

12/1 Item 56 - Compatibility on Corridors
CM Vela Amendment 2 – V1
All compatibility changes by right

Amend the draft ordinance as follows:

- remove Section 25-2-769.06 (*Affordable Housing Bonuses*); and
- replace Subsection (F) in Section 25-2-769.04 with the following:

(F) The following height limitations apply in this division.

- (1) Two stories and 35 feet, if the structure is 50 feet or less from a triggering property.
- (2) Three stories and 45 feet, if the structure is more than 50 feet and not more than 100 feet from a triggering property.
- (3) For a site located on a light rail line, the maximum height for a structure located at least 100 feet of a triggering property is the height allowed by the base zoning district or other applicable limit.
- (4) For a site located on a larger corridor, the maximum height for a structure is:
 - (a) 65 feet if the structure is located at least 100 feet from a triggering property; or
 - (b) 90 feet if the structure is located at least 200 feet from a triggering property.
- (5) For a site located on a medium corridor, the maximum height for a structure is:
 - (a) 65 feet if the structure is located at least 150 feet from a triggering property; or
 - (b) 90 feet if the structure is located at least 250 feet from a triggering property.

Reasoning:

The way the current proposal ties most relaxation of compatibility to participation in a density bonus is more likely to kill housing units than produce affordable housing units.

The impact of compatibility varies widely property by property. Some sites do not have any compatibility limitations at all. On some sites, only part of a site is limited by compatibility. On other sites, the entire site is limited by compatibility. This variability from compatibility makes it impossible to calibrate the bonus. In their recommendation against adopting ordinance, housing and planning staff stated that developers were unlikely to participate in the bonus program and identified it as a major problem with this proposal.

Proper calibration is critical if we want to affordable housing density bonuses to be successful and produce affordable units. Participation in these programs is entirely voluntarily. If we don't properly calibrate the bonus and the benefit provided doesn't justify the increased cost of producing affordable units, developers are unlikely to participate.

In an instance where compatibility reduces what they can build by 10 or 20%, it is unlikely that they will participate in the bonus program to provide 10% of units at an affordable rate. They are more likely to just let compatibility kill 10-20% of the units.

While other density bonus programs, and programs like affordability unlocked, do also sometimes provide a relaxation of compatibility, they offer that benefit in combination with other benefits, such as exemptions from Floor to Area Ratio limits and increases in height.

Our compatibility standard is the strictest in the nation and even for those getting the most generous relaxation of compatibility in this proposal, the compatibility restrictions are still far more restrictive than other cities.