November Advisory Committee Meeting

Unlocking Housing Choices

Meeting Agenda

1. October Meeting Recap
2. Consultant Update
3. Breakout Discussion
    A. Building form & design updates
    B. Incentives for preservation of existing structures
    C. Incentives for affordable units
4. Return to Committee

October Meeting Recap

Project Schedule Updates

- Phase 1 is too limited in scope and impact and the committee has resources to offer.
- Develop an approach that differs between neighborhoods.
- One-size-fits-all Citywide approach isn't supported.
- Feasibility is vital

Individual topic recaps included in each section:

- Building forms and design updates
- Affordability incentive for missing middle
- Preservation incentive for missing middle

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Consultant Update

1. Feasibility study
   - Root Policy Research and ArLand Land Use Economics are preparing a financial feasibility study to inform the project strategies.
   - Conducting interviews, studying proforma, determining what changes are needed for uptake
2. Building form and design update
   - Studio Seed and OV Consulting are collaborating with staff to develop potential updates to the building forms and design.
   - The advisory committee will begin to see some of that work in this presentation and we will present recommendations and background in early 2026.
   - Opticos, Lisa Wise Consulting, and Peter J. Park are also collaborating on another ongoing regulatory diagnostic project that will contribute to UHC's strategies.

   Present Urban context preliminary recommendations in early 2026

Overview: Phased Approach

Phase 1 – Affordability and Preservation Approaches

1. Allow Missing Middle Housing when the existing structure is preserved.
2. Allow Missing Middle Housing when affordable housing units are provided.
3. Develop better design standards and reduced building scale.

Questions?

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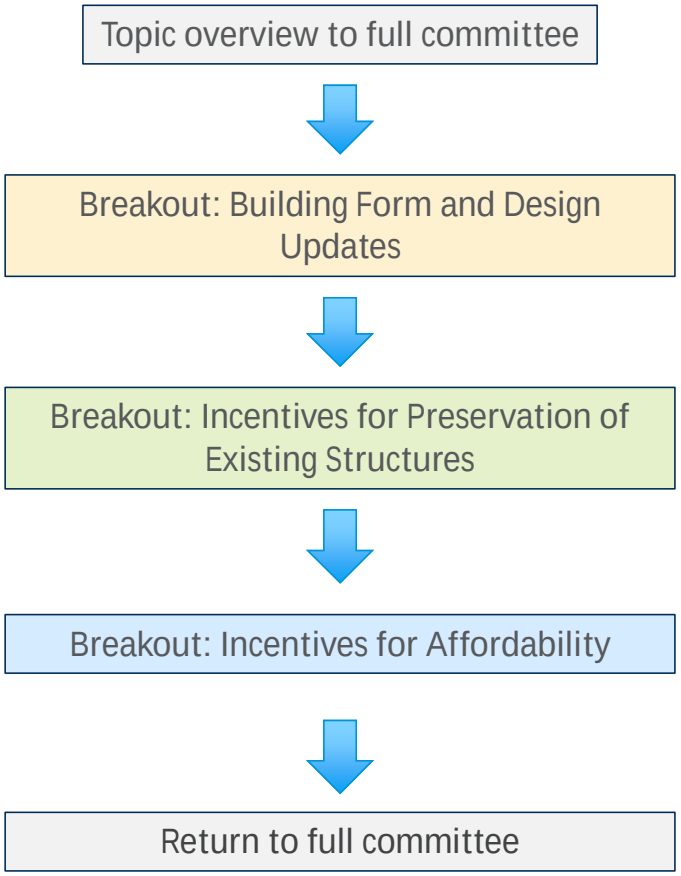
Break Out Activity

1. Introduce topic to full committee
2. Breakout Workshop Exercise
3. Return to full group and share out

CPD staff member in each group will facilitate and answer questions as needed



Break Out Activity

What will your feedback and direction inform?

- The priorities for the city to focus on
- The details of what is allowed and required
- Potential blind spots and unintended consequences
- The framework of the code changes
- Input for consultant work

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Building form & design updates

October Meeting Recap

Design and Building Form
- Provide realistic visual examples
- Explore how building form affects feasibility

Housing Variety and Flexibility
- Broader range of housing types and lot configurations is needed
- Allow more on corner lots and large lots

Implementation and Barriers
- Focus on removing barriers and learning from other cities' experiences

Policy Priority
- Competing views on compatibility and maximizing housing
- Focus on equity and displacement.

