250)

Affordable Rent



Affordable Home Price for Missing Middle



Falling mortgage interest rates between 2010 and 2015 increased homeownership affordability

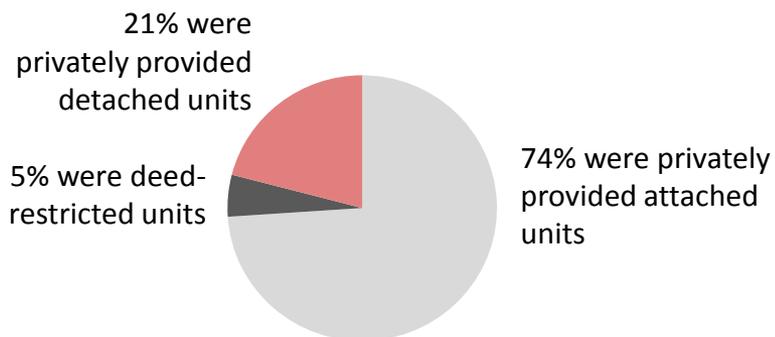
WHAT IS AVAILABLE TO THE MIDDLE MARKET?

99% of city's rentals

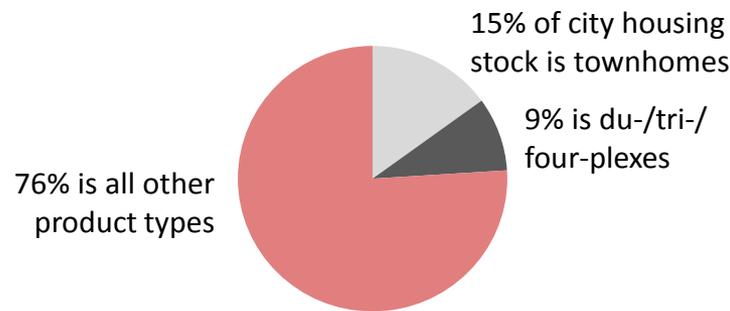
17% of detached homes for sale in 2015, or 72 units, **2** of which are deed-restricted

67% of attached homes for sale in 2015, or 262 units, **15** of which are deed-restricted

Of the 334 homes affordable to Middle Market households in 2015:



Boulder's supply of Missing Middle product types is relatively low:



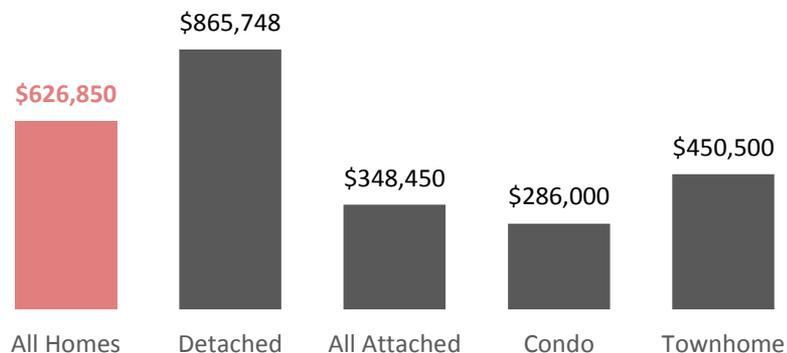
WHAT ARE THE KEY FINDINGS FROM THE MIDDLE MARKET STUDY?

Key Finding No. 1:

Attached homes maintain affordability better than detached homes

- ▶ Short term price appreciation is lower—
*Annual increase between 2011 and 2015: **10%** for detached, **7%** for townhomes, **5%** for condos.*
- ▶ Long term price appreciation is lower—
*Overall increase between 1996 and 2015: **209%** for detached homes v. **138%** for townhomes and condos.*

Median price remains lower



This is true even for similarly-sized homes

	Median List/Sold Price				CAGR	
	2000	2005	2011	2015	2000-2015	2011-2015
All homes with 2+ bedrooms and 900+ sq ft	\$317,550	\$420,000	\$489,950	\$700,000	5.4%	9.3%
Detached homes with 2+ bedrooms and 900+ sq ft	\$372,400	\$564,950	\$589,900	\$869,740	5.8%	10.2%
Attached homes with 2+ bedrooms and 900+ sq ft	\$210,000	\$285,000	\$335,000	\$447,000	5.2%	7.5%

Key Finding No. 2:

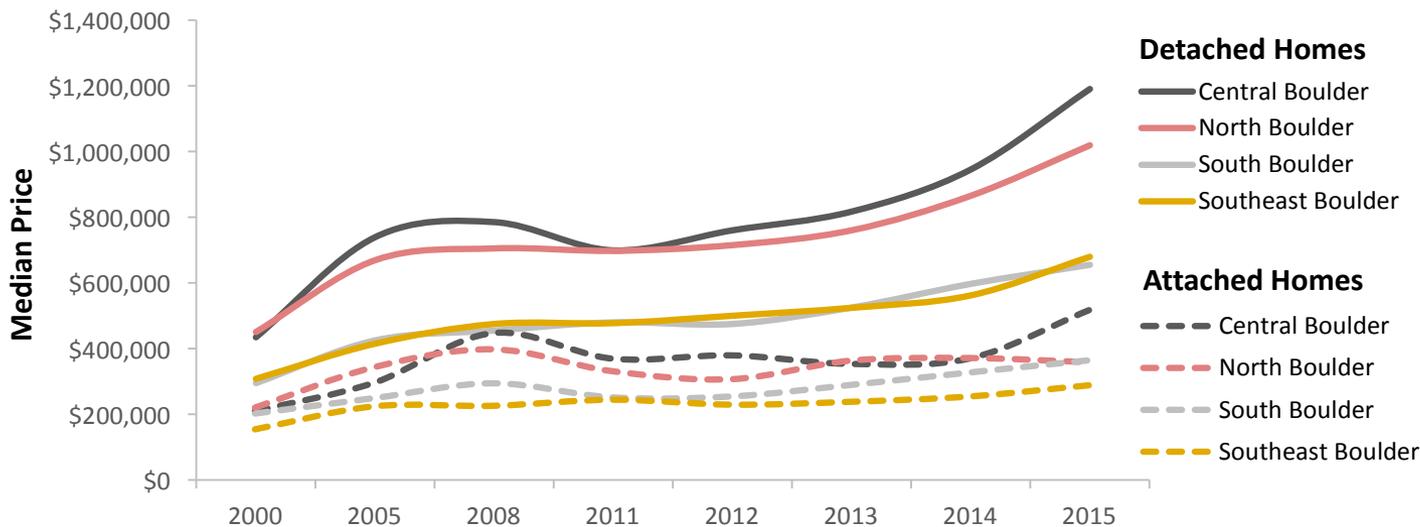
Attached units maintain a lower price even in high-demand areas in Boulder

Central Boulder detached homes sold for a median price of **\$1.2 million** in 2015 v. **\$522,000** for attached homes.

Key Finding No. 3:

Attached products are less likely to expand in size

The average size of detached homes rose by **700 square feet** between 2000 and 2015, contributing to price increases. Average attached home size rose by just **150 square feet**.



Key Finding No. 4:

Rentals remain very affordable to the Middle Market and may be the only way to live in Boulder

Although rent levels are at record highs—**\$1,861/month** near the University, **\$1,505/month** in the balance of the city—**99%** of Middle Market households can afford to rent at market prices.

Historically, Boulder’s rental market has offered a range of larger units:

- ▶ **29%** of rental units have 3+ bedrooms
- ▶ **19%** of rental units are single family detached homes

Yet this is changing:

- ▶ *The share of rentals most attractive to in-commuters and families—attached products integrated into neighborhoods—is down to **31%** from **33%** in 2000*
- ▶ *Newly developed rentals in larger complexes are not family-oriented, offering firepits v. playgrounds*

Key Finding No. 5:

Purchasing an attached unit is cheaper than renting at market rates

In-commuters wanting to live in Boulder express a preference for attached products in small structures integrated into neighborhoods v. large multifamily complexes.

In-commuters would much rather buy than rent: only **6%** are willing to make the trade-off of renting in Boulder v. buying outside of Boulder.

For the same monthly expense, a renter in a new Boulder complex could purchase up to **83%** of all two-bedroom attached homes listed for sale in 2015.

Key Finding No. 6:

If all new residential is priced for the Middle Market, affordability would increase significantly.

Currently, 27 percent of the city’s owner-occupied homes are affordable to Middle Market households. If all 6,750 of potential new dwelling units were added to the city today, the proportion of owner-occupied homes affordable to Middle Market households would increase to 42 percent.

SECTION I.

Introduction to Middle Market Research

SECTION I. Introduction to Middle Market Research

This report focuses on housing Boulder’s middle income households. Its primary purpose is to provide information about which types of housing products are successful in broadening housing options for current and potential middle income residents of the City of Boulder.

Why a Middle Market Housing Study?

A core element of the new Housing Boulder Action Plan for 2015 and 2016 is development of a middle income housing strategy.¹ The aim of the strategy is for the city to better use its regulatory tools and investments to facilitate a richer diversity of housing choices and residential affordability (through new development, redevelopment and the preservation of existing housing).

The decline of middle income households has been a growing concern for Boulder. In 1989, 43 percent of Boulder’s households were considered middle income. This proportion held until 1999, after which it began to drop, offset by an increase in high income households. Today, an estimated 37 percent of the city’s households are middle income. Middle income households have declined outside of Boulder as well, though the county, region and state have maintained a higher proportion of middle income households.

Middle income households are an important segment of the city’s population not only because they have historically been a core part of the Boulder community—but also because they make up a significant part of the city’s workforce. Providing middle income

housing to Boulder workers within the city helps achieve numerous city goals (e.g., sustainability, carbon reduction, diversity).

Development of the middle income housing strategy involves:

- Determining what the market is currently producing to serve middle income households and how unit size and location affect pricing over time—*This is the purpose of this study;*
- Identifying and evaluating land use changes and other market interventions needed to produce desired middle income housing types (e.g., duplexes and triplexes, townhomes, courtyard apartments, bungalows) and appropriate locations (coordinated with the Comprehensive Plan update)—*This is will occur as part of the Boulder Valley Comprehensive Plan (BVCP) and will be informed by this study;*
- Determining effective mechanisms to support middle income affordability (e.g., shared appreciation models, down payment assistance, preservation of existing housing)—*Development of these mechanisms will be informed by this study;*
- Identifying a methodology to monitor key market indicators to measure progress on Middle Market housing provision; and
- Drafting a middle income strategy based on analysis and additional community input.

¹ www.HousingBoulder.net

Is This a New Challenge for Boulder?

Providing housing to middle income households, as well as low income households, has always been somewhat of a challenge for Boulder. The community's interest in maintaining economic diversity led Boulder to establish many of the region's first affordable housing programs and policies. In September of 2014, City Council adopted six goals to help guide the development of the housing strategy and one was designed solely on "providing a greater variety of housing choices for middle-income families and Boulder's workforce."

The affordability challenges of Boulder's low and middle income households were less severe before the 1990s—a period of significant population growth for the city and the Denver region overall. Contributing factors were strong in-migration in the region, a recovering economy and a shift in consumer housing preferences toward "lifestyle" communities, such as Boulder.

Between 1990 and 2000, the median value of a home in Boulder increased at a compound annual rate of 8 percent.

The current, unprecedented rise in prices continues to broaden the demographic of those for whom buying or renting in Boulder is unattainable. **Housing prices in the past two years alone have risen by 31 percent.** Today, the Boulder households most vulnerable to the effects of rapid housing price increases are those who earn too much to qualify for public subsidies, but for whom the median-priced home is out of reach. These households—

herein referred to as the Missing Middle, Middle Market or workforce housing—are the subject of this report.²

Loss of housing for the Middle Market is also an issue for other cities of high demand. *Governing* magazine recently reviewed the gap in availability of family-sized Middle Market housing in the nation's 25 largest cities. In the top 10 most expensive cities in the U.S., an average of 17 percent of all home listings with 3 or more bedrooms were affordable to families earning the local median family income. This compares to 63 percent in the other 15 cities.

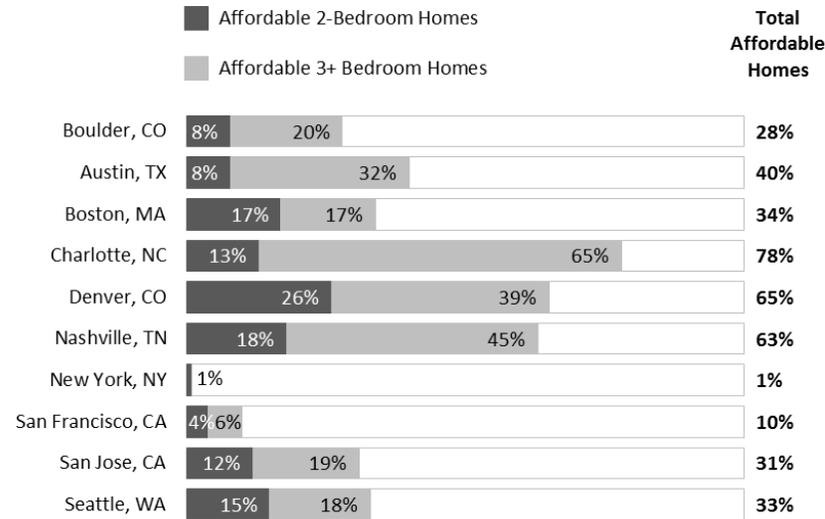
Boulder is slightly more affordable than the 10 most expensive cities in the U.S. but still far more expensive than the other 15 cities included in the *Governing* magazine report. In Boulder, 20 percent of 3-plus bedroom homes for sale were affordable to the median-income four-person household in 2015 (compared to 17% in the most expensive cities and 63 percent in the other 15 cities).

Figure I-1 displays the *Governing* magazine data for select cities along with Boulder. The figure shows the proportion of two- and three-bedroom homes affordable to 4-person families earning the median income.

² The term Missing Middle was crafted by Daniel Parolek of the planning and design firm Opticos. He uses the term to define a particular residential product type: "multi-unit or clustered housing types" that are compatible in scale with single family homes and which are targeted to help meet a growing demand for "walkable urban living." Many take this definition to be synonymous with middle income households. In many, but not all, markets, Missing Middle products are more affordable than detached single family products. Yet changing market preferences for lower maintenance, walkable residential environments—largely driven by Millennials and Baby Boomers—can make Missing Middle products less affordable.

SECTION I. Introduction to Middle Market Research

Figure I-1.
Comparative Share of Home Listings Affordable to Median Income Families in Boulder and Select Cities in the United States



Source: Governing Magazine, MLS and BBC Research & Consulting.

Who is the Middle Market?

The City of Boulder has a permanently affordable middle-income housing program. This program defines middle income as approximately 80 to 120 percent of the area median income (AMI) in the Boulder region or, for example, a three-person household with an annual income between \$68,000 and \$104,000 (2015).³ This program was established as part of the City of Boulder’s goal

³ AMI is calculated by HUD annually and is adjusted by household size. It is based on the median income of a 4-person household, as determined by household surveys conducted by the U.S. Census.

of 450 permanently affordable middle income housing units. This goal was adopted in 2008 as a separate goal in addition to the “10 Percent Goal.” Currently, annexation is the city’s only path to create permanently affordable middle-income housing.

For the purposes of this report, the Missing Middle is defined as households earning between approximately 80 and 150 percent of AMI. This aligns with the City’s income break between Low to Moderate Income and Middle Income (approximately 80% AMI) but increases the maximum income threshold from 120 to 150 percent AMI in order to provide a more comprehensive view of households that may consider themselves to be “middle class.”

Previous Housing Boulder reports have explored other definitions of middle income households including income breaks of \$50,000 to \$150,000 and \$65,000 to \$150,000. This report strikes a balance between the higher threshold used in those reports and the lower threshold of Boulder’s current middle income housing programs. This report focuses on the household types that are most common in Boulder: 1- and 3-person households.

MIDDLE MARKET

 **1-person households earning \$53,060-\$104,400**

 **3-person households earning \$68,200-\$134,250**

What Happens When the Middle Market Can't Afford Housing?

The most obvious effect of housing prices being out of reach for workers is more in-commuting—and more traffic.

This can also lead to a shift in certain household types. Families, for example, may be economically motivated to live in more affordable communities to help manage the costs of raising children (child care, activities, saving for college). This shift has not yet occurred in Boulder; instead, the proportion of families has remained the same, but families are more likely to be high income.

Organization of Report

The remainder of this report is organized as follows:

- Section II. Middle Market Housing Products begins with a discussion of the demographics of Boulder's Middle Market households. It introduces the products that have been and are currently affordable to Middle Market households.
- Section III. Middle Market Price Trends and Affordability provides an in-depth analysis of ownership and rental affordability for Middle Market households within Boulder—what types of homes were once affordable, what is affordable now, where affordable homes are located and what's missing from the market.
- Section IV. Impacts of Middle Market Development discusses if and how an infusion of Middle Market products could contribute to Boulder's affordability.

Data limitations. This report relies heavily on data from the multiple list service (MLS), the Metro Denver Vacancy and Rent Survey, the U.S. Census and the American Community Survey (ACS). Some limitations of those data include:

- Using MLS data focuses the ownership-related findings on what the market offers buyers at a given time, not what it contains as a whole. The benefit is that MLS data provide the best measure of what potential buyers could actually find on the current market. However, it may not provide a perfect representation of all existing homes in the city. MLS data also include a lower sample of homes to analyze than data on all homes in the city. The primary alternative to MLS data is assessor's data which does include data on all homes in the city, not just those being listed/sold. However, historical assessor's data were not available for this project due to reporting issues currently being addressed by the Boulder County Assessor's Office.
- The Metro Denver Vacancy and Rent Survey does not include rental information on single family rentals. Unfortunately, the counterpart Single Family Housing Vacancy and Rent Survey was discontinued in early 2014. Neither survey provide detailed information on the distribution of rents in Boulder; instead the data focus on average and median rents as well as vacancy rates.
- The ACS reports more detail on rental distribution and offers more rental cross-tabulations than the vacancy survey. However, the lag between data collection and release means the most recent 3-year ACS data available are the 2011-2013 3-year estimates.

