

Fort Collins City Council Work Session Agenda

6:00 p.m. Tuesday, May 9, 2023

Colorado River Community Room, 222 Laporte Ave, Fort Collins, CO 80521

NOTICE:

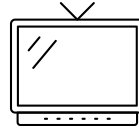
Work Sessions of the City Council are held on the 2nd and 4th Tuesdays of each month in the Colorado Room of the 222 Building. Meetings are conducted in a hybrid format, however there is no public participation permitted in a work session.

City Council members may participate in this meeting via electronic means pursuant to their adopted policies and protocol.

How to view this Meeting:



Meetings are open to the public and can be attended in person by anyone.



Meetings are televised live on Channels 14 & 881 on cable television.



Meetings are livestreamed on the City's website, fcgov.com/fctv

Upon request, the City of Fort Collins will provide language access services for individuals who have limited English proficiency, or auxiliary aids and services for individuals with disabilities, to access City services, programs and activities. Contact 970.221.6515 (V/TDD: Dial 711 for Relay Colorado) for assistance. Please provide advance notice. Requests for interpretation at a meeting should be made by noon the day before.

A solicitud, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione aviso previo. Las solicitudes de interpretación en una reunión deben realizarse antes del mediodía del día anterior.



While work sessions do not include public comment, mail comments about any item on the agenda to cityleaders@fcgov.com





City Council Work Session Agenda

May 9, 2023 at 6:00 PM

Jeni Arndt, Mayor
Emily Francis, District 6, Mayor Pro Tem
Susan Gutowsky, District 1
Julie Pignataro, District 2
Tricia Canonico, District 3
Shirley Peel, District 4
Kelly Ohlson, District 5

Colorado River Community Room
222 Laporte Avenue, Fort Collins

Cablecast on FCTV
Channel 14 on Connexion
Channel 14 and 881 on Comcast

Carrie Daggett
City Attorney

Kelly DiMartino
City Manager

Anissa Hollingshead
City Clerk

CITY COUNCIL WORK SESSION 6:00 PM

A) CALL MEETING TO ORDER

B) ITEMS FOR DISCUSSION

1. 2022 Visit Fort Collins Annual Report and Update.

The 2022 Visit Fort Collins Annual Report will be presented to Council.

2. Potential Charter Amendments for November 2023 Ballot Consideration.

The purpose of this item is to provide Council a list of potential identified Charter changes that could be taken to a ballot in 2023 or in future years.

3. Housing Strategic Plan Implementation: Occupancy Regulations.

The primary purpose of this work session item is to receive Council guidance on potential changes to the City's occupancy regulations. The work session will include an overview of existing conditions, policy analysis completed to date, and a summary of community engagement. Key policy topics for this work session include: (1) the current family definition used in the City's occupancy regulations; (2) the maximum number of occupants in a home; and (3) the City's current extra occupancy process. Staff will also seek Council direction on a proposed approach to future community engagement on occupancy regulations.

4. Fort Collins Water Storage Overview.

The purpose of this work session is to discuss the water supply and storage challenges faced by the Fort Collins community and to seek direction on future engagement with Northern Water regarding the Northern Integrated Supply Project (NISP). Fort Collins is served by multiple water service providers and the challenges of significant growth and climate change will impact the entire community. Fort Collins Utilities is focused on the Halligan Water Supply Project, which will only serve the Utilities' service area. Other water service providers in the community are relying on different efforts, such as NISP, to ensure adequate supply for their customers, which includes about 24,000 Fort Collins residents.

The discussion will provide an overview of the Fort Collins Utilities' water system; water supply challenges including drought, growth, and the Colorado River Compact; current water storage projects; and the City's role as a regional partner with other water service providers in Northern Colorado.

C) ANNOUNCEMENTS

D) ADJOURNMENT

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WORK SESSION AGENDA ITEM SUMMARY

City Council



STAFF

Amanda King, Interim IES Director
Cynthia Eichler, Visit Fort Collins President and CEO

SUBJECT FOR DISCUSSION

2022 Visit Fort Collins Annual Report and Update.

EXECUTIVE SUMMARY

The 2022 Visit Fort Collins Annual Report will be presented to Council.

ATTACHMENTS

1. Fort Collins Annual Report
2. Visit Fort Collins 2022 Annual Report
3. Visit Fort Collins Presentation

ONLINE

Email:
information@ftcollins.com

Website:
visitftcollins.com
fctid.com

PHONE

(970) 232-3840

ADDRESS

1 Old Town Square Suite 107
Fort Collins, CO 80524



2022

ANNUAL REPORT

2022 introduced the first full year of the Fort Collins Tourism Improvement District. The first half of the year was a gathering of momentum and Covid recovery, the second half, an upward trajectory with increased hotel occupancy.

With twenty-two members in the district, and a service agreement in place with Visit Fort Collins, the district supports two additional dedicated team members specifically assigned to sales activities. This has significantly increased the ability to participate in new initiatives, trade shows, sales missions and to grow long term relationships.

The Fort Collins Tourism Improvement District is supported through its own board of directors and strategic business plan.

MARKETING HIGHLIGHTS

Visit Fort Collins was awarded \$175K from the CTO Tourism Recovery Marketing Grant Program.

This grant will have an emphasis on Rebuilding for Resiliency. Visit Fort Collins was one of seven awarded organizations, and this is the largest award Visit Fort Collins has received in its history.



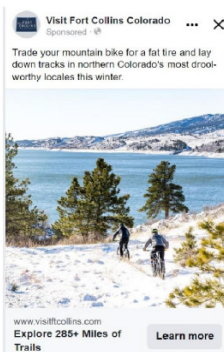
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A four-season cycling-focused campaign using social media, video pre-roll and printed guides resulted in

2.6 million
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WEBSITE TRAFFIC



COLORADO TOURISM CO-OP ADVERTISING

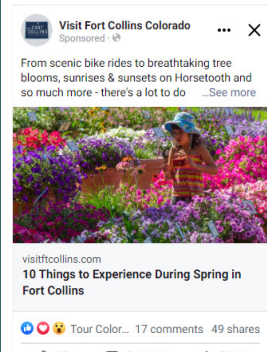
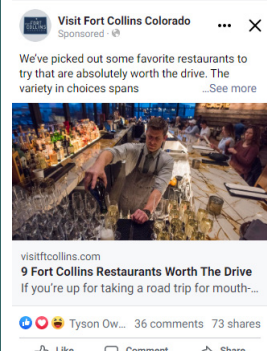
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LEISURE SALES HIGHLIGHTS

- Hosted Tour Colorado annual membership meeting with forty destinations and tour company representatives in attendance.
- Attended IPW in Orlando, FL, where team members participated in over 30 appointments with international tour operators and media.
- Hosted nine International tour operators and media throughout the year to expand awareness of Fort Collins as an international destination.



For the first time since 2019, Visit Fort Collins accompanied the Colorado Tourism Office on two sales missions in the UK, Germany and Switzerland.



2022 TID Collections



JAN	\$ 72,957.00
FEB	\$ 62,229.42
MAR	\$ 67,458.34
APR	\$ 93,347.62
MAY	\$ 97,127.80
JUN	\$ 155,792.69
JUL	\$ 185,680.36
AUG	\$ 181,162.00
SEP	\$ 192,656.09
OCT	\$ 153,441.43
NOV	\$ 160,886.24
DEC	\$ 88,319.07

The Fort Collins Tourism Improvement District exceeded year one expectations. Initial projections were estimated at \$800K.

Total fee collections for 2022 were \$1,511,556.

Strategic planning with targeted investments helped the district continue to grow, increasing business opportunities with sales, marketing, public relations and employee capital.

SALES HIGHLIGHTS



TRADE SHOWS

8

trade shows attended throughout the U.S.

2,500+

engaged trade show attendees

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markets represented: sports, corporate and association

130+

individual meeting and event planner appointments



SALES TEAM UPDATES

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PUBLIC RELATIONS HIGHLIGHTS



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over \$8.9 million

FEATURES INCLUDING ...

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11 New Bars, Restaurants, and Breweries to Check Out in Fort Collins

From a cart serving elk sausage brats to a French bakery and bistro, these spots are well worth the drive up I-25.

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16 of the Best Northern Colorado Breweries

From Greeley to Fort Collins to Loveland, venture up north to sip some of Colorado's best craft beers.

BEST STARTUP

BEST COLORADO COMPANIES AND STARTUPS

TRAVEL+LEISURE

TRIP IDEAS TRAVEL GUIDES WORLD'S BEST TIPS + PLANNING CRUISES TRAVEL PRODUCTS NEWS ABOUT US SUBSCRIBE

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This Colorado City Was the Inspiration for Disney's Main Street, U.S.A. — and It's Still As Enchanting As Ever

What to eat, do, and see in Fort Collins.

By [Kathryn O'Shea-Evans](#) Published on July 30, 2022

Advertisement

DELTA SKYMILES WHEN YOUR MILES GROW, SO DOES YOUR TRIP

LPs, Vitamix blenders and potted plants: How hotel libraries are getting creative

By Bailey Ung
February 24, 2022 at 12:00 p.m. EST

Comment 4 0:00 Article Share

The *Elizabeth Hotel* in Fort Collins, Colo., has a library — but it's probably not the kind you'd expect.

It's an instrument library, and from it, guests can check out some of the finest stringed instruments, keyboards, amplifiers and accessories (such as headphones and tuners) on the market, all free, to live out their rock star fantasies.

"We hope that by providing guests these top-tier instruments that it creates a memorable trip," said Audrey Hardy-Lenhart, the hotel's director of sales and marketing. "And that hopefully they come back and see us again or at least tell their friends about it because it was such a unique experience."

Although the words "lending library" may initially bring to mind books, more hotels are getting creative with loaner programs, offering musical instruments, movies, houseplants, outdoor gear and more. It's a move they hope will create buzz about their property, provide novel ways to explore the local community and appeal to guests who aren't as keen on hanging out at the hotel bar.



The Washington Post

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U.S. News

**TRAVEL+
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YS yellowscene
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denver life
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VISITOR SERVICES HIGHLIGHTS

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Visitor Services also facilitates the hospitality program for Colorado State University during each football season with the Rambassador Program. Staff and volunteers welcome attendees to campus and Fort Collins with green and gold pride.

COLORADO WELCOME CENTER

5,569
VISITORS

DOWNTOWN WELCOME CENTER

4,732
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EVERYONE WELCOME



Wellness and adventure rafting is looking for everyone.



There is something for everyone. Welcome to America.

BUSINESSES ACROSS FORT COLLINS open their doors and hearts to everyone who visits. From food to recreation, we offer a variety of local national flavors, activities and services. We are committed to fostering a welcoming environment for all visitors. Everyone is welcome, and we are glad you are here.



"EVERYONE WELCOME" WAS INTRODUCED TO THE VISITOR GUIDE AS A DESIRED OUTCOME FROM THE DESTINATION MASTER PLAN AS VISIT FORT COLLINS STRIVES FOR INCLUSION. THESE PAGES HIGHLIGHT OPPORTUNITIES TO CONNECT THROUGH A CULTURAL LENS WITH FOOD, FUN, SERVICES, EVENTS AND RETAIL OPTIONS IN FORT COLLINS.

PARTNERSHIP HIGHLIGHTS

Partnership means connections. Connections between businesses, community, residents, individuals and visitors.

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Fort Collins is a community where collaboration, partnership and innovation thrive.



Thank you to our 22 distric members

Armstrong Hotel	Hilton Fort Collins
Budget Host Inn	Hilton Garden Inn Fort Collins
Cambria Suites	Holiday Inn Express Hotel & Suites
Candlewood Suites	Home2Suites
Comfort Suites	Homewood Suites by Hilton
Courtyard by Marriott	Montclair Lodge
Edwards House	Quality Inn & Suites University
El Palomino	Residence Inn by Marriott
Fairfield Inn	The Elizabeth Hotel
Fort Collins Inn	
Fort Collins Marriott	
Hampton Inn	

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DESTINATION MASTER PLAN

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The Destination Master Plan was delivered in 2020 with a defined set of priorities. The pandemic created a need for additional definition of priorities to meet the challenge.



**SECURE
FUNDING**



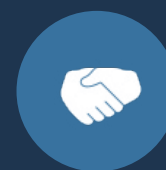
**LEVERAGE
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**DIFFERENT
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DESTINATION MASTER PLAN CONT'D

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SIGNIFICANT PROJECTS FOR 2022



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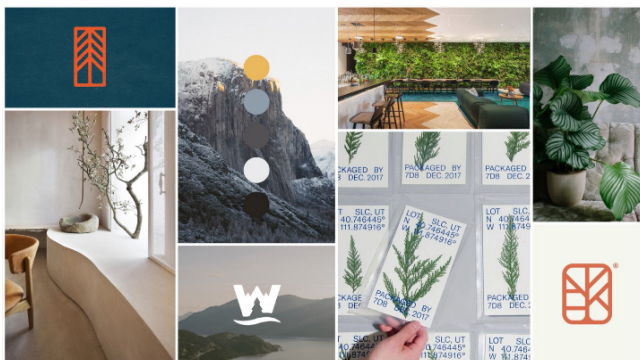
STRIVING FOR INCLUSION

Work is underway through a partnership with Travel Unity to ensure Fort Collins is truly representative of the community. An internal audit of existing resources and community connections are informing the development of a formal plan and road map for the organizations work with diversity, equity, inclusion, accessibility and belonging.



INVESTING IN QUALITY OF PLACE

In partnership with Tribe, a feasibility study is in process to assess community need for gathering spaces. There is an opportunity to continue to invest in our quality of place. This study will provide potential options for additional decision-making and direction within the community.



THANK YOU

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Erik Barstow

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Melissa Draxler

Director of Business Administration

Marshall Floyd

Visitor and Conference Services Manager

Bri Seifert

Sales Manager

Marci Kurrnen

Sales Manager

BOARD OF DIRECTORS

George Prine

General Manager, The Armstrong Hotel

Danielle Lowery

Secretary/Treasurer, General Manager, Fort Collins Hampton Inn

Daniel Benton

General Manager, Hyatt Regency

Abbie Stout

Owner of the Edwards House

Aryell Mattern

VP of Operations, Spirit Hospitality

Carl Pratt

General Manager, The Elizabeth

ONLINE

Email: information@ftcollins.com
Website: www.visitftcollins.com

PHONE

(970) 232-3840

ADDRESS

1 Old Town Square Suite 107
Fort Collins, CO 80524



2022

ANNUAL REPORT

As recovery within the tourism industry evolved in 2022, the Fort Collins leisure market led the way. Meetings and conferences began to explore a return to in-person events. The first half of the year was a gathering of momentum, the second half, an upward trajectory and return to positive hotel occupancy.

Year-end lodging tax collections increased to exceed the previous high-water benchmark set in 2019. Lodging tax collections totaled over \$2 million in 2022.

Execution of priorities from the Destination Master Plan, Recovery Plan and the Fort Collins Tourism Improvement District delivered clear results and economic value to our community.

MARKETING HIGHLIGHTS

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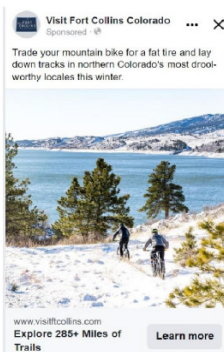
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+58% YOY



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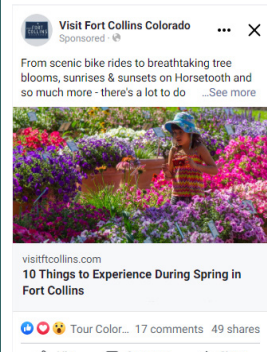
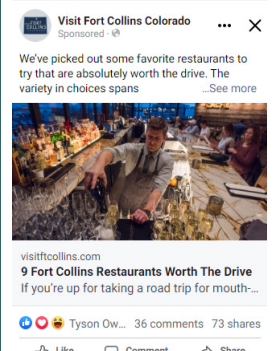
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DELTA SKYMILES

WHEN YOUR MILES GROW, SO DOES

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denver life
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BUSINESSES ACROSS FORT COLLINS open their doors and hearts to make sure you feel at home. You'll find resources offering a medley of international flavors, activities and services. We are committed to fostering a welcoming environment for all visitors. Everyone is welcome, and we are glad you are here.



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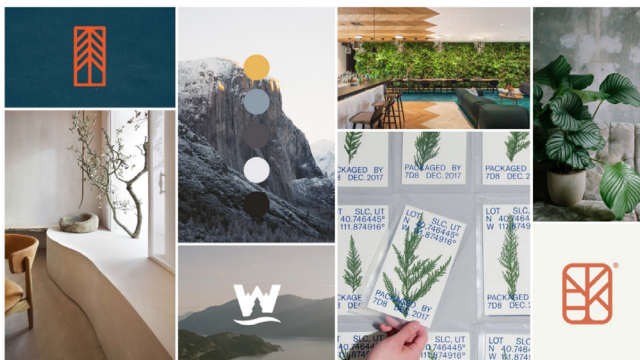
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Sales

BOARD OF DIRECTORS

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Vice President Marketing & Communications, East Campus Realty, LLC

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Daniel Benton

General Manager, Hilton Fort Collins

George Prine

General Manager, The Armstrong Hotel

Mike Hooker

Community Engagement, Colorado State University

Clyde Wood

VP of Commercial Development Northern Colorado, McWhinney

Bethany Cloud

Tap Room Manager, Odell Brewing Company

Sean Godbey

Owner, Old Town Spice Shop

Lauren Gleason

Director of Events & Conference Services, Colorado State University

Matt Robenalt

Executive Director, Downtown Development Authority

Amanda King

Communications Director, City of Fort Collins



VISIT FORT COLLINS

2022 RECAP/2023 UPDATE



ANNUAL REPORTS

Annual Reports
highlight strategic objectives
delivered during 2022 for
Visit Fort Collins
and the
Fort Collins Tourism
Improvement District



Visit Fort Collins

Organizational
priorities and driving
economic impact



DESTINATION MASTER PLAN

2023 UPDATES



**Fort Collins
Tourism Improvement
District**

Strategic priorities
for increased
overnight stays and
market recovery

YTD Lodging Tax Collection Comparison

	2022	2023	% of Increase
January	\$141,889	\$209,587	47%
February	\$74,805	\$159,140	112%
March	\$91,868	\$118,582	29%
Q1 Total	\$308,562	\$487,309	

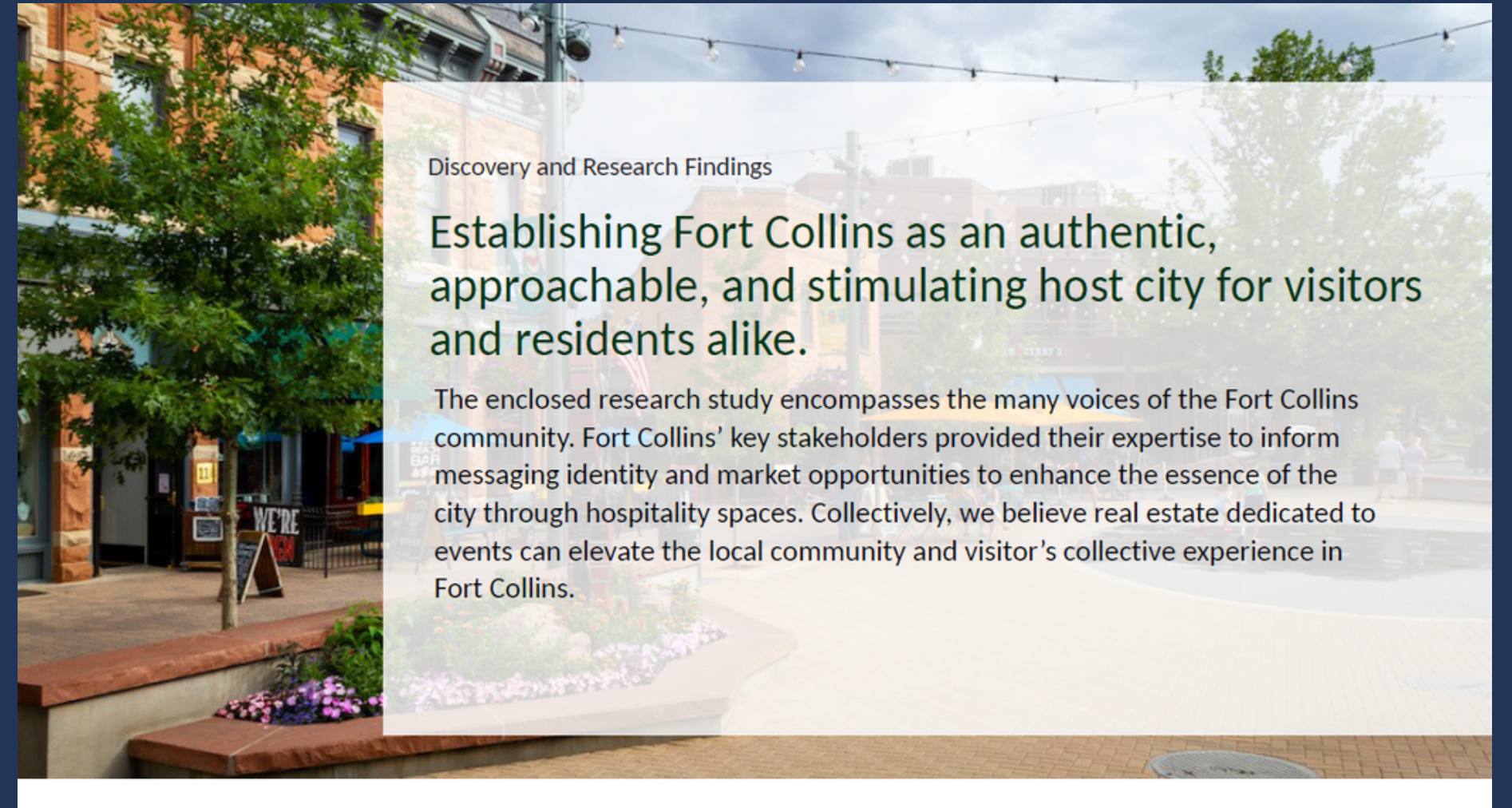
YTD Fort Collins TID Fee Collection Comparison

	2022	2023	% of Increase
January	\$72,957	\$137,631	88%
February	\$62,229	\$70,413	13%
March	\$67,458	\$77,525	15%
Q1 Total	\$202,644	\$285,570	

STRATEGIC PRIORITIES...