Building form & design updates

Today we will focus on standards that have the biggest impact:

- Building size and scale
  - Height
  - Bulk Plane
  - Half Story
- Floor area limitation and sliding scale

Standards for future discussions:

- Lot width and lot size
- Setbacks
- Building coverage
- Row house district standards

We are concerned with size and scale, not regulating style

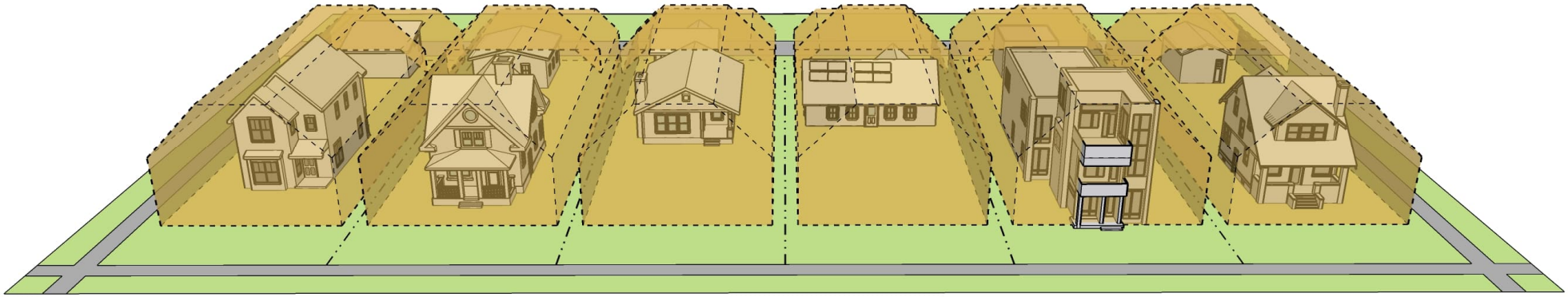
Building form & design updates

Our approach needs to balance Strong and Authentic Neighborhoods and an Equitable, Affordable, and Inclusive Denver.

Building form & design: Scale

Scale Issues:

- Our building standards allow for residential structures that are two to four times as large as traditional homes.
- This creates conflicts with Strong and Authentic Neighborhoods Goals.
- Building height standards include overall height, setbacks, and bulk plane requirements that contribute to large building envelopes.



Building form & design: Scale

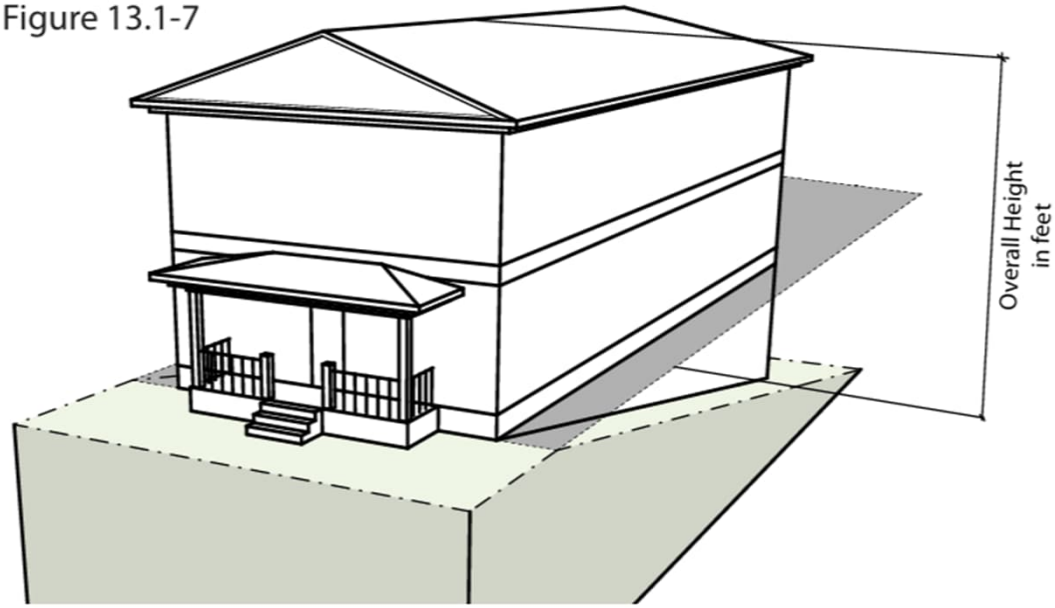
Overall Height:
Height is currently regulated in two main ways, Stories and feet above existing grade.

- Urban House and Duplex form (U- and E- contexts)
  - 2.5 stories and 30'-35' on front 65% of lot
  - 1 story and 17' on rear 35% of lot

- Suburban House form (S- and E- context)
  - 2.5 stories and 30'-35' height limit

- Increased height is allowed on wide lots.
- Measured from base plane to top of the roof or parapet.