SECTION I. Introduction to Middle Market Research

- There are no available data sources that include non-structural design features which characterize many Missing Middle housing products (design style, orientation, community integration, etc.) and impact both desirability and affordability. As such, the study team relied on reported structural characteristics (e.g., size of unit and number of units in a building) as a proxy for style when possible.

SECTION II.

Middle Market Housing Products

SECTION II. Middle Market Housing Products

Who are Boulder’s Middle Market Households?

In the spring of 2015, a “Maintain the Middle” fact sheet was compiled for Housing Boulder which described middle income households in detail. This fact sheet examined trends in middle income households—their types, age distribution and overall proportion in the city. In 1989, 43 percent of Boulder’s households were considered middle income. This proportion held until 1999, after which it began to drop, offset by an increase in high income households. An estimated 37 percent of the city’s households are middle income today (see Figure II-1).

Figure II-2 displays the proportion of middle income households in Boulder to the county, state and nation between 1989 and 2013. Statewide, the proportion of households that are middle income declined by 3 percentage points between 1989 and 2013 (from 47 percent to 44 percent), compared to a 6 percentage point decline in the City of Boulder. Boulder County actually shows the steepest decline in middle income households over the period but still maintains a higher proportion of middle income households than the city. It should also be noted that city data are included in county estimates.

Figure II-1.
Middle Income Trends, City of Boulder, 1989 to 2013

	Low to Moderate Income	Middle Income	High Income
1989	47%	43%	11%
1999	42%	43%	15%
2009-2011	47%	37%	16%
2011-2013	46%	37%	17%
Trend	Steady	Down	Up

Note: In the Maintain the Middle Fact Sheet, middle income was defined as households earning between \$50,000 and \$150,000.

Source: Housing Boulder Maintain the Middle Fact Sheet and BBC Research & Consulting.

Figure II-2.
Middle Income Households, City, County, State and Nation, 1989 to 2013

	City of Boulder	Boulder County	State of Colorado	United States
1989	43%	51%	47%	46%
1999	43%	50%	50%	46%
2009-2011	37%	43%	46%	43%
2011-2013	37%	44%	45%	42%
Difference	-6.3%	-7.5%	-2.6%	-4.6%

Note: In the Maintain the Middle Fact Sheet, middle income was defined as households earning between \$50,000 and \$150,000.

Source: Housing Boulder Maintain the Middle Fact Sheet, 1990 and 2000 Census, 2009-2011 and 2011-2013 ACS and BBC Research & Consulting.

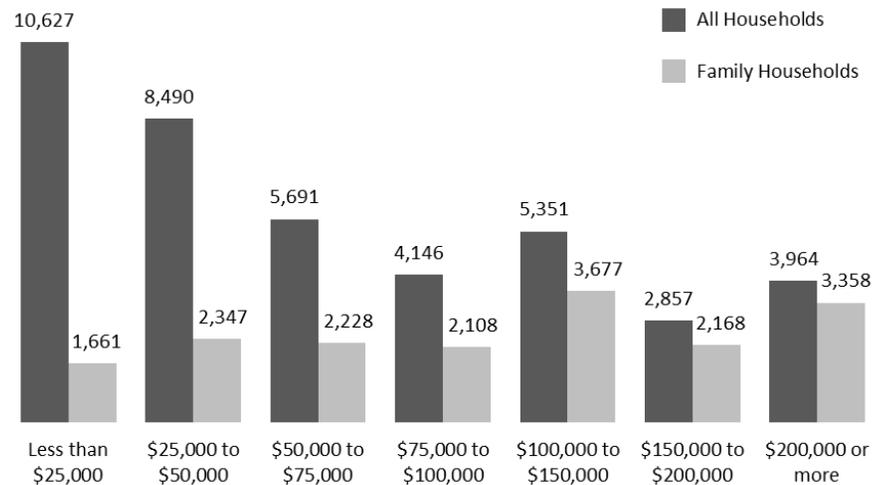
SECTION II. Middle Market Housing Products

Just over half (53%) of the city’s middle income households are defined as families according to the U.S. Census. (The Census defines a family as two or more people—one of whom is the householder—related by birth, marriage, or adoption residing in the same housing unit. This definition excludes same sex couples and unmarried partners and as such, in some communities, under-represents families).

Twenty percent of Boulder’s middle income households are families with children. Overall, just 19 percent of all Boulder households include children—similar to the proportion of households with children in San Francisco, Washington DC and Seattle which have some of the lowest shares of children among large cities.¹ In Denver, about one quarter of all households include children.

Figure II-3 displays all households and family households by income for the City of Boulder. Family households are more likely to be middle income than households overall. That said, family households in Boulder skew toward higher income brackets, while all households skew toward lower income brackets (likely the result of students living in the community).

**Figure II-3.
Income by Household Type, City of Boulder, 2013**



Note: Household income reported is for the previous full calendar year.

Source: Housing Boulder Maintain the Middle Fact Sheet and BBC Research & Consulting.

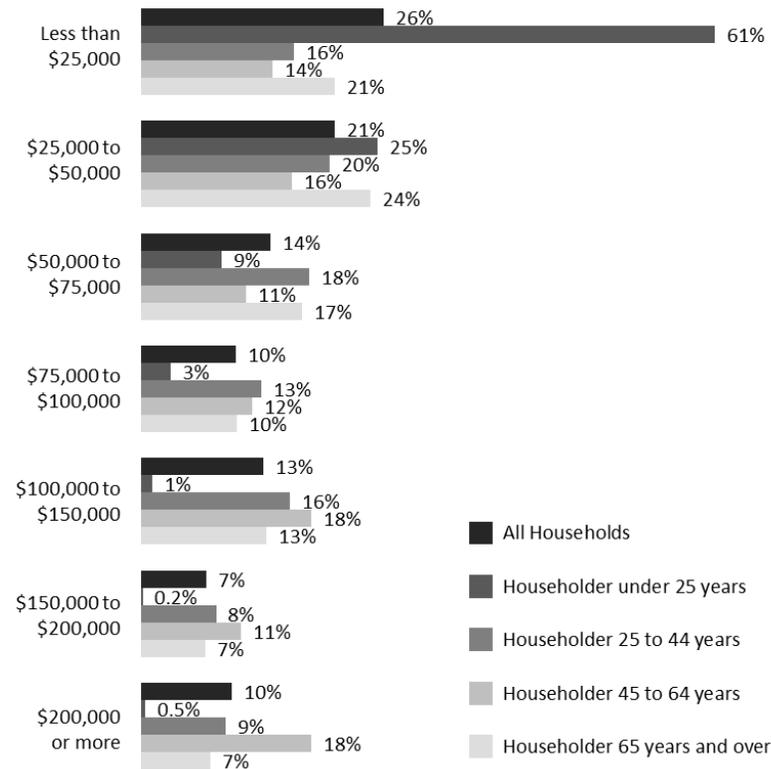
Figure II-4, on the following page, displays household income by age. Middle income households are slightly more likely to be headed by householders aged 25 to 44. Of households earning between \$50,000 and \$150,000, 44 percent are headed by householders between 25 and 44 years old, compared with 8 percent for under 25 years and 33 percent for 45 to 64 years.

¹ Maciag, Mike. "No Room in the City." *Governing Magazine*. November 2015, 25-30.

SECTION II. Middle Market Housing Products

Similarly, 47 percent of householders between the ages of 25 and 44 have incomes between \$50,000 and \$150,000, compared to 13 percent of householders under 25 years and 41 percent of householders over 45 years.

Figure II-4. Household Income by Age of Householder, City of Boulder, 2013



Source: Housing Boulder Maintain the Middle Fact Sheet (2013 5 year ACS) and BBC Research & Consulting.

Middle income households hold key employment positions in Boulder. According to the Bureau of Labor Statistics Occupational Employment Statistics, 42 percent of Boulder employees are in industries with average or median wages that fall in the Middle Market income range. These employment categories include the following:

Employment Categories

- Accountants and Auditors
- Chemical Engineers
- Clinical Counseling and School Psychologists
- Computer Programmers
- Dental Hygienists
- Economists
- Industrial Engineers
- Landscape Architects
- Librarians
- Physician Assistants
- Registered Nurses
- Special Education Teachers, Secondary School
- Technical Writers
- Veterinarians
- Web Developers

SECTION II. Middle Market Housing Products

Which Housing Products are Key to Maintaining Middle Market Households in High Cost Cities?

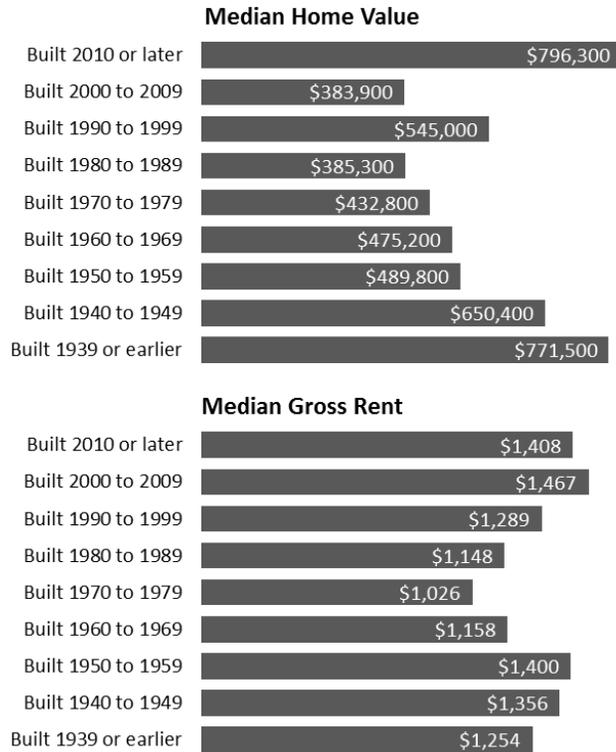
Missing Middle product analyses generally focus on new housing types that are needed to help meet demand for workforce or middle income housing. In reality, in most cities, existing housing—generally older (but not historical), modest products provide the largest share of housing to the middle class.

These products make up much of the residential housing stock in the Intermountain West. For example, 61 percent of Boulder’s housing stock was built in the 60s, 70s and 80s. Homes built in those decades now offer some of the lowest home prices and rents in Boulder, particularly homes built in the 1970s and 1980s (see Figure II-5).

Figure II-5. Median Values and Gross Rents by Year Built, City of Boulder, 2013

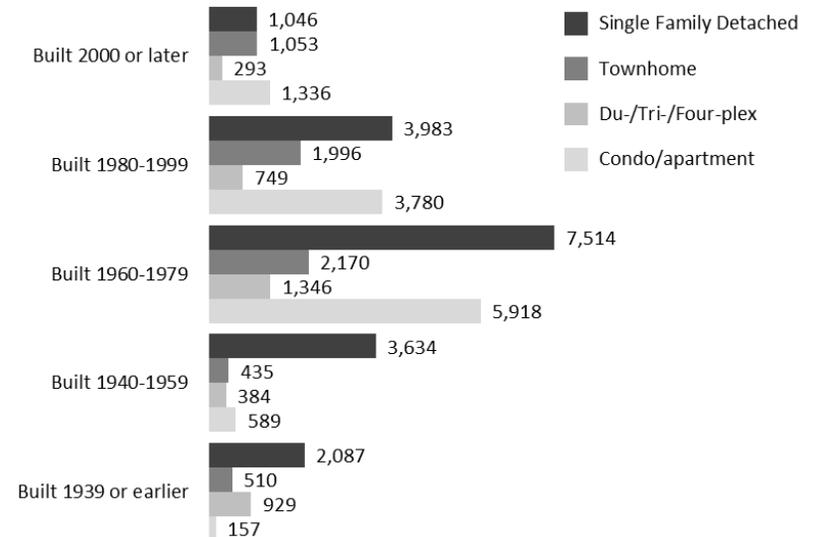
Note:
Median value and median gross rent in the ACS are self-reported and as such, likely include deed-restricted units and rent subsidies.

Source:
2009-2013 ACS.



As shown in Figure II-6, prior to 1980, home construction focused largely on single family detached dwellings. Since 1980, just over a third of newly constructed homes were single family detached.

Figure II-6. Year Built by Product Type, City of Boulder, 2013



Source: 2009-2013 ACS.

SECTION II. Middle Market Housing Products

In general, there are two types of products that serve Middle Market households:

- “Intentional” products—those that targeted middle income and workforce households when they were developed. They may have been subsidized through density bonuses, land donations or grants and loans to achieve their affordability.
- “Non-intentional” products—those that have maintained relative affordability because of lower demand. These were developed to be market rate products when built. Their appreciation has been more modest than the market overall, retaining their affordability to middle income households.

Which does Boulder have—and not have? Although data describing each specific Missing Middle product type are not available, the ACS does provide data to describe the primary types of housing stock in the city. As shown in Figure II-7 on the following page, 41 percent of Boulder’s housing stock is detached, 52 percent is attached and 7 percent is mobile homes. Large condo/apartment buildings are the most common attached product (28%) followed by townhomes (15%) and du-/tri-/fourplexes (9%).

Affordability and demand are discussed in more detail in Section III, but simply based on product type, Boulder appears to have a relatively low supply of small structure attached units—townhomes, duplexes, triplexes and fourplexes. In the 2014 Housing Choice Survey, middle income in-commuters expressed the strongest preference for those types of attached units in the city as an alternative to living in detached homes outside the city.

Intentional product types:

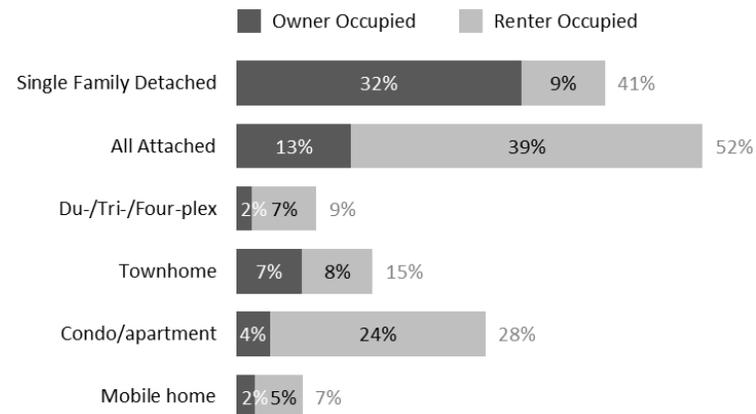
- Very small lot homes between 1,500 and 1,800 sq. ft. Includes cottage or courtyard homes. Example: Iris Hollow.
- Multiplex/reuse of existing structure. Example: Washington Village.
- Townhouse—newer, good size (1,200-1,500 sq. ft. with small private space). Example: Steelyards.
- Non-luxury condos. Example: Holiday.
- Co-housing.

Non-intentional product types:

- Older, small (1,500-1,800 sq. ft.) single family detached homes having some limitations—need rehabilitation, poor location, awkward layout, etc.—were traditional starter homes that may not be out of reach for middle market and now priced for lots/investors.
- Older attached units with limitations—poor noise control, bad design, poor location. Students potentially better occupants.

SECTION II. Middle Market Housing Products

**Figure II-7.
Housing Stock by Type, City of Boulder, 2013**



Source: 2011-2013 ACS and BBC Research & Consulting.

Where Do Boulder’s Middle Market Households Live?

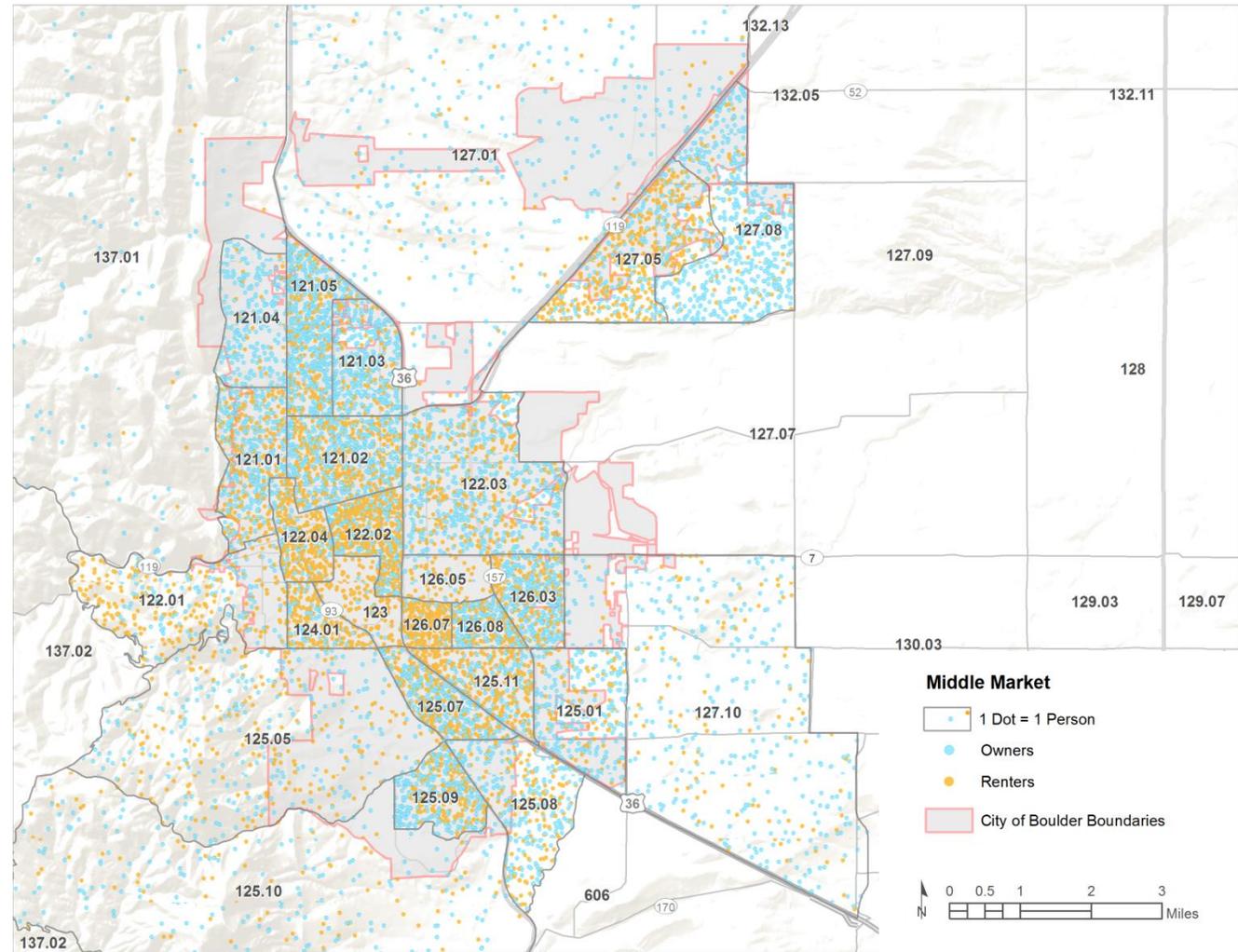
About 43 percent of Middle Market households live in rental units and the other 57 percent own their homes. These Middle Market households—both renters and owners—live throughout the city, although the Census tracts in the northern (owners) and central (renters) areas of the city have the highest numbers of Middle Market households.