Brand Promise



Discovery and Research Findings

Establishing Fort Collins as an authentic, approachable, and stimulating host city for visitors and residents alike.

The enclosed research study encompasses the many voices of the Fort Collins community. Fort Collins' key stakeholders provided their expertise to inform messaging identity and market opportunities to enhance the essence of the city through hospitality spaces. Collectively, we believe real estate dedicated to events can elevate the local community and visitor's collective experience in Fort Collins.

Aspirational Concept



MARKETING & COMMUNICATIONS



- Hired a Marketing Manager and Partnership Manager
VFC is now staffed at prepandemic levels.
- Premiere of destination anthem
- Website refresh will accompany brand promise work
- Robust, comprehensive seasonal campaigns will enhance visitor awareness of the community
- 2023 allowed for participation in first consumer show at Denver's Adventure Travel and Tourism Show.

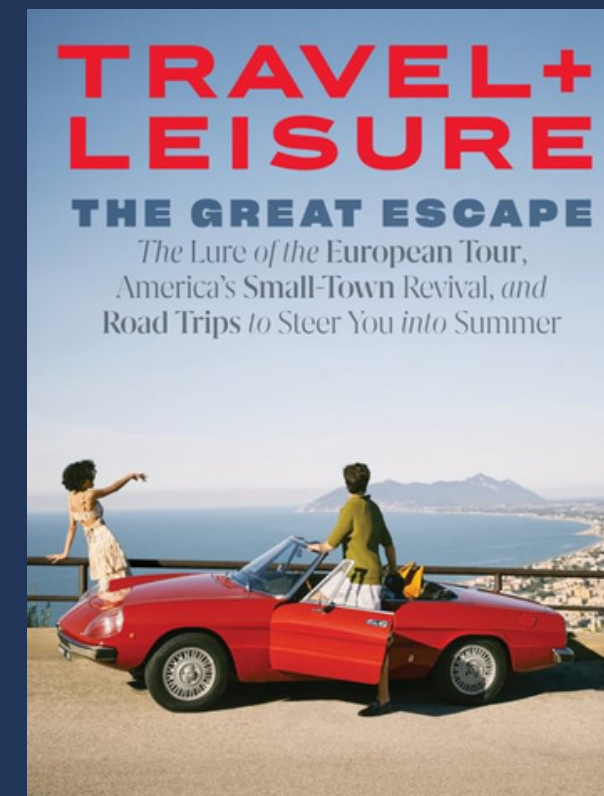


Post Paradise

PUBLIC RELATIONS



- PR strategy includes highlighting four pillars of our messaging:
 - Outdoor offerings
 - Accessible Arts
 - Innovation and Creativity
 - Music, festivals and entertainment
- Host regional, national and international media in Fort Collins to garner positive publicity for the community.
- Participating in Australian satellite media tour to promote Fort Collins to an active, high value international traveler.



LEISURE SALES



- **Tradeshows**
 - American Bus Association-NEW
 - National Tour Association- NEW
 - Receptive Tour Operator (RTO)- NEW
- **Sales Missions - NEW**
 - Germany
 - United Kingdom
 - Canada

For the first time since 2019, Visit Fort Collins accompanied the Colorado Tourism Office on two sales missions in the UK, Germany and Switzerland.



SALES - MEETINGS/CONFERENCES/SPORTS



- International Town & Gown Association June 7-9 2023
- Annual Colorado Municipal Clerks Association October 2024
- Society of Wood Science & Technology June 2025



HOSPITALITY SECTOR PARTNERSHIP

NoCo Hospitality Sector is about partnership and the power of working together.

- The agenda is defined by the partnership members.
- Sector partnerships focus on items or issues that no single company or individual can fully tackle on its own.
- Collaboration leads to success.



Hotel



Resturant



Retail



2023 TRAVEL & TOURISM WEEK

May 11, 2023 5 - 7:30

Brand Promise Reveal



Stewart Colovin



Clayton Reid

Host Site:

Odell Brewing & OBC Wine Project






JOIN US TO CELEBRATE
TOURISM IN
FORT COLLINS

YOU'RE INVITED

MAY 11, 2023
5-7:30PM
ODELL BREWING CO
800 E LINCOLN AVE

FREE TO ATTEND, RSVPS REQUIRED



Drumroll, please...

The time has come.
Be one of the first to
get an exclusive, front
row seat to the
unveiling of the new
Visit Fort Collins brand
promise.

It will be an evening of
celebration including
food, networking and,
of course, your favorite
Odell beverage.

RSVP using the link in
the email or the QR
code above.





THANK
YOU



May 9, 2023



WORK SESSION AGENDA ITEM SUMMARY

City Council

STAFF

Ginny Sawyer, Policy and Project Manager
Anissa Hollingshead, City Clerk

SUBJECT FOR DISCUSSION

Potential Charter Amendments for November 2023 Ballot Consideration.

EXECUTIVE SUMMARY

The purpose of this item is to provide Council a list of potential identified Charter changes that could be taken to a ballot in 2023 or in future years.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What questions or feedback do Councilmembers have on the items identified?
2. Which, if any, Charter changes do Councilmembers support bringing forward and when?

BACKGROUND / DISCUSSION

The City Charter is the governing document that defines the City organization and the powers and functions of the City. The current Charter was first enacted by a vote of the people in 1954, and can only be amended by a vote of the people.

Over time, Charter provisions may become obsolete, contradictory, or desired to be changed to address needs, trends, or desires. The City often has several Charter changes, both large and small, on municipal ballots. Analyzing recent election history, there is not a demonstrable link between the number or placement of ballot questions or initiatives and voter participation in given questions. Rather, the content of individual questions is the clear driver of how many voters choose to participate in a given question.

The Charter changes presented here include one ballot question already referred (relating to candidate and councilmember qualifications) and the following additional suggested possibilities:

- **Referendum Process Clean up**
- **Ordinance Publication Requirements**
- **Computation of Time Provision**
- **Residency Requirements**

POTENTIAL BALLOT QUESTIONS AND INITIATIVES

Candidate Qualifications

At Issue: Current language regarding qualifications for City Council candidates and members prohibits anyone who has been convicted of a felony from eligibility. This contradicts applicable eligibility requirements in the State Constitution.

Proposed Action: Amending the qualification language in Article II. *City Council*, Section 2. *Qualifications of candidates and members; challenges*, to match the State Constitution language.

Current Status: Ordinance to refer this question to the voters on the November ballot was adopted on second reading on April 18, 2023. Will be on the November ballot.

Referendum Process Clean-up

At Issue: There are two potential areas of changes to referendum provisions to consider.

A) Current language includes some contradictory language between Sections 2 and 5 of Article X. *Initiative and Referendum*, regarding when an ordinance subject to a referendum is presented to the Council for reconsideration. The language in Section 5. *Petitions*, relates to both initiatives and referendums, and states a petition is presented to the Council only once it has been certified as sufficient by the City Clerk, after any amendments or protest proceedings.

Section 2(e) *Action by Council*, indicates both that:

- the presentation to Council of a petition certified as sufficient automatically suspends the operation of the ordinance in question pending repeal by the Council or final determination by the electors, and
- that the Council shall reconsider the ordinance at the next regular or special meeting of Council following receipt of the petition by the City Clerk.

That specific requirement in Section 2 for Council to reconsider the ordinance at its next meeting after receipt of the petition by the Clerk contradicts Section 5 in both:

- specifying different events for action on a referendum petition to reach Council, which in practice occur at different time points, and
- indicating in one place that the action can return to the next regular or special meeting while the other citation requires action to occur at the next regularly scheduled meeting.

B) The last referendum process in December of 2022 also highlighted potential concerns around ordinances going into effect before being stayed. The timelines in the Charter for many steps of the referendum process mirror those found in state statute for the process as it applies to statutory municipalities or home rule municipalities without their own provisions. Because Fort Collins has also established its own shorter timeframe under Charter for when ordinances take effect upon adoption, these timelines do not take into account that ordinances subject to a petition for referendum will go into effect before the referendum process can be completed.

Proposed Action: Options A and/or B could be selected to move forward.

A) Cleaning up contradictions in Article X of the Charter between Sections 2 and 5 by removing the conflicting provision from Section 2, currently requiring the Council to reconsider the ordinance at the next regular or special meeting of the Council following the receipt of the petition by the City Clerk.

B) Adjusting timing provisions associated with the referendum process in Article X, Sections 2 and 5, and/or clarifying in Section 2 when an ordinance subject to a pending referendum petition is suspended from operation.

Current Status: The potential need for changes to the referendum provisions has been discussed at the Election Code Committee but no Council action has been taken. Proposed ballot language for one or both options would need to be developed and adopted by ordinance to refer to the November ballot.

Ordinance Publication Requirements

At Issue: Currently, ordinances are required to be published in full on the City's official website both before and after final adoption. In addition, the Charter maintains a requirement to also publish all ordinances by number and title only in a newspaper of general circulation within the same time frames. With declining newspaper subscription rates and reduced publication schedules creating challenges at times with meeting the timing requirements for this more limited form of publication, staff is recommending discussion of removing this requirement while maintaining transparency through existing City channels.

Proposed Action: Removing requirement from Article II. *City Council*, Section 7. *Ordinances, publication and effective date*, to publish ordinances by number and title in a newspaper of general circulation at least seven days before final passage and again within seven days after final passage.

Current Status: This has not yet been discussed. Proposed ballot language would need to be developed and adopted by ordinance to refer to the November ballot.

Computation of Time Provision

At Issue: Various timing requirements and deadlines in the Charter create uncertainty due to a lack of general provision for computation of time.

Proposed Action: Adding a section to the Charter that provides computation of time provisions that apply to any references to time allowed for something in the Code or Charter without its own specificity.

Current Status: This has been discussed on occasion as an issue; no specific direction has been given. Proposed ballot language would need to be developed and adopted by ordinance to refer to the November ballot.

Residency Requirements

At Issue: The Charter currently contains residency requirements for certain positions. Based on identified position title, these requirements include living in Fort Collins, living within the Urban Growth Area (now known as the Growth Management Area (GMA)), living within 5 miles of the city limits as measured by a straight line connecting the property to the nearest city boundary line.

Current requirements are found in four different sections of the Charter, applying to different subsets of positions. As the City organization has grown over time, these provisions have not remained in alignment with how the organization operates today, with a lack of equity for positions that are and are not subject to specific residency requirements. In addition, the Urban Growth Area has been known as the Growth Management Area since late 2000. The dated citation has the potential to create confusion and lacks clarity. These issues are potentially illustrative of the value in provisions of this sort being placed in Code rather than the Charter to preserve a greater ability for responsiveness to structural and other changes within the organization as well as the broader community context.

Proposed Actions: Options A or B could be selected to move forward.

A) If there is not a desire to remove any residency provisions from the Charter, Article II. *City Council*, Section 12. *City Clerk*, and Article IV. *General Provisions*. Section 3. *Residency Requirement*, both contain references to the Fort Collins Urban Growth Area that should be updated to Growth Management Area.

B) Based on past Council discussion on this topic, should the Council consider a proposed change to remove most residency requirements from the Charter, staff recommends keeping the City Manager requirements in the Charter and bringing Code language that mirrors the Charter requirements for the other positions. This would ensure no immediate change and allow the Council an opportunity for further policy level considerations and discussion.

Current Status: Option B was discussed and considered in 2021 and 2022. Proposed ballot language for either option would need to be developed and adopted by ordinance to refer to the November ballot.

NEXT STEPS

Any Charter-related ballot question(s) will need to be considered on first reading by late July to meet the deadline for certification of ballot language. Charter changes are referred by ordinance which requires two readings.

Tax initiative questions are referred by Resolution and only require one reading. These would need to be done in mid-August.

ATTACHMENTS

1. Recent Ballot Question History
2. Potential Referendum Charter Changes Additional Information
3. Residency Requirements Charter Provisions
4. Chart of Positions Subject to Residency Requirements
5. Presentation

Recent Ballot Question History

April 6, 2021

- 5 City-initiated Charter Amendments
 - 4 of 5 passed
 - Undervotes ranged from 4,143 to 5,855
- 1 Council-Referred Ordinance
 - Passed
 - 1,148 undervotes
- 1 Proposed Citizen-Initiated Ordinance
 - Passed
 - 748 undervotes

April 2, 2019

- 1 City-initiated Ballot Issue Question
 - Passed
 - 307 undervotes
- 1 Citizen-initiated Charter Amendment
 - Failed
 - 1,504 undervotes

April 4, 2017

- 4 City-initiated Charter Amendments
 - 4 of 4 passed
 - Undervotes ranged from 1,256-2,660

April 7, 2015

- 2 City-initiated Ballot Issue Questions
 - 2 of 2 passed
 - Undervotes ranged from 663-914
- 4 City-initiated Charter Amendments
 - 4 of 4 passed
 - Undervotes ranged from 3,518-5,746

April 5, 2011

- 1 City-initiated Charter Amendment
 - Passed
 - 1,525 undervotes
- 2 Citizen-initiated Ordinances
 - 1 passed and 1 failed
 - Undervotes ranged from 347-829


"WARNING:




Any person who, by use of force or other means, unduly influences an eligible elector to vote in any particular manner or to refrain from voting, or who falsely makes, alters, forges, or counterfeits any mail ballot before or after it has been cast, or who destroys, defaces, mutilates, or tampers with a ballot is subject, upon conviction, to imprisonment, or to a fine, or both."

**OFFICIAL BALLOT
CITY OF FORT COLLINS, COLORADO
REGULAR MUNICIPAL ELECTION
APRIL 5, 2011**

Precinct 1-2

Wanda M. Krajcek
Wanda M. Krajcek, City Clerk
Fort Collins, Colorado

INSTRUCTIONS TO VOTERS: Completely fill in the oval to the left of your choice like this:  (Use a No. 2 pencil or black pen. DO NOT USE A RED PEN.)

<p align="center">MAYOR Two -Year Term (Vote for ONE)</p> <p><input type="radio"/> Ross Cunniff</p> <p><input type="radio"/> Eric Sutherland</p> <p><input type="radio"/> Karen K. Weitkunat</p>	<p align="center">CITY-INITIATED PROPOSED CHARTER AMENDMENT NO. 1</p> <p>Shall Article II, Section 1 of the Fort Collins City Charter be amended to change the method for adjusting City Council district boundaries so that the size and configuration of Council districts will be based upon the number of people residing in each district rather than the number of registered electors?</p> <p> YES <i>Undervotes: 1,525</i></p> <p><input type="radio"/> NO</p>	<p align="center">PROPOSED CITIZEN-INITIATED ORDINANCE AMENDING PEOPLE'S ORDINANCE NO. 2, 1975 PERTAINING TO CONSTRUCTION IN LIBRARY PARK</p> <p>An ordinance modifying People's Ordinance No. 2, 1975 --- which ordinance presently states that Block 142 (previously known as Lincoln Park and now known as Library Park) shall continue to be a public park and that no more than 5% of the area devoted to open-space park purposes shall be used as the site for construction of additional buildings or parking facilities --- to state instead that 85% of Library Park will remain open park space, so that the ground floor of the library building can be expanded, using existing Library District funds, by building down from the existing overhangs of the building, thereby adding 6,000 square feet to the building.</p> <p align="right"><i>Undervotes: 347</i></p> <p> FOR THE ORDINANCE</p> <p><input type="radio"/> AGAINST THE ORDINANCE</p>
<p align="center">PROPOSED CITIZEN-INITIATED ORDINANCE PERTAINING TO RANKED VOTING</p> <p>An ordinance amending the City Code by the addition of a new section 7-104 requiring that all races for Mayor or Councilmember which include at least three (3) candidates be conducted using a ranked voting method that is consistent with the requirements of state law.</p> <p><input type="radio"/> FOR THE ORDINANCE <i>Under: 829</i></p> <p> AGAINST THE ORDINANCE</p>		

REVIEW YOUR BALLOT TO MAKE SURE YOU HAVE PROPERLY MARKED YOUR CHOICES
Voted ballot must be returned to the City Clerk's Office no later than 7:00 p.m. on April 5, 2011.


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OFFICIAL BALLOT
CITY OF FORT COLLINS, COLORADO
REGULAR MUNICIPAL ELECTION
APRIL 7, 2015

Precinct 1

Wanda K. Nelson
Wanda K. Nelson, City Clerk
Fort Collins, Colorado

INSTRUCTIONS TO VOTERS: Completely fill in the oval to the left of your choice like this: 
(Use black or blue pen. DO NOT USE A PENCIL OR RED PEN.)

MAYOR
Two -Year Term
(Vote for **ONE**)

- ☐ Ward Luthi
- ☐ Michael Pruznick
- ☐ Wade Troxell

BALLOT ISSUE NO. 1
A CITY-INITIATED QUESTION

WITHOUT RAISING ADDITIONAL TAXES, SHALL THE CITY'S EXISTING 0.25% SALES AND USE TAX (25 CENTS ON A \$100 PURCHASE) APPROVED BY THE VOTERS IN 2005 FOR THE "BUILDING ON BASICS" CAPITAL PROJECTS PROGRAM BE EXTENDED FROM ITS CURRENT EXPIRATION AT THE END OF DECEMBER 31, 2015, THROUGH THE END OF DECEMBER 31, 2025; PROVIDED THAT THE REVENUE DERIVED FROM THE EXTENSION OF SUCH TAX SHALL BE USED TO PAY THE COSTS OF PLANNING, DESIGN, REAL PROPERTY ACQUISITION, AND CONSTRUCTION OF THE FOLLOWING CAPITAL PROJECTS AS PART OF THE "COMMUNITY CAPITAL IMPROVEMENT PROGRAM", AND TO PAY FIVE (5) YEARS OF OPERATION AND MAINTENANCE ("O&M") FOR CERTAIN OF THESE CAPITAL PROJECTS AS SPECIFIED BELOW, ALL SUBJECT TO THE TERMS AND CONDITIONS OF PROPOSED ORDINANCE NO. 013, 2015:

- PEDESTRIAN SIDEWALK/AMERICANS WITH DISABILITIES ACT COMPLIANCE - SAFE ROUTES TO EVERYWHERE
- BICYCLE INFRASTRUCTURE IMPROVEMENTS - SAFE ROUTES TO EVERYWHERE
- BUS STOP IMPROVEMENTS - SAFE ROUTES TO EVERYWHERE
- DOWNTOWN Poudre RIVER ENHANCEMENTS AND KAYAK PARK (WITH O&M)
- BIKE/PED GRADE SEPARATED CROSSINGS FUND (WITH O&M)
- TRANSFORD BUS FLEET REPLACEMENT
- ARTERIAL INTERSECTION IMPROVEMENTS FUND
- IMPLEMENTING NATURE IN THE CITY (WITH O&M)
- GARDENS ON SPRING CREEK VISITOR'S CENTER EXPANSION (WITH O&M)
- SOUTHEAST COMMUNITY CENTER WITH OUTDOOR POOL (WITH O&M)
- AFFORDABLE HOUSING FUND
- LINCOLN AVENUE WEST SEGMENT ROAD IMPROVEMENTS (WITH O&M)
- CITY PARK TRAIN
- RENOVATION OF THE HISTORIC CARNEGIE BUILDING (WITH O&M)
- LINDEN STREET RENOVATIONS DESIGN & CONSTRUCTION (WITH O&M)
- CLUB TICO RENOVATION
- WILLOW STREET RENOVATIONS DESIGN AND CONSTRUCTION (WITH O&M)

AND FURTHER PROVIDING THAT THE FULL REVENUES DERIVED FROM THE TAX MAY BE RETAINED AND EXPENDED BY THE CITY FOR SUCH PURPOSES, NOTWITHSTANDING ANY STATE REVENUE OR EXPENDITURE LIMITATION INCLUDING, BUT NOT LIMITED TO, THE LIMITATION IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

☒ YES
☐ NO

Undervotes: 914

REVIEW YOUR BALLOT TO MAKE SURE YOU
HAVE PROPERLY MARKED YOUR CHOICES
Voted ballot must be returned to the City Clerk's
Office no later than 7:00 p.m. on April 7, 2015.