Figure 13.1-7



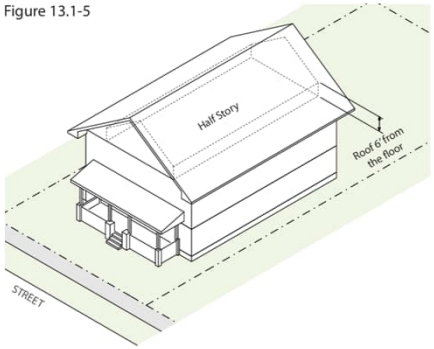
Building form & design: Scale

New 2.5 story homes look like 3 stories

Half Stories

- Current rules allow a smaller third story up to 75% of the area of the floor below.
- Three-story single unit homes are not traditionally common
- Traditional 2.5 story homes tuck the half story into the roof of the building.

Figure 13.1-5

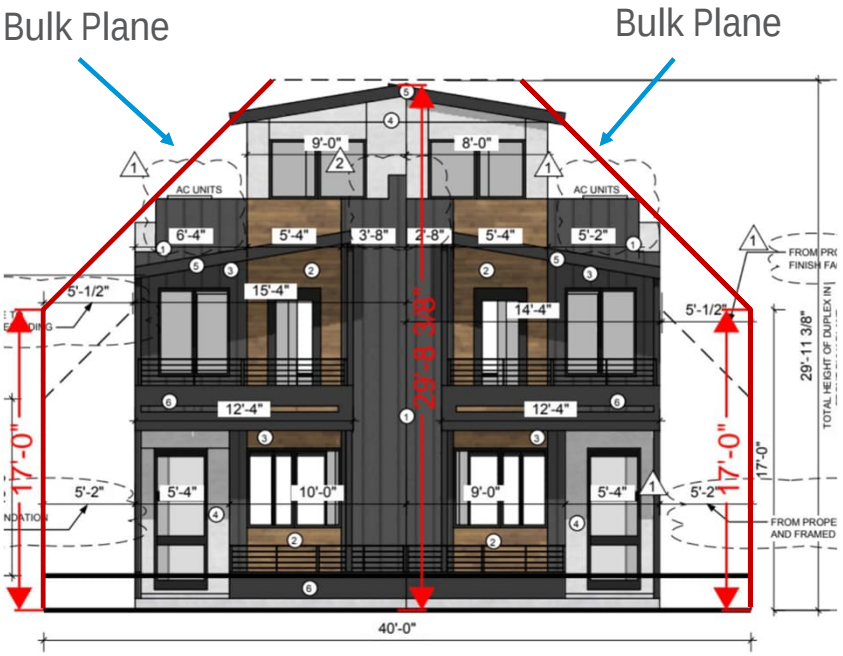


Traditional 2.5 story homes tuck the half story into the roof of the building.

Building form & design updates

Bulk Plane

- A bulk plane is a key part of the 3-D building envelope on a property.
- The bulk plane extends vertically at the lot line, then slopes inward up to the maximum height.
- The intent is to limit impact from large buildings on adjacent properties.



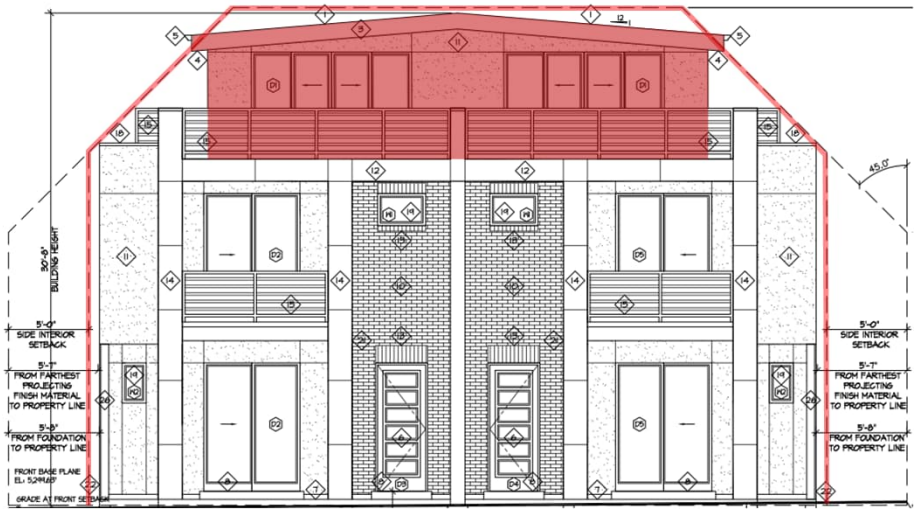
Possible alternatives:

- Height measurements at top-of-second floor and roof eave heights for pitched roofs

Building form & design updates

Issues

- Houses designed to maximize floor area within the bulk plane create a 3rd story with a low sloping roof.
- This style of house and duplex is out of scale with nearby traditional houses.
- Bulk plane requirements are confusing to explain and are not effective on house-scale buildings.