Figures II-8 through II-11 display the number and proportion of Middle Market households by Census tract. The maps emphasize that middle income residents live in many parts of the city, though owner opportunities for the middle income tend to vary more by neighborhood than do renter opportunities.

SECTION II. Middle Market Housing Products

**Figure II-8.
Middle Market Owners
and Renters**

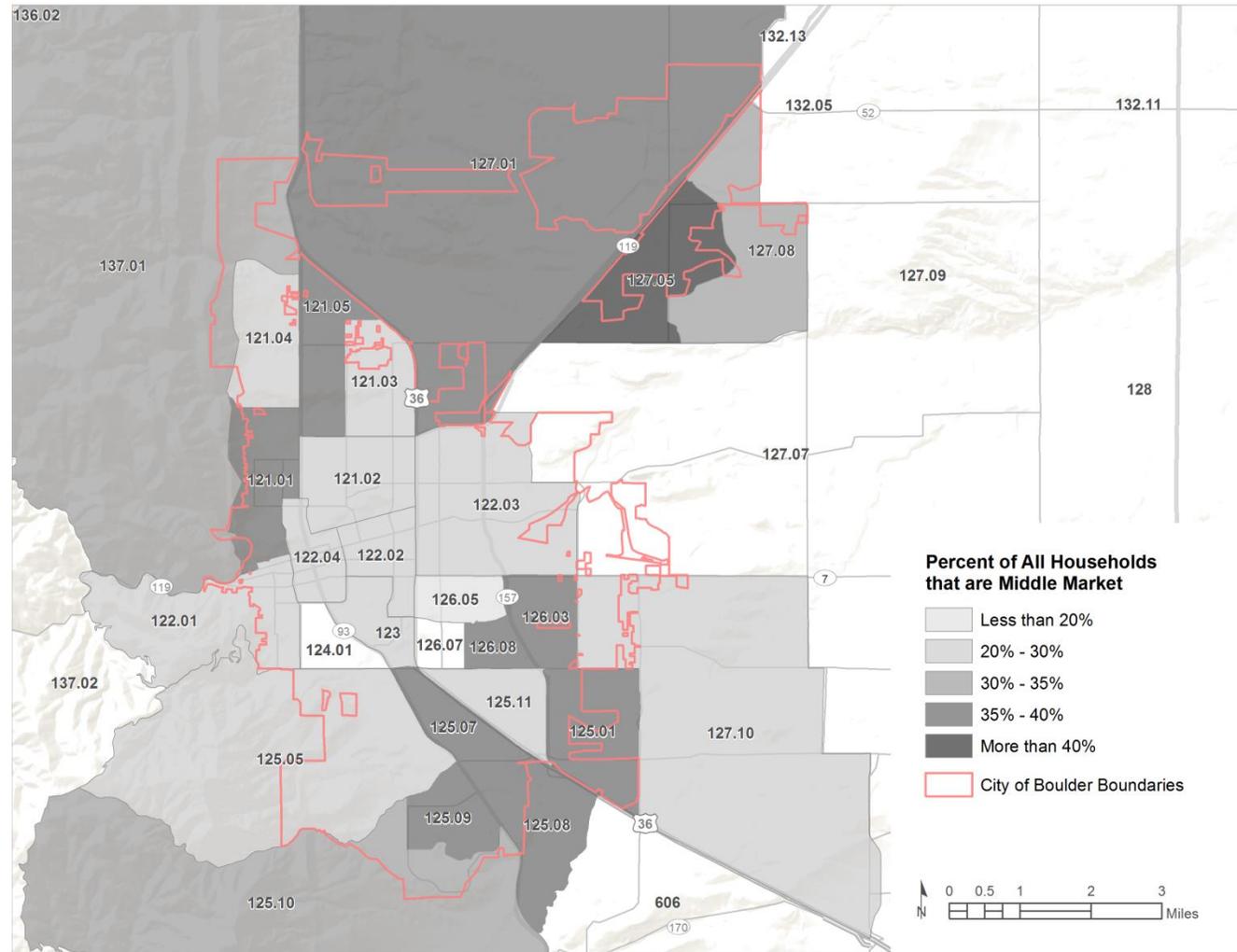
Source:
2009-2013 ACS and BBC Research &
Consulting.



SECTION II. Middle Market Housing Products

**Figure II-9.
Percent of All Households
that are Middle Market**

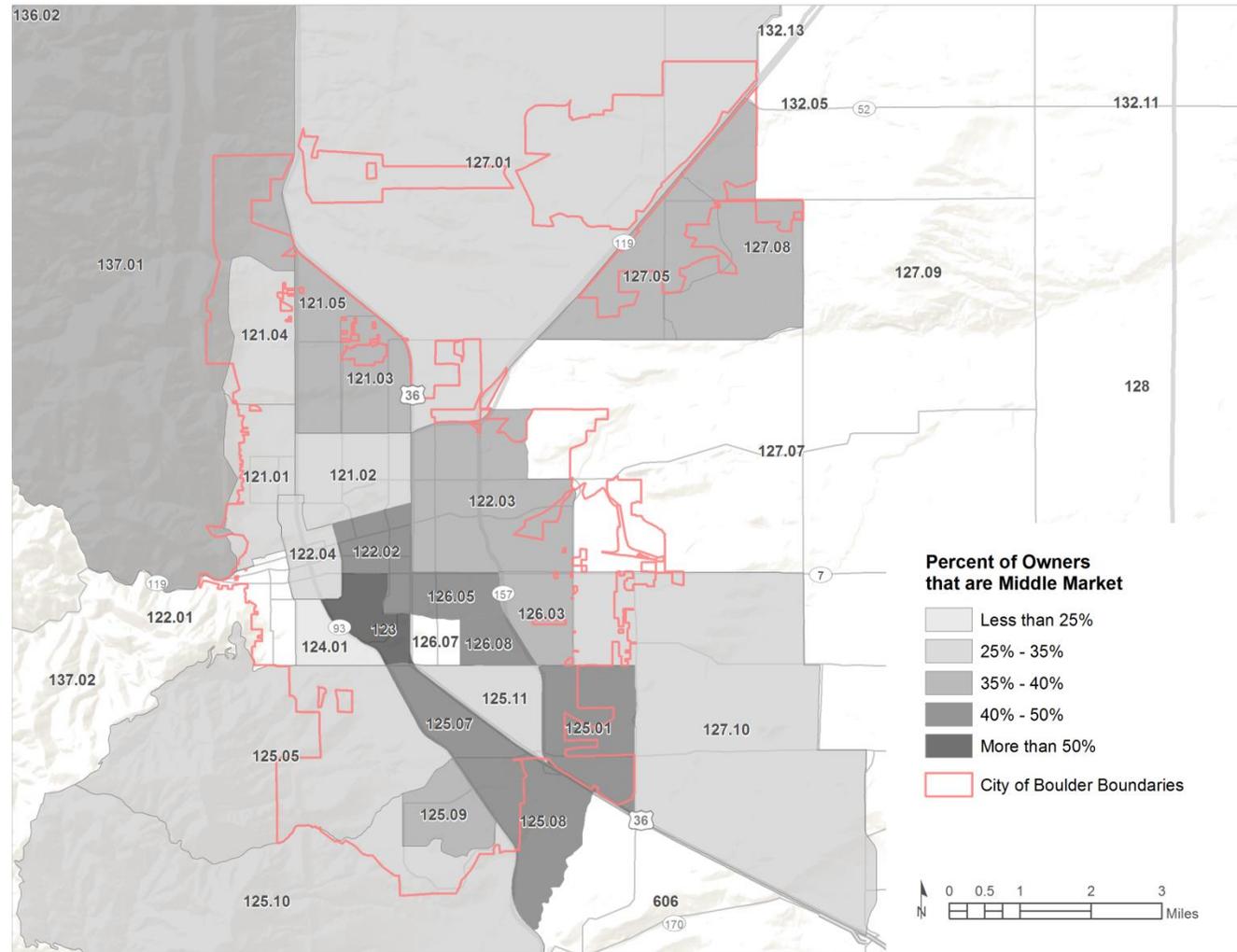
Source:
2009-2013 ACS and BBC Research &
Consulting.



SECTION II. Middle Market Housing Products

Figure II-10.
Percent of Owners that are
Middle Market

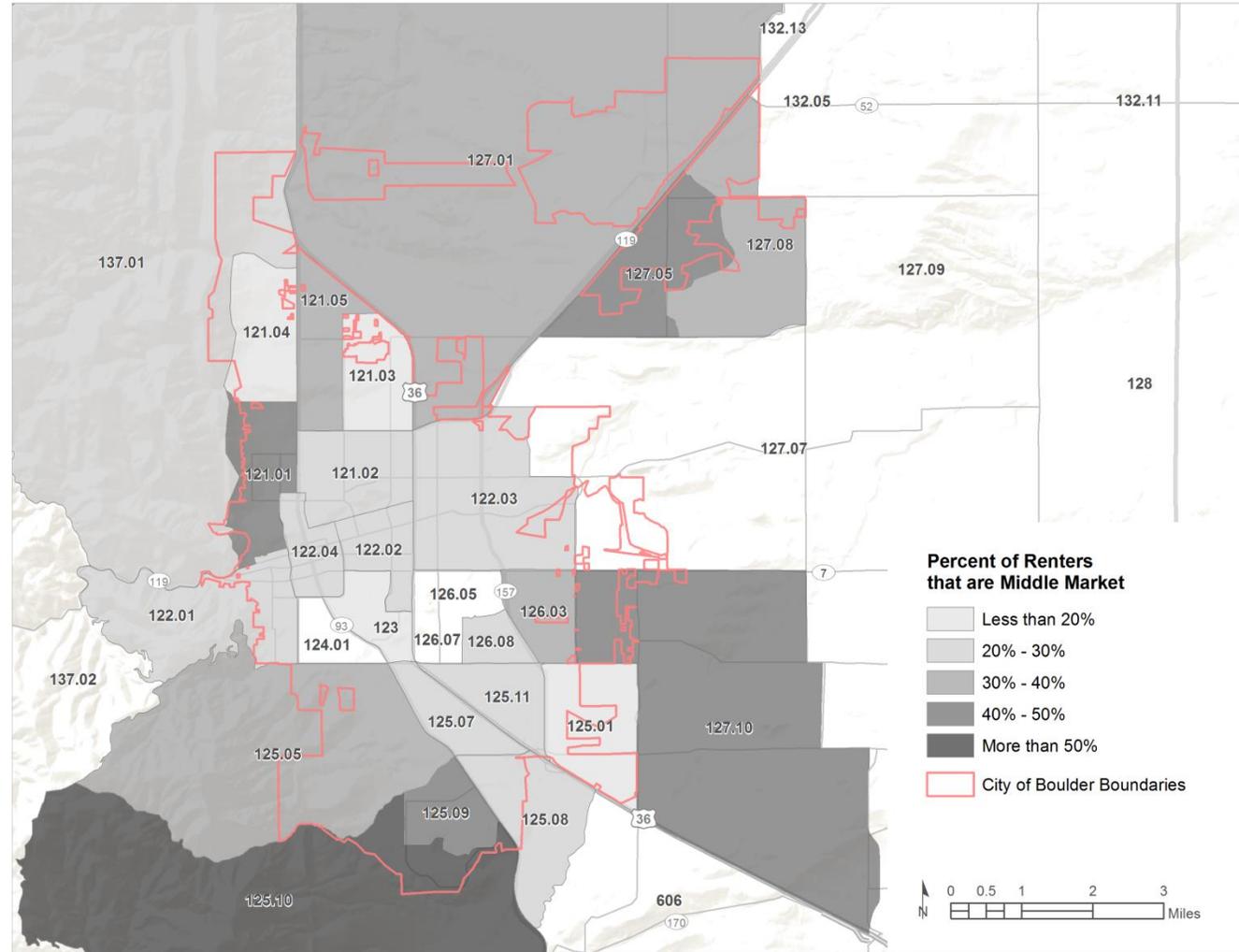
Source:
2009-2013 ACS and BBC Research &
Consulting.



SECTION II. Middle Market Housing Products

Figure II-11.
Percent of Renters that are
Middle Market

Source:
2009-2013 ACS and BBC Research &
Consulting.



SECTION II. Middle Market Housing Products

What Can Middle Market Households Afford?

Figure II-12 displays affordability ranges for Middle Market households—those earning between about 80 percent and 150 percent of AMI. As noted previously, this report focuses on the household types that are most common in Boulder: 1- and 3-person households.

Affordable rent for a 1-person Middle Market household ranges from \$1,327 to \$2,610 and an affordable home price ranges from \$227,071 to \$446,781.

A 3-person Middle Market household could afford between \$1,705 and \$3,356 for rent and a home priced between \$291,863 and \$574,252.

Affordable rents shown in the figure include utilities and affordable home prices shown in the figure are based on a 30-year fixed rate mortgage with a 5 percent down payment, an interest rate of 4.25 percent and the assumption that 20 percent of the monthly payment would collectively go toward private mortgage insurance, utilities and property taxes.

As Figure II-13 on the following page demonstrates, what Middle Market households can afford has changed only modestly since 1999—except for in recent years, due to post-recession interest rates.

**Figure II-12.
Middle Market Income and Affordable Housing Costs,
City of Boulder, 2015**

	1-Person Middle Market Household	3-Person Middle Market Household
Income Range (80-150% AMI)	\$53,060 - \$104,400	\$68,200 - \$134,250
Affordable Rent	\$1,327 - \$2,610	\$1,705 - \$3,356
Affordable Home Price	\$227,071 - \$446,781	\$291,863 - \$574,525

Note: Affordable home price assumes a 30 year fixed rate mortgage with a 5 percent down payment, an interest rate of 4.25 percent and the assumption that 20 percent of the monthly payment would collectively go toward private mortgage insurance, utilities and property taxes. The model does not incorporate additional assumptions regarding personal finances such as current debt, wealth or financial assistance from friends or family.

Source: HUD and BBC Research & Consulting.

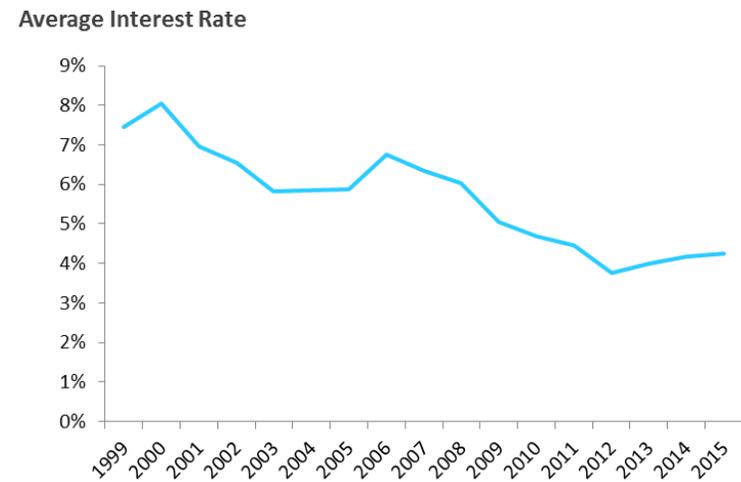
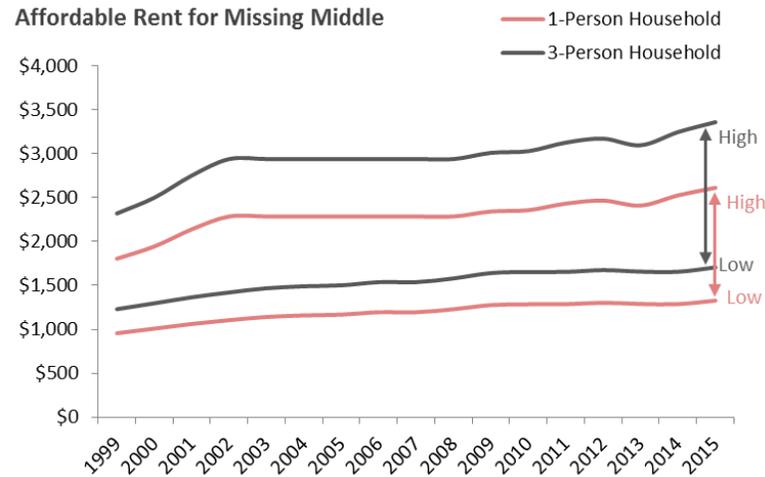
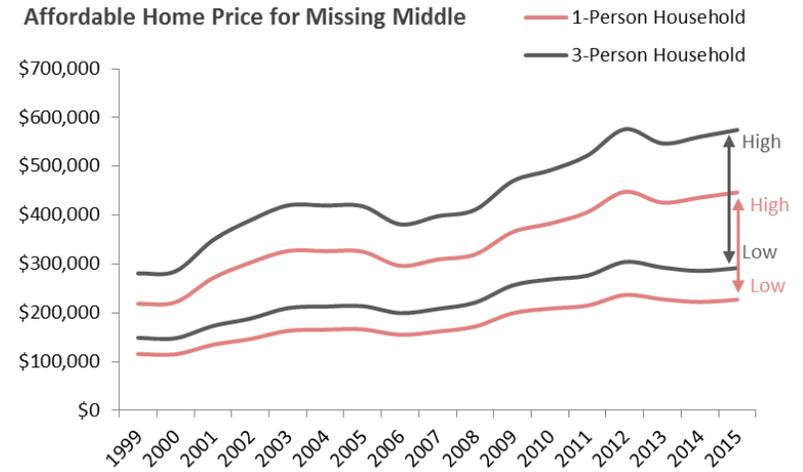
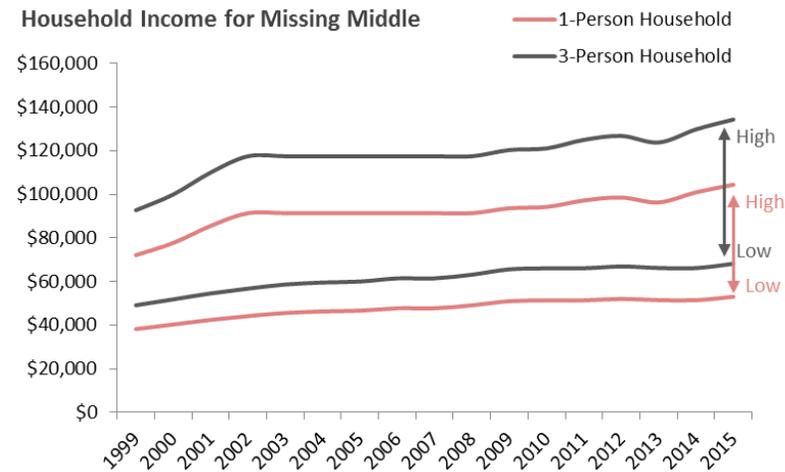
The maximum affordable rent Middle Market households can afford increased from \$957 in 1999 for a 1-person household earning about 80 percent AMI to \$1,327 in 2015. For a 3-person household, the affordable rent increased from \$1,230 to \$1,705.