**BALLOT ISSUE NO. 2
A CITY-INITIATED QUESTION**

WITHOUT RAISING ADDITIONAL TAXES, SHALL THE CITY'S EXISTING 0.25% SALES AND USE TAX (25 CENTS ON A \$100 PURCHASE) APPROVED BY THE VOTERS IN 2005 FOR THE STREET MAINTENANCE PROGRAM BE EXTENDED FROM ITS CURRENT EXPIRATION AT THE END OF DECEMBER 31, 2015, THROUGH THE END OF DECEMBER 31, 2025; PROVIDED THAT THE REVENUES DERIVED FROM SUCH TAX EXTENSION SHALL BE USED TO PAY THE COSTS OF PLANNING, DESIGN, RIGHT-OF-WAY ACQUISITION, INCIDENTAL UPGRADES AND OTHER COSTS ASSOCIATED WITH:

- THE REPAIR AND RENOVATION OF CITY STREETS, INCLUDING, BUT NOT LIMITED TO, CURBS, GUTTERS, BRIDGES, SIDEWALKS, PARKWAYS, SHOULDERS AND MEDIANS;

AND FURTHER PROVIDED THAT THE FULL AMOUNT OF REVENUES DERIVED FROM THE TAX EXTENSION MAY BE RETAINED AND EXPENDED BY THE CITY NOTWITHSTANDING ANY STATE REVENUE OR EXPENDITURE LIMITATION, INCLUDING, BUT NOT LIMITED TO, THE LIMITATION CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

☒ YES
☐ NO

Undervotes:
663

**BALLOT QUESTION NO. 3
CITY-INITIATED
PROPOSED CHARTER AMENDMENT
NO. 1**

Shall various sections of Article X of the Charter of the City of Fort Collins, pertaining to initiative and referendum, be amended to clarify certain procedural requirements as follows: increase from sixty to ninety days the amount of time an initiative petition must be filed with the City Clerk before a regular City election; provide that if a voter signs a petition more than once, the first signature shall be counted and all subsequent signatures rejected; to clarify that signatures may be added to a petition during the designated cure period; to clarify that a registered elector may protest the sufficiency or insufficiency of a petition; to provide for the City Manager to appoint a hearing officer other than the City Clerk to conduct the hearing in the event of a protest; and to change the wording of a submission clause to "Yes/For" and "No/Against" in response to each measure?

☒ YES
☐ NO

Undervotes:
3,518

**BALLOT QUESTION NO. 4
CITY-INITIATED
PROPOSED CHARTER AMENDMENT
NO. 2**

Shall Article VIII, Section 4(b) of the Fort Collins City Charter be amended to eliminate provisions from the Charter providing that a circulator is required to certify the number of signatures on a petition nominating a candidate for City Council and that the last signatures in excess of the number certified shall be disregarded and to simplify the process for the City Clerk's examination of a nominating petition?

☒ YES
☐ NO

Undervotes:
4,265

**BALLOT QUESTION NO. 5
CITY-INITIATED
PROPOSED CHARTER
AMENDMENT NO. 3**

Shall Article IX, Section 3(c) of the Fort Collins City Charter, pertaining to votes cast in the event of a recall, be amended to eliminate the requirement that no vote cast for a candidate to replace a recalled City Councilmember shall be counted unless the voter also voted for or against the recall of the person sought to be recalled from the office (which amendment is made necessary by a recent decision of the Colorado Supreme Court that prohibits such a requirement)?

☒ YES
☐ NO

Undervotes:
4,707

**BALLOT QUESTION NO. 6
CITY-INITIATED
PROPOSED CHARTER
AMENDMENT NO. 4**

Shall the definition of "service area" in Article XIII of the Fort Collins City Charter be amended to state that "service area" means a major city administrative unit designated as a service area by the City Council by ordinance?

☒ YES
☐ NO

Undervotes:
5,746

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**OFFICIAL BALLOT
CITY OF FORT COLLINS, COLORADO
REGULAR MUNICIPAL ELECTION
APRIL 4, 2017**

Precinct 28

Wanda K. Winkelmann

Wanda K. Winkelmann, City Clerk
Fort Collins, Colorado

Instructions to Voters

To vote, fill in the oval completely.
Please use black ink.

Correct

If you mark in any of the incorrect ways shown below it may be difficult to determine your intent. If you make a mistake, please call the City Clerk's Office at 970.221.6515 for instructions.

Incorrect

Your ballot continues on the back.

Additional instructions for voting and returning your ballot are included in your ballot packet.

**MAYOR
Two -Year Term
(Vote for ONE)**

- ☐ Kwon Atlas
- ☐ Elizabeth Wilson Hudetz
- ☐ Michael Pruznick
- ☐ Wade Troxell

**COUNCILMEMBER
DISTRICT 3
Four - Year Term
(Vote for ONE)**

- ☐ Gordon Coombes
- ☐ Ken Summers

**CITY-INITIATED
PROPOSED CHARTER
AMENDMENT NO. 1**

Shall Section 7 of Article VIII of the Charter of the City of Fort Collins, pertaining to certification of City elections, be amended to change the time for certification of an election from the third day to no later than the tenth day after the election, and shall Section 1(d) and Section 4 of Article II of the Charter, pertaining to City Council, be amended to require that the organizational meeting and election of the mayor pro tem, respectively, take place at the next meeting after certification of the election, rather than the next meeting after the election?

- ☒ Yes/For *Undervotes: 2,549*
- ☐ No/Against

**CITY-INITIATED
PROPOSED CHARTER
AMENDMENT NO. 2**

Shall Section 11 of Article II of the Charter of the City of Fort Collins, pertaining to City Council meetings, be amended to allow the City Manager, with agreement of the Mayor, to cancel a City Council meeting in the event of an emergency, natural disaster, or unforeseen circumstance that renders the holding of a meeting undesirable or impracticable?

- ☒ Yes/For *Undervotes: 1,256*
- ☐ No/Against

Turn Ballot Over for Additional Questions



**CITY-INITIATED
PROPOSED CHARTER
AMENDMENT NO. 3**

Shall Section 9(b)(1) of Article IV of the Charter of the City of Fort Collins, pertaining to conflicts of interest and prohibited sales to the City, be amended to clarify that officers or employees, and their relatives, are prohibited from having a financial interest in a sale to the city if such officer or employee exercises decision-making authority on behalf of the city, or exercises supervisory authority, in his or her role as a city officer or employee, over the services provided?



Yes/For

Undervotes:

No/Against

~~1,435~~ 1,435**CITY-INITIATED
PROPOSED CHARTER
AMENDMENT NO. 4**

Shall Section 1 of Article VII of the Charter of the City of Fort Collins, pertaining to Municipal Court, be amended to allow the City Council to appoint multiple judges of Municipal Court, to designate a Chief Judge, and to specify the duties for the Chief Judge by ordinance, and further to appoint temporary judges as Council determines necessary?



Yes/For

Undervotes:

No/Against

2,660

REVIEW YOUR BALLOT TO MAKE SURE YOU HAVE PROPERLY MARKED YOUR CHOICES

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**OFFICIAL BALLOT
CITY OF FORT COLLINS, COLORADO
REGULAR MUNICIPAL ELECTION
APRIL 2, 2019**

Delynn Coldiron

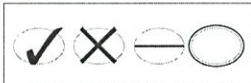
Delynn Coldiron, City Clerk
Fort Collins, Colorado

Precinct 1

To vote, fill in the oval completely.
Please use black ink.

Correct

If you mark in any of the incorrect ways shown below it may be difficult to determine your intent. If you make a mistake, please call the City Clerk's Office at 970.221.6515 for instructions.

Incorrect

Additional instructions for voting and returning your ballot are included in your ballot packet.

MAYOR

Two-Year Term
(Vote for ONE)

- ☐ Michael Charles Pruznick
☐ Wade Troxell

**Councilmember
District 1**

Two-Year Term
(Vote for ONE)

- ☐ Susan Gutowsky
☐ Glenn E. Haas
☐ Joe Somodi

**CITY-INITIATED
BALLOT ISSUE QUESTION NO. 1**

SHALL CITY OF FORT COLLINS TAXES BE INCREASED BY AN ESTIMATED \$34,000,000 FOR THE FIRST FULL FISCAL YEAR (2021) AND BY ALL AMOUNTS COLLECTED ANNUALLY THEREAFTER, BY RENEWING WITH MODIFICATIONS THE CITY'S CURRENT "KEEP FORT COLLINS GREAT" .85% SALES AND USE TAX, WHICH EXPIRES ON MIDNIGHT DECEMBER 31, 2020, WITH THE .85% TAX RATE IMPOSED COMMENCING MIDNIGHT ON DECEMBER 31, 2020, AND USED AS FOLLOWS:

- THE TAX RATE OF .25% SHALL EXPIRE AT MIDNIGHT ON DECEMBER 31, 2030, AND ITS REVENUES SHALL BE USED TO FUND MUNICIPAL OPERATIONS AND MAINTENANCE AND FOR ANY OTHER PUBLIC PURPOSES; AND
- THE REMAINING TAX RATE OF .60% SHALL NOT EXPIRE AND ITS REVENUES SHALL BE USED TO HELP SUSTAIN PUBLIC SAFETY SERVICE LEVELS AND FUND MUNICIPAL OPERATIONS AND MAINTENANCE, AND TO FUND ANY OTHER PUBLIC PURPOSES, EXCEPT 15.6% OF THESE REVENUES SHALL BE USED TO FUND THE FIRE PROTECTION AND EMERGENCY SERVICES BEING PROVIDED BY THE Poudre Fire Authority (PFA) UNDER THE CITY'S EXISTING AGREEMENT WITH THE Poudre Valley Fire Protection District (DISTRICT), OR IN SUCH OTHER AMOUNT AS THE CITY AND DISTRICT MAY AGREE, BUT ABSENT AN AGREEMENT BETWEEN THEM FOR PFA'S SERVICES, THESE REVENUES MAY BE USED AS DETERMINED BY CITY COUNCIL;

BUT THE .85% TAX RATE SHALL NOT APPLY TO:

- ITEMS NOW EXEMPT UNDER THE CITY CODE FROM THE CITY'S SALES AND USE TAX;
- FOOD FOR HOME CONSUMPTION; AND
- REGARDING THE USE TAX ONLY, MANUFACTURING EQUIPMENT;

AND WITH ALL THE TAX REVENUES, AND INVESTMENT EARNINGS THEREON, TO BE COLLECTED, RETAINED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE NOTWITHSTANDING THE SPENDING AND REVENUE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

- ☒ Yes/For
☐ No/Against

Undervotes: 307

Turn Ballot Over for Additional Question

CITIZEN-INITIATED
CHARTER AMENDMENT NO. 1

Shall Section 3 of Article II of the City of Fort Collins Charter be repealed and replaced with a new Section 3 offering the Mayor and all Councilmembers compensation equal to the Fort Collins Area Median Household Income, in accordance with the U.S. Census American Community Survey (ACS) five-year estimates, plus benefits afforded to full-time, exempt city employees; allowing the Mayor or any Councilmember to decline or accept reduced compensation; and requiring them to publicly report their Council-related activities, commencing on April 2, 2019?

☐ Yes/For

☒ No/Against

Undervotes: 1,504

REVIEW YOUR BALLOT TO MAKE SURE YOU HAVE PROPERLY MARKED YOUR CHOICES
Voted ballot must be returned to the City Clerk's Office no later than 7:00 p.m. on April 2, 2019.

**"WARNING:**

Any person who, by use of force or other means, unduly influences an eligible elector to vote in any particular manner or to refrain from voting, or who falsely makes, alters, forges, or counterfeits any mail ballot before or after it has been cast, or who destroys, defaces, mutilates, or tampers with a ballot is subject, upon conviction, to imprisonment, or to a fine, or both."

OFFICIAL BALLOT
CITY OF FORT COLLINS, COLORADO
REGULAR MUNICIPAL ELECTION
APRIL 6, 2021

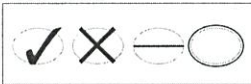
Delynn Coldiron, City Clerk
 Fort Collins, Colorado

Precinct 1

To vote, fill in the oval completely.
 Please use black ink.

Correct

If you mark in any of the incorrect ways shown below it may be difficult to determine your intent. If you make a mistake, please call the City Clerk's Office at 970.221.6515 for instructions.

Incorrect

Additional instructions for voting and returning your ballot are included in your ballot packet.

Mayor

Two-Year Term
 (Vote for ONE)

- ☐ Jeni Arndt
☐ Gerry Horak
☐ Molly Skold

**Councilmember
 District 1**

Four-Year Term
 (Vote for ONE)

- ☐ Nick Armstrong
☐ Susan Gutowsky

City-Initiated Proposed Charter Amendment No. 1

Shall Section 4 of Article II of the Charter of the City of Fort Collins, pertaining to the election of the Mayor Pro Tem and other Council organizational matters, be amended to clarify that the election of the Mayor Pro Tem shall occur at the meeting at which newly-elected Councilmembers take the oath of office and further to provide for election by Council of a new Mayor Pro Tem in the event of a resignation from that position?

- ☒ Yes/For
☐ No/Against

Undervotes: 5,167

City-Initiated Proposed Charter Amendment No. 2

Shall Section 8 of Article VIII of the Charter of the City of Fort Collins, pertaining to campaign contributions for city elections, be amended to remove the stated prohibition on campaign contributions and expenditures and instead provide that Council shall by ordinance establish prohibitions on, and requirements for, campaign contributions and expenditures for city elections, in addition to limits on contributions to support or oppose candidates for Council?

- ☐ Yes/For
☒ No/Against

Undervotes: 5368

City-Initiated Proposed Charter Amendment No. 3
Amending Sections 9 and 11 of Charter Article V
Concerning City Council Appropriations

Shall Sections 9 and 11 of Article V of the City of Fort Collins Charter be amended to provide that City Council may make supplemental appropriations from not only the City's actual and expected revenues in a fiscal year, but also from all other sources of funds the City receives or expects to receive during the fiscal year, and to provide that the City Council may designate by ordinance as non-lapsing its annual and supplemental appropriations for capital projects and for federal, state and private grants and donations until the completion of the capital project or until the earlier of the expiration of the federal, state or private grant or donation or the city's expenditure of all funds received from such grant or donation, but without limiting the City Council's ability to terminate earlier any such capital project or federal, state or private grant or donation?

- ☒ Yes/For
☐ No/Against

Undervotes: 9,855

Turn Ballot Over for Additional Questions

City-Initiated Proposed Charter Amendment No. 4

Shall Section 17 of Article II of the Charter of the City of Fort Collins, requiring an independent audit of city books and accounts at least annually, be amended to increase the time for publication of a summary of such audit to seven (7) months after the end of each fiscal year, instead of five (5) months?

☒ Yes/For

☐ No/Against

Undervotes: 4,143

City-Initiated Proposed Charter Amendment No. 5

Shall Section 5 of Article VIII of the Charter of the City of Fort Collins, establishing the Board of Elections, be amended to replace a reference to "Municipal Judge" with "Chief Judge" in conformance with a 2017 update to that title?

☒ Yes/For

☐ No/Against

Undervotes: 4,453

Council-Referred Ordinance

On February 16, 2021, the City Council adopted on second reading, and referred to the registered electors of the City, Ordinance No. 026, 2021, Amending Chapter 12 of the Code of the City of Fort Collins to Establish Regulations Regarding Disposable Bags and Mitigation of Other Sources of Single Use Plastic Pollution (the "Ordinance"), regulating the use of disposable bags by (a) prohibiting large grocers from providing disposable plastic bags; and (b) requiring payment of a disposable bag fee of \$0.12 for disposable paper bags. Shall the Ordinance be approved?

☒ Yes/For

☐ No/Against

Undervotes: 1,148

Proposed Citizen-Initiated Ordinance

Shall the City enact an ordinance requiring the City Council of the City of Fort Collins to immediately rezone upon passage of the ordinance a 164.56-acre parcel of real property formerly home to the Hughes Stadium from the Transition District to the Public Open Lands District, and requiring the City to acquire the property at fair market value to use said property for parks, recreation, and open lands, natural areas, and wildlife rescue and restoration, and further prohibiting the City from de-annexing, ceasing acquisition efforts or subsequently rezoning the property without voter approval of a separate initiative referred to the voters by City Council, and granting legal standing to any registered elector in the City to seek injunctive and/or declaratory relief in the courts related to City noncompliance with said ordinance?

☒ Yes/For

☐ No/Against

Undervotes: ~~748~~ 748

REVIEW YOUR BALLOT TO MAKE SURE YOU HAVE PROPERLY MARKED YOUR CHOICES
Voted ballot must be returned to the City Clerk's Office no later than 7:00 p.m. on April 6, 2021.

Potential Referendum Charter Changes

Technical change needed

Current language includes some contradictory language between sections 2 and 5 of Article X. *Initiative and Referendum*, regarding when an ordinance subject to a referendum is presented to the Council for reconsideration.

The language in Section 5. *Petitions*, relates to both initiatives and referendums, and states a petition is presented to the Council only once it has been certified as sufficient by the City Clerk, after any amendments or protest proceedings.

Section 2(e) *Action by Council*, indicates both that:

- the presentation to Council of a petition certified as sufficient automatically suspends the operation of the ordinance in question pending repeal by the Council or final determination by the electors, and
- that the Council shall reconsider the ordinance at the next regular or special meeting of Council following receipt of the petition by the City Clerk.

That specific requirement in Section 2 for Council to reconsider the ordinance at its next meeting after receipt of the petition by the Clerk contradicts Section 5 in both:

- specifying different events for action on a referendum petition to reach Council, which in practice occur at different time points, and
- indicating in one place that the action can return to the next regular or special meeting while the other citation requires action to occur at the next regularly scheduled meeting.

As a practical matter, it is not reasonable in all instances to read these two provisions together and attempt to follow them both, as it would require bringing an ordinance subject to a referendum petition back to Council at least several days and possibly multiple weeks before it is known if the petition is sufficient or not. Figure 1 on page 3 of this document demonstrates the referendum process steps, and where the requirements of both Section 2 and 5 slot in. Figure 2 on page 4 takes a more detailed look at the possible protest process, which could extend the timeline for certifying a petition up to 40 days beyond the point in time when the petition was submitted to the clerk, while under Section 2, the ordinance must be reconsidered by Council at its next regular or special meeting after the petition is submitted, which in most cases will occur within 1-14 days of submission. The discrepancy in citing the next regular versus the next regular or special meeting also presents potential logistical challenges.

Fort Collins City Charter Article X:

Section 2. The referendum.

(e) Action by Council. The presentation to Council of a petition certified by the City Clerk as sufficient for referendum shall automatically suspend the operation of the ordinance in question pending repeal by Council or final determination by the electors. The Council shall reconsider the ordinance at the next regular or special meeting of the Council following the receipt of the petition by the City Clerk. If the ordinance, or that part sought to be repealed, is not repealed,

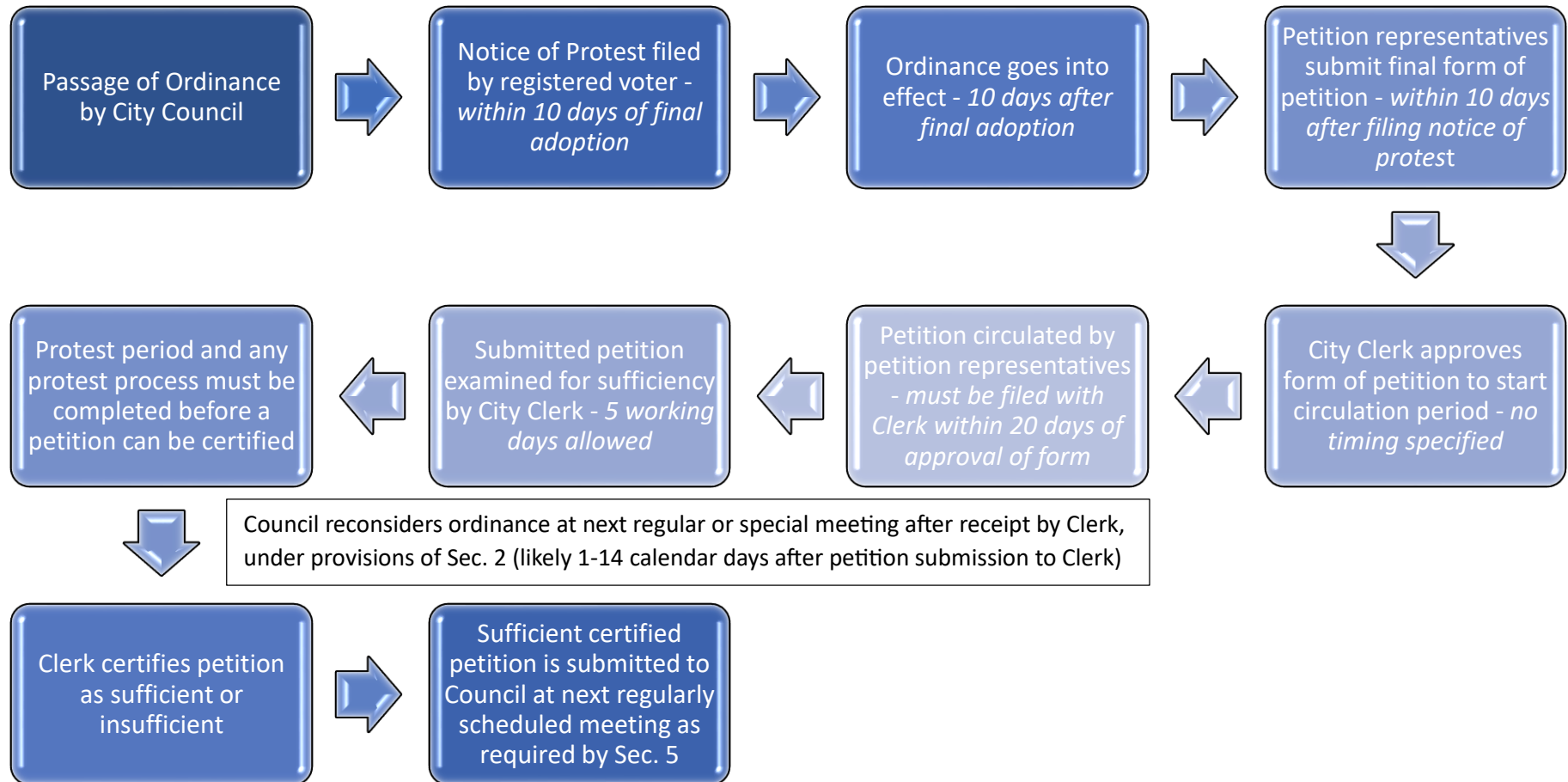
the Council shall refer the same to a vote of the registered electors at the next regular or special city election scheduled for any other purpose. Alternatively, the Council may call a special election for that specific purpose.