Building form & design updates

Questions for Committee:

- What changes should we make to improve compatibility of infill?
  - Should we replace the bulk plane with simpler height measurements?
  - Should we limit 3rd story to be allowed only within a pitched roof?
  - What should differ between Neighborhoods?

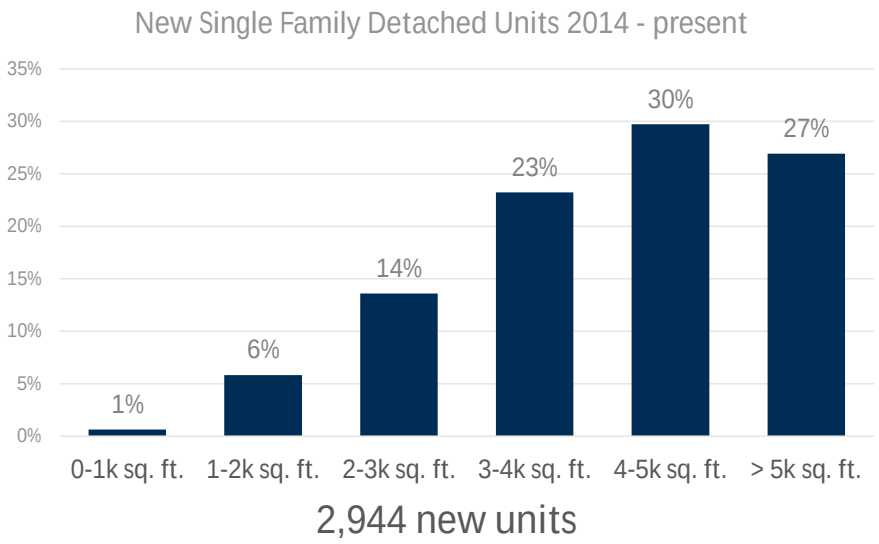
Potential height and eave height alternative

Building form & design updates

Size Limitation

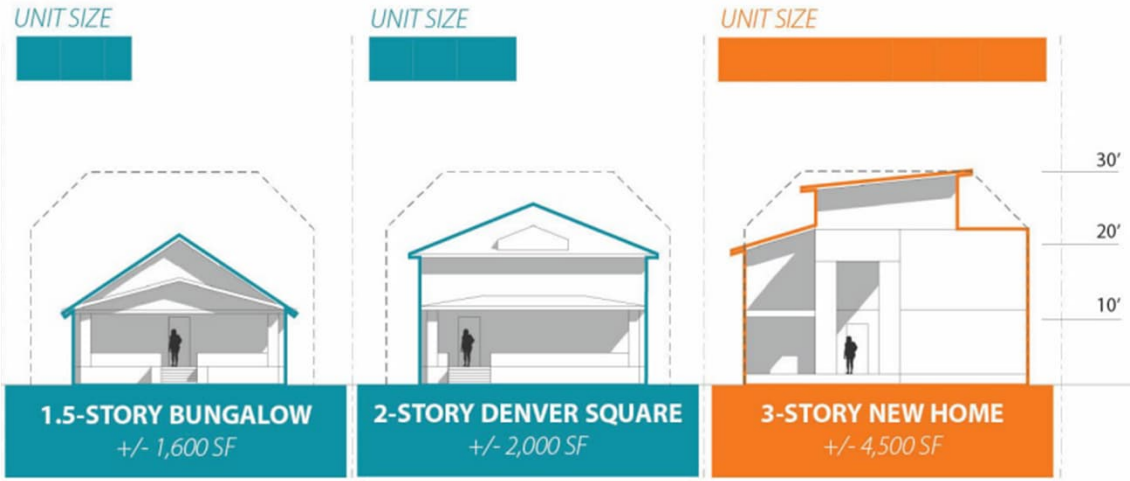
Denver does not currently limit floor area of new residential development in base zone districts of SU, TU, RH.

- *The Bungalow Overlay (CO-6) limits gross floor area above the front base plane to 3,000 sq. ft.*



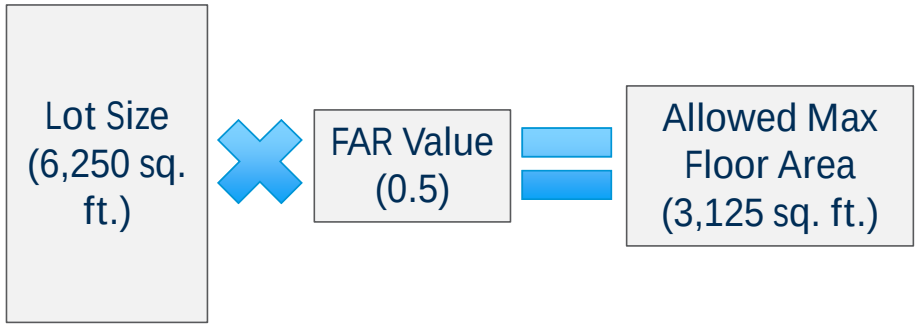
Issues:

- Current regulations allow very large single-unit houses and duplexes.
- This significant entitlement contributes to speculative redevelopment.
- We continue to lose existing moderately sized homes.



