

**TOWN OF ERIE
PLANNING COMMISSION MEETING
July 2, 2025**

SUBJECT: **Resolution P25-07**
A Resolution of the Planning Commission of the Town of Erie
Recommending that the Town Council Adopt an Ordinance
Amending Title 10 of the Erie Municipal Code Removing
Alternative Standards for Affordable Housing Projects

PURPOSE: Per Town Management direction, a Unified Development Code
amendment has been drafted to remove the previously adopted
alternative standards for affordable housing projects

CODE REVIEW: Erie Municipal Code, Title 10

DEPARTMENT: Planning and Development

PRESENTER: MJ Adams, AICP, Affordable Housing Manager

STAFF RECOMMENDATION:

As directed by Town Council, staff recommend the Planning Commission consider amendments to Ordinance 017-2023. Staff recommend that the Planning Commission adopt a resolution recommending the Town Council adopt an ordinance amending Title 10 of the Erie Municipal Code removing alternative standards and administrative review for affordable housing projects.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

In June 2023, the Town Council signed a commitment to meet the requirements of Proposition 123 to be eligible for new state funding to create affordable housing. To remain eligible for Proposition 123 funds beyond December 2026, the Town would need to adopt a “fast track” development review and approval process and increase the number of affordable homes in Erie by 15 units by December 2026.

On July 25, 2023, the Town Council adopted changes to Municipal Code Title 10 Unified Development Code to allow alternative standards for affordable housing developments and administrative review and approval for eligible developments. Ordinance No. 017-2023 implemented changes to serve as initial efforts to adopt the Proposition 123 “fast track” requirements. Specifically, Chapter 6 amendments allowed alternative standards for affordable housing developments affecting density, lot size, setbacks, and alternative equivalent compliance opportunities. Chapter 7 amendments provided for administrative development review under the existing

minor subdivision and site plan review process. Chapter 11 amendments provided definitions for Affordable Housing and Area Median Income (AMI) as needed for the Chapters 6 and 7 amendments.

To date, the only project to utilize the provisions of Ordinance No. 017-2023 is the Cheesman Residences development. In December 2023, the Town received its first submittal for the development and in June 2024, the Town of Erie approved plans for 35 affordable homes (for ownership). Construction started in July 2024 and is well underway with the first homes expected to be sold in July 2025. The remaining homes are planned to be completed and sold by December 2025.

In April 2024, the State of Colorado Department of Local Affairs (DOLA), Division of Housing issued guidance on implementing the “fast track” provisions of Proposition 123 in advance of the December 2026 deadline. With this guidance, staff recognized revisiting Ordinance No. 017-2023 to confirm minimum requirements for compliance with Proposition 123 may be necessary. Staff worked with the Regional Housing Partnership staff to submit a Local Planning Capacity Grant application to hire a consultant to help the communities in the region move toward “fast track” compliance. This regional approach will include engagement with local development review staff, building and development stakeholder groups, and local elected officials. The Regional Housing Partnership was successful with this effort and is currently in the process of hiring a consultant to complete the effort.

At a March 4, 2025, Town Council Study Session on the Comprehensive Plan and Affordable Housing, the Affordable Housing Division was directed to initiate removing the expedited development review process and alternative standards for affordable housing from the code. The Town Council expressed interest in working with the regional effort to evaluate opportunities for expedited review for affordable housing development, but that a new process should allow for review and approval by Council.

Following the direction received on March 4, 2025, staff worked with legal counsel to draft proposed amendments to the Municipal Code Title 10. The proposed amendments remove the administrative development review process and alternative standards for affordable housing projects. The definitions of Affordable Housing and Area Median Income (AMI) remain as defined by Ordinance 017-2023. Further discussion of the ordinance took place at the subsequent Town Council Study Session on April 15, 2025.

Staff presented an amendment to the ordinance to the Planning Commission on May 7th. Commissioners voted to continue their consideration of their recommendation to their July 2nd meeting and expressed a desire to hold a study session with Town Council in advance of making their recommendation on this amendment. Town

Council deferred this study session request to after the community survey results later this summer and suggested Commissioners review the March 4th and April 15th study sessions to get a better context for this amendment.

Planning Commissioners discussed the amendment at their June 18, 2025 meeting and decided to draft a modification of the resolution they would discuss at the July 2nd meeting. A member of the Planning Commission drafted a revised resolution for discussion at the July 2nd meeting. The draft of the revised resolution is included in the agenda packet along with a redlined comparison of the original to the draft revised resolution for the July 2nd meeting.

The Town Council public hearing for these amendments is scheduled for August 12, 2025.

Approval Criteria

Section 10-7-18(C)(9) of the Erie Municipal Code states the following approval criteria when considering amendments to the text of the UDC:

1. The proposed amendment will promote the public health, safety, and general welfare; and
2. The proposed amendment is generally consistent with the Town's Comprehensive Master Plan and the stated purposes of this UDC; and
3. The proposed amendment is necessary or desirable because of changing conditions, new planning concepts, or other social or economic conditions.

Staff find these amendments in the original draft ordinance are responsive to direction received by the Town Council. The result of this action is that no new affordable housing developments will be approved under an expedited development review process or with alternative allowances for development standards until such time as the Council passes a new ordinance.

Attachments

1. Original Resolution P25-07
2. Draft Revised Resolution P25-07
3. Redlined comparison of Original to Draft Revised Resolution
4. Draft Ordinance
5. Staff Report
6. Ordinance No. 017-2023