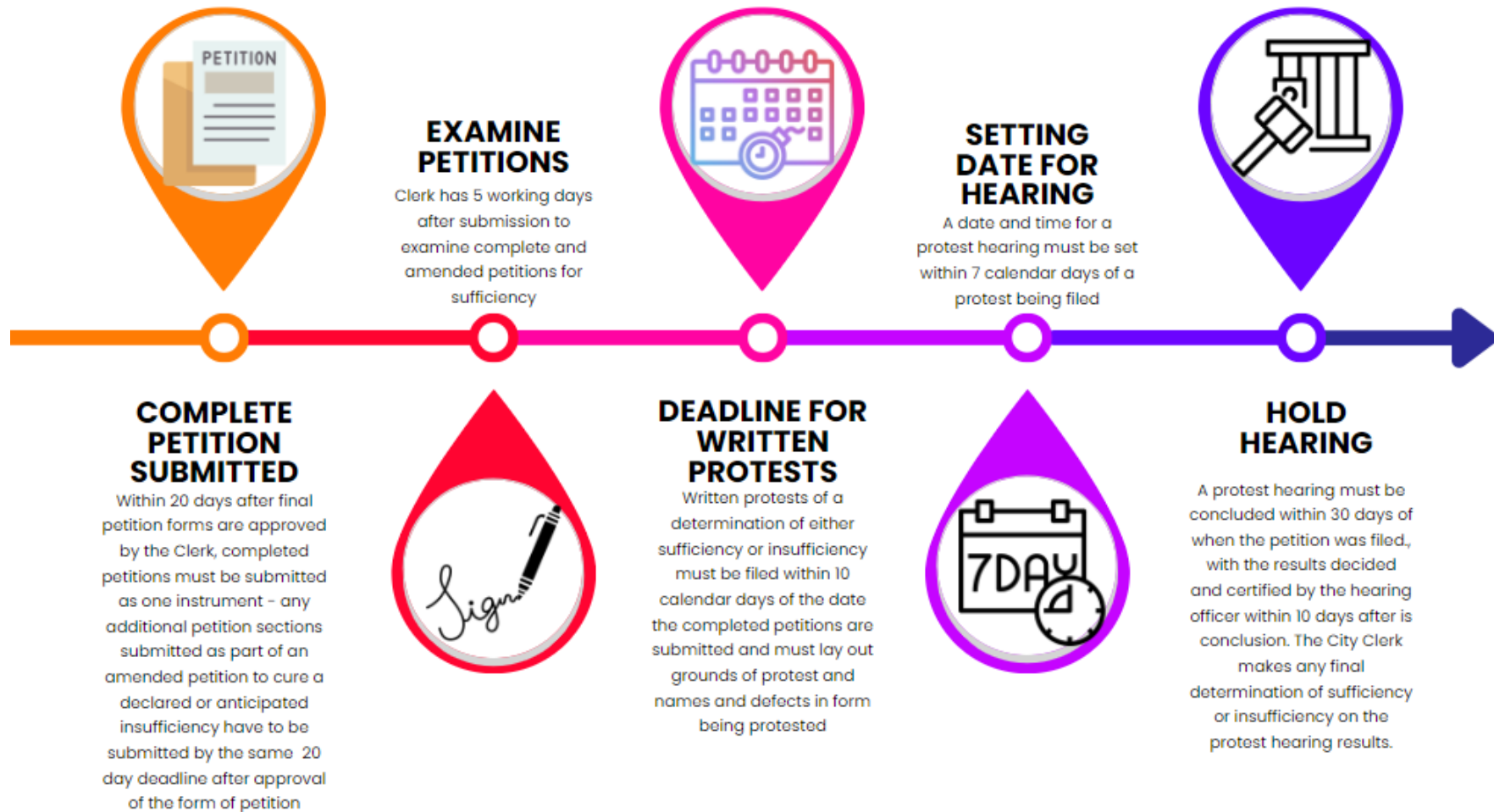
Section 5. Petitions.

(f) Sufficiency of petition.

(4) Certification and presentation to Council. When and if a petition or amended petition is deemed sufficient, whether following the sufficiency determination by the City Clerk in the absence of a protest, or following protest proceedings, the City Clerk shall so certify and present the certified petition to the Council at the next regularly scheduled meeting. The City Clerk's certificate shall then be a final determination as to the sufficiency of the petition.

Figure 1 Referendum petition process steps





Policy change that may be desired

Another issue with the current referendum language Council may wish to consider is around adjusting the timing of either the referendum process or when an ordinance is stayed from going into effect to prevent an ordinance from taking effect and then subsequently being suspended by a successful referendum effort.

The timelines in the Charter for many steps of the referendum process mirror those found in state statute for the process as it applies to statutory municipalities or home rule municipalities without their own provisions. Because Fort Collins has established its own timeframe under Charter for when ordinances take effect upon adoption, these timelines do not take into account that ordinances subject to a petition for referendum will go into effect before the referendum process can be completed. This is not an issue for municipalities following state statute, as statute provides ordinances do not take effect until 30 days after final passage and publication. The Charter provides ordinances in Fort Collins take effect 10 days after final passage and publication. There could be potentially significant issues associated with an ordinance going into effect and then being suspended, pending possible repeal or referral to the voters.

In the most recent referendum in December of 2022, major issues from this timing were avoided because although the ordinance that was subject to the referendum did in fact go into effect 10 days after its adoption, the major action of the ordinance was the implementation of the Land Development Code, which was set out in the ordinance to take effect several additional weeks after the adoption of the ordinance. This unusual circumstance helped to avoid the actions of an ordinance going into effect and being in place for a period of time before being suspended upon the certification of a sufficient petition.

Residency Requirements Charter Provisions

City Manager

Article III. City Manager, Section 1. Appointment, qualifications.

...Prior to appointment, the City Manager need not be a resident of the city, but during his or her tenure in office the City Manager shall reside within the city.

City Clerk

Article II City Council, Section 12. City Clerk.

With the approval of the Council, the City Manager shall appoint a City Clerk who shall act as Clerk of the Council and who while so employed shall be a resident of the Fort Collins Urban Growth Area. ...

Service Area Directors, Deputy City Managers, Assistant City Managers

Article IV. General Provisions. Section 3. Residency requirement.

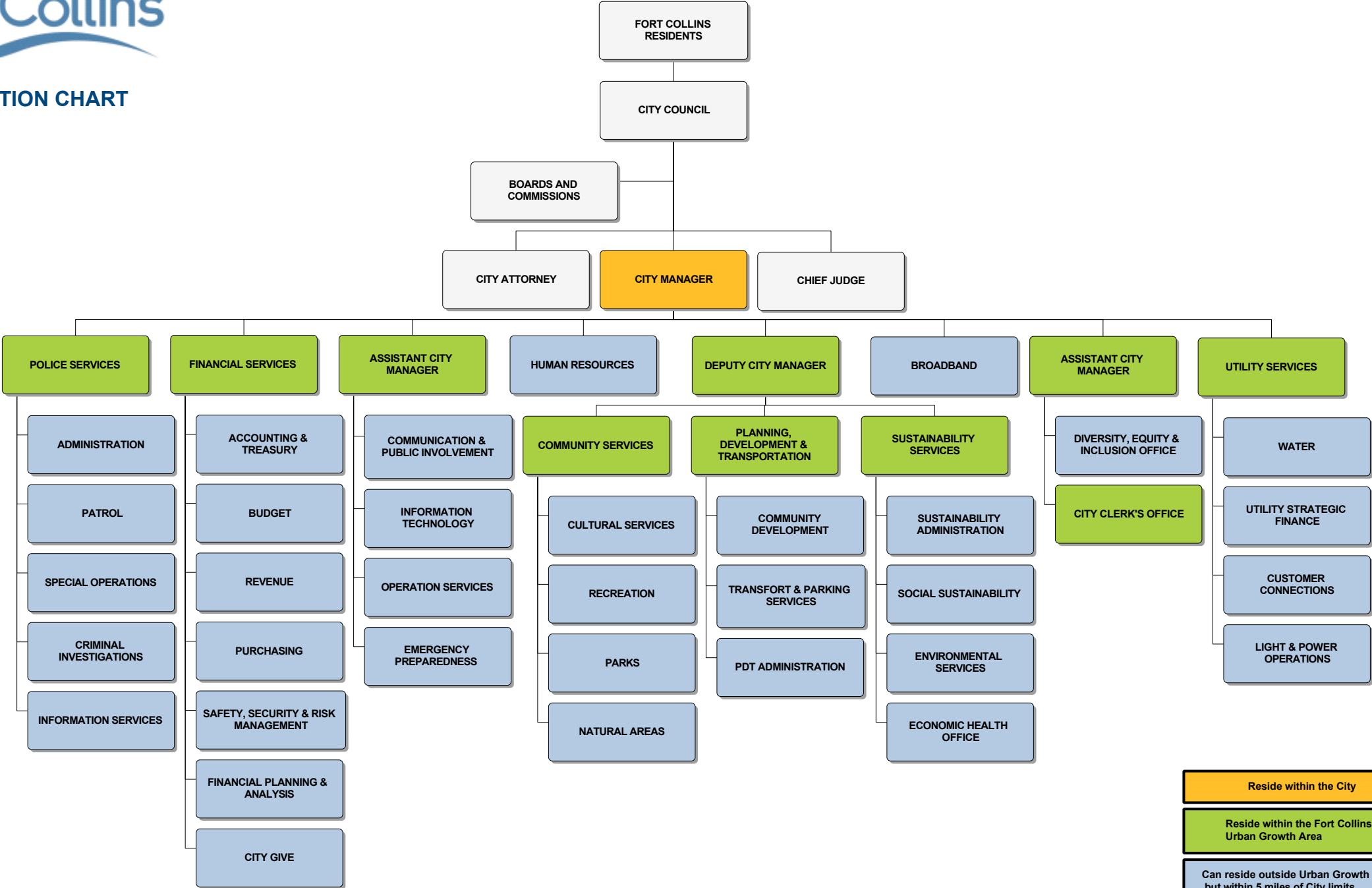
Directors of a city service area or a group of city service areas, deputy city managers, and assistant city managers shall reside within the Fort Collins Urban Growth Area during their tenure in office, but need not reside within the Fort Collins Urban Growth Area prior to their appointment. ...

Department Heads

Article IV. General Provisions. Section 3. Residency requirement.

... City department heads may live outside the Urban Growth Area during their tenure in office, but only if their places of residence are within five miles of the city limits, as measured by a straight line connecting the parcel of property upon which the residence is situated to the nearest boundary line of the city. City department heads appointed prior to March 6, 1985, shall not be subject to this residency requirement.

ORGANIZATION CHART





Consideration of Charter Amendments

May 9, 2023 Council Work Session

QUESTIONS:

1

What questions do Councilmembers have on the Charter Amendments presented?

2

Are there any Amendments councilmembers would like to bring forward in November 2023?

Candidate Races

- Mayor
- City Councilmember Districts 2, 4 and 6
- Poudre School District Board of Education Directors

Charter Ballot Question: Candidate Qualifications

- Amends the qualification language to match the State Constitution language.
- Ordinance to refer adopted by ordinance on second reading April 18, 2023. Will be on November ballot.

Other Potential Ballot Questions or Issues

- Any other Charter amendments the Council may refer
- Any sustainable funding ballot issues the Council may refer
- Any voter initiatives referred to the ballot

Referendum Process Clean-up

- Two potential areas of changes to consider (one or both could move forward):
 - A) Cleaning up contradictory provisions in Article X between Sections 2 and 5 regarding when an ordinance subject to referendum is presented to Council for reconsideration.
 - B) Changing timing for when a protested ordinance is stayed to better align with Fort Collins ordinance effective dates.
- Discussed by Election Code Committee as an area for potential changes.

Ordinance Publication Requirements

- Removing requirement to publish two times ordinances by title and number in a newspaper of general circulation in addition to publishing in full on the City's website.
- This has not yet been discussed. With declining subscription rates and reduced newspaper publication schedules creating challenges with meeting timing requirements, staff is recommending discussion of removing this requirement while maintaining transparency through existing City channels.

Computation of Time Provision

- Various timing requirements and deadlines in the Charter create uncertainty due to a lack of general provision for computation of time.
- This has been discussed on occasion as an issue; no specific direction has been given.

Residency Requirements

- The Charter currently contains residency requirements for certain positions. Based on position title, these requirements include living in Fort Collins, living within the Urban Growth Area (known since late 2000 as the Growth Management Area (GMA)), or living within 5 miles of the city limits boundary.
- A) Should the Council consider a change to remove most residency requirements from the Charter, staff recommends keeping the City Manager requirements in the Charter and bringing Code language that mirrors the Charter requirements for the other positions to ensure no immediate change.
- B) If there is not a desire to remove any residency provisions from the Charter, updating references to the Urban Growth Area to the Growth Management Area would add clarity to the provisions in Article II, Section 12 and Article IV, Section 3.

QUESTIONS:

1

What questions do Councilmembers have on the Charter Amendments presented?

2

Are there any Amendments councilmembers would like to bring forward in November 2023?

May 9, 2023

WORK SESSION AGENDA ITEM SUMMARY

City Council



STAFF

Marcy Yoder, Neighborhood Services Manager
Meaghan Overton, Housing Manager
Caryn Champine, Director of PDT
Marcus Coldiron, Chief Building Official
Aaron Guin, Assistant City Attorney
Justin Moore, Lead Zoning Inspector
Megan Valliere, Graduate Management Assistant

SUBJECT FOR DISCUSSION

Housing Strategic Plan Implementation: Occupancy Regulations.

EXECUTIVE SUMMARY

The primary purpose of this work session item is to receive Council guidance on potential changes to the City's occupancy regulations. The work session will include an overview of existing conditions, policy analysis completed to date, and a summary of community engagement. Key policy topics for this work session include: (1) the current family definition used in the City's occupancy regulations; (2) the maximum number of occupants in a home; and (3) the City's current extra occupancy process. Staff will also seek Council direction on a proposed approach to future community engagement on occupancy regulations.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What additional information do Councilmembers need to inform their policy guidance?
2. What feedback do Councilmembers have about the range of occupancy options outlined?
3. What feedback do Councilmembers have about the proposed approach to community engagement around the occupancy options?

BACKGROUND / DISCUSSION

The City has had an adopted occupancy ordinance since 1963. The City's occupancy ordinance limits occupancy of residential dwellings to a family of any size plus one additional unrelated occupant *OR* no more than three unrelated occupants. A dwelling may be designated as an extra occupancy rental through a development review process outlined in Land Use Code Section 3.8.28 in some zoning districts. Occupancy regulations apply to all households in the city regardless of housing tenure (rental/ownership).

Active enforcement of the ordinance (also called U+2) began in 2005 when a violation changed to a civil infraction. Since then, Council has had several in-depth conversations about occupancy and nuisance regulation as part of the community dialogue about neighborhood livability. Council has also reviewed regular evaluations of the occupancy ordinance and its impacts. A list of relevant Council work sessions and hearings is included as an Attachment for reference.

In December 2020, the Council Ad Hoc Housing Committee expressed a range of opinions and concerns about the City's occupancy ordinance. Many of these concerns were reflected in the City's Housing Strategic Plan, which was formally adopted in March 2021 about three months after the Committee's December 2020 discussion. Specifically, the Housing Strategic Plan identifies challenges related to the existing occupancy ordinance limiting housing choice and posing potential challenges related to fair housing compliance. Additional challenges with the current policy include underutilization of the City's existing housing stock and the family definition no longer reflecting the demographic makeup of many households in the community. All Committee members supported further exploration of potential revisions to the occupancy ordinance. The Council discussed occupancy once again in October of 2021 during a work session in which Councilmembers expressed support for community engagement related to rental housing strategies (licensing/registration), revisions to the occupancy ordinance, and small landlord incentives.

Council's most recent discussion about occupancy regulations occurred at the August 23, 2022, work session. At that time, Council engaged in a robust discussion regarding the changing demographics around occupancy and whether current regulations should be adjusted. Some Councilmembers strongly advocated keeping the occupancy ordinance as it is, or with minor adjustments. Others supported broader changes to the current occupancy ordinance.

Existing Conditions and Policy Analysis

Shifting Demographics of Nonconforming Households. Root Policy Research conducted an analysis of occupancy data in 2021. Microdata at the household level was not available only for households within Fort Collins City limits, so this analysis includes the geographic entirety of Fort Collins as well as unincorporated parts of the County and small communities outside Fort Collins (including Bellvue, Wellington, and Timnath). While the geographic area of analysis extends beyond City limits, the key findings of the data are informative for understanding existing occupancy conditions.

Findings regarding household size indicate that almost half of all households (47%) are married-couple family households. Nonconforming households (i.e., those in violation of occupancy regulations) are more likely to be non-family households (68%); however, 438 households (which constituted 23% of the nonconforming household sample) do include a family unit living in the household:

**Figure 2.
Household Size**

Household size	All Households		Nonconforming Households	
	Number	Percent	Number	Percent
Total	82,691	100%	1,875	100%
1- Person household	19,764	24%	-	0%
2- Person household	33,688	41%	-	0%
3- Person household	13,380	16%	-	0%
4-Person household	10,696	13%	1,284	68%
5-Person household	3,767	5%	355	19%
6-Person household	995	1%	199	11%
7-Person household	210	0%	16	1%
8-Person household	97	0%	21	1%
10-Person household	94	0%	-	0%

Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

In terms of homeownership and occupancy violations, the analysis finds that the majority of nonconforming households are renter-occupied, though 26% of households in violation of the occupancy ordinance are owner-occupied.

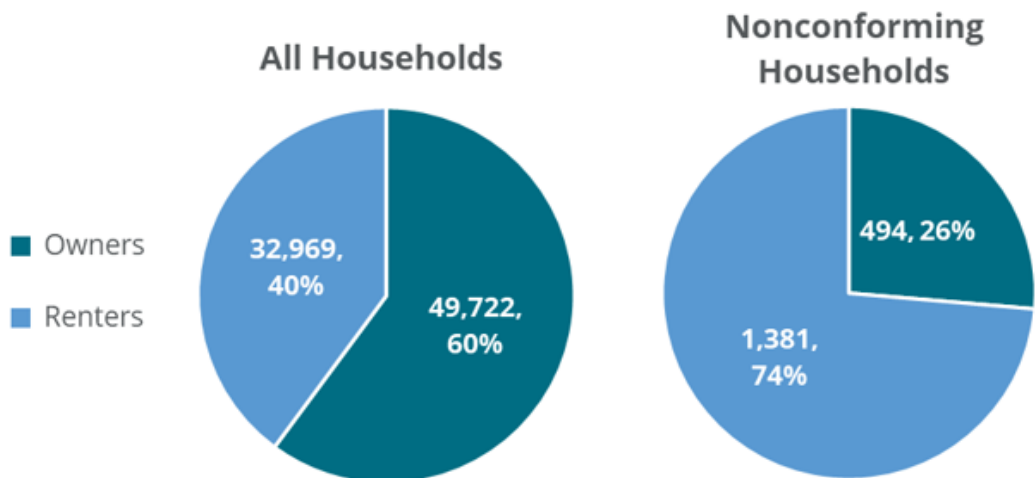
**Figure 4.
Tenure**

Note:

Excludes households living in group quarters.