Floor Area Ratio

Floor Area Ratio is the ratio of gross floor area of a building to the Zone Lot Area on which the building is located



Average FAR per unit built 2019-to-present:

Urban:
Single Unit: 0.72
All Housing Units: 0.38

Urban Edge:
Single Unit: 0.66
All Housing Units: 0.26

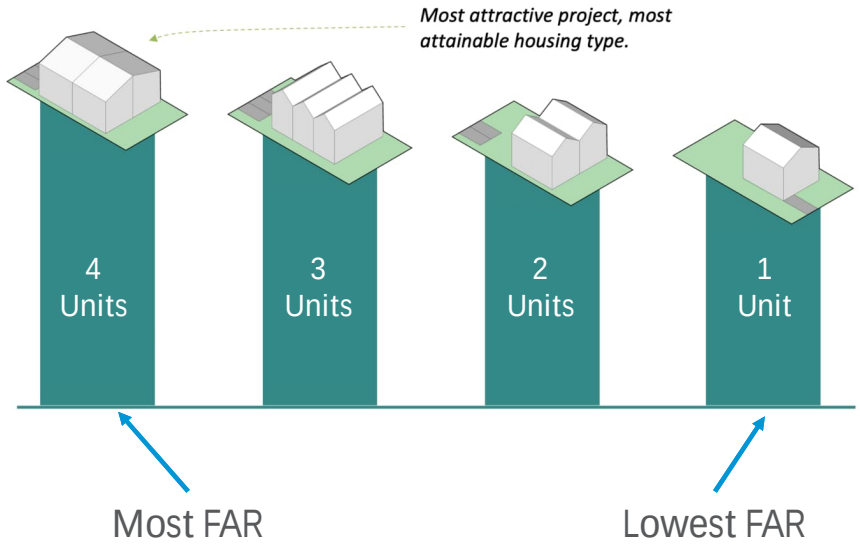
Suburban:
Single Unit: 0.47
All Housing Units: 0.21

KD0

Building form & design updates

Size Limitation Sliding Scale

- Establishing maximum floor area standards and allowing more floor area with each additional unit is a best practice for missing middle housing reform.
- This can encourage the creation of more moderately sized units.
- Floor Area Ratio or FAR is used to develop these sliding scales (Portland, Sacramento, Spokane, Minneapolis…)
- A study of existing floor area by Denver neighborhood and context will inform what floor area limitations might be based on



Building form & design updates

Question for Committee

Should we establish a floor area limitation and sliding scale?

- What should we consider?
- Should there be exceptions?

Floor Area Sliding Scale Based on 6,250 sq. ft. lot			
Number of units	**FAR**	**Gross Floor Area Allowance**	**Average Floor Area Allowed per Unit**
1	0.5	3125	3125
2	0.6	3750	1875
3	0.7	4375	1458
4	0.8	5000	1250

Additional units are enabled through the affordability or preservation incentives.

Report Back

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Incentives for preservation of existing structures

Proposed Changes

Single Unit and Two Unit districts:

- Additional primary units permitted when the existing primary structure is retained.
    - The additional primary dwelling unit may be located in a new structure, the existing structure, or an addition

Incentives for preservation of existing structures

October Meeting Feedback: what we heard from you

Affordability

- Not all existing homes are as affordable as they seem at first glance because they can be aging, in disrepair, and have high maintenance costs.
- Allowing lots to be split could make this more affordable.

Feasibility

- We would need to allow more than one additional unit to make this an attractive incentive.
- It's important to consider building code changes that may be necessary to make this feasible.

What Counts?

- How much of the structure should be preserved and how that's measured.
- Desire to keep the rules as simple as possible for professionals.