Maximum home prices affordable to Middle Market households increased much more dramatically, particularly in 2012, due to changes in interest rates.

The analysis of Middle Market affordability continues in Section III, which examines market offerings for both for sale and rental products in Boulder. That analysis reveals that attached products are crucial to maintaining Middle Market home purchase opportunities in the City of Boulder.

SECTION II. Middle Market Housing Products

Figure II-13.
Middle Market Income and Affordable Housing Costs, City of Boulder, 1999-2015



Source: Interest rates from Freddie Mac and CHFA; income range based on HUD and City of Boulder data. Analysis by BBC Research & Consulting.

SECTION II. Middle Market Housing Products

If We Build It, Will They Come?

Living in attached housing—particularly for families—is still a relatively new idea for Western cities, even in high-cost areas. For example, the City of Los Angeles is one of the least affordable cities in the U.S. Yet its housing types skew toward less affordable single family detached homes: about 80 percent of homeowners in L.A. occupy single family detached homes. This compares to 68 percent in Boulder.

The Housing Choice survey completed of Boulder residents and workers in 2014 revealed some surprising findings about the trade-offs residents have made—or are willing to make—to live in Boulder:

- In-commuters willing to live in attached products in Boulder v. a detached home in another community are generally lower income (\$25,000 and \$65,000) and single. These are the 1-person Middle Market households described in this section.
 - Townhomes, followed by smaller complexes, are a clear preference for these workers willing to make tradeoffs for attached homes: 74 percent would live in a townhome and 62 percent would live in a du-/tri-/fourplex.
 - High income commuters are least likely to make the attached product trade off. Townhomes are the only product of moderate interest to this demographic.
- Having private space or a shared garden is a strong preference of those making the attached housing trade off. A balcony or deck is much less desirable. More important, however, is being located near open space or trails.
 - Some residents would prefer living in a mobile home to living in attached housing in Boulder. This is particularly true of new immigrants and large families renting mobile homes in Boulder. These workers would rather move outside of Boulder to buy than purchase an attached home within the city.

SECTION III.

Missing Middle Price Trends and Affordability

SECTION III. Missing Middle Price Trends and Affordability

This section provides an in-depth analysis of ownership and rental affordability for Middle Market households within Boulder—what types of homes were once affordable, what is affordable now, where affordable homes are located and what’s missing from the market. The section begins with a trend analysis of median home values then discusses the availability and characteristics of homes priced for the middle market. The section concludes with an analysis of the rental market.

Ownership Analysis

Ownership opportunities in the City of Boulder have shifted away from Middle Market households toward higher income residents over the past several decades. During this period of rising prices, Boulder has maintained some affordable purchase options through alternative ownership products, such as deed-restricted and attached homes. Some of these products were built as affordable, i.e., deed-restricted homes. Others are affordable because they are attached homes.

The analysis of ownership affordability for Middle Market households indicates that attached products have maintained more affordability over time—and that opportunities for Middle Market ownership are increasingly limited to attached products and specific neighborhoods.

Trends in median value. According to the Census, the median value of owner-occupied homes in 1980 in Boulder was \$133,000. By 1990, this had *dropped* to just \$123,000.

A household wanting to buy the median-value home in 1980 needed to earn \$67,000. In 1990, a household wanting to buy the median-value home needed to earn \$52,000.¹

Since that time, home prices in Boulder have increased substantially resulting in declining affordability for middle income households. For example, single family detached homes in Boulder’s Wonderland Hills neighborhood initially sold for between \$150,000 and \$200,000. This was an affordable price for a household earning around \$66,000.² These same homes now sell for more than \$1 million and are affordable only to those earning nearly \$300,000, or just 5 percent of Boulder’s households.³

Market data on median home values in Boulder, shown in Figure III-1 on the following page, reveal two primary periods of steep appreciation over the past 20 years: the late nineties through early 2000s and 2012 to the present.

As indicated by the figure, all home prices rose, but attached products were able to maintain more affordability for Boulder buyers. Over the entire period shown, single family detached homes increased in value by 209 percent and attached homes (condos and townhomes) increased by 138 percent.

¹ According to data from Freddie Mac, the average interest rate on a 30-year fixed-rate mortgage was 12.43% in 1980 and 10.13% in 1990. <http://www.freddiemac.com/>

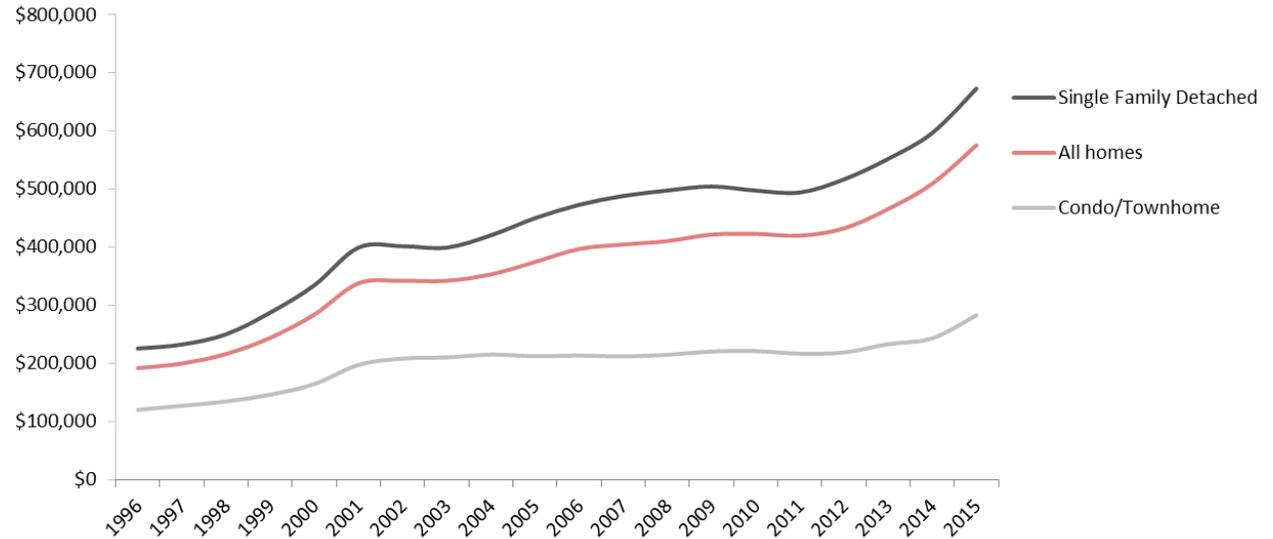
² Assumes 8.85% interest (1977 rate according to Freddie Mac) on a \$175,000 home.

³ \$1.25 million home affordable to household earning \$292,089 at 4.25% interest.

SECTION III. Missing Middle Price Trends and Affordability

**Figure III-1.
Home Values, City of
Boulder, 1996-2015**

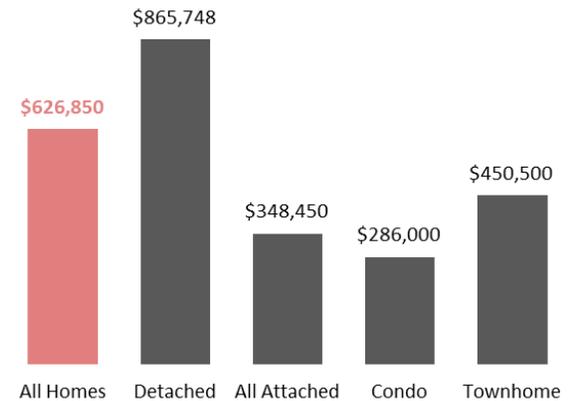
Source:
Zillow Home Value Index and BBC
Research & Consulting.



Trends in price. In 2015, the median price of all homes listed for sale or sold in Boulder was \$626,850. This is above the affordability threshold for a 3-person Middle Market household, as was the median price for detached homes at \$865,748. The median price for attached homes was \$348,450, well below the Middle Market affordability ceiling. Figure III-2 shows 2015 median price by type in Boulder.

**Figure III-2.
Median Price of
Homes Listed or
Sold in Boulder,
2015**

Source:
MLS and BBC Research
& Consulting.

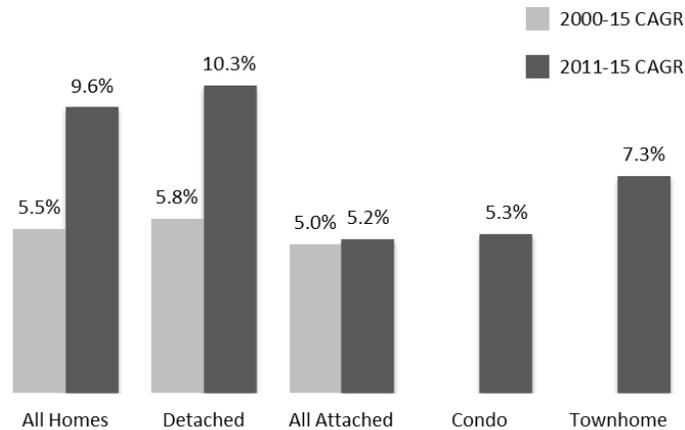


SECTION III. Missing Middle Price Trends and Affordability

Figure III-3 shows the compound annual growth rates (CAGR) for each housing type between 2000 and 2015 and between 2011 and 2015. In both periods, the price of single family detached homes increased faster than all attached products.

Specifically, between 2011 and 2015, detached products increased by about 10 percent per year while townhomes increased by 7 percent per year and condos increased by 5 percent per year.

Figure III-3.
Compound Annual Growth Rates of Homes Listed or Sold in Boulder, 2000-2015 and 2011-2015



Note: Price data for individual attached types (i.e., condos and townhomes) were not available in 2000; as such CAGR for 2000 to 2015 could not be calculated.

Source: MLS and BBC Research & Consulting.

When the data are limited to attached homes that feel more like detached homes—those with at least two bedrooms and 900 square feet—attached products continue to maintain their affordability. As shown in Figure III-4, detached homes held higher prices and higher annual appreciation than the larger attached homes.

Figure III-4.
Median Price and CAGR of Similarly Sized Homes Listed or Sold in Boulder, 2000-2015

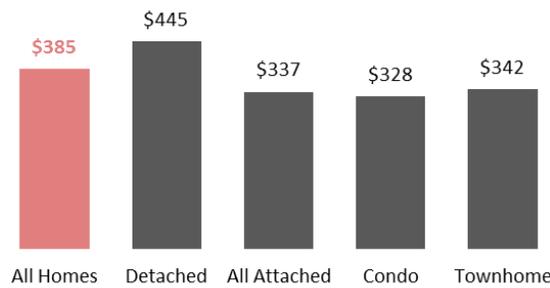
	Median List/Sold Price				CAGR	
	2000	2005	2011	2015	2000-2015	2011-2015
All homes with 2+ bedrooms and 900+ sq ft	\$317,550	\$420,000	\$489,950	\$700,000	5.4%	9.3%
Detached homes with 2+ bedrooms and 900+ sq ft	\$372,400	\$564,950	\$589,900	\$869,740	5.8%	10.2%
Attached homes with 2+ bedrooms and 900+ sq ft	\$210,000	\$285,000	\$335,000	\$447,000	5.2%	7.5%

Source: MLS and BBC Research & Consulting.

SECTION III. Missing Middle Price Trends and Affordability

Trends in price per square foot. Similar trends are evident when considering median price per square foot. As shown in Figure III-5, the median price per square foot is highest for detached homes (\$445), followed by townhomes (\$342) and then condos (\$328).

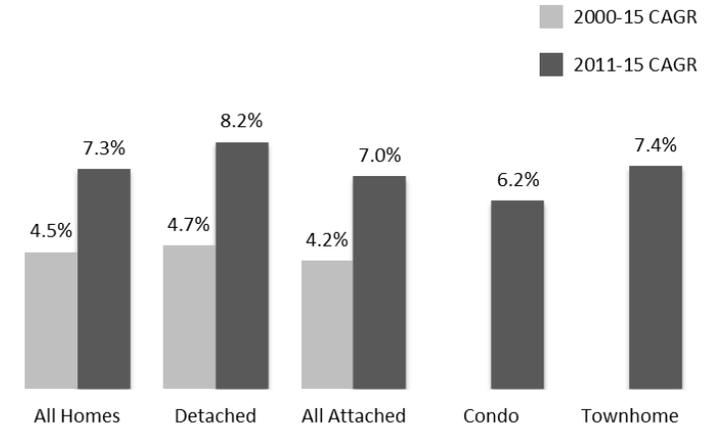
Figure III-5. Median Price per Square Foot of Homes Listed or Sold in Boulder, 2015



Source: MLS and BBC Research & Consulting.

Not only do attached products offer a lower price-point at purchase, but they are also more likely to hold affordability across time. As shown in Figure III-6, between 2011 and 2015, detached home prices rose 8.2 percent per year, compared to a 7.0 percent increase for attached homes.

Figure III-6. Compound Annual Growth Rates of Homes Listed or Sold in Boulder, 2000-2015



Note: Price data for individual attached types (i.e., condos and townhomes) were not available in 2000; as such CAGR for 2000 to 2015 could not be calculated.

Source: MLS and BBC Research & Consulting.

SECTION III. Missing Middle Price Trends and Affordability

Price trends by neighborhood.

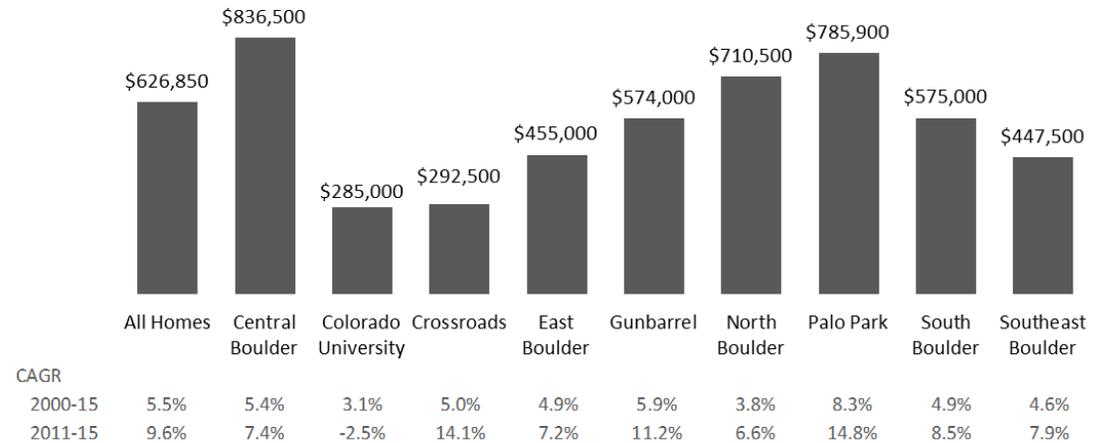
In addition to product type, neighborhood is a significant factor driving price differences in Boulder’s for-sale market. Figure III-7 displays the median price and median price per square foot by neighborhood in Boulder for 2015, along with compound annual growth rates for each neighborhood from 2000 to 2015 and from 2011 to 2015.

Central Boulder has the highest median price at \$836,500—over half a million dollars more than the median price in the Crossroads and Colorado University neighborhoods.

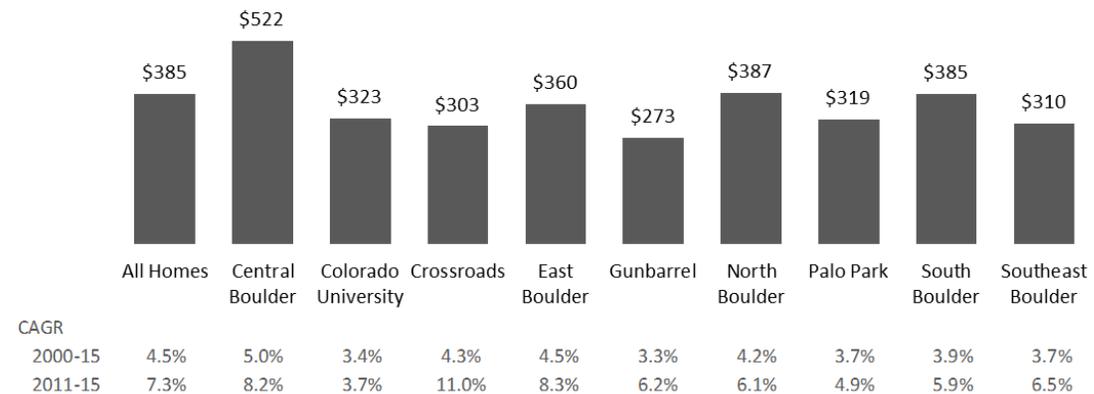
Figure III-7.

