

## E2. Fee Reductions, Expedited Review Process, and/or Modification of Standards



*This tool would examine real or perceived barriers that development regulations, fees, and review processes create in the development of new housing or rehabilitation of existing housing. Options include amending some standards and fees to reduce construction and development costs for specific housing types, and/or expediting or modifying review processes.*

### **Key Issues:**

- A recent builder's focus group for the Housing Boulder Project cited complex, inflexible development standards and lengthy, expensive review processes as major barriers to producing affordable units.
- Relaxing building requirements or development standards, reducing fees and/or expediting or modifying review processes would have trade-offs that need to be considered. For example, the community has high expectations for development design and compatibility, which may be compromised by expediting review or relaxing standards. Similarly, relaxing green building requirements may contradict the community's environmental goals.
- The fees associated with development review and approval are calibrated to recover specific costs. If fees were reduced or waived, those costs would have to be covered by other funding sources.
- Some type of mechanism may need to be considered to ensure that cost savings realized by the developer would translate to lower sale prices/rents.

### **Background:**

- Development approval process changes and fee waivers were proposed by the Land Use Review division several years ago, but were not approved by City Council.
- Some specific barriers described by the builder's focus group include:
  - There seems to be little administrative flexibility to vary development standards, such as open space, setback, parking, and road widths;
  - Lot size minimums and open space requirements tied to number of units, rather than unit size, incentivize larger, more expensive units;
  - Restricting unit size would lead to market production of more relatively affordable homes;
  - Requiring housing type variety within a development drives up design/build costs and adds costly complexity;
  - Parking regulations should be more grounded in Boulder-specific data on car usage and parking needs and neighborhood on-street parking availability and impacts. Expanded EcoPass access could lower developments costs for off-street parking and reduce potential spillover parking in neighborhoods;
  - The development review and approval process is often very lengthy and expensive, and the current fee and tax structure and Inclusionary Housing (IH) requirement negatively affect unit affordability; and
  - The land use and building code are very complex and sometimes conflicting, adding to overall development costs. For example, the height limit is unrelated to the building code-driven logical cutoff for different housing construction types.

### **Implementation Options:**

1. Consider reducing or waiving development review fees, plant investment fees, excise taxes and/or other fees, and/or provide property tax abatement for specific housing types and/or rehabilitation for accessibility.
2. Consider revising the review process for specific housing types and/or rehabilitation.
3. Consider relaxing green building requirements for rehabilitation or additions for accessibility.
4. Consider relaxing development requirements, such as parking, open space, setbacks, and Inclusionary Housing, for certain housing types.

### **Goals Addressed Through this Tool:**

- ✓ **Strengthen Our Commitments**
- ✓ **Maintain the Middle**
- ✓ **Create Diverse Housing Choices in Every Neighborhood**
  - Create 15-Minute Neighborhoods
  - Strengthen Partnerships
- ✓ **Enable Aging in Place**