Source:

IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.



Additionally, the Root memo discusses demographics of non-confirming households. Occupancy regulations impact low-income households disproportionately, but occupancy is not solely a low-income issue. Nonconforming households are more likely to have incomes below \$50,000 than all households, but a sizeable percentage (43%) of nonconforming households still have incomes over \$75,000 per year. Nonconforming households are also slightly more racially and ethnically diverse than households overall.

The City has partnered with Corona Insights in 2005, 2009, and 2019 to evaluate the impacts of the occupancy ordinance.

Compared to the previous survey in 2005, the 2018 study reported a dramatic shift in the demographics of households in violation of occupancy regulations. These demographic shifts suggest that, compared to 2005, a wider cross-section of households are bringing in roommates in violation of the occupancy ordinance, likely to defray high housing costs. Between 2005-2018, a price escalation of 78% for rent payments paired with low rental vacancy rates under 5% is likely resulting in “doubling up” to afford housing for a broad range of household configurations.

	2005	2018
Total (est.) households in violation	1,238	1,234
Percentage college age	71%	47%

Demographics Key Findings:

- Estimates indicate that although less than 1% of Fort Collins households are in violation of U+2, households in violation are increasingly likely to include both individuals and families.
- The majority of nonconforming households had a size of four (4) (68%) or five (5) (19%) adults.
- Twenty-three percent (23%) of nonconforming households include a family unit living in the household.
- Twenty-six percent (26%) of nonconforming households are owner-occupied.
- Over half (54%) of nonconforming households live in single unit detached homes, with the rest in various types of attached dwelling units.
- Housing units with three (3) or more bedrooms tend to be underutilized by conforming households, while nonconforming households average one (1) person per bedroom.

Housing Stock: In addition to information about how households are organized, data about the size and number of bedrooms in the city’s current housing stock is an important consideration for occupancy regulations, particularly in the context of efficient use of existing housing. City demographic estimates from 2021 indicate that Fort Collins’ population is about 172,000 people. Census microdata estimates that the City’s housing stock contains approximately 186,718 bedrooms. About 70% of housing units (45,000 units) in Fort Collins have three or fewer bedrooms. About 30% of housing units (19,200 units) have four or more bedrooms. Single-unit detached homes tend to have the most bedrooms, with 3.5 bedrooms on average. Nearly 70% of all bedrooms in Fort Collins are in single-unit detached houses.

Structure Type	Units		Total Bedrooms		Average Bedrooms per Unit
	Number	Percent	Number	Percent	
<i>Single-Unit Detached</i>	36,674	57%	128,506	69%	3.5
<i>Single-Unit Attached</i>	5,129	8%	13,496	7%	2.6
<i>Duplex</i>	1,381	2%	3,091	2%	2.2
<i>3-4 Units</i>	3,445	5%	6,897	4%	2.0
<i>5-9 Units</i>	4,751	7%	9,773	5%	2.1
<i>10-19 Units</i>	4,558	7%	8,519	5%	1.9
<i>20-49 Units</i>	3,237	5%	5,436	3%	1.7

Structure Type	Units		Total Bedrooms		Average Bedrooms per Unit
	Number	Percent	Number	Percent	
50+ Units	3,613	6%	7,236	4%	2.0
Manufactured/Mobile Home	1,424	2%	3,683	2%	2.6
Other	50	0%	81	0%	1.6
Total	64,262	100%	186,718	100%	2.9

Note: Units in Structure and total number of bedrooms reflect data for the City of Fort Collins; bedrooms by units in structure and average number of bedrooms per unit applied from IPUMS analysis of greater Fort Collins area.

Source: 2020 5-year ACS, IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research

Housing Stock Key Findings:

- Fort Collins' population in 2021 was estimated to be about 172,000 people, and in 2020 (the year the above data on bedrooms was compiled) the population was estimated to be about 169,000. In Fort Collins in 2020, there were an estimated total of 186,718 bedrooms in 64,262 units.
 - With the City's population estimated to be between 169,000-172,000 residents in 2020-2021, there are roughly between 14,718 and 17,718 more bedrooms in the City than there are residents.
 - These figures demonstrate a noteworthy underutilization of the City's existing housing stock.
- Single unit houses (attached and detached) account for 65% of units and 76% of bedrooms.
- On average, single-unit houses have 3.4 bedrooms compared to multi-unit homes.
 - Fifty-five percent (55%) are 1 to 3 bedrooms, 32% are 4 bedrooms, and 13% are 5 or more bedrooms.

Occupancy cases: Currently, enforcement of the occupancy ordinance is managed with a complaint-based system that investigates reports of suspected over-occupancy. The complaints are typically based on parking, noise, or rubbish issues. In the last several years, cases have ranged from 73 to just over 200 annually. Typically, 30-40% of complaints are sustained, and the balance is unfounded or unproven. Although there are clusters of complaints close to campus, cases are geographically distributed throughout the city.

Compliance data from the past five years indicates a steady downward trend in the number of complaints year over year, with the percentage of substantiated complaints ranging from a low of 29% in 2022 to a high of 40% in 2021. The number of citations resulting from failure to come into compliance after a violation has also declined in recent years. Most occupancy violations are successfully resolved through voluntary compliance.

Year	# Cases	# Violations	# Citations
2022	73	21 (29%)	0 – all resolved through voluntary compliance
2021	97	39 (40%)	5 over occupancy 3 not submitting occupancy disclosure

Year	# Cases	# Violations	# Citations
2020	126	44 (35%)	9 over occupancy 3 not submitting occupancy disclosure
2019	162	57 (35%)	6 over occupancy 15 not submitting occupancy disclosure
2018	209	80 (38%)	16 over occupancy 6 not submitting occupancy disclosure

An occupancy disclosure form is required to be signed at the time of lease or sale of any property within the City of Fort Collins. Disclosure forms ensure that homeowners and tenants who buy or lease properties are aware of the occupancy ordinance and its provisions. In the table above, citations for failure to disclose refer to circumstances in which an occupancy disclosure form was not provided to a home buyer or tenant and cannot be produced for the City upon request.

Peer Cities Research: In partnership with Root Policy Research, staff evaluated occupancy definitions and regulations for more than 40 cities, 22 of which are in Colorado. The peer cities research investigated the year regulations were adopted, the maximum number of unrelated adults allowed in a single dwelling unit, the codified definition of a family or household, whether there was a limitation based upon square footage or number of bedrooms, and parking requirements.

Regulatory methods and resulting recommendations varied by peer city. University-anchored communities often regulate occupancy based on familial relatedness in similar ways to Fort Collins. Other common approaches to regulating occupancy included regulating based on number of bedrooms or square footage or regulating based on household functionality rather than familial relatedness.

Some states such as Iowa and Oregon have passed prohibitions on conditioning occupancy regulations on familial relatedness due to concerns about violating provisions of the Fair Housing Act and other federal legislation. The Colorado General Assembly's ongoing conversations about a similar prohibition indicate that removing the family definition may be a best practice for the sustainability and continuity of municipal occupancy regulations.

Peer City Key Findings:

- The number of unrelated adults permitted across 14 peer cities ranged from 2 to 8 people. The most common number of unrelated adults permitted in a household was 5 people.
- Parking requirements per unit range from no parking to 2 spaces plus a garage. About half of the peer cities researched require 1 space per unit, while the other half require 2 spaces per unit.
- Eight peer cities use the term "family" in their code, four use the term "household", and one uses "dwelling unit"

Colorado City Key Findings:

- The number of unrelated adults permitted across 22 Colorado cities ranged from 2 to 5 people. Most permitted 4 or 5 unrelated persons per household.
- Parking requirements ranged from no requirement to up to 4 spaces per unit (2 enclosed and 2 open). Most required 2 parking spaces per unit.
- Seventeen Colorado cities use the term "family" in their code and five use "household".

Community Engagement: At the direction of City Council, staff has conducted several community engagement activities focused on rental housing strategies and occupancy with a broad range of impacted groups over the last two years. During development of the HSP in 2020, extensive community engagement continued to highlight a need to explore rental registration/licensing and occupancy ordinance revisions.

Since then, staff has built on the HSP community dialogue by engaging with a range of community members to ensure that multiple perspectives are included in the current exploration of rental housing strategies.

Group	Engagement Activities Conducted
Renters, neighborhood groups, HOAs	Housing Strategic Plan engagement, 2020-2021
Landlords, realtors, property managers, renters	Presentation to Northern Colorado Rental Housing Association, Feb. 2022 Presentation to Boards of Realtors, Feb. 2022 Rental Industry Questionnaire, Feb./March 2022 Rental Housing Task Force
City Departments	Convening of Rental Housing and Occupancy Core Team Conversations with IT, Building Services, Communications and Public Involvement Office, City Attorney's Office
Council	Ad Hoc Housing Committee Discussion, Dec. 2020 Rental Strategies Work Session, Oct. 2021 and August 2022

These engagement activities have been supplemented by individual and small-group conversations with interested community members, housing industry professionals, advocates, and others who requested to meet with the project team.

Community Engagement Findings

The Housing Strategic Plan engagement process did not result in clear consensus regarding the path forward for the City's occupancy ordinances or any recommended alterations to the current policy. Some participants supported repealing or modifying the occupancy ordinance to potentially benefit people of all ages living on single incomes and to "free up" additional homes for rental or purchase. Others credited the occupancy ordinance with positively impacting their neighborhoods and controlling nuisance issues.

Many concerns that respondents reported specifically referred to the definition of a "family" used in the current occupancy ordinance, pointing to changes in community demographics and household configurations as reasons to reevaluate the ordinance. Several participants shared stories about the impact of high housing costs that led them to "double up" with other households in violation of occupancy limits. Suggestions for potential solutions included limiting occupancy to the number of bedrooms in a home or to a certain amount of space for each person, rather than conditioning occupancy limitations on familial relationships.

The Rental Industry and Community questionnaires provided additional insight into the range of perspectives on occupancy limitations. Responses to the Rental Industry Questionnaire indicated that there was support for increasing the current occupancy limitations depending on the suitability/size of the property. The Community Questionnaire indicated that most respondents were in favor of changing the occupancy ordinance in some way (69%). Overall, there was support for allowing extra occupancy citywide (62%), making the extra occupancy rental process easier (59%), having occupancy match the number of bedrooms in a house (51%), and increasing occupancy limits to more than three unrelated people (56%). However, people who identified themselves as homeowners who were not part of the rental industry (landlord, real estate, etc.) disagreed with all potential policy options and were split evenly regarding nuisance.

Task Force Recommendations

The following recommendations were approved by a vote of 16 in favor and one opposed. The primary recommendation was to change the City's occupancy ordinance. If the occupancy ordinance is not changed, the Task Force recommended adjustments to the extra occupancy process.

- Regulate by number of bedrooms: The Task Force recommends the definition of family be removed from occupancy regulations. Instead, the Task Force recommends that the current occupancy code be replaced with one that is based on the number of bedrooms to utilize the City's existing home inventory more fully; OR
- Make extra occupancy easier: The Task Force recommends considering the following as a new occupancy code is established:
 - Removing the U+2 policy from zoning law and enforce occupancy regulations through administrative processes;
 - Making it easier for property owners to obtain exemptions to occupancy regulations and increasing the regions of the city where extra-occupancy permits are allowed;
 - Requiring properties with extra occupancy designations to renew permits every five years; and
 - Removing extra occupancy designations when property ownership changes and/or when a property violates public nuisance ordinances.

Policy Considerations – Potential Changes to Occupancy Regulations

Staff has outlined several policy considerations for Council discussion based on existing conditions data, research completed to date, and community input that reflects a wide diversity of perspectives around rental housing and occupancy regulations. These policy considerations have been organized into three topics, each of which constitutes a distinct decision point and requires further Council guidance.

Current Policy Scenarios

The current code allows a family of any size plus one additional unrelated occupant OR no more than three unrelated occupants to occupy a single dwelling unit. A house may be designated as an extra occupancy rental house through a development review process.

Examples of both allowable and unallowable occupancy configurations under the current policy include:

Allowable scenarios:	Unallowable scenarios:
<ul style="list-style-type: none"> • A family with both adult children and grandparents living in the home, plus a family friend. • Three siblings, plus an additional unrelated roommate. • Two couples, but only when there is a familial relationship between one person from each separate couple, such as two siblings and their respective partners. • Three unrelated roommates. 	<ul style="list-style-type: none"> • Four unrelated roommates. • Two married couples (when there is no familial relationship between one person from each separate couple, such as two siblings and their respective spouses). • Two single parents and each of their children. • A pair of two siblings, plus two additional unrelated roommates.

Topic 1: Occupancy Definitions. The current ordinance conditions occupancy regulations on familial relatedness. In the current code, the definition of *family* is: any number of persons who are all related by blood, marriage, adoption, guardianship or other duly authorized custodial relationship, and who live together as a single housekeeping unit and share common living, sleeping, cooking and eating facilities."

Options for Council to consider regarding the current "family" definition include:

1. *Keep the current definition of "family" in Section 3.8.16 and 5.1.2.* This option would leave occupancy regulations based on familial relatedness intact.
2. *Regulate occupancy based on the number of adults and their dependents; remove the definition of family/relationship from Section 3.8.16 and 5.1.2.* This option would change how occupancy is

regulated and enforced. If Council were to regulate occupancy based on a number of adults and their dependents, the code would require a clear and enforceable definition of “dependents.”

Topic 2: Maximum Number of Occupants. Should Council decide to move forward with removing the family definition from the current code, Council will need to determine a permitted maximum number of adults and their dependents that will be authorized to occupy a single dwelling unit. Options to consider include:

1. Three adults and their dependents
2. Four adults and their dependents
3. _____ adults and their dependents

The current code defines group homes as those dwelling units with eight or more occupants, so staff recommends that Council select a number that does not exceed seven should they decide to move forward with regulation based upon adults and their dependents.

Additional items for Council to consider related to Topics 1 and 2 include:

- Removing the definition of “family” from the code and replacing it with adults and their dependents may put multigenerational households at risk of violating the occupancy ordinance. Currently, a family of any size plus one additional occupant may occupy a single dwelling unit. Shifting to adults and their dependents as the regulatory baseline may, depending on the number of adults and their dependents that are authorized to occupy a single dwelling unit, remove protections for families with adult children or other immediate/extended family members who do not meet the definition of a “dependent.”
- Many neighborhood impacts are being mitigated through current nuisance codes and educational programming. The recently enacted Public Nuisance Ordinance is also another enforcement tool. What if any, additional neighborhood impacts should be considered?
- Council could choose to regulate the number of adults by the number of bedrooms in a unit. Like the petition language below.
- The State’s More Housing Now bill (SB23-213) contains a provision that, if passed, will prohibit local governments from conditioning occupancy regulations on familial relatedness. As a result, the City may need to come into compliance with state law requiring the removal of the current “family” definition should that portion of SB23-213 pass in its current form. Staff will continue to monitor this legislation for potential impacts to the City’s occupancy regulations.
- A letter of intent to petition has been submitted to the Clerk’s Office that would ask Fort Collins voters to remove the family definition in favor of occupancy regulation by number of bedrooms and bedroom size. Should the petition result in a ballot question that passes in November 2023, resulting changes would include:
 - Family definition eliminated.
 - Maximum occupancy allowed per dwelling unit in single-family, two-family, or multi-family dwelling shall not exceed: (1) one person per bedroom of 99 square feet or less, and (2) two persons per bedroom 100 square feet or greater.

This proposed change alone, without additional changes to the extra occupancy process, may impact multi-generational families and individuals living in comparatively smaller dwelling units such as mobile homes. It also does not specify a maximum capacity past which no additional occupants will be allowed.

Staff will continue to monitor the petition process for future impacts to the City’s occupancy regulations.

Topic 3: Extra Occupancy Process. In addition to potential changes related to the family definition and corresponding determinations related to the number of adults and their dependents that should be permitted to occupy a single dwelling unit, staff asked the community for input related to the extra occupancy process. Many community members indicated a desire to see extra occupancy allowed in additional areas around the City and for the process of obtaining an extra occupancy permit to be easier. Others, primarily non-industry homeowners, opposed these revisions to the current policy. The table below demonstrates how Section 3.8.28 of the Land Use Code currently regulates extra occupancy requirements and review types by zone district.

Zone	Maximum number of residents, excluding occupant family	Maximum % of parcels per block face	Parking	Review Type and Approving Authority
Mixed-Use Zones (LMN)	One occupant per 350 square feet of habitable floor space	No more than 25% of a block face	1 bicycle space per occupant	> 4 occupants: Type 1 (hearing officer)
Mixed-Use Zones (MMN, HMN, NCB)		No limit	.75 vehicle space per occupant, rounded up to the nearest whole parking space	5 or fewer occupants: BDR (administrative)
Downtown, Commercial, Employment, and Industrial Zones (D, RDR, CC, CCN, CCR, CG, CN, NC, CL, E, I)	Additional minimum 400 square feet if owner-occupied			>5 occupants: Type 1 (hearing officer)
Residential, Harmony Corridor, and Open Lands (RL, NCL, RF, UE, NCM, HC, POL, RC)	Extra occupancy not allowed			

Options for Council to consider related to the extra occupancy process include:

1. *Maintain the extra occupancy process as it currently exists.*
2. *Remove the extra occupancy process from the Land Use Code.* As codified in the current LUC, extra occupancy approval requires either basic development review or a Type 1 hearing depending on the zone district and the number of occupants. Instead, Council could direct staff to create an administrative permit process for extra occupancy.
 - a. As a land use approval, the current process grants extra occupancy to the property rather than the property owner. An administrative permit could be granted to the property owner rather than the property. Thus, allowing the City to revoke the permit for allowing ongoing nuisance activities.
 - b. An administrative process could have a fee recovery for the staff time involved in the approval, which would be less time intensive than the Development Review process for staff and less costly for the applicant.
3. *Allow extra occupancy in more places or citywide, potentially with streamlined requirements for approval.*
4. *Regulate the number of extra occupants based on number of bedrooms rather than square footage.* The Building Code provides the following minimum requirements for a room to be considered a bedroom:
 - a. A floor area of not less than 70 square feet.
 - b. Not less than 7 feet in any horizontal dimension.
 - c. Provided an emergency escape and rescue opening.
 - d. Provided smoke alarms.
 - e. Other requirements related to lighting, ventilation, etc.

These requirements for bedrooms from the Building Code would constitute the standard of review for extra occupancy based on number of bedrooms should Council decide to move forward with this option.

5. *Council could direct staff to require rental inspections before issuing extra occupancy permits.* If Council is interested in transitioning to an administrative process, these inspections could ensure minimum life, health, and safety standards are met (in addition to property-based requirements such as size, parking, number of bedrooms, etc.) prior to issuing extra occupancy permits.
6. *Reduce the number of parking spots required for extra occupancy from .75 to .5 (excluding tandem spots).*

Potential Example: (Illustrative purposes only)

This table illustrates how the number of bedrooms could be associated with the number of adults in the unit for extra occupancy permits. One column keeps a similar number of adults as U+2 – three (3) adults plus their dependents. The second column uses the assumption of a higher occupancy limit of four (4) adults plus dependents.

Bedrooms	# of adults, if 3 + dependents	# of adults, if 4 + dependents
1 - 2 bedrooms	3	4
3 bedrooms	4	5
4 bedrooms	5	6
5 bedrooms	6	7
6 bedrooms	7	

NEXT STEPS

Engagement approach will be finalized pending Council direction.

Proposed timeline:

- Summer 2023 – Neighborhoods, Nonprofit partners, Rental Industry, etc.
- Fall 2023 – Student/CSU and tenant community engagement.
- Winter 2023 – Council Action

ATTACHMENTS

1. Previous Council Action on Occupancy Regulation Summary
2. Community Engagement Summary
3. Corona Insights Study 2019
4. Root Policy Research – Peer Communities Memo
5. Root Policy Research – Occupancy Code Data Analysis
6. Root Policy Research – Bedroom Capacity Memo
7. Root Policy Research – Investor Market Memo
8. Household Definitions and Restrictions
9. Myler Capstone Community Questionnaire
10. Presentation

Previous Council Actions

- [December 2020 Ad-Hoc Housing Committee](#) - Discussion of Occupancy and Rental Regulations
- [February 2019 Work Session](#) - Occupancy Limit Enforcement and Chronic Nuisance Properties Update
- [January 2019 Work Session](#) - Occupancy Study 10 Year Review (results)
- [December 2016 Work Session](#) - Occupancy Study 10 Year Review (scope of study)
- [February 2016 Work Session Summary](#) - Rental Licensing (decision to pursue options outside of rental licensing)
- [February 2016 Work Session](#) - Rental Licensing
- [November 2014 Work Session](#) - Housing Affordability Policy Study (evaluated U+2 and recommended modifications to extra occupancy processes)
- [October 2009 Work Session](#) - Occupancy Ordinance Two-Year Review and Policy Discussion
- [August 2009 Work Session](#) - Occupancy Ordinance “Economic and Market Impact Study”
- [August 2007 Work Session](#) - Review and update of the Over-Occupancy Enforcement Program
- [November 2005 Hearing](#) (Second Reading) - Items Relating to Occupancy Regulations and Other Neighborhood Quality of Life Issues
- [November 2005 Hearing](#) (First Reading) - Items Relating to Occupancy Regulations and Other Neighborhood Quality of Life Issues
- [August 2005 Work Session](#) - Occupancy Ordinance
- [October 2004 Work Session](#) - Rental Licensing Alternatives

Attachment – Engagement Summary

Community Engagement Overview

Fort Collins has had a long-standing community dialogue about the best way(s) to ensure safe, healthy housing for renters, efficiently use existing housing stock, and address nuisance issues. During development of the HSP in 2020, extensive community engagement continued to highlight a need to explore rental registration/licensing and occupancy ordinance revisions. Over the last year, staff has built on the HSP community dialogue by engaging with a range of community members to ensure that multiple perspectives are included in the current exploration of rental housing strategies.