Median Price and Price per Square Foot of Homes Listed or Sold in Boulder by Neighborhood, 2015

Median Price



Median Price per Square Foot



Note: Analysis excludes deed restricted units. 2015 data are year-to-date through Q3.

Source: MLS and BBC Research & Consulting.

SECTION III. Missing Middle Price Trends and Affordability

Figure III-8 shows the differences in price and price per square foot for attached and detached products in four of Boulder’s key neighborhoods. Dashed lines represent attached product prices and solid lines represent detached product prices.

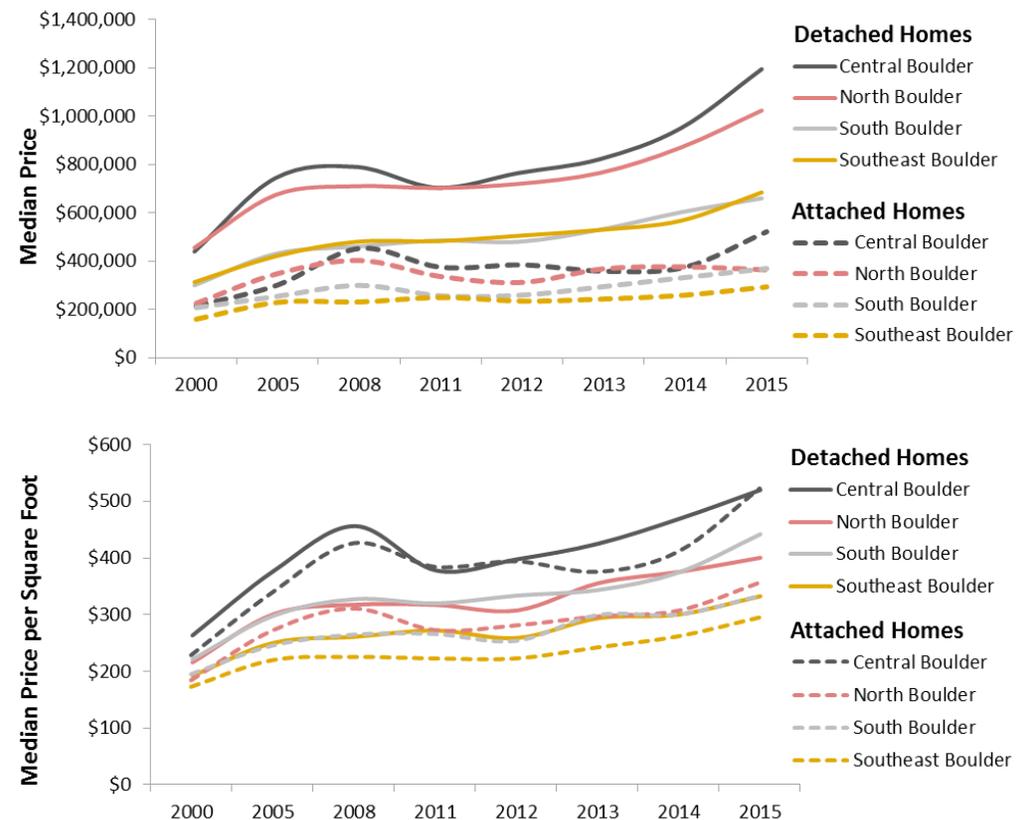
As the graphic shows, attached products have consistently had much lower medians than detached products. In Central Boulder, for example, attached products sold for \$215,000 in 2015, compared to \$434,500 for detached homes.

Examining the data by price per square foot tells a different story. In Central Boulder, price per square foot of attached properties passed that of detached in 2015 (\$523 and \$522 respectively). On a per square foot basis, attached prices in Central Boulder actually increased at a faster rate over the period as a whole (5.7% CAGR, compared to 4.6% CAGR).

However, in the other three neighborhoods (North, South and Southeast Boulder) prices for attached homes remained lower than prices for detached homes and annual growth rates for attached products were below or similar to detached properties. Especially in these neighborhoods, attached products still provide more affordability than detached products.

In highly desirable locations in Boulder, attached products maintain their affordability due to their relatively smaller size.

Figure III-8. Median Price and Median Price per Square Foot of Detached and Attached Homes Sold in Four Key Boulder Neighborhoods, 2000-2015



Note: Dashed lines represent attached product prices and solid lines represent detached product prices. Analysis excludes deed restricted units. 2015 data are year-to-date through Q3.

Source: MLS and BBC Research & Consulting.

SECTION III. Missing Middle Price Trends and Affordability

Homes priced for the Middle Market. In 2000, half of all homes listed or sold in Boulder were priced for the Middle Market. Sixty-eight percent of those were attached products.

By 2015, only 38 percent of market-rate homes were priced for the Middle Market. Including deed restricted homes brings that proportion up to 40 percent. Over three quarters of Middle Market homes in 2015 were attached products.

**Figure III-9.
Number and Proportion of Middle Market Homes Listed or Sold in Boulder, 2000 and 2015**

	Total		Detached		Attached	
	2000	2015	2000	2015	2000	2015
All homes for sale	1,506	828	860	435	646	393
Priced for Middle Market	754	334	239	72	515	262
Market rate	751	317	237	70	514	247
Deed restricted	3	17	2	2	1	15
% Market rate homes priced for the Middle Market	50%	38%	28%	16%	80%	63%
% All homes priced for the Middle Market	50%	40%	28%	17%	80%	67%

Source: MLS and BBC Research & Consulting.

The presence of investors and cash buyers in Boulder’s market can make homes priced for the middle market even harder to access for households without accumulated wealth. MLS statistics from the first half of 2015 indicate that 36 percent of Boulder home sales were cash purchases—many of those transactions are likely to be investors.

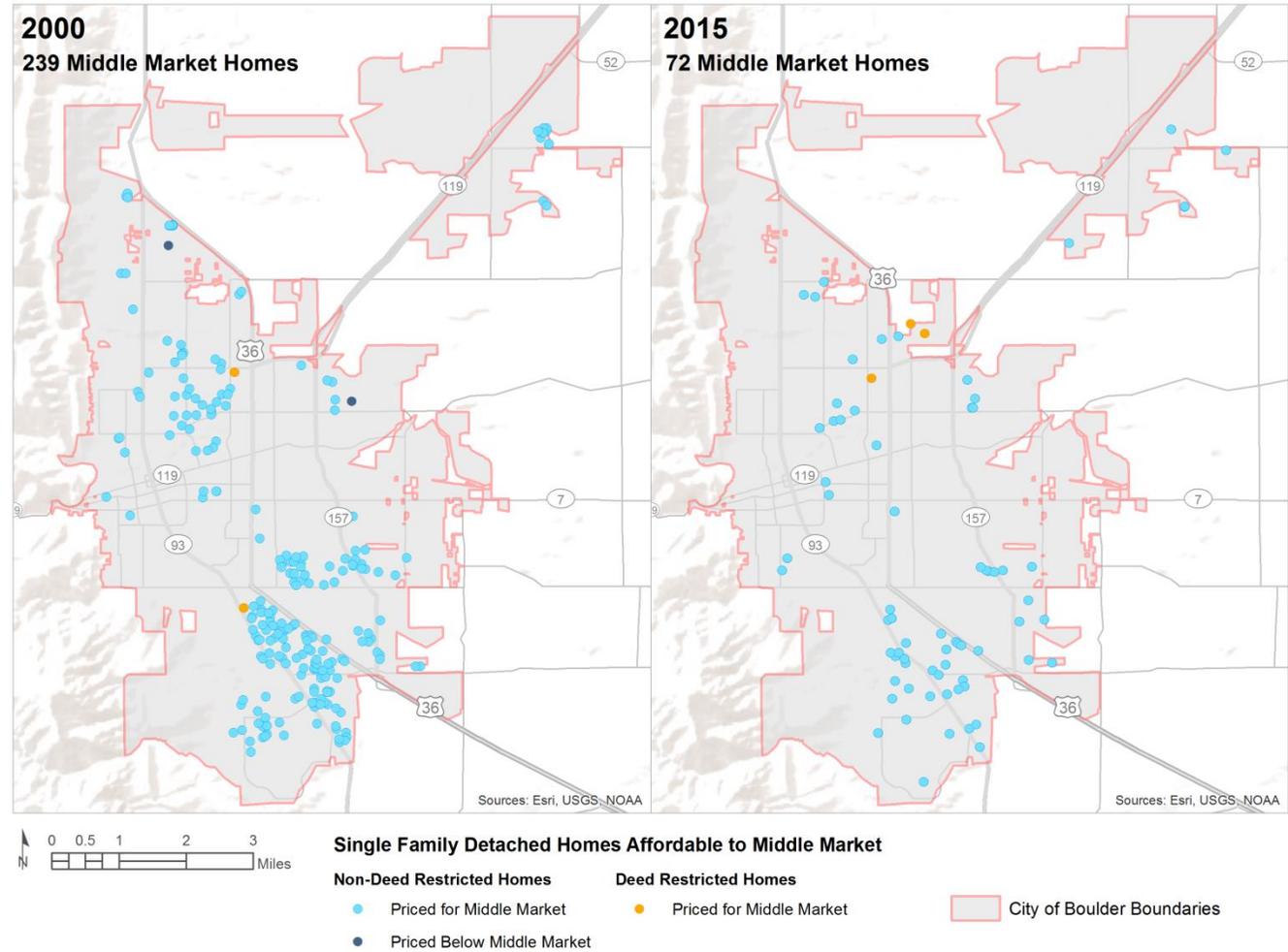
The maps on the following pages (Figures III-10 and III-11) provide additional detail on the location of Middle Market homes listed or sold in both 2000 and 2015. The maps also show homes priced below the Middle Market price thresholds.

In addition to a decline in the number of Middle Market products overall, the maps demonstrate a dilution of centrally-located homes.

SECTION III. Missing Middle Price Trends and Affordability

Figure III-10.
Single Family Detached Homes Affordable to
Middle Market, Listed or
Sold in 2000 and 2015

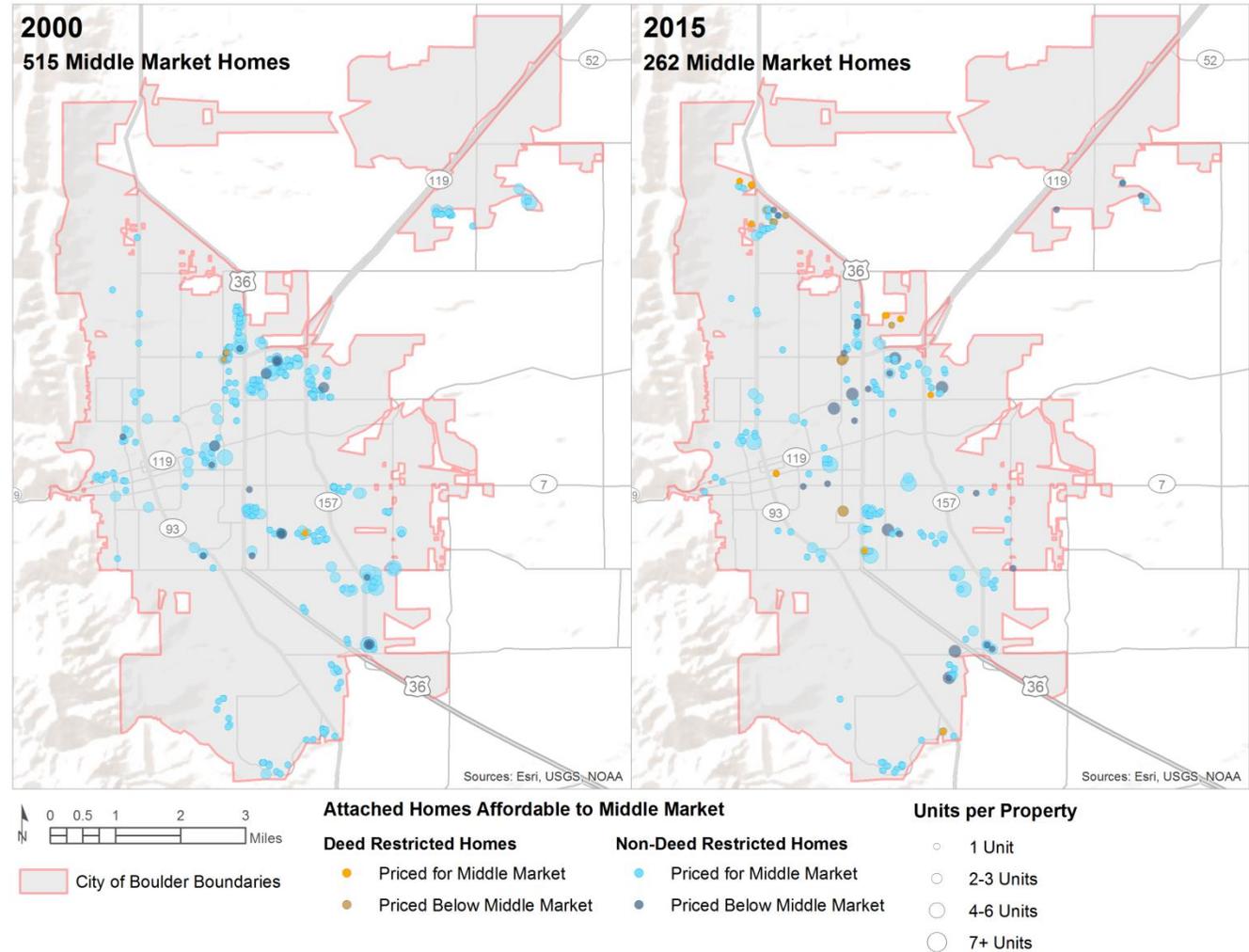
Source:
 MLS and BBC Research & Consulting.



SECTION III. Missing Middle Price Trends and Affordability

**Figure III-11.
Attached Homes
Affordable to Middle
Market, Listed or Sold in
2000 and 2015**

Source:
MLS and BBC Research & Consulting.



SECTION III. Missing Middle Price Trends and Affordability

Are Middle Market products missing from Boulder sales? Figure III-12 compares Boulder’s housing stock to all homes listed/sold in 2015. It also shows the proportion of homes by type that are affordable to the Middle Market, based on 2015 MLS data. The figure excludes deed restricted properties.

Overall, detached homes are underrepresented in the for-sale market and condos are overrepresented. Townhomes are slightly underrepresented on the market, as are du-/tri-/fourplexes.

Figure III-12. Distribution of Housing Stock and Homes Listed/Sold by Type, City of Boulder, 2013/2015.

	Distribution by Type		Percent Priced for Middle Market (market rate)
	Owner Occupied Housing Stock	All Homes Listed or Sold in 2015	
Detached	68%	53%	16%
All Attached	27%	47%	63%
<i>Condo</i>	8%	30%	65%
<i>Du-/tri-/fourplex</i>	4%	1%	33%
<i>Townhome</i>	16%	14%	61%
<i>Specific type unknown</i>		2%	65%
Mobile Homes	5%	0%	N/A
Total	100%	100%	

Note: Priced for Middle Market means homes that fall within the Middle Market affordability range. Does not include homes priced below Middle Market range.

Source: 2011-2013 ACS, MLS and BBC Research & Consulting.

Single family detached units account for 68 percent of Boulder’s housing stock but only 16 percent were priced for the Middle Market in 2015. Conversely, just 17 percent of Boulder’s homes are attached but 63 percent of those were priced for the Middle Market in 2015. One-third of du-/tri-/fourplexes, 65 percent of condos and 61 percent of townhomes listed or sold in 2015 were priced for the Middle Market.

Have attached products grown in size as they have become substitutes for single family detached products? Figure III-13 compares the average square footage by type for homes listed or sold in Boulder in 2015 with previous years. Interestingly, this figure suggests that attached products have not grown in size, even as they have become economic substitutes for single family detached products. Average square footage for attached homes increased by 150 square feet between 2000 and 2015. Yet single family detached increased by 700 square feet over the same period—a 29 percent increase in size.

Figure III-13. Average Square Footage by Type, City of Boulder, 2000-2015

	Single Family Detached	All Attached	Condo	Townhome
2000	2,453	1,078	N/A	N/A
2005	2,757	1,151	946	1,527
2008	2,737	1,281	1,007	1,615
2011	2,749	1,330	1,080	1,660
2012	2,747	1,279	1,036	1,526
2013	2,793	1,230	1,017	1,547
2014	2,859	1,200	987	1,578
2015	3,153	1,223	988	1,583

Source: MLS and BBC Research & Consulting.

SECTION III. Missing Middle Price Trends and Affordability

Rental Analysis

Just over half of all Boulder households are renters. Boulder’s rental market has been consistently tight, with low vacancy rates and rising rents, particularly in recent years. Middle Market households in Boulder are able to afford 99 percent of rental units but must consider a variety of tradeoffs when choosing to rent, sometimes as the only option for living in the city limits.

Vacancy rates. The Census documents consistently low rental vacancy rates in Boulder over the past 30 years, the lowest in 2000 at 2.2 percent. The proportion of households that are renters has remained relatively stable and was estimated to be 51 percent in 2013. Figure III-14 displays the number and proportion of rental occupancies and vacancies in Boulder from 1980 through 2013.

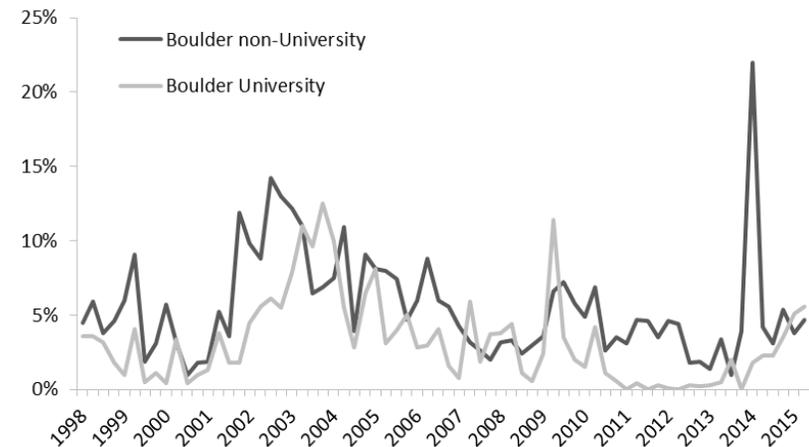
**Figure III-14.
Renter Occupancy and Vacancy, City of Boulder 1980-2013**

	1980	1990	2000	2008-2010	2011-2013
Renter occupied units	15,106	18,674	19,991	21,096	21,135
Percent of all occupied units	50.3%	51.5%	50.5%	52.3%	51.2%
Change in occupied rentals		3,568	1,317	1,616	39
Vacant rentals	795	884	444	574	659
Vacancy rate	5.0%	4.5%	2.2%	2.6%	3.0%
Total rental units	15,901	19,558	20,435	21,670	21,794

Source: 1980, 1990 and 2000 Census; 2008-2010 and 2011-2013 ACS; and BBC Research & Consulting.