Incentives for preservation of existing structures

Plan Guidance and Goals

Many adopted plans recommend allowing additional units on a lot where an existing structure is preserved to help achieve two main goals:

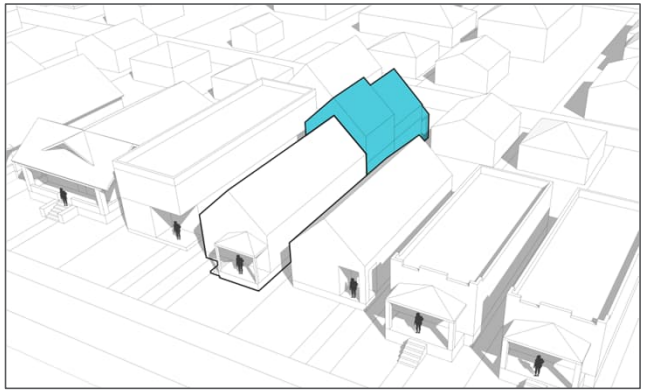
- Maintain naturally occurring affordable housing
- Preserve neighborhood character



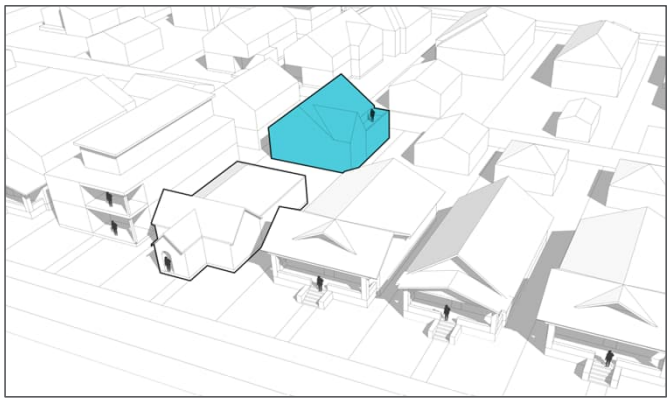

Incentives for preservation of existing structures

What could these developments look like in single-unit districts?

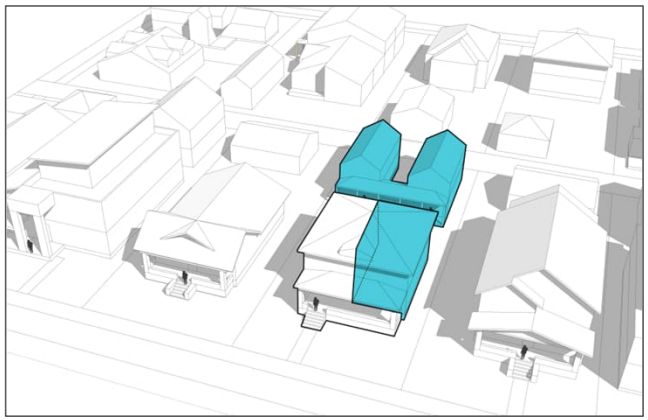
Addition to Existing House



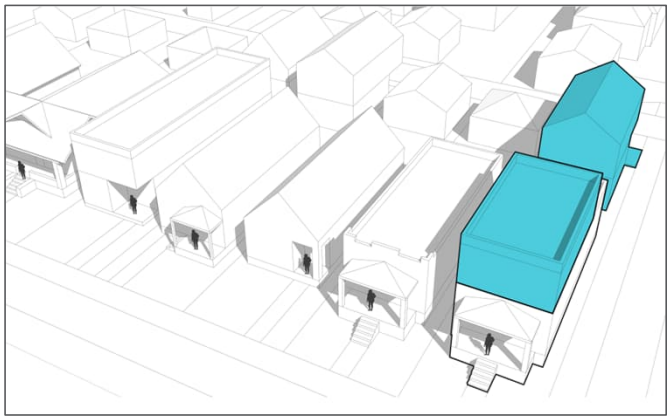
Tandem House



Subdivision of existing structure, with additional cottage units



"Pop-top" with tandem house



Graphics by Studio Seed, based on a variety of lot sizes in the Urban neighborhood context

Incentives for preservation of existing structures

What could these developments look like in single-unit districts?

Graphics by Studio Seed, based on a variety of lot sizes in the Urban neighborhood context

Incentives for preservation of existing structures

Questions for the Advisory Committee

What counts as “existing”?

- What should be preserved? – building footprint, front façade, portion of exterior walls, What matters?
- Should additions like pop-tops still be considered as existing structures?

Is there anything else we can do to make this more feasible?

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Incentives for income-restricted units (IRUs)

1. October Meeting Recap
2. Provide early prototype drawings
3. Ask Key Questions

Key Points for Leadership:
- # of IRUs Vs Market Rate
- GFA and FAR Measurement
- GFA Limitations as IRU Alternative

Number of affordable units & depth of affordability
- Include examples and who would be served
- Number of affordable vs market-rate units
- Floor area alternative (ex: 2-bedroom unit limited to 800 sf = IRU)

Gross Floor Area Limitations (FAR sliding scale)
- Peer city examples and show examples

Geography-based strategy
- Differences between neighborhood context
- Applicability by neighborhood AMI, vulnerability to displacement, etc…