Groups Engaged:

Group	Engagement Activities Conducted
Renters, neighborhood groups, HOAs	Housing Strategic Plan engagement, 2020-2021 Community Questionnaire, Aug. 2022 Pop-up Engagement, Aug. 2022 Rental Housing Taskforce
Landlords, realtors, property managers	Presentation to Northern CO Rental Housing Association, Feb. 2022 Presentation to Board of Realtors, Feb. 2022 Rental Industry Questionnaire, Feb./March 2022 Rental Housing Taskforce
City Departments	Convening of Rental Housing and Occupancy Core Team Conversations with IT, Building Services, Communications and Public Involvement Office, City Attorney's Office
Council	Ad Hoc Housing Committee discussion, Dec. 2020 Rental Strategies Work Session, Oct. 2021

Summary of Key Engagement Activities

Rental Industry Questionnaire, February/March 2022

This online questionnaire was primarily focused on soliciting feedback from rental owners, property managers, and landlords to better understand how potential rental programs (e.g., registry and occupancy regulations) might impact the industry, and to explore specific elements of program design. Assessor's data was used to identify and mail flyers to nearly 9,000 likely owners of rental property within Fort Collins to ensure wide awareness of the questionnaire. A total of 1,912 people responded to the questionnaire, 68% of whom identified themselves as rental owners, managers, or landlords. 20% of respondents were residents who live or work in Fort Collins but do not own or manage rental property.

Rental Housing Task Force, March-August 2022

In early 2022, the City convened a Task Force to support deeper exploration of the three HSP strategies to work collaboratively to propose modifications to current rental housing policy for consideration by City staff, the broader public, and City Council. A total of 76 people applied for

20 spots, and applications were reviewed by a committee of City staff. The top scoring applications for landlord/property managers, renters, and others were invited to participate. Staff consulted with the City Attorney's Office on the criteria utilized for selection and the information shared with the selection team. Demographic information was collected from applicants but was not used in the selection process; it was considered in aggregate for the entire application pool to evaluate the task force's representativeness.

A panel of applicants was selected to represent a diversity of perspectives, including rental housing tenants, property owners/landlords and property managers, and people who fit neither category. Fort Collins residents Jack Armstrong, Jade Beaty, Julia Berger, Lisa Cunningham, Brannan Davis, Adam Eggleston, Emily Gallichotte, Carrie Gillis, Cecilia Granby, Sean Haines, Nicole Hanson, Mike Herder, Torey Lenocho, Robert Long, Lindsay Mason, Amy Pezzani, Jose Luis Ramos, Carolyn J. Rasley, and Isabella Zapata served as Task Force members for the duration of ten meetings. One task force member withdrew from participation due to other commitments. The total composition of the group was 19 members, and all meetings were facilitated by a professional third-party facilitator.

The task force members shared multiple perspectives and affiliations. They are listed below:

Renter	Industry Representative	Other
Currently renting	Realtor	Non-profit executive
Single parent	Large landlord	Immigrant to U.S.
Experienced homelessness	Small landlord	HOA Board representative
Affordable housing tenant	Real estate appraiser	Fifth generation Fort Collins resident
Seeking home ownership	Contractor	CSU Off-Campus Life
Parent of renters	Property Manager	
Former CSU student	Former Housing Authority employee	

The Task Force met a total of ten times between March 30 and August 3, 2022. The 19 Task Force members attended an average of 8.5 meetings each. Each meeting had an average of 16 Task Force members present. Task Force members completed homework assignments between meetings to ensure they were well informed. Early meetings were primarily informational as the Task Force members received presentations from staff as well as a panel including Paul Anderson, Lloyd Walker, David Roy, and Benton Roesler to explore opinions about the City's U+2 Policy.

Community Questionnaire, August 2022

This questionnaire sought opinions about how much the City's approach to rental housing regulation and occupancy should change, if at all. The questionnaire also asked respondents their opinions about a range of potential next steps for rental registration/licensing and occupancy ordinance revisions. Additional "pop-up" engagement utilizing the Neighborhood Services lemonade stand was conducted to increase awareness of the community questionnaire and encourage participation; particularly in areas where changes to occupancy and extra occupancy

have been raised as a concern. A total of 1,739 responded to the questionnaire: 64% indicated that they owned their home, 31% of respondents indicated that they rented their home, 19% of respondents were landlords. The charts below show respondents by Council District and housing tenure (rent/own):

Council District	Total	Owners	%Owners	Renters	%Renters
District 1	226	138	61%	82	36%
District 2	223	150	67%	62	27%
District 3	143	94	65%	46	32%
District 4	227	154	68%	63	28%
District 5	373	249	67%	113	30%
District 6	264	144	55%	111	42%

Rental Market Study

Market Trends, Occupancy Ordinance, and
Short-Term Rentals



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Executive Summary: Key Findings

Rental Market Overview, 2005 to 2010

Market forces 10 to 15 years ago conspired against the rental market.

In 2007, the City began actively enforcing the Occupancy Ordinance, which was expected to create new rental demand as larger households disbanded to form a higher number of smaller households. This occurred at a time when the city's rental market was healthy, with a slight surplus of vacant rental units, so the expectation of resulting decreases in vacancy rates was not of major concern.

However, in December of 2007, the Great Recession began, resulting in a major slowdown of new home construction. The population of Fort Collins continued to grow, creating more demand for housing than the construction market could meet.

In addition, several market forces specifically increased demand in the rental market. In addition to the ordinance enforcement and general population growth, the economy likely created new renters due to foreclosures, and the new Condo Defects Law likely stunted the development of condominiums that are a traditional path from renting to home ownership. The result was a steep decline in rental vacancy rates that created a very challenging market for renters in the 2010 to 2012 time frame, as shown on the following page.

We conclude that the ordinance was one of several forces that led to the decrease in vacancy rates during this period, which would have contributed to increasing rental prices.

Executive Summary: Snapshot – 2005 to 2012

Item 3.

2005 to 2007 Era

Rental Vacancy Rate
5.4%

Excess Rental Units
Above Ideal Vacancies
+100 units

1,200 violator
households

Intervening Events

The Great Recession

- Slowdown in construction
- Increased rental demand due to foreclosures, lack of supply, financial issues
- “Lost renters” due to lower household formation or other issues

Population Growth

Increased natural rental demand

Ordinance Enforcement

Increased rental demand as households reformed

2010 to 2012 Era

Rental Vacancy Rate
1.2%

Rental Unit Shortage
Below Ideal Vacancies
-1,000 units

550 violator
households

3.9 percent per year rental cost increases

Executive Summary: Key Findings

Rental Market Overview, 2010 to 2018

A slow recovery over the past several years

As the recession ended, Fort Collins' rental market was more or less gridlocked, with a very low vacancy rate. In the light of this supply shortage, construction surged. However, the population was still growing and prices were on the rise quickly, creating new challenges. While construction began making headway in moving the market back toward a healthy level, it barely outpaced increased demand. In addition, pent-up demand from the recession was released, bringing new households into the market.

Likely a result of housing affordability and other issues, home ownership rates continued to drop, albeit at a slower rate than they had in the recession. Additionally, a new market phenomenon arrived on the scene to siphon off the rental housing supply. Short-term rentals are a relatively small force, but nonetheless diverted some of the housing supply from long-term rentals to short-term rentals.

In response to this, some households began doubling up for different reasons than we saw in the recession. The result is more households that violate the occupancy ordinance, but they are not so much the college students who used to represent that population. A majority are now non-students, often with children.

The result has been a slow movement toward a healthy rental market, but not yet enough. The market has improved, but remains unbalanced in favor of landlords and against tenants, as shown on the following page.

Executive Summary: Snapshot – 2010 to 2017

Item 3.

Intervening Events

Construction Boom

Tripling of home construction rates

Population Growth

Continued population growth

Affordability

Slower road to home ownership,
more ordinance violators

Short-Term Rentals

New demands on housing stock (though
small compared to other forces)

Ordinance

Compliance continued to increase rental demand and
contribute to low vacancy rates (and thus cost increases)

4.2 percent per year rental cost increases

2010 to 2012 Era

Rental Vacancy Rate
1.2%

Excess Rental Units
-1,000 units

550 violator
households

2015 to 2017 Era

Rental Vacancy Rate
2.4%

Excess Rental Units
-800 units

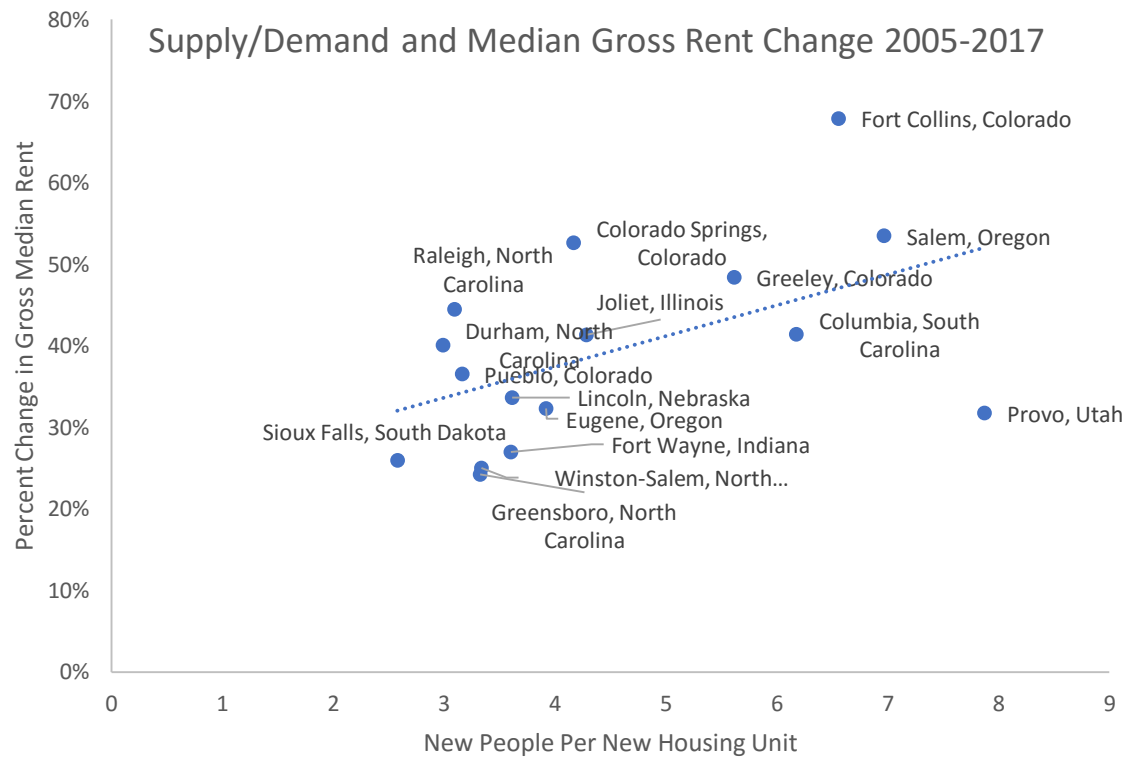
1,200 violator
households

Executive Summary: Key Findings

Rental Market Trends

The population has grown faster than the housing supply

A comparison of population growth to housing supply growth shows that Fort Collins is an outlier compared to a number of similar communities around the United States. Fort Collins' population has grown faster than the change in housing supply, with nearly 7 new people joining the population for each new housing unit being built. This is primarily due to the shortfall of new supply in the 2005 to 2010 time period, which is still affecting the market today.



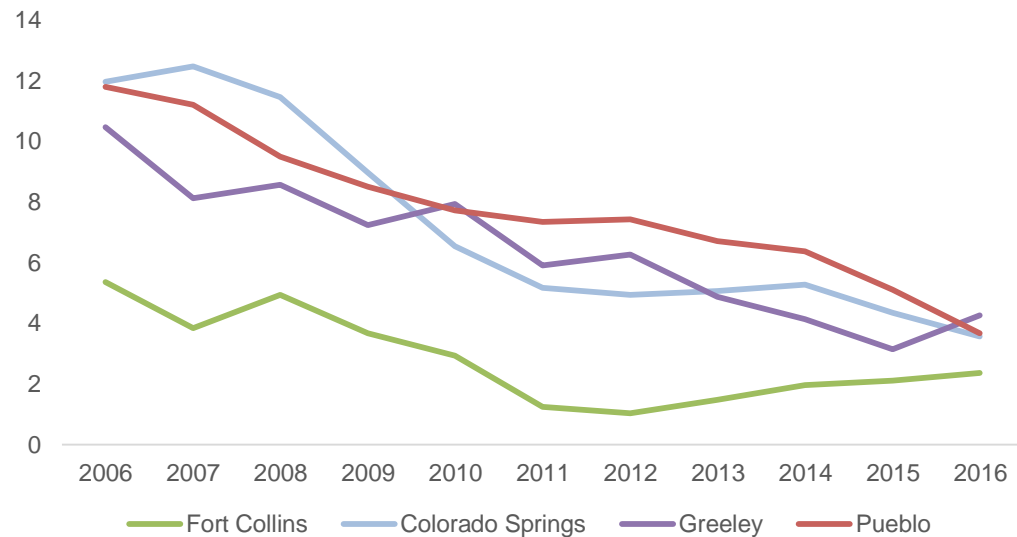
Executive Summary: Key Findings

Rental Market Trends

*Fort Collins has lower vacancy rates than other comparable markets in Colorado**

While other standalone Colorado metro areas faced many of the same market forces as Fort Collins, they were generally starting at a higher vacancy rate, so the declines in vacancy rates moved them from an unhealthy (high) vacancy rate to a generally healthy vacancy rate. In contrast, these forces pushed Fort Collins from a generally healthy vacancy rate to an unhealthy (low) vacancy rate. The Fort Collins market has been slowly moving back to a healthy level since 2011, but is still a challenging market for renters.

Total Rental Vacancy Rate (Three Year Average)



*Yearly data were not available for the fourth
s Page 84 the metro area of Grand Junction

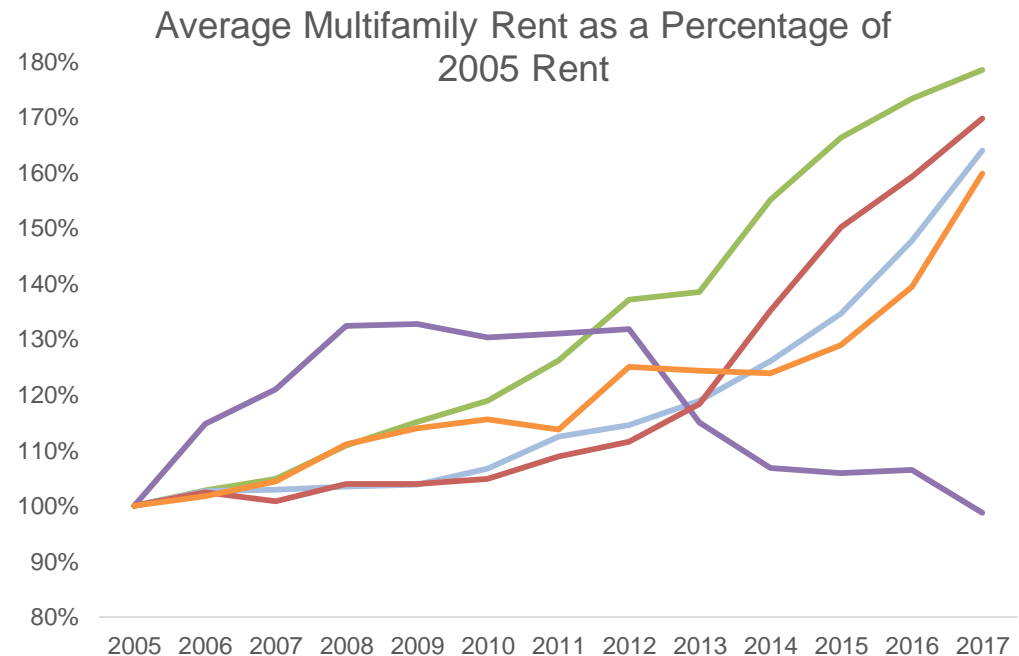
Executive Summary: Key Findings

Rental Market Trends

*Fort Collins' rental costs have increased faster than other comparable markets in Colorado**

In the face of low vacancy rates, market competition will push prices higher. While this has driven prices upward in other Colorado markets as well (with the exception of Grand Junction), the impact has been largest for Fort Collins.

(The graph at right is a rental cost index that controls for base differences in rent. It measures each metro area at a 2005 value of 100.) Rents in Fort Collins are 78 percent higher in 2017 than they were in 2005.



Executive Summary: Key Findings

Rental Market Dynamics

Rental households are getting larger, and owner occupancy is declining

Era	Rental Households	Rental Population	Average Renter Household Size	Proportion of Households Who Are Renters
2005-2007	23,130	48,790	2.11	43.1%
2010-2012	26,044	59,530	2.29	45.6%
2015-2017	28,871	68,815	2.38	46.4%

Over the past ten years, the size of rental households has increased notably from an average of 2.11 people per household to 2.38 people. This is a notable increase in size, and means that nearly 8,000 additional people are living in rental units solely due to this increase. The result is that rental properties are more densely occupied now than they have been in the past.

Also of interest is the continuing increase of rental households among the population. Comparing the current rate to ten years ago, we can conclude that approximately 950 households are renting now, and in past years would have owned their homes. This places more demand on the rental market.

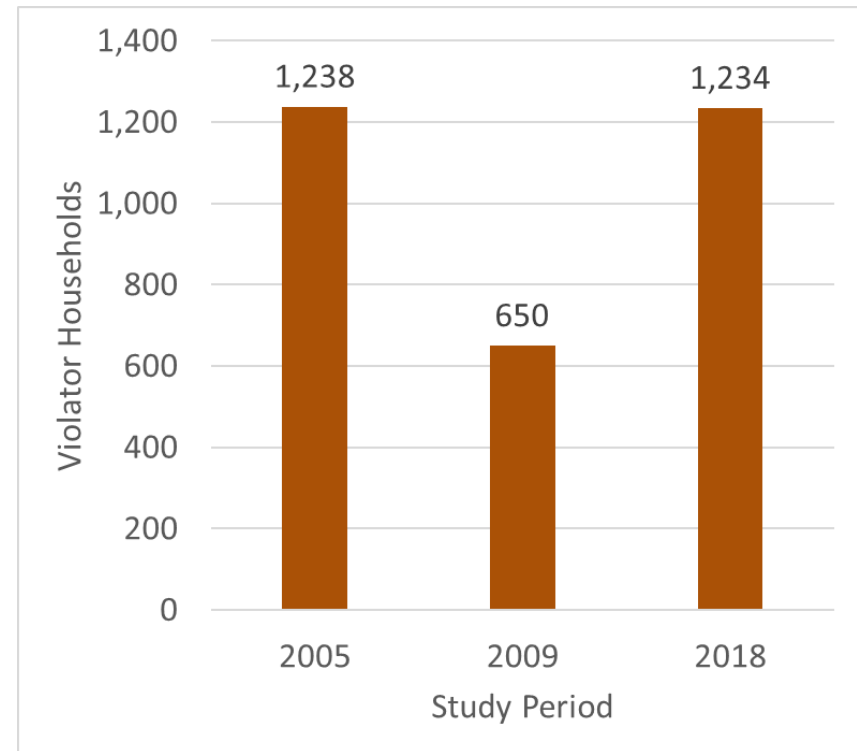
Executive Summary: Key Findings

Occupancy Ordinance Compliance

The number of households not in compliance with the Occupancy Ordinance has increased

Three studies have been conducted over the past 15 years to estimate the number of households that are violating the occupancy ordinance. Prior to active enforcement of the ordinance, the number was estimated at slightly more than 1,200. The figure declined by nearly 50 percent after enforcement began, but has since risen back to roughly the original number.*

However, as described on the following pages, the types of households that are in violation have evolved since 2005.



* - Note that due to population growth, the proportion of violator households relative to the population is somewhat lower.