Figure III-15 displays quarterly multifamily vacancy rates for Boulder submarkets between 1998 and 2015. Excluding a spike in late 2014, which reflects a new development coming on line, vacancy rates for both city submarkets have held below 5 percent since 2010.

**Figure III-15.
Quarterly Vacancy Rates, Boulder Submarkets, 1998-2015**



Source: Metro Denver Vacancy and Rent survey.

SECTION III. Missing Middle Price Trends and Affordability

Trends in rents and rental stock. According to the Census Bureau, median rent including utilities in the City of Boulder increased from \$818 in 2000 to \$1,173 in 2013—a 43 percent rise.

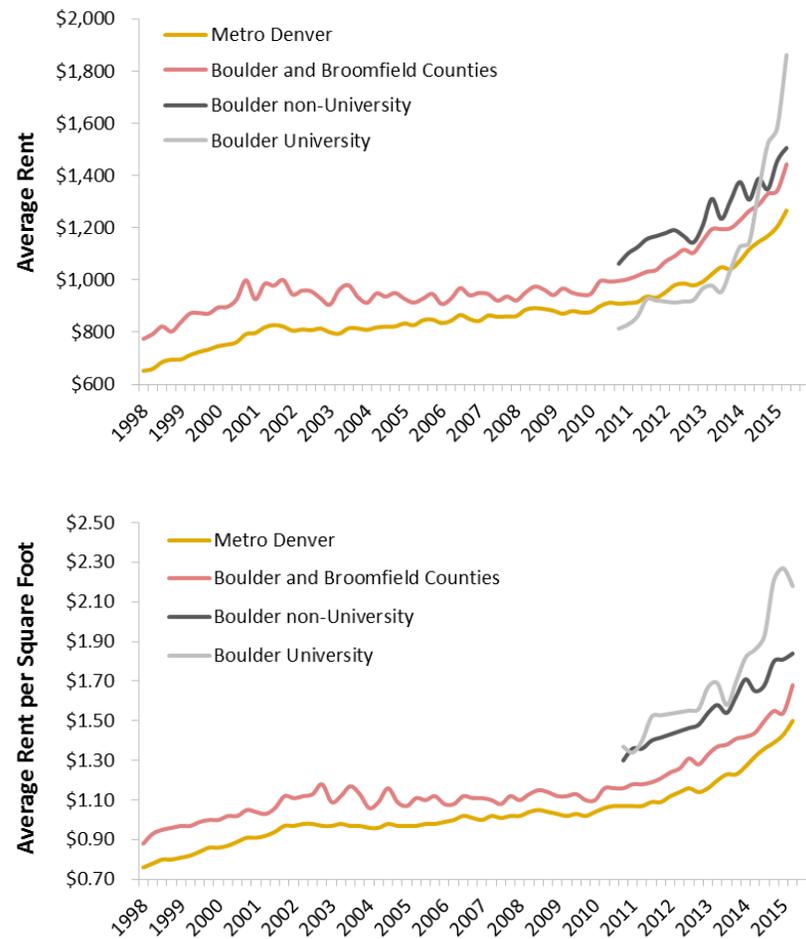
The Denver Metro Apartment Vacancy & Rent Report, the most up-to-date source for local rental trends, which does not include single family rentals estimates the Q2 2015 average rent in Boulder to be \$1,861 in the University area and \$1,505 in non-University Boulder, up from \$703 and \$960 in Q2 2006, respectively.

Figure III-16 displays the long term trend in average rents and average rent per square foot for Boulder/Broomfield counties (collectively) and Metro Denver as a whole. The figure also includes data for City of Boulder submarkets starting in 2010. Rents were relatively stable through much of the 2000s but began to increase more sharply in 2011.

Since 2011, rents in the non-University area have increased by about 8 percent per year and rents in the University area have increased by 21 percent per year.

Not surprisingly, 3-bedroom units command the highest rents in both Boulder submarkets: \$2,262 on average in the non-University area and \$3,462 in the University area. Figure III-17 shows the average rent by unit size in 2006, 2011 and 2015. The figure also compares compound annual growth rates from 2006 to 2011 and 2011 to 2015 and includes comparative data for the Denver Metro area as a whole.

Figure III-16.
Quarterly Average Rent and Average Rent per Square Foot, 1998-2015



Source: Metro Denver Vacancy and Rent survey.

SECTION III. Missing Middle Price Trends and Affordability

Citywide, efficiencies and 2 bed/2 bath units experienced the largest price increases. Outside the university area, 3-bedroom units also experienced substantial price increases relative to other types.

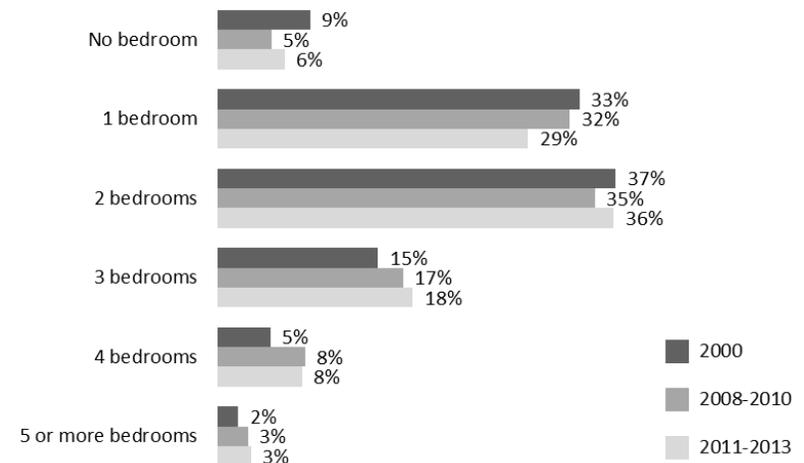
Figure III-17.
Average Rent and Compound Annual Growth Rate by Size of Unit, Boulder Submarkets, 2006-2015

	Average Rent			CAGR	
	2006 Q2	2011 Q2	2015 Q2	2006-2011	2011-2015
Boulder - Except University					
Efficiency	\$892	\$950	\$1,459	1%	11%
1 bed	\$914	\$1,039	\$1,299	3%	6%
2 bed, 1 bath	\$801	\$1,072	\$1,413	6%	7%
2 bed, 2 bath	\$1,144	\$1,242	\$1,912	2%	11%
3 bed	\$1,128	\$1,530	\$2,262	6%	10%
All	\$960	\$1,125	\$1,505	3%	8%
Boulder - University Area					
Efficiency	\$492	\$725	\$1,741	8%	24%
1 bed	\$673	\$824	\$1,453	4%	15%
2 bed, 1 bath	\$859	\$1,109	\$1,779	5%	13%
2 bed, 2 bath	\$913	\$1,026	\$2,663	2%	27%
3 bed	\$1,900	\$2,083	\$3,462	2%	14%
All	\$703	\$860	\$1,861	4%	21%
Metro Denver					
Efficiency	\$586	\$675	\$1,004	3%	10%
1 bed	\$735	\$800	\$1,121	2%	9%
2 bed, 1 bath	\$813	\$858	\$1,192	1%	9%
2 bed, 2 bath	\$1,009	\$1,085	\$1,493	1%	8%
3 bed	\$1,143	\$1,293	\$1,788	2%	8%
All	\$844	\$915	\$1,265	2%	8%

Source: Metro Denver Vacancy and Rent survey and BBC Research & Consulting.

According to the ACS, two-bedroom units are the most common in Boulder, accounting for about 36 percent of all rental stock. One-bedroom units account for another 29 percent. Over the past 15 years, the proportion of larger rental units (3 or more bedrooms) has increased from 21 percent in 2000 to 29 percent in 2013.

Figure III-18.
Distribution of Rental Stock by Bedroom, City of Boulder, 2000-2013



Source: 2000 Census, 2008-2010 ACS, 2011-2013 ACS and BBC Research & Consulting.

As shown in Figure III-19 on the following page, about half of all rentals are in buildings with at least 10 units. The proportion of rentals that are single family detached units has held steady at 19 percent since 2000.

SECTION III. Missing Middle Price Trends and Affordability

Figure III-19.
Distribution of Rental Units by Type, City of Boulder, 2000-2013

	2000	2008-2010	2011-2013
Number of rentals	20,051	21,096	21,135
Distribution of Rental Units by Type			
Single family detached	19%	19%	19%
Townhome	17%	20%	16%
Duplex, triplex, fourplex	16%	12%	15%
Condos/apt	47%	49%	49%
<i>Small condo/apt bldg (10-20 units)</i>	14%	16%	14%
<i>Med condo/apt bldg (20-50 units)</i>	16%	14%	18%
<i>Large condo/apt bldg (50+ units)</i>	18%	19%	16%
Mobile home	1%	1%	1%

Source: 2000 Census, 2008-2010 ACS, 2011-2013 ACS and BBC Research & Consulting.

Figure III-20 displays the percent of all homes by type that are occupied by renters. Just 23 percent of single family detached units and 33 percent of townhomes are occupied by renters. In contrast, 94 percent of du-/tri-/fourplexes and 87 percent of condo/apartment buildings house renters.

Figure III-20.
Percent of Homes Occupied by Renters by Units in Structure, City of Boulder, 2000-2013

	2000	2008-2010	2011-2013
Number of rentals	20,051	21,096	21,135
Percent of All Homes Occupied by Renters			
Single family detached	21%	22%	23%
Townhome	36%	44%	33%
Duplex, triplex, fourplex	84%	94%	94%
Condos/apt	85%	88%	87%
<i>Small condo/apt bldg (10-20 units)</i>	83%	79%	75%
<i>Med condo/apt bldg (20-50 units)</i>	80%	79%	72%
<i>Large condo/apt bldg (50+ units)</i>	79%	86%	82%
Mobile home	85%	86%	87%

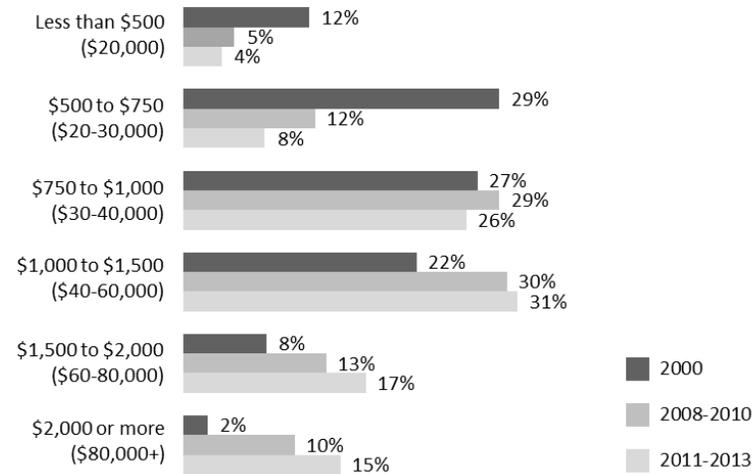
Source: 2000 Census, 2008-2010 ACS, 2011-2013 ACS and BBC Research & Consulting.

Rentals for the Middle Market. In 2000, 41 percent of rentals were priced below \$750 per month and just 10 percent were priced over \$1,500 per month. By 2013, only 12 percent were priced below \$750 and 32 percent were priced over \$1,500 per month. Nearly two-thirds of all rental units in 2013 were priced over \$1,000 per month. The shift toward more expensive rentals in Boulder’s market is illustrated in Figure III-21 on the following page, which depicts the distribution of gross rent (rent including utilities) in 2000, 2010 and 2013.

This shift in rents is driven by rising rents of existing stock but also by new construction that focuses on amenity-rich luxury products.

SECTION III. Missing Middle Price Trends and Affordability

Figure III-21.
Distribution of Gross Rent (Income Required to Afford), City of Boulder, 2000-2013



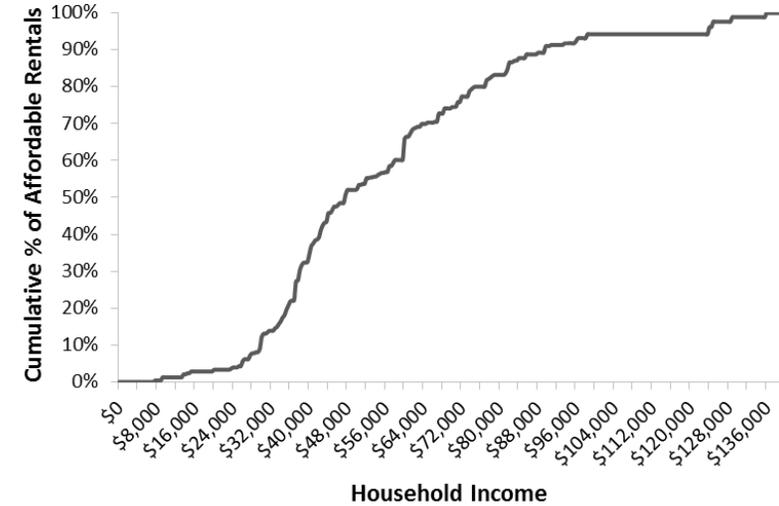
Source: 2000 Census, 2008-2010 ACS, 2011-2013 ACS and BBC Research & Consulting.

As discussed in Section II, middle income households in Boulder can afford between \$1,327 and \$3,356 in rent. Of the 21,000 rental units in Boulder, 39 percent are priced in the Missing Middle range and another 60 percent are priced below that range—meaning 99 percent of all rentals are affordable to middle income households.⁴

Figure III-22 displays cumulative affordability by income in Boulder—that is, the cumulative proportion of rentals affordable by household income.

⁴ Calculation assumes 1-person Middle Market renter can live in any size unit and 3-person Middle Market renter requires at least two bedrooms.

Figure III-22.
Cumulative Proportion of Affordable Rentals by Income, City of Boulder, 2013



Source: IPUMS 2009-2013 ACS and BBC Research & Consulting.

For Middle Market renter households, the choice to live in Boulder is one of tradeoffs as opposed to affordability. An extensive housing choice survey of Boulder in-commuters conducted in 2014 found that about half of middle income in-commuters would consider living in Boulder in the future. Most were willing to live in attached housing in order to live in Boulder and expressed a strong preference for townhomes and du-/tri-/fourplexes over condos/apartments. Boulder’s current rental market has a relatively small and declining share of those attractive types of units (31 percent of the total rental stock)—down from 33 percent in 2000.

SECTION III. Missing Middle Price Trends and Affordability

Balancing housing preferences with a desire to live in Boulder may pose a particular challenge for middle income families as family-oriented developments are in shorter supply. Recent rental developments in Boulder tend to offer amenities attractive to non-families (e.g., fire pits, dog washes, bike maintenance areas but no playgrounds, no mention of proximity to daycare or schools on websites; pictures of dogs but not kids).

In addition to housing type preferences, Middle Market renters also weigh the tradeoff of renting in Boulder against purchasing a home—either in Boulder or elsewhere. According to the 2014 Housing Choice Survey, just 6 percent of Boulder renters that made some type of tradeoff to afford Boulder said they were willing to rent instead of purchase a home in order to live in the city.

Figure III-23 examines the tradeoff between renting at two of Boulder’s newest rental developments and purchasing a similar sized home in Boulder. Two- to three-bedroom units at the Lofts at Peloton range in price from \$2,400 to \$4,100 per month and offer between 1,000 and 1,700 square feet. For the same monthly expense, a Peloton renter could purchase up to 83 percent of all two-bedroom attached homes listed for sale in 2015 in Boulder.

Figure III-23.
Comparison of Rents to Purchase Options, City of Boulder, 2015

	Solana		Peloton	
	Low	High	Low	High
Rent for a 2-3 bedroom unit	\$2,123	\$2,418	\$2,424	\$4,124
Square Footage	969	1,072	1,056	1,659
<i>Purchase options at the same monthly cost</i>				
2+ bedroom attached homes:				
% affordable to renter	28%	43%	43%	83%
Average square footage	1,138	1,189	1,189	1,396
2+ bedroom townhomes/ du-/tri-/fourplexes:				
% affordable to renter	19%	33%	33%	85%
Average square footage	1,357	1,406	1,406	1,634

Note: Solana does not offer a three-bedroom unit.

Source: www.theloftsatpeloton.com, www.solanaboulder.com, MLS and BBC Research & Consulting.

SECTION IV.

Impacts of Middle Market Development

SECTION IV. Impacts of Middle Market Development

What Does the Future Hold?