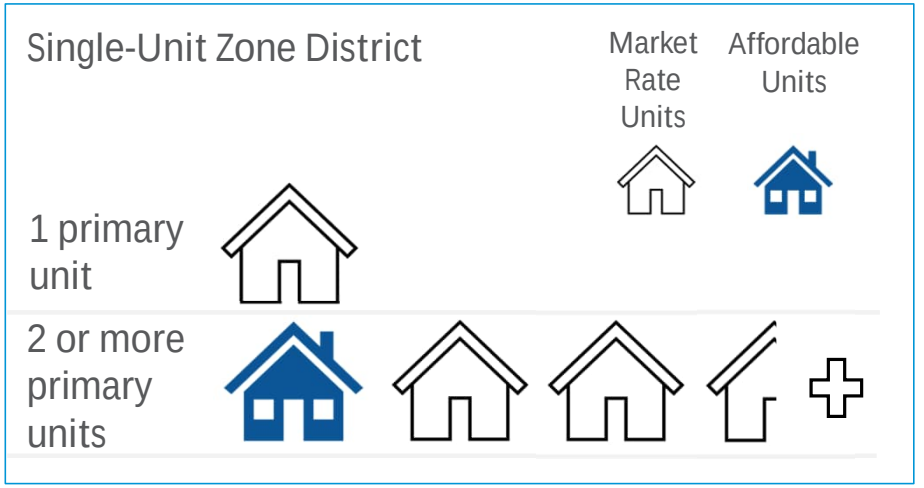
Incentives for affordable units

Proposed Changes

Single Unit/Two Unit Districts

- Additional dwelling units are allowed when the rent or sale price of one or more of those units is affordable to residents earning a percentage of area median income (AMI)

- These additional units are allowed in the House, Duplex or Tandem House building forms.



Incentives for affordable units

Proposed Changes, cont.

Row House Districts

- Develop an incentive in Row House zone districts when IRUs are provided, such as:
  - Allowing stacked flats (RH currently only allows side-by-side units)
  - Allowing additional density (such as by amended building form requirements)

Incentives for affordable units

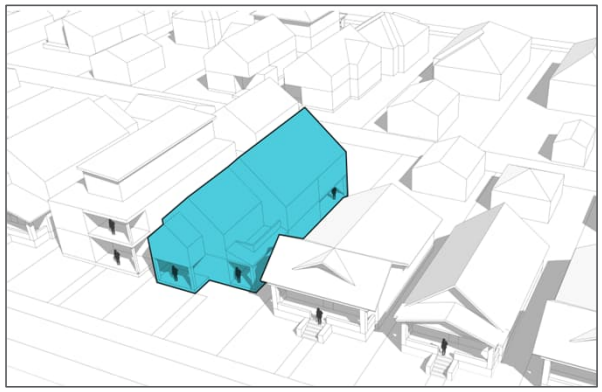
October Meeting Feedback: what we heard from you

- Affordable Housing requirement would be useful for housing developers focused on that market, but limited appeal to market-rate developers.
- As long as affordable units replace the number of previously existing units demolished to allow redevelopment, other units rented or sold at a market rate is acceptable.
- Income-restricted housing is typically rented, so this requirement may not incentivize for-sale housing.
- Cottage Court housing would be an ideal outcome.
- Developers should be allowed to build as many dwelling units as can fit within a building form that is consistent with existing neighborhood character.
- Consider removing other obstacles to this type of development, such as Site Development Plans for housing that provides more than two units.

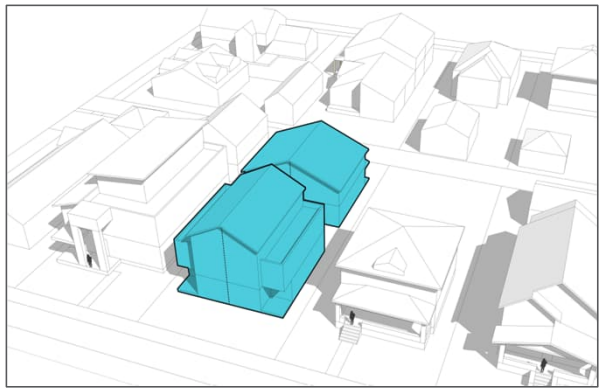
Incentives for affordable units

What could these developments look like in single-unit districts?