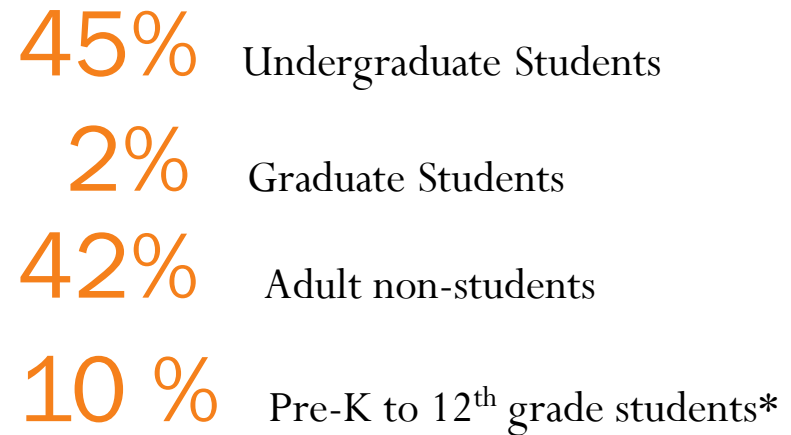
Executive Summary: Key Findings

Profile of Occupancy Ordinance Violators

College students are no longer the most common type of violator

In the initial 2005 study, it was estimated that 71 percent of ordinance violators were college students. In the 2018 study, the proportion has shifted dramatically. Only 47 percent of violators are now estimated to be college students, with 53 percent estimated to be non-students.

This is a notable change because it implies that affordability may be an issue among non-student populations that is leading to larger households.



*These are minor school-age children of other segments.

Executive Summary: Key Findings

Profile of Occupancy Ordinance Violators

Violator households are mobile, generally unrelated, and live in houses

Violator households tend to either form quickly or be mobile, as nearly half moved into their home within the past year. This mobility may increase the likelihood of conflict if they are new to a neighborhood.

Of particular note is the age profile. While 40 percent are 18-21 year old adults, 47 percent are older, and 13 percent are children. This influx of adults with children represents a change in the profile over time.

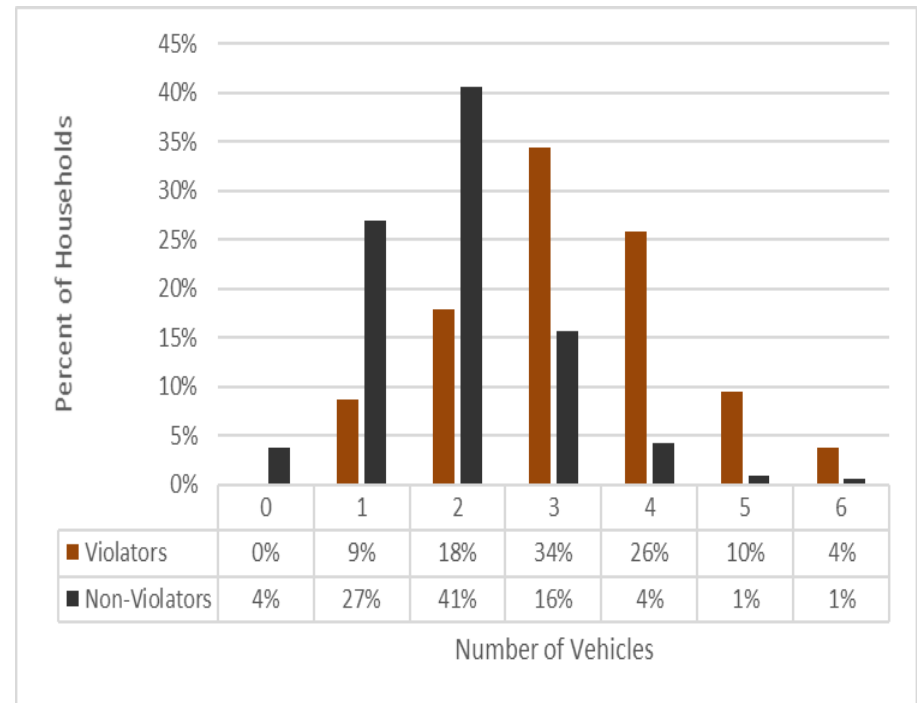
47%	have moved into their home in the past 12 months
40%	are age 18 to 21
73%	live in single-family homes or duplexes
25%	of households have children
13%	are children
61%	have no related people (all roommates)

Executive Summary: Key Findings

Profile of Occupancy Ordinance Violators

Violator households tend to have numerous vehicles

When residents were surveyed about the prevalence of eight different neighborhood issues, the most commonly seen issue was inappropriate parking of vehicles. Violator households are vulnerable to this issue because they tend to have numerous vehicles.



* - Note that due to population growth, the proportion of violator households relative to the population is somewhat lower.

Executive Summary: Key Findings

Perceptions of Occupancy Ordinance

Support outweighs opposition, though many are neutral

The ordinance is well known, with 89 percent of residents being aware of it. Many are neutral towards it, but more residents support the ordinance (42 percent) than oppose it (24 percent). The biggest split is that homes with a college student are more likely to oppose the ordinance than support it, while homes without a student have the opposite stance.

		Region			Dwelling Type		Tenure		College Student in Home		Aware of Occupancy Ordinance	
	Total	West of campus	East of campus	Remainder of city	Single family	Multi-family	Owner	Renter	Yes	No	Yes	No
Base												
Unweighted	1328	355	498	475	1044	284	1049	271	202	1064	1167	123
Opinion of Occupancy Ordinance												
Support	42%	38%	44%	43%	45%	37%	53%	30%	19%	47%	43%	28%
Neutral	31%	34%	26%	31%	29%	34%	25%	38%	31%	31%	29%	40%
Oppose	24%	26%	25%	23%	22%	27%	19%	29%	44%	19%	24%	27%
No opinion	3%	3%	4%	3%	4%	3%	3%	4%	7%	2%	3%	5%

* - Note that due to population growth, the proportion of v households relative to the population is somewhat lower.

Executive Summary: Key Findings

Perceptions of Occupancy Ordinance

Most residents don't see the ordinance impacting their neighborhood and are split on enforcement

Nearly 4 in 5 residents don't believe that the ordinance has an impact on their neighborhood. Among those who do see an impact, it's more positive than negative. The one exception is that residents in homes that contain college students are more likely to see a negative impact than a positive impact (17 percent negative versus 11 percent positive).

Residents generally prefer the current level of enforcement over more/less strict enforcement. Again, the exception is residents in homes with college students, who strongly prefer less strict enforcement (8 percent more strict, 34 percent less strict).

78%

don't believe that ordinance has an impact on their neighborhood.

- 15% see a positive impact
- 8% see a negative impact

38%

like the current level of enforcement

- 17% want more strict enforcement
- 18% want less strict enforcement
- 28% have no opinion

Executive Summary: Key Findings

The Short-Term Rental Market

Short-Term Rentals (STRs) are a growing market

STRs have consistently grown in number over the past three years. The figures below represent the number of listed units each month for the time period for which data were available at the time of this report.

Revenues for proprietors have risen from an estimated \$500,000 citywide in 2014 (annualized estimate) to roughly \$9.6 million citywide in 2018 (annualized estimate).

Year	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
2014										86	88	100
2015	109	99	103	117	140	148	176	176	185	192	213	241
2016	256	266	277	282	329	343	364	376	414	434	445	465
2017	477	473	501	491	533	524	549	541	525	527	541	562
2018	556	528	524	514								

Executive Summary: Key Findings

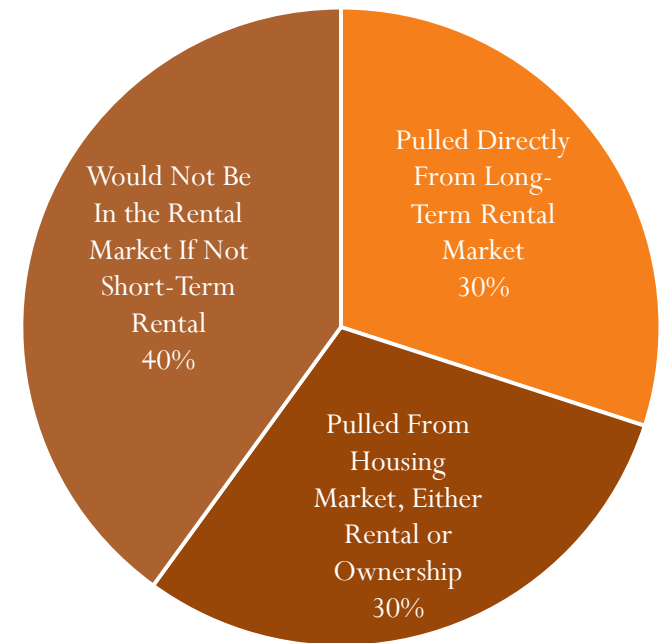
The Short-Term Rental Market

Short-Term Rentals (STRs) partially cannibalize units from the rental supply

In a tight rental housing market, a concern might arise that STRs are removing long-term rentals from the market. While this is true to some extent, not all STRs do so. Approximately 40 percent of STRs are units that would not otherwise be on the market if they weren't STRs. (For example, they might be a spare bedroom that would just be used as a spare bedroom.)

Another 30 percent of STRs are estimated to be directly converted from long-term rentals, and the remaining 30 percent are removed from the housing market, but it cannot be determined if they would have been rental units or owned units.

As such, STRs to date do negatively impact rental vacancy rates, but they are currently a smaller force than other market forces.

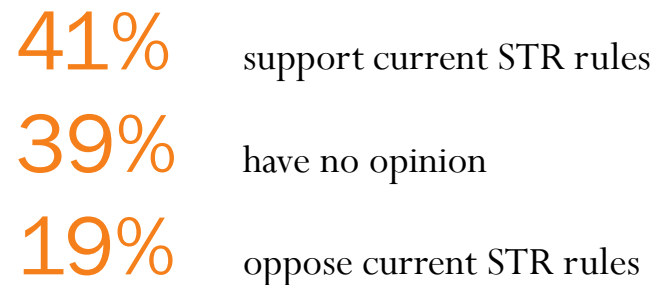


Executive Summary: Key Findings

Perceptions of STR Licensing Rules

Support generally outweighs opposition, though many aren't aware of the rules

Only 31 percent of residents were aware of STR licensing rules. However, when asked about support or opposition, residents were more likely to support the current rules than oppose them.



Executive Summary: Key Findings

Neighborhood Quality - Citywide

Residents generally rate their neighborhood as having positive qualities

Four measures of neighborhood quality were tested, and all received positive ratings. Peace and quiet, lawn maintenance, and home maintenance received particularly high ratings, while sense of community was lower (but still positive). The neighborhood west of campus is rated lower by its residents than other parts of the city, and renters tend to rate their neighborhood lower than owners.

		Region			Tenure		College Student in Home	
		West of campus	East of campus	Remainder of city	Owner	Renter	Yes	No
Peace and quiet	1.12	0.80	1.14	1.24	1.27	0.94	1.17	1.11
Maintenance of lawns	1.05	0.77	0.87	1.18	1.10	0.99	1.13	1.04
Maintenance of houses	1.07	0.78	0.90	1.20	1.20	0.90	0.89	1.10
Sense of community	0.48	0.25	0.56	0.55	0.76	0.13	0.21	0.54

Very good = 2, Fair = 0, Very bad = -2, Not applicable = excluded

Executive Summary: Key Findings

Neighborhood Quality and Ordinance Violators

Proximity to suspected ordinance violators is correlated with lower neighborhood quality ratings

Even within neighborhoods, proximity to suspected ordinance violators tends to correlate with lower ratings on neighborhood quality.

	Total	West of campus- Neighbor(s) violating occupancy ordinance		East of campus- Neighbor(s) violating occupancy ordinance		Remainder of city- Neighbor(s) violating occupancy ordinance	
		Yes	No	Yes	No	Yes	No
Peace and quiet	1.13	0.52	0.92	0.78	1.24	0.85	1.3
Maintenance of lawns	1.08	0.51	0.97	0.57	0.93	0.72	1.28
Maintenance of houses	1.08	0.5	0.96	0.83	0.95	0.49	1.31
Sense of community	0.49	-0.11	0.44	0.45	0.58	0.03	0.65

Very good = 2, Fair = 0, Very bad = -2, Not applicable = excluded

Executive Summary: Key Findings

Neighborhood Quality and Short-Term Rentals

Proximity to suspected STRs in areas where they are not allowed is correlated with lower neighborhood quality ratings

Overall, there is a negative correlation between perceived neighborhood quality and proximity to STRs. However, this is an issue only in areas where STRs are not allowed.

	Total	Neighbor(s) operate STRs		No STRs allowed-Neighbor(s) operate STRs		Primary STRs only-Neighbor(s) operate STRs	
		Yes	No	Yes	No	Yes	No
Peace and quiet	1.13	1.07	1.14	1.1	1.27	1.17	1.08
Maintenance of lawns	1.07	0.91	1.09	0.71	1.14	1.15	1.09
Maintenance of houses	1.07	0.93	1.09	0.90	1.18	0.96	0.98
Sense of community	0.5	0.36	0.52	0.37	0.68	0.40	0.38

Very good = 2, Fair = 0, Very bad = -2, Not applicable = excluded

Executive Summary: Key Findings

Neighborhood Issues - Citywide

Residents generally observe few problems amongst their neighbors

Among the tested issues, the most common are parking vehicles inappropriately and loud noises other than parties. The latter is reported much more commonly by renters than by owners.

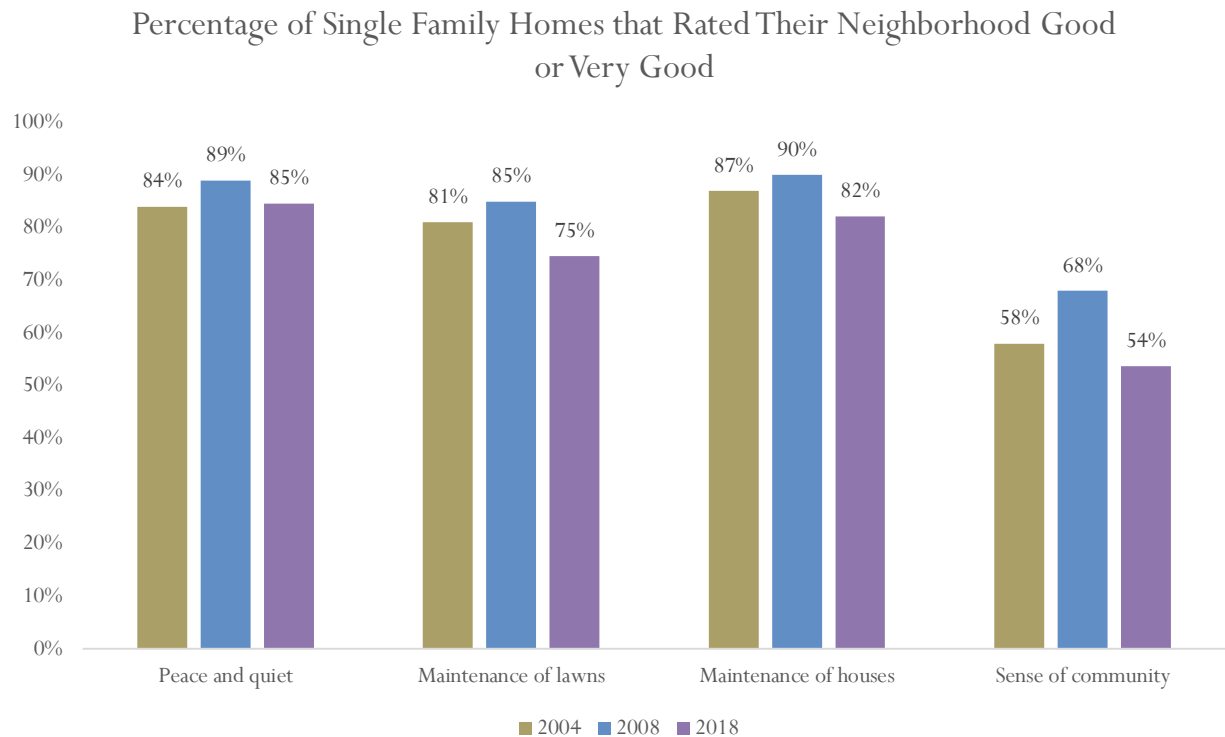
	Total	Region			Tenure		Opinion of Occupancy Ordinance		
		West of campus	East of campus	Remainder of city	Owner	Renter	Support	Neutral	Oppose
Uncontrolled pets running loose	0.51	0.69	0.47	0.45	0.43	0.6	0.58	0.53	0.39
Criminal activity	0.33	0.62	0.34	0.23	0.16	0.54	0.35	0.31	0.27
Disruptive parties	0.36	0.74	0.3	0.24	0.24	0.5	0.35	0.45	0.3
Loud noise other than parties, such as stereos or yelling	0.59	1.12	0.55	0.4	0.37	0.86	0.56	0.66	0.59
Parking vehicles inappropriately	0.66	1.03	0.64	0.53	0.59	0.74	0.71	0.66	0.59
Snow on sidewalks (snow not shoveled)	0.54	0.83	0.66	0.43	0.58	0.49	0.59	0.6	0.36
Trash or junk in the yard	0.49	0.91	0.51	0.34	0.39	0.62	0.59	0.46	0.39
Poorly maintained house	0.36	0.6	0.54	0.25	0.34	0.39	0.41	0.36	0.28

Executive Summary: Key Findings

Trends in Neighborhood Quality- Citywide

Residents generally rate their neighborhood as having positive qualities

Neighborhood quality ratings rose from 2004 through 2008 for single-family homes, and have declined since. While this appears to correlate with the increases and decreases in violator households, the pattern was also reported by residents who did not live in proximity to ordinance violators.



Executive Summary: Key Findings

Neighborhood Issues and Ordinance Violators

Proximity to suspected ordinance violators is correlated with more incidents of neighborhood issues

Loud noise and inappropriately parked vehicles stand out as issues that seem associated with proximity, particularly in the area west of campus.

	Total	West of campus- Neighbor(s) violating occupancy ordinance		East of campus- Neighbor(s) violating occupancy ordinance		Remainder of city- Neighbor(s) violating occupancy ordinance	
		Yes	No	Yes	No	Yes	No
Uncontrolled pets running loose	0.51	1.02	0.54	0.66	0.42	0.77	0.4
Criminal activity	0.31	1.07	0.45	0.93	0.23	0.54	0.14
Disruptive parties	0.36	1.42	0.44	0.7	0.19	0.6	0.18
Loud noise other than parties, such as stereos or yelling	0.59	1.75	0.84	1.49	0.39	0.76	0.35
Parking vehicles inappropriately	0.63	1.78	0.67	1.47	0.49	0.86	0.44
Snow on sidewalks (snow not shoveled)	0.53	1.55	0.47	1.35	0.5	0.87	0.35
Trash or junk in the yard	0.48	1.53	0.58	1.53	0.32	0.91	0.25
Poorly maintained house	0.35	1.07	0.33	1.19	0.42	0.89	0.15

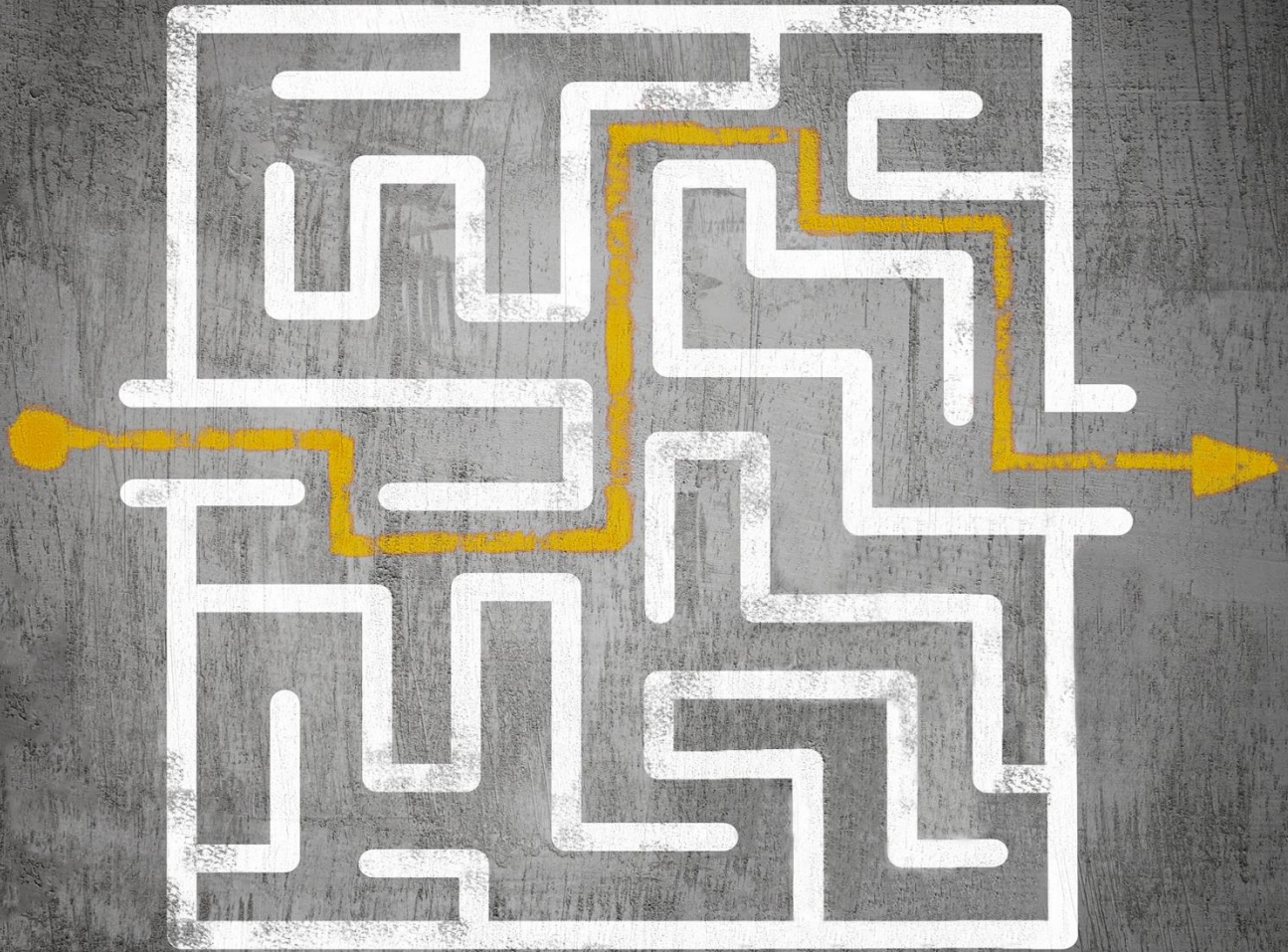
Executive Summary: Key Findings

Neighborhood Quality and Short-Term Rentals

Proximity to suspected STRs is correlated with more incidents of neighborhood issues

The impact is smaller than that seen for ordinance violators, but nonetheless negative impacts are reported, particularly in areas where STRs are not allowed.