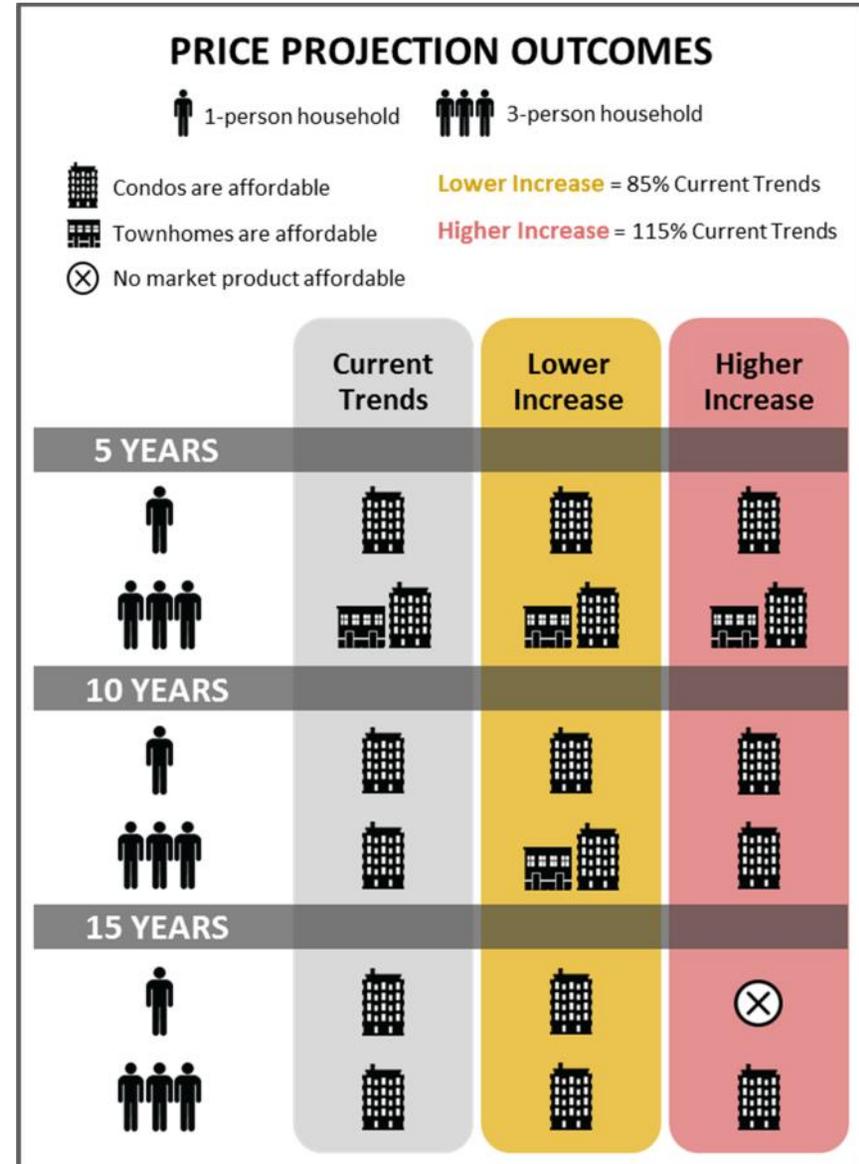
To understand how prices could increase during the next 5, 10 and 15 years, we modeled three price scenarios:

- Price increases are the same as those experienced between 2000 and 2015 (“Current Trends”),
- Demand slows and prices increase at 85 percent of the rate experienced between 2000 and 2015 (“Lower Increase”), and
- Demand accelerates and prices increase at 115 percent of the rate experienced between 2000 and 2015 (“Higher Increase”).

In all scenarios, incomes were assumed to increase at the same rate as the previous 15 years (1.99% increase per year for the HUD median income).

The outcomes of each price scenario projections for 5, 10 and 15 years are shown in the infographic to the right. Specifically, the graphic shows when 1- and 3-person middle income households can no longer afford the median home price by type of home. In all but one scenario both 1- and 3-person households are limited to condos within 10 years.

Although not shown in the figure, 3-person households are limited to one-bedroom units within 10 years, except in the lower increase scenario.



SECTION IV. Impacts of Middle Market Development

Given Increases in Costs, is it Possible to Develop Affordable Middle Income Products in the Future?

Newly constructed, market rate condos and townhomes in Boulder that were on the market in 2014 and 2015 ranged from \$230,000 for a very small one-bedroom, one-bath condo, to \$550,000 for a well-sized 3-bedroom, 2-bath condo, to \$800,000 for a large, amenity-rich product.

Several new residential communities are planned for 2016 and 2017 in Boulder Junction. Residential development will include approximately 150 permanently affordable units and 168 market rate units. Currently, the units are expected to sell in the \$500,000 to \$700,000 range. This pricing is determined by both what the market will bear, the costs of development, and the risks developers absorb.

New, single family detached products in Boulder are selling for between \$350 and \$550 per square foot, depending on the location. This equates to a price of between \$770,000 and \$1.2 million for a 2,200 square foot home.

As demonstrated in Section III, although attached products are not always less expensive on a price per square foot basis, their smaller size results in a lower cost overall. And even as prices rise—as they are likely to do in the future—attached products offer deeper levels of affordability.

What Can the City Do to Facilitate Middle Market Development?

This study has demonstrated that privately-provided, smaller, attached housing products play a significant role in maintaining a supply of affordable housing in Boulder. Although attached products have increased in price in tandem with the market overall, they have been more effective in maintaining affordability than single family detached homes. This is likely to continue in the future, especially for condominiums.

Encourage attached products. A potential strategy for maintaining middle income housing options in the city is to focus on types that are underrepresented in Boulder’s housing stock and/or the market but also have a relatively high affordability for the Middle Market—du-/tri-/four-plex developments and townhomes. These are also the types of attached products middle income commuters indicated they would be most willing to accept in order to live in Boulder in a 2014 survey of Boulder residents and workers.

Developers who were interviewed by Clarion Associates in 2014 confirmed this strategy, naming the following product types that they felt are needed to house middle income households in Boulder: Micro-units, cottages, and other small products will sell/rent in current market and may be the best way to create affordability without subsidies.

Lower prices for attached products developed in the next few years could be achieved by streamlined development approval;

SECTION IV. Impacts of Middle Market Development

aggressively zoning for smaller, attached units in areas that can accommodate additional units; and reducing land costs.

The first two would reduce the risk developers are currently building into pro formas of developing in Boulder. Removing land from the equation—e.g., in a model where land was deeply discounted or donated, much like Denver’s Stapleton or Lowry—can reduce prices significantly.

Other concepts that are being actively explored in other high-cost cities include micro-housing, small lot subdivisions and land trust housing.

Develop communities around existing inventory. As in any community, some of the most affordable properties in Boulder are affordable because they are 1) In less desirable locations (e.g., busy streets, adjacent to industrial or commercial uses), and 2) Were not built to current preference standards of residents.

The limitations of these properties offer value in that they have kept a segment of the market more affordable. And these properties are likely to remain relatively affordable in the future—making them the only option for many middle income households.

Attached products, even in a community like Boulder, remain less desirable for growing families. One Boulder builder attributes this to an “American culture that is geared toward independence.” Yet developing a community feel within and around these properties—thereby demonstrating that the property offers the same level of collaborative living environment as planned unit development—may be key to attracting families to attached

housing. This will also be important to residents without children, particularly low to moderate income workers, who consider the trade-offs of living in Boulder in smaller, attached homes or potentially buying a detached home in a surrounding community.

Focus on the preservation or conversion of existing properties. Conversions of old motels into single-room occupancy, transitional and/or permanently affordable housing for low income residents has been used in many markets. More aggressively making better use of the underutilized properties in Boulder should be part of the solution to create more Middle Market Housing.

Reduce development barriers. Developers interviewed for this study, many of whom also participated in a focus group discussion about housing development barriers in 2014, believe simplifying the residential building code to reduce the conditions placed on alternative housing types, in addition to offering more flexibility in setbacks, open space requirements, lot sizes and parking standards, would help reduce the cost of developing housing affordable to the middle market. This lack of flexibility and variance options, coupled with linkage and inclusionary zoning fees, incentivize developers to build larger, less affordable products. Reductions in development barriers should reduce costs and could be coupled with agreements that developers offer the homes at a more flexible price point.

Attached products are more dependent on the community around them.

Attachment B: CURRENT TRENDS

One important step toward developing a middle income housing strategy is to understand current land use capacity. Staff prepared this qualitative GIS-based analysis to reflect what current zoning allows.

2040 Housing Unit Projections

Subcommunity	Existing Units in 2015	Additional Units (Zoning Capacity)
Central Boulder	13,370	730
Colorado University	2,020	1,080
Crossroads	4,250	1,250
East Boulder	1,400	800
Gunbarrel	5,600	200
North Boulder	6,080	620
Palo Park	1,720	480
South Boulder	7,320	480
Southeast Boulder	9,680	1,120
Total		6,760

Source: [2040 Projections](#) prepared in 2015 for BVCP update

The housing unit projections for 2040, summarized in the above table, were developed as part of the Boulder Valley Comprehensive Plan update. Projections are not a precise science. The numbers are generated by a model that estimates how many additional units could be built on a site based on the zoning designation. The market conditions (likeliness to redevelop) of each site are not taken into consideration. These numbers represent maximum potential under current zoning with assumptions about constraints built into the model. Even so, all sites may not redevelop to include the full number of units tallied through the analysis.

Remove Parcels Unlikely to Provide Future Housing

After accounting for all potential housing development that might be possible under current zoning, those that would be developed or redeveloped for private or public housing (outside CU) within the next 15 years were deducted. The following categories of units have been deducted from the unit projections noted above.

- Permitted units – 902 units (13 percent) of projected units were permitted since the time the model was prepared. These units will still contribute housing to the overall housing mix, but they do not offer future potential.
- University of Colorado – 1,372 units (20 percent) are attributed to CU’s plans for additional student housing and dormitory units.
- Boulder Junction – 987 units (15 percent) are in future phases and not yet zoned to accommodate the number of units projected. Once those areas are zoned, those units could be built but not in the immediate future. Phase 2 of the Transit Village Area Plan

identifies these units by 2040 for development of areas east of the railroad and west of 30th.

- Religious or Private Schools – 474 units (7 percent) of projected units are owned by religious entities or private schools. Many have either large surface parking lots or vacant adjacent land; however if they redevelop as housing they are more likely to serve a population in need (e.g., Trinity Lutheran will serve low-income seniors).

Remaining Capacity for Housing

Subtracting units projected on the categories detailed above removes 3,735 units, 55 percent of the projected units, and reduces the number of potential middle income units from 6,760 to approximately 3,025 units for the immediate future.

MEMORANDUM

To: City of Boulder
From: Heidi Aggeler
Re: Summary of discussions with developers re: Missing Middle housing products
Date: November 19, 2015

To inform the Middle Income Housing Study, BBC interviewed developers active in building attached products in Boulder. BBC's discussions focused on market demand for attached products (who is buying, who is not); the types of products missing in Boulder; and recommendations for how the city could facilitate development of Missing Middle housing.

We also reviewed findings from the developer/builder focus groups conducted by Don Elliott of Clarion Associates in late summer 2014. That group discussion focused on specific opportunities to produce innovative and affordable housing products in Boulder, as well as regulatory barriers to the realization of those products.

This memorandum summarizes the findings from these discussions.

Market Demand for Attached Products

Developers agree that the Boulder market can absorb just about any type of affordable housing product, although some products are slower to sell than others. Attached housing located on busy streets, without access to open space and/or private outdoor space, and without a perceived "community" are in lowest demand. Conversely, attached products in the highest demand are those that are built within or create an intentional community.

Families are not yet actively buying attached homes. This may be partially related to the lack of family friendly amenities in some of the attached-product communities that have been built in Boulder. The Holiday neighborhood appears to be an exception. Developers feel that Boulder needs to work on creating a culture for young families within attached housing that is special and different from that in the surrounding suburbs.

The idea that detached homes are superior to attached homes is rooted in a Western culture geared toward independence. There is a need to stimulate cultural change to encourage residents to think more broadly about attached housing products as an acceptable long-term

housing solution. This cultural change should be stimulated at the government level with more creative thinking about housing solutions.

Perceived Gaps in the Market

Developers believe that smaller products are key to affordability. “The smaller the unit, the smaller the gap between price and ability to pay.” *Note: This theory is supported by the analysis in the Middle Income Housing Study.*

When asked what types of housing products are missing from the market in Boulder, developers said:

- A diversity of attached housing products in general.
- Affordable homes that are not deed-restricted, allowing buyers to “move up.”
- Homes affordable to people in the upper AMI brackets.

Primary Barriers to Developing Affordable Attached Homes

Developers were asked their opinion on the primary barriers to developing affordable, attached homes in Boulder. The barriers given focused on land costs and regulatory barriers; no developers mentioned lack of demand in Boulder as a challenge.

High land costs. “Land cost is the biggest problem we have in Boulder.” There is a tremendous amount of underutilized land in Boulder that should be repurposed into affordable, attached homes. The city needs to more actively subsidized land that could be transformed into attached-housing communities.

Strong notions of how people should live driving policy. The bias of city leaders toward living in detached single family homes creates barriers to affordable housing in that it prevents diversity in housing products and choice.

High fees. Residential development fees have increased significantly during the past decade. Although most fees are relatively small, together, they contribute significantly to the cost of housing development. Some of these fees should be waived for affordable housing.

Fees that create the largest barriers include: use tax (very high), development excise tax and development review fees.

Complexity of the code. Boulder’s code is very complex in general. As such, this lengthens the development process, raises costs and discourages affordable and residential development. An example of this is the new IG district which, because of its complexity and conditions, has not been the expected boon for residential development.

Specific concerns mentioned by developers include:

- Very tightly defined and controlled setbacks, open space, and parking standards with no administrative flexibility, make it seem like every project requires multiple variances.
- The same parameters are measured and treated differently for different types of housing. Example: Roof decks are considered open space for multifamily units but not for single-family units.
- Road widths are inflexible, and it seems there is no one way to resolve differences between planning and public works staff on those issues.¹

Specific challenges within the code.

Per dwelling unit standards. Lot size and open space requirements tied to number of dwelling units take away any incentive to build smaller, more affordable units. The same requirement applies whether the unit is small or large. Smaller units should be treated differently, and restricting unit sizes will lead to more affordable units.

Parking regulations.

- Parking requirements and related areas for screening and landscaping of parking areas often limit achievable density even when per dwelling unit development standards do not. In other cases, parking maximums defeat project financing.
- Underground parking is still cost prohibitive in many projects despite incentives in the code.
- City delays in approving neighborhood parking permit areas is an issue. With a backlog of applications, developers cannot realistically offer this as way to mitigate neighborhood impacts from affordable projects with little on-site parking.²
- There is a need for more Boulder-specific studies on car usage and actual parking trends. Who is renting and buying these units and how many cars do they own?
- RTD is part of the problem; they are slow/unwilling to expand EcoPasses into new contexts such as affordable housing developments. But without a commitment to EcoPasses in new developments, the neighbors will continue to demand more on-site parking.

Building height limits.

¹ Staff note: Different road widths have been allowed in many different projects. Please note that this is an emergency service provider issue and not just a Public Works and Planning.

² Staff note: The longest time frame for neighborhood parking permit is a year depending on the number of requests and scheduling for the public process.

- Current height limits are unrelated to building code-driven logical cutoff points for different types of housing construction. There is no flexibility for even small deviations due to building design or site constraints.
- Even where the code allows extra heights if specific conditions are met, the public treats them as variances or bonuses, and staff sometimes calls them by those names and treats them that way.

Design requirements. Boulder’s design requirements are much less flexible than in many other communities and lead to higher housing costs. In general, the progressive nature of Boulder residents means that developers do not need to build “showy” housing products. Developers are not advocating for cheap housing, but feel that relaxing design standards for affordable products would help reduce costs without negatively affecting neighborhoods.

A high risk development environment. Overall, there is no incentive in Boulder to build a moderately-priced product. The risk of developing in Boulder is too high, the process is too difficult, and the codes incentivize less dense developments.

Developers raise prices on market rate units to gauge against the risk of developing in Boulder. Developers estimate that the regulatory environment causes a difference in pricing between deed-restricted and market rate units of 200 to 400 percent.

Factors that contribute to a high-risk environment:

- The many conditions on allowable types of housing.
- The need to submit very detailed complex documents at (a) Concept, (b) Tech Docs, and (c) Building Permits (re-checked).
- Length of review: Reviews that take 6 months in other Front Range communities take 18 months in Boulder.³
- Lack of flexibility with linkage fees, inclusionary housing, and parking create incentives to build bigger/traditional products.

The result is lack of variety in housing types. This is largely caused by the built-in bias towards larger units created by the linkage fee system, the per-dwelling-unit development standards, and time and risk of taking “a new thing” through the development review process. If barriers were removed, variety would increase over time.

³ Staff note: This depends on what reviews are being discussed. If this is the time between initial concept and the first building permit being issued it may be accurate, but if it is specific to the entitlement process (e.g. Site Review) then 18 months is not accurate. A comparison with other Front Range communities is more complicated than implied by the comment.

In sum, Boulder’s system assumes that there are only two types of housing: (a) subsidized or incentivized housing that is restricted for permanent affordability, and (b) private market rate units where sales prices will support linkage fees to support category (a).

Desired changes to regulatory review.

- Concept Plan approval should lead to entitlement, with later stages of review within the entitlement framework.
- Staff should have more ability to make common sense adjustments to unique circumstances.
- There should be fewer steps in the review process, with less detailed information needed up front, and more internal incentives to find all potential code issues during initial review.
- There should be more opportunities for developer/neighbor/staff collaboration in the review process.

What can the city do to facilitate development of attached and affordable homes?

When responding to this question, several developers began by acknowledging Boulder as a community long-committed to creative approaches for addressing affordable housing needs. “One of the great things about Boulder in the early years is that we could push the envelope.” Boulder was one of the first communities to embrace the idea of mixed-type housing developments, allowing developers to depart from the traditional, single family detached model that dominated residential development in the 1970s and 1980s.

This early thinking about how to create communities is evident in current planning—e.g., in the current Comprehensive Plan update.

Developer responses to the question: What can the city do to help create more attached housing?

- Develop a culture that embraces alternative housing products. Be a leader. Stimulate cultural change in perceptions of how we live.
- Rezone parcels of the city to favor attached products.
- Streamline the regulatory process (see above recommendations).
- Lower fees. Waive impact fees for affordable developments (both deed-restricted and market rate affordable).
- Focus area plans on building community within what appear to be distinct and separate parcels. Bridge the functions of different developments to create continuity where it does not currently exist.

Developer responses to the question: **Where are the most opportunities to develop affordable attached housing?**

- Focus on developing community and repurposing of vacant and underutilized land in East Boulder. There is a perception that future residents may not want to live there because this area is not desirable for Planning Board or City Council members, or city staff. Yet there is such a keen interest in living in Boulder, that this area will be successful, especially if a neighborhood is developed around it.
- Transit Corridors: North and South Broadway
- Valmont, Arapahoe, 30th Street
- Frontage Roads, e.g., Foothills Parkway (single-family homes make no sense)
- North Boulder difficult sites. Because of flood plain issues and “bad zoning” the city will have to take the lead there
- In the future, adding density to existing neighborhoods.