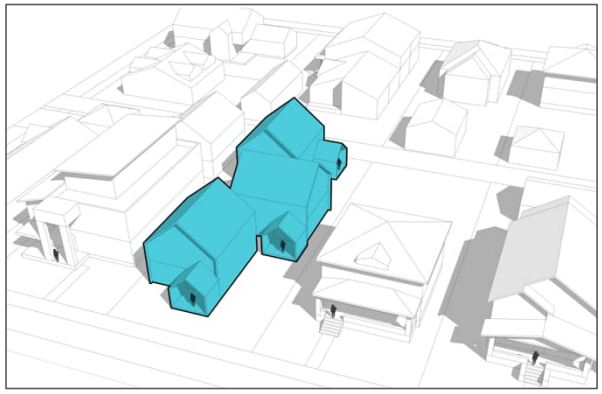
Triplex



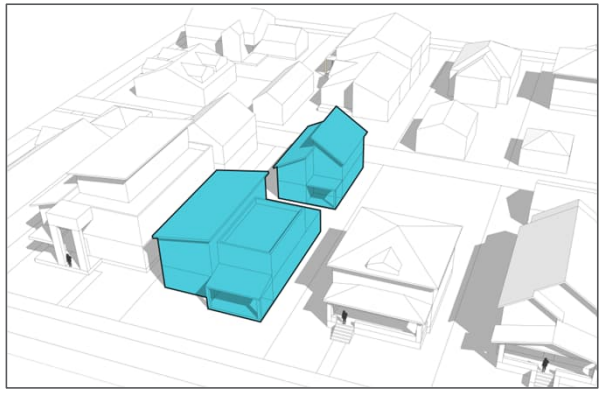
Double Duplex
(new construction)



Cottage Court



Tandem House
(new construction)



Graphics by Studio Seed, based on a variety of lot sizes in the Urban neighborhood context

Incentives for affordable units

Questions for the Advisory Committee

How should we define "affordable?"

- Denver's Current Approach: HOST-administered rental unit is limited to residents earning a percentage of Area Median Income (AMI)

Should there be an incentive for small homes?

- Would the committee support a small-unit incentive that would allow more than one unit to be built if, for example, one unit was limited to a max of 800 sq ft and had at least two bedrooms?

DENVER
HOUSING STABILITY

2025 HOME INCOME LIMITS

(Effective: June 1, 2025)

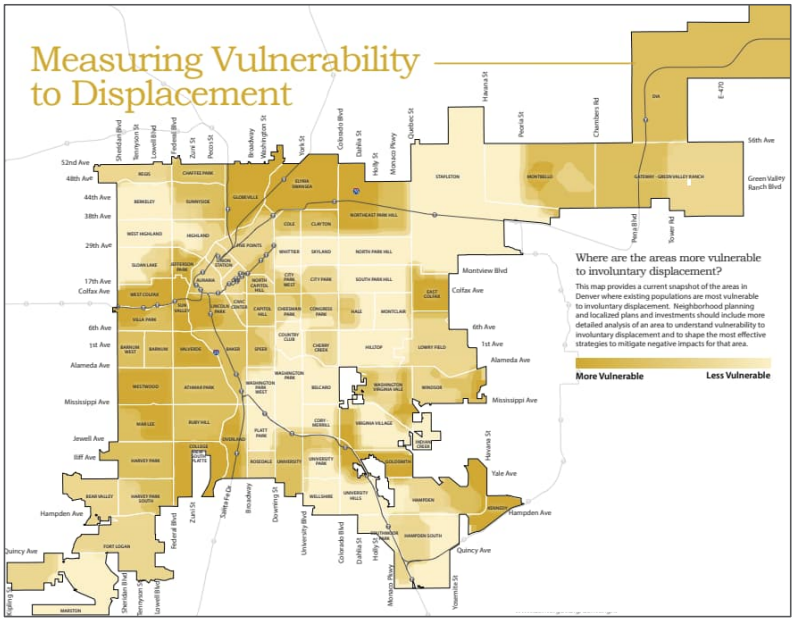
Area Median Income	HOUSEHOLD SIZE						
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	*HUD Income Designation*
120%	117,720	134,520	151,320	168,120	181,680	195,120	
115%	112,815	128,915	145,015	161,115	173,995	186,875	
100%	98,100	112,100	126,100	140,100	151,400	162,600	
95%	93,195	106,495	119,795	133,095	143,735	154,375	
90%	88,290	100,890	113,490	126,090	136,170	146,250	
80%	72,950	83,400	93,800	104,200	112,550	120.900	*Low Income*
70%	68,670	78,470	88,270	98,070	105,910	113,750	
65%	62,960	72,080	81,080	91,065	95,655	103,360	
60%	58,860	67,260	75,660	84,060	90,840	97,560	
50%	49,050	56,050	63,050	70,050	75,700	81,300	*Very Low*
40%	39,240	44,840	50,440	56,040	60,520	65,000	
30%	29,450	33,650	37,850	42,050	45,450	48,800	*Extremely Low*

Incentives for affordable units

Questions for the Advisory Committee

Should affordability requirements vary by geography?

- Zoning Neighborhood Context
- Neighborhood Area Median Income (AMI)
- Others?



Blueprint Denver

Report Back

Next Steps

- Next advisory committee meeting in early 2026
- Public community meetings in first half of 2026
- Joint City Council & Planning Board meeting in December 2025