

ORDINANCE NO. 1140 (2022)

AN ORDINANCE REVISING TITLE 16 CHAPTERS 1 AND 3 OF THE CRAIG MUNICIPAL CODE FOR PURPOSES OF AFFORDABLE HOUSING NEEDS.

RECITALS:

1. The City of Craig is a home rule municipality.
2. The City of Craig has determined there is a need for safe and affordable housing within the City limits.
3. The City Council of the City of Craig believes it is necessary to revise certain provisions of the Land Use Code related to the development of land and land use regulations in the City of Craig, for the purpose of making affordable housing available within the City.
4. The City Staff has revised Title 16 of the Craig Municipal Code as recommended by the City of Craig Planning Commission.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO, THE FOLLOWING:

Section 1: The Craig Municipal Code, Title 16, Chapters 1 and 3, are hereby amended as follows:

Chapter 1 – Definitions Section 16.01.160

Accessory dwelling – Shall be defined as: An apartment integrated within a single-family dwelling, or located in a detached accessory building, located on the same lot as single-family dwellings. Accessory dwellings shall be limited to a minimum of three hundred (300) square feet and a maximum of eight hundred fifty (850) square feet in floor area. For purposes of calculating residential density, each accessory dwelling shall count as one-half (1/2) dwelling unit. There shall not be more than one (1) accessory dwelling located on a lot in addition to the single-family dwelling.

Affordable housing project – Shall be defined as: A development project in which: (1) at least seventy-five percent (75%) of the gross acreage to be developed under the plan is to be developed as residential dwelling units or mobile home park spaces; (2) at least ten percent (10%) of said dwelling units or spaces (the “affordable housing units”) are to be available for rent or purchase on the terms described in the definitions of affordable housing unit for rent or affordable housing unit for sale (as applicable); (3) the construction of the dwelling units or spaces is to occur as part of the initial phase of the project and (i) prior to the construction of the market rate units or (ii) on a proportional basis, according to the same ratio as the number of affordable units bears to the number of the market rate units; and (4) the units will be required by binding legal instrument acceptable to the city and duly recorded with the county clerk and recorder, to be occupied by and affordable to low-income households for at least thirty (30) years or as stipulated by the regulatory authority.

Affordable housing unit for rent – Shall be defined as: A dwelling unit which is available for rent on terms that would be affordable to households earning eighty percent (80%) or less of the median income of county residents, as adjusted for family size, and paying less than thirty percent (30%) of their gross income for mortgage or rent payment. The unit must be occupied by and be affordable to such low-income household(s) for a period of at least thirty (30) years or as stipulated by the regulatory authority.

Affordable housing unit for sale – Shall be defined as: A dwelling unit which is available for purchase of terms that would be affordable to households earning one hundred and forty percent (140%) or less of the median income of county residents, as adjusted for family size, and paying less than thirty percent (30%) of their gross income for housing, including principal, interest, taxes, and insurance. The unit must be occupied by and affordable to such low-income household(s) for a period of at least thirty (30) years or as stipulated by the regulatory authority.

Chapter 3 – Zoning

RLD Zoning – Section 16.03.040(E)(3)(P) shall be added listing accessory dwellings as a conditional use.

RMD Zoning – Section 16.030.040(F)(2)(C) shall be added listing accessory dwellings as a principal use.

RHD Zoning – Section 16.030.040(G)(2)(H) shall be added listing accessory dwellings as a principal use.

MU Zoning – Section 16.03.040(2)(C)(8) shall be added listing accessory dwellings as a principal use.

PD Zoning – Section 16.03.040(N)(1) shall add “transportation amenities, affordable housing, or other community benefits” to the list of qualifying benefits.

Section 16.03.040(N)(3)(a) shall delete five (5) acres and replace it with one (1) acre.

Section 16.03.040(N)(3)(C) “All PD development plans must feature a minimum of thirty five percent (35%) of the gross land area as functional open space” – is hereby deleted and shall be replaced with “All PD developments must meet or exceed the open space and landscaping requirements of the underlying zone district.”