Middle Income Housing Approaches from Other Cities

February 23, 2016 Study Session

City staff surveyed other cities in North America to identify different approaches to expand housing opportunities for middle income households. Included are three recently adopted housing strategies (Boston, New York and Seattle) and select examples of middle income programs and initiatives.

This broad sample includes both new and well-tested approaches. Further analysis would be needed to assess the feasibility and/or appropriateness for use in Boulder.

Recently Adopted Middle Income Housing Strategies

In 2014 and 2015, three cities, Boston, New York and Seattle, adopted housing strategies that included housing solutions targeted to serve middle income households. While these cities are much larger than Boulder, there are lessons to be learned from their approaches, both in regards to the specifics of tools employed as well as the broader approaches reflected in these strategies. For example, New York City, which lost numerous relatively affordable cooperative communities in the last housing bubble and stands to lose many more affordable apartments due to expiring affordability requirements, places a much greater emphasis on long-term affordability, while Seattle’s approach to housing its middle class is far more market driven. Below are summaries of the middle income elements of these strategies.

<p>City: <i>Boston, MA</i></p> <p>Document(s): Housing a Changing City: Boston 2030</p> <p>Definition of Middle Income: \$50,000 - \$125,000 annual income</p> <p>Related Articles: Walsh pushes for middle-income housing, May 2014, Boston Globe</p>
<p>Boston seeks to produce 20,000 additional middle income units by 2030 (4/5 of units are expected to result from private market activity with the balance of units deed restricted). The following are tools Boston intends to use to achieve its goals:</p> <ul style="list-style-type: none"> • Land use and zoning changes • Property tax incentives • Regulatory (streamlined permitting) • Publicly-owned land • Funding • Affordable covenants • Inclusionary Housing • Programs (homebuyer assistance, Fair Housing)
<p>MIDDLE INCOME GOALS (monitored quarterly):</p> <ol style="list-style-type: none"> 1. Double middle-income housing production, creating 20,000 units by 2030 2. Expand and enhance homebuyer assistance programs (e.g., downpayment assistance, deed-restricted housing) to help 5,000 middle class homebuyers purchase first homes 3. Ensure equal home mortgage access to middle income households of all races. <p>ACTIONS:</p> <p>Market-Oriented</p> <ol style="list-style-type: none"> 1. Rezoning (land use, regulatory) to allow significant density in areas affordable to middle class. 2. Property tax incentives to encourage middle income housing construction.

3. **Reduce residential construction costs** on housing product targeted to specific demographics (e.g., affordable, middle income), using a specific scope of construction in designated areas.
4. **Streamlined permitting** targeted to small builders developing privately-owned vacant parcels

Long-Term Affordability Secured

5. **Public resources**, including **city-owned infill lots and funding**, to create mixed-income homeownership development with long-term affordability;
6. **Inclusionary Development Policy** (up to half of units serve between 80% and 100% AMI);
 - a) Continue to require substantial share of inclusionary housing units be provided onsite
 - b) Modify policy to allow higher rents in targeted geographic areas

Other City Program

7. **Fair Housing education, monitoring and compliance** to promote racial equity in homeownership market

City: *New York, NY*

Document(s): [Housing New York \(2015\)](#)

Definition of Middle Income: 121 - 165% AMI (*Moderate income: 81 - 120% AMI)

Related Articles: [De Blasio Unveils 'Most Ambitious' Affordable Housing Plan in Nation](#)

Housing New York focuses on long-term affordability and preservation of units with expiring affordability, as a result, only one of its middle income-oriented actions, compact units, is purely a market solution. All other Housing New York actions result in long-term affordability. To secure more units affordable to middle income households, the city plans to rely on the following tools:

- Land use and zoning changes
- Funding and financing, property tax incentives, city-issued bonds
- Publicly-owned land
- Affordable covenants
- Policy (new mandatory inclusionary housing)
- Limited-equity coops
- Regulation (targeted parking reductions)
- Targeted infrastructure improvement
- Programs (homebuyer assistance, various coop organizing and financing programs, etc.)
- Public/private partnership

MODERATE AND MIDDLE INCOME GOALS:

Create and preserve 22,000 units affordable to moderate income households (80 – 120% AMI) and 22,000 units affordable to middle income households (121 – 165% AMI) over 10 years.

MIDDLE INCOME ACTIONS:

Market-Oriented

1. **Expand availability of compact units** (e.g., micro units)

Long-Term Affordability Secured

2. Establish new **Mandatory Inclusionary Housing (low and moderate* served)** and provide tax exemptions to developers for deeper affordability or higher share of affordability
3. Pilot **Mixed-middle-income Program:** 20% low, 30% moderate (Boulder's middle); 50% middle income; target to mixed use transit corridors; pursue zoning changes to support mixed use
4. **Create new tax incentive program** to provide rental building owners partial or full tax exemption in exchange for regulatory agreement ensuring affordability for life of exemption
5. **Inclusionary Housing Preservation Program** gives developers bonus density in exchange for

- agreement to renovate and preserve affordable housing
6. **Expand Mitchell-Lama preservation strategies** (48,000 moderate and middle-income affordable rentals and coops); fund repairs and renovations in exchange for extended affordability and assist properties to restructure debts
 7. **Finance affordable homeownership opportunities** (all existing programs) through Tenant Interim Lease Program, which helps organized tenant associations in City-owned buildings to set up low-income coops, Affordable Neighborhood Cooperative Program (uses HDC financing to promote development of affordable coops) and Real Estate Owned Program (third-party acquires and rehabilitates bank-foreclosed homes for moderate-income households)
 8. **Aggregate small sites** for smaller rental and HO developments (new program)
 9. **Targeted infrastructure investment** to enable new affordable units (e.g., sewers, streets)
 10. **Identify underutilized city-owned sites** as mixed-income redevelopment sites
 11. Identify and encourage development on **underused privately-owned sites** through strategic partnerships and pooled development rights
Reduce development costs to encourage market affordability
 12. **Reduce parking requirements for affordable housing in transit accessible areas**
 13. **Ease restrictions on conversion of older, obsolete non-residential buildings** to residential.
 14. **Create development finance toolbox** to leverage private market to develop affordable housing
 15. **501(c)(3) bonds to finance MI housing:** Use 501(c)(3) charitable organization created with City's assistance to develop and provide middle income affordable housing on city-owned land.

City: *Seattle, WA*

Document(s): [Housing Seattle: A Roadmap to an Affordable and Livable City, An Action Plan to Address Seattle's Affordability Crisis](#)

Definition of Middle Income: Not defined

Related Articles: [Seattle council candidates band together to back alternate housing plan](#)

Of the three communities profiled with middle income components to their housing strategies, Seattle places the greatest emphasis on market interventions. Seattle does not propose to deed restrict middle income housing. Tools Seattle plans to employ to support middle income housing production include:

- Land use and zoning (e.g., urban villages)
- Regulatory change (streamlining permitting)
- Policy (parking reform)
- Land banking

MIDDLE INCOME GOALS:
Create 30,000 market-rate housing units over the next 10 years

MIDDLE INCOME ACTIONS:
Market-Oriented

1. **Increase Opportunities for Multifamily Housing**, particularly in areas near transit, services and amenities.
2. **Streamline City Codes and Permitting Processes**
3. **Comprehensive Parking Reform:**
 - a) Clarify definition of frequent transit service to reduce requirements in transit areas;

- b) Reduce parking requirements for multifamily housing outside of Urban Centers and Urban Villages that have frequent transit service;
 - c) Ensure parking mandates are not reintroduced in Urban Centers and Urban Villages; and
 - d) Remove parking requirements for ADUs and other small-scale housing types in Single Family areas.
4. In new transit hubs, work with government agencies to **secure land to build mixed-income housing.**

Select Middle Income Initiatives in Other Communities

In addition to profiling recent housing strategies, staff surveyed a variety of communities with programs and policies to address demand for middle income housing. Some of the communities profiled have long-standing middle income policies and programs and some are launching new initiatives.

Inclusionary housing is by far the most used approach to providing middle income housing with long-term affordability (i.e., deed restricting covenants). In addition to cash in lieu from inclusionary housing, funding sources employed by these communities include sales tax, commercial linkage fees, city-issued bonds and community benefit fees (bonus density, condominium conversion). Other tools employed to generate middle income housing in these communities include land banking, transfer of development rights, zoning and land use, regulatory tools (expedited review), accessory dwelling units and laneway houses and apartments, city-owned land, and homeownership programs (e.g., first-time homebuyer, energy conservation).

Aspen/Pitkin County, Colorado

According to the [3rd quarter 2015 Elliman Report](#), the median home sales price in Aspen was \$3.4 million, making it one of the most expensive housing markets in the country. High housing costs have been a longstanding challenge in Aspen. In 1984, the Aspen/Pitkin County Housing Authority (APCHA) was created specifically to promote workforce housing solutions, rather than to provide housing services more typically associated with housing authorities such as public housing. Their mission statement is “to provide affordable housing opportunities through rental and sale to persons who are or have been actively employed or self employed within Aspen and Pitkin County...” According to the [Aspen/Pitkin County Employee Housing Guidelines](#) income categories served by APCHA range from low to upper middle income. To provide a sense of households qualified for APCHA’s middle income categories, a household with two dependents can qualify for the lowest middle income category and earn up to \$160,000. The same household could qualify for the highest upper middle income category and earning up to \$201,000.

To support APCHA’s efforts, the City of Aspen maintains a Housing Development Fund dedicated to affordable housing. Aspen’s funding sources include:

- A one percent housing real estate transfer tax (established prior to TABOR),

- City sales tax,
- cash in lieu, and
- A Credit Certificate Program which allows a private sector developer to meet affordable housing requirements by purchasing a credit equivalent to the free market value of an affordable unit in an all-affordable housing project.

Pitkin County supports affordable housing with an Employee Housing Impact Fee.

Breckenridge, Colorado

A [2014 report](#) documents the impacts of Breckenridge’s affordable workforce program, including, most notably, housing one third (623 housing units) of all households in Breckenridge. One particularly notable deed-restricted development in Breckenridge is the [Wellington Neighborhood](#). The Town of Breckenridge land banked the property that would become the Wellington Neighborhood and transferred development rights from other parcels to the Wellington parcels in order to create a mixed use, mixed-income neighborhood that includes 230 units deed restricted to household earning up to 80, 90, 100, 110, 120 and 150 percent AMI.

Montgomery County, Maryland

Established in 1974, Montgomery County, Maryland’s inclusionary housing program, the Moderately Priced Dwelling Unit Program, is the oldest in the nation. It serves low to moderate income renter and owner households. [In 2006](#), a second inclusionary housing program, the [Workforce Housing Program](#) was added in Montgomery County to create housing opportunities for middle income households (70 to 120 percent AMI). The inclusionary requirement applies to projects with 35 or more units and requires 10 percent of units to be restricted to these households. Stated goals of the Workforce Housing Program include providing housing choice, increasing housing for public employees whose incomes cannot support the high cost of housing close to their workplace, assisting employers in reducing critical labor shortages; and reducing traffic congestion.

Portland, Maine

Portland, Maine’s recently adopted (October 2015) [Inclusionary Zoning Ordinance](#) places a 10 percent permanently affordable requirement on residential buildings with 10 or more units. Middle income households (100 to 120 percent AMI) are targeted by the program. Portland does not have an inclusionary program for low- and moderate-income households. This program is mandatory, but does provide development incentives such as increased height and density, and tax breaks.

Roseville, California

Roseville, California has a [10 percent affordable housing goal](#) with 20 percent of the goal targeted to middle income households. Middle income housing is promoted through the Density Bonus Program (voluntary inclusionary housing with a deed restricting covenant), a commercial linkage fee, Second Unit Ordinance (accessory units, a market-rate housing solution), Condominium Conversion Ordinance (per unit one-time community benefit fee paid for conversion of rental apartments to for-sale condos), expedited project review, and zoning and land use.

San Diego, California

[San Diego's Housing Trust Fund](#) (HTF) is primarily funded by a commercial linkage fee as well as cash in lieu from the Inclusionary Housing program. Households with incomes up to 100 percent AMI can be served by the HTF. Over time middle income tiers (80 and 100 percent AMI) have been added to a number of housing programs, including the Housing Enhancement Loan Program (HELP) energy efficiency and water conservation loans, the first-time buyer Shared Equity Program, the Condominium Conversion Program and Down Payment/Closing Cost Assistance Grants.

San Francisco, California

San Francisco produces rental and for-sale middle income housing through its mandatory [Inclusionary Housing Program](#), which produces housing that serves [households earning up to 200 percent AMI](#). Other city programs with income limits up to 200 percent AMI include the City Second (mortgage) and Downpayment Assistance Loan programs. The income limits for the Rehab and Lead Programs top out at 92 percent AMI. The [Middle Income Rental Housing Program](#) serves households earning up to 150 percent AMI. These rental units are secured in exchange for a density bonus.

In 2007, SPUR (San Francisco Planning and Urban Research Association) convened a task force of architects, developers and policymakers to develop an affordable by design strategy for San Francisco. Recommendations focused on regulatory changes, parking, required "family" bedroom count units, design, and the inclusionary housing requirement. The [report can be found here](#).

In the 2015 election, San Franciscan's responded to the community's worsening housing crisis through the ballot box. Propositions A, K and D, all of which support the production of housing affordable to low to middle income households, passed on November 2015. [Proposition A](#) authorized the city to issue up to \$310 million in bonds to fund affordable housing programs. Proposition A is expected to support the renovation and construction of 30,000 affordable units over the next four years. [Proposition K](#) expanded the target income levels of housing developments allowed on surplus lands to include households earning up to 150 percent AMI. [Proposition D](#) authorized increased building height for a mixed-income development called Mission Rock, which is expected to produce 1,500 housing units, 33 percent of which will serve low to middle-income households.

Vancouver, British Columbia

Laneway houses, a type of accessory dwelling unit, have been promoted in Vancouver as an option to allow middle income households to live in areas they could not otherwise afford. According to a [December 2015 article in Citiscope](#), the city has received nearly 2,000 applications in the six years since laneway houses have been allowed, 85 percent of which have been constructed. Factors that have helped to promote the laneway house include elimination of neighbor approval requirements and eliminating the owner occupancy requirement. The city also provides a [how-to guide](#) that serves to help residents interested in building laneway houses by providing an overview of laneway houses, lot eligibility, and design requirements. In Vancouver, laneway houses are allowed in all single-family residential zones, one residential two-family zone and one multiple dwelling unit zone.

Due to the popularity of the laneway house, [Vancouver recently launched a laneway apartment option](#) that allows mini apartment buildings up to six stories tall along lanes in a neighborhood chosen for its scale. Four projects were in review at the time of this writing, but had not yet been built.

HOUSING BOULDER WORKING GROUP SUMMARY

MAINTAIN THE MIDDLE



GOAL: Provide a greater variety of housing choices for middle-income families and Boulder’s workforce.¹

KEY THEMES:

- The group discussed the middle income data at length and requested additional information. This can be found on the [updated Fact Sheet](#) for Maintain the Middle. They ultimately concluded, that although “middle income” can be difficult to define, key takeaways are that there has been a loss of middle income households and there’s a gap in available housing “between the extremes,” between low and high incomes. One member advocated a price elasticity study to determine whether increasing housing supply actually makes housing significantly more affordable given the effect of increasing number of jobs on the cost of housing.
- In regard to evaluating tools, the group discussed the importance of identifying any tool’s costs and benefits and also considering its impacts on everyone, including current residents. The possibility was brought up of putting any new initiatives to a popular vote. The group agreed that broad community support should be one of the tool screening criteria.
- Additionally, the group favored tools that would provide a variety of housing choices to meet the diverse needs of middle income people, would support alternative transportation and would be sustainable.
- The group did “thumbs up” polling on two fundamental questions that could influence their individual thinking about each tool:
 - Do you generally support tools that increase the supply of housing, or tools that focus on preserving existing housing and its affordability, or a combination?
All eight members present at the meeting (four absent from meeting) gave thumbs up to a combination. One additional member not present at the meeting provided a written comment opposed to increasing the housing supply unless 1) new development pays its own way for all facilities and services it uses, 2) the city stops creating additional demand for housing by adding more employment space, and 3) middle income affordability is maintained over time.
 - Do you think city funds should be used to subsidize middle income housing, or should that funding come from other sources, or a combination?
Five of eight members present gave thumbs up to a combination and three others gave thumbs up to only non-city funding. An additional member not present at the meeting provided a written comment that impact fees on development should pay 100 percent of

¹ On July 28, 2015 City Council adopted changes to the Maintain the Middle goal proposed by the working group. This change struck the following language from the beginning of the goal, “Prevent further loss of Boulder’s economic middle by preserving existing housing”

HOUSING BOULDER WORKING GROUP SUMMARY

MAINTAIN THE MIDDLE



the true cost of providing the middle income housing for which the development creates demand, and that any city funding should be spent on only permanently affordable units.

SHORTLIST OF TOOLS FOR FURTHER CONSIDERATION:

The group “dot voted” (nine of 12 members) to create this short list of tools for further consideration, with the following comments:

Land Use Designation and Zoning Changes

Cooperative Housing

- Co-Housing only got one dot (voting was limited to five dots each person), but should be considered part of Co-op Housing

Occupancy Limits

- Already happening, make it legal and better enforce nuisance code
- Could be treated as a type of cooperative housing, or could be differentiated from it
- Makes better use of existing houses and densities, and is a good use of land

Height Limit

- Could mean adding more height in general throughout city by adding one or two stories to existing one-story buildings; and/or could mean allowing up to 55’ in select places or even over 55’
- Higher buildings are more energy- and land-efficient
- Needs to be considered in conjunction with density and setbacks

Accessory Dwelling Units/Owner’s Accessory Units

- Require them to be permanently affordable
- Look at the whole range of amendments to current restrictions, e.g., the current size limit numbers seem arbitrary

Bonuses for Higher Affordability and Certain Housing Types

The group agreed (eight of 12 members present) that of the above tools, these would have the most impact:

- Land Use Designation and Zoning Changes
- Occupancy Limits
- Height Limit

Also, individual members were asked to state their favorite one or two tools and why; their responses are posted online under [Meeting #4 Notes](#).