Section 16.03.040(N)(7) and (8) shall be added as follows:

7. Affordable housing. Planned Development Overlays shall seek to adopt strategies to increase the supply of affordable housing. Affordable housing is a benefit to the City that can be exchanged for flexibility to this code. Examples of affordable housing strategies include, but are not limited to the following:
 - a. Deed restrictions on the appreciation or price of housing. With this

strategy, the price of certain housing units remains affordable to residents who make a set percentage of the median income. To qualify, “Affordable Housing” shall be defined as:

- i. Affordable housing unit for rent means a dwelling unit which is available for rent on terms that would be affordable to households earning eighty percent (80%) or less of the median income of county residents, as adjusted for family size, and paying less than thirty percent (30%) of their gross income for housing rent. The unit must be occupied by and be affordable to such low-income household(s) for a period of at least thirty (30) years or as stipulated by the regulatory authority.
 - ii. Affordable housing unit for sale means a dwelling unit in which is available for purchase on terms that would be affordable to households earning one hundred and forty percent (140%) or less of the median income of county residents, as adjusted for family size, and paying less than thirty percent (30%) of their gross income for housing, including principle, interest, taxes, and insurance. The unit must be occupied by and affordable to such low-income household(s) for a period of at least thirty (30) years or as stipulated by regulatory authority.
 - b. Partnership with essential workforce providers. Developers may partner with the school district, the hospital, or other essential employers to provide deed restricted employee housing.
8. Areas of flexibility. Affordable housing projects within PD developments may be eligible for certain areas of flexibility within our code, which include, but are not limited to;
- c. Off street parking requirements may be reduced to a minimum of .7 spaces per bedroom.
 - d. Possible lot size reductions.
 - e. Fee waivers or reductions
 - f. Any PD that incorporates four (4) or more units of affordable housing, will be considered for expedited reviews for both planning and permit submittals.

Accessory Dwelling Unit (ADU) Section 16.03.120 shall be added as follows:

1. An accessory dwelling unit, when allowed, shall conform to the following requirements:
 - a. ADU’s may be any of the following:
 - i. An integrated unit within an existing single-family home.
 - ii. An attached (addition) unit to the existing single-family home.
 - iii. A detached unit, either within an accessory structure such as a garage, or its own free-standing unit.
 - b. New ADU’s will only be allowed as a permitted use in the following Zone Districts: Agricultural (A), Rural Residential (RR), Residential Medium Density (RMD), Residential High Density (RHD), and Mixed Use (MU)

where the low allows for the requirements of setbacks, height, and parking with a minimum lot size of 6,000 square feet. New ADU's will only be allowed in Residential Low Density (RLD) Zones when approved by City Council as a Conditional Use.

- c. No Zone District will allow an ADU to act as a short-term rental.
- d. ADU's shall be no less than three hundred (300) square feet and no more than eight hundred fifty (850) square feet or equal to fifty percent (50%) of the total living area (excluding garage) of the principal dwelling, whichever is less.
- e. ADU's shall be limited to no more than two (2) bedrooms.
- f. Only one (1) ADU shall be allowed per residential lot.
- g. ADU's may be a maximum of twenty-five (25) feet in height, or the height of the principal dwelling, whichever is less.
- h. ADU's must meet all setbacks associated with the Zone District they are located in.
- i. Materials and design of the ADU shall be substantially the same as the principal dwelling architecture in material, color, and style.
- j. An ADU may not be a manufactured home or a recreational vehicle. A detached ADU or ADU addition to an existing home must be a stick-built structure on an engineered frost protected foundation designed per the current adopted version of the International Residential Code (IRC). The existing structure may be a manufactured home, as long as the existing manufactured home is a legal conforming use for the zone district it is located in.
- k. Generally, second floor windows, balconies, second story decks and exterior stairs of detached units shall face streets or alleys and not side lot lines in order to protect the privacy of the adjacent lots rear yard.
- l. Each accessory dwelling unit shall provide one (1) dedicated off-street parking space for each bedroom. The garage, if present may not be considered a parking space for the ADU, unless specifically used for the ADU. The parking space(s) must match the adjacent roadway of alley in type of surface material.
- m. Detached ADU's shall have separate water and sewer taps and service lines independent of the principal dwelling. (Exception: Integrated/attached ADU's can share water and sewer services with the principal dwelling.)
- n. Accessory dwelling units shall not be allowed where protective covenants affecting the lot prohibit them.

Section 2. If any subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Ordinance. All other provisions of Title 16 of the Craig Municipal Code shall remain in full force and effect.

Section 3. The City Council deems it appropriate to publish the title of this ordinance, together with a summary of the ordinance and with a statement that the text is available for public inspection and acquisition in the office of the City Clerk.

Section 4. This ordinance shall be effective immediately upon passage.

Section 5. This Ordinance is enacted pursuant to the City's authority to act preserve the general welfare of the City and its citizens.

READ, APPROVED AND ORDERED PUBLISHED ON FIRST READING THIS 13TH DAY OF DECEMBER, 2022, BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO.

Ryan Hess, Mayor

ATTEST:

Liz White, City Clerk

FINALLY READ, PASSED AND APPROVED AFTER PUBLIC HEARING THIS ____ DAY OF ____ 2023.

Ryan Hess, Mayor

ATTEST:

Liz White, City Clerk