	Total	Neighbor(s) operate STRs		No STRs allowed-Neighbor(s) operate STRs		Primary STRs only-Neighbor(s) operate STRs	
		Yes	No	Yes	No	Yes	No
Uncontrolled pets running loose	0.51	0.82	0.47	0.85	0.47	0.78	0.46
Criminal activity	0.3	0.56	0.26	0.52	0.15	0.68	0.35
Disruptive parties	0.35	0.56	0.33	0.63	0.24	0.55	0.37
Loud noise other than parties, such as stereos or yelling	0.57	0.84	0.54	0.88	0.39	0.91	0.63
Parking vehicles inappropriately	0.63	0.87	0.60	1.03	0.52	0.8	0.66
Snow on sidewalks (snow not shoveled)	0.53	0.77	0.50	1.08	0.51	0.5	0.54
Trash or junk in the yard	0.47	0.67	0.44	0.76	0.38	0.65	0.45
Poorly maintained house	0.35	0.64	0.32	0.71	0.33	0.63	0.32



Introduction: Background

In 2018, the City of Fort Collins retained Corona Insights to conduct an examination of rental market conditions in Fort Collins, particularly with respect to the City's occupancy ordinance. The initial research questions were:

- > Has the occupancy ordinance had an impact on neighborhood quality?
 - Our conclusions are shown on Page 4 and 7 of the Executive Summary.
- > Does the occupancy ordinance impact the affordability of housing?
 - Our conclusions are shown on Page 22 and 26 of the Executive Summary.

This report is a followup to two previous studies conducted for the city in 2005 and 2009. The previous studies contained some common elements to this study, but generally had somewhat different emphases.

- > The 2005 study focused primarily (but not exclusively) on estimating the impacts of the ordinance on the rental market if it were fully enforced, but also included measures of neighborhood quality among single-family home residents.
- > The 2009 study focused primarily on the impacts of the ordinance enforcement on various constituency groups. It also included a tracking survey of neighborhood quality.
- > This 2018 report steps back and takes a larger view of the rental market, updates the tracking survey, and provides the first examination of the impact of Short-Term Rentals on the market and on neighborhood quality. The 2018 report also expanded the survey to include all households rather than just single-family home residents.

Introduction: Occupancy Ordinance

The occupancy ordinance states that

"Occupancy in a residential dwelling unit (single-family, duplex, and multifamily) is restricted to:

one family as defined below (Section 5.1.2) and not more than one additional person;

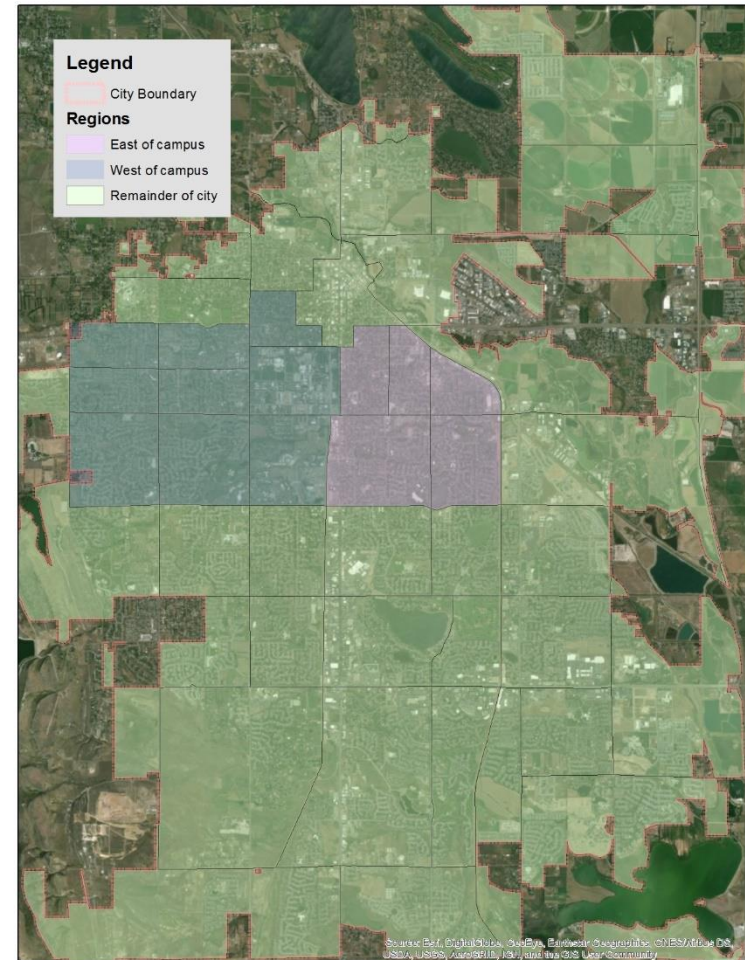
OR

one adult and their dependents (if any), a second adult and their dependents (if any), and not more than one additional person."

The ordinance has existed for many years, but was enforced actively beginning in 2007.

Introduction: Geographical Analysis Areas

Because the occupancy ordinance has been of particular focus in areas near the Colorado State University campus, several analyses in this report break down citywide results into three areas, as shown here.



Introduction: Report Layout

The report addresses housing in terms of overall market trends as well as specific topics. The layout follows the order below. Each sub-section includes unique key findings.

Section 1. Rental Market Trends

Comparisons to Other Colorado Metro Areas
Comparison to a Selection of Nationwide Cities
Recent Trends in Fort Collins

Section 2. Ordinance Violators

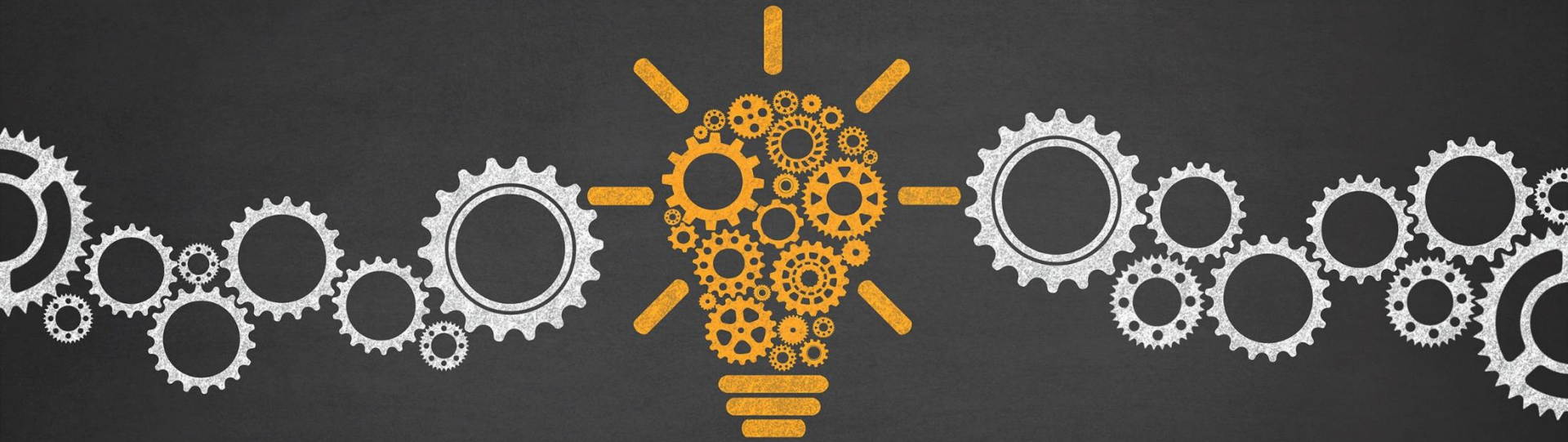
Estimated Number
Profile of Violators
Investigation Outcomes
Public Sentiment Toward Ordinance

Section 3. Short-Term Rentals

Profile of Units and Revenues
Rental Hosts and Properties
Public Sentiment Toward STR Rules

Section 4. Neighborhood Quality

Citywide Quality Measures
Proximity to Ordinance Violators
Proximity to Short-Term Rentals



Section 1.1

Rental Market Trends

Fort Collins Compared to Other Colorado Metro Areas

1.1.1 Change in Demand

1.1.2 Change in Supply

1.1.3 Change in Vacancies

1.1.4 Change in Average Rent

Key Findings: Colorado Comparisons

- ➔ While population growth in Fort Collins is higher than most comparable areas, the highest rates in the city were concentrated pre-ordinance.
- ➔ The average size of rental households increased over the long term.
- ➔ The proportion of homes that were renter-occupied increased over the long term.
- ➔ Housing supply trends in Fort Collins are largely consistent with other Colorado markets across time periods. The city had a significant decrease in new residential building permits between 2004-2009 that has since rebounded.
- ➔ While the entire state has seen a decrease in rental vacancy rates over the last two decades, Fort Collins has had a significantly lower (in relative and absolute terms) vacancy rate in the post-ordinance era.
- ➔ While trends in the cost of rent in Fort Collins were similar to comparable cities pre-ordinance, the rate of increase has been much higher (in relative and absolute terms) in the post-ordinance era. Nonetheless, most comparable Colorado cities have seen a steep increase in rent between 2013-2017.

[A description of the methodology is found in the appendix.](#)

Section 1.1.1

Change in Demand

Population growth in Fort Collins is fairly consistent with similar metro areas

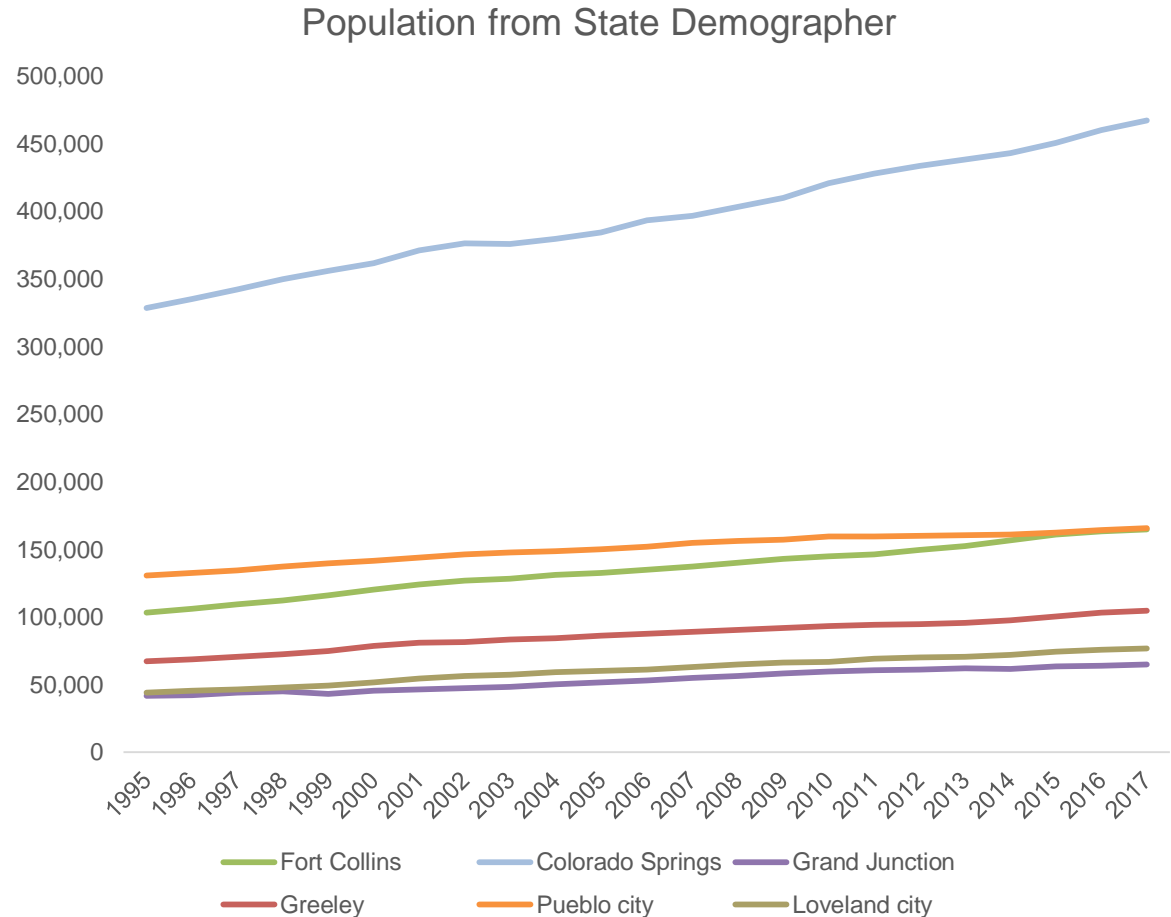
Average Population from State Demographer

	Average Population									
	1998-2001		2002-05		2006-09		2010-13		2014-2017	
	I		II		III		IV		V	
Fort Collins/Loveland	169,179		188,187		202,794		217,593		236,169	
Fort Collins	118,195		129,874		138,852		148,360		161,421	
Loveland	50,985		58,313		63,942		69,233		74,749	
Colorado Springs	359,794		379,203		400,872		430,156		455,163	
Grand Junction	45,188		49,417		55,839		61,029		63,677	
Greeley	76,804		84,062		89,758		94,571		101,572	
Pueblo	140,737		148,286		155,100		160,084		163,532	
Population Change										
	I-II		II-III		III-IV		IV-V		I-V	
Fort Collins/Loveland	11%	19,008	8%	14,607	7%	14,800	9%	18,576	40%	66,990
Fort Collins	10%	11,679	7%	8,978	7%	9,508	9%	13,061	37%	43,226
Loveland	14%	7,329	10%	5,629	8%	5,291	8%	5,516	47%	23,764
Colorado Springs	5%	19,409	6%	21,669	7%	29,285	6%	25,007	27%	95,369
Grand Junction	9%	4,229	13%	6,422	9%	5,190	4%	2,648	41%	18,489
Greeley	9%	7,258	7%	5,696	5%	4,813	7%	7,001	32%	24,767
Pueblo	5%	7,548	5%	6,814	3%	4,984	2%	3,448	16%	22,795

Fort Collins' population has converged with Pueblo

The last 20 years has seen Fort Collins' population increase by around 51%. While at the higher end of these similar metro areas, this growth is fairly similar to Grand Junction and Greeley, which have both seen an increase of 48% during the same time period.

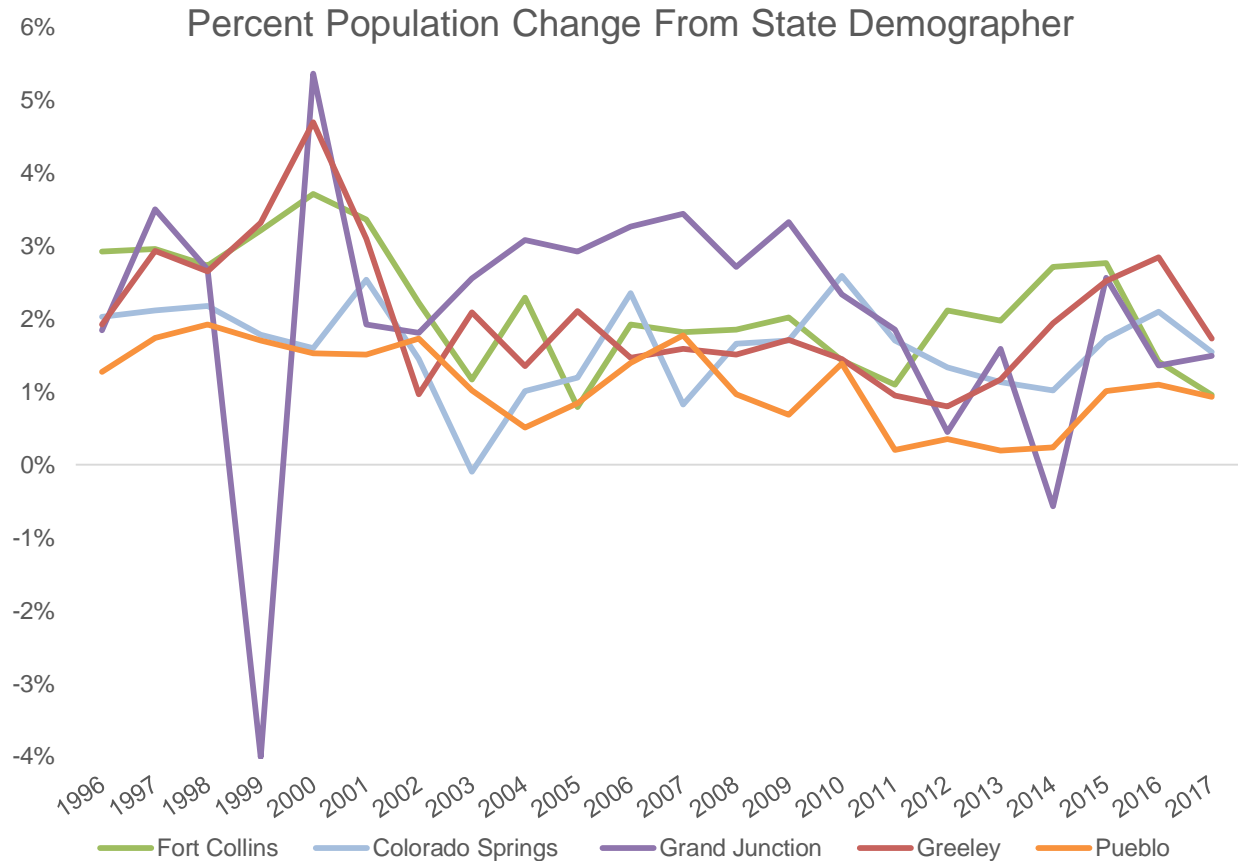
Fort Collins' convergence with Pueblo is largely the product of a smaller increase of only 23% in the latter.



Population growth rate in Fort Collins is consistent with similar metro areas

Yearly population growth in Fort Collins is similar to comparable state metro areas.

The city's annual population growth rate was the highest between 1998 and 2001, averaging 3.25%. While the last four years have seen higher rates, Fort Collins' annual population growth rate has not been above 3% since 2001.



the renter population is growing, and so is the average number of people living in rented homes

Era	Rental Households	Rental Population	Average Renter Household Size	Proportion of Households Who Are Renters
2005-2007	23,130	48,790	2.11	43.1%
2010-2012	26,044	59,530	2.29	45.6%
2015-2017	28,871	68,815	2.38	46.4%

Because Fort Collins is a growing community, we would expect the number of rental households to increase, along with number of people living in rental households. However, the more interesting analysis is how rental households are changing within the housing landscape.

Over the past ten years, the size of rental households has increased notably from an average of 2.11 people per household to 2.38 people per household. This is a notable increase in size, and essentially means that nearly 8,000 additional people are living in rental unit solely due to this increase in household size. There could be many reasons for this, but affordability is a likely suspect, potentially forcing more roommate situations or delaying home buying for families.

Also of interest is the continuing increase of rental households among the population. Comparing the current rate to ten years ago, we can conclude that approximately 950 households are renting now, and in past years would have owned their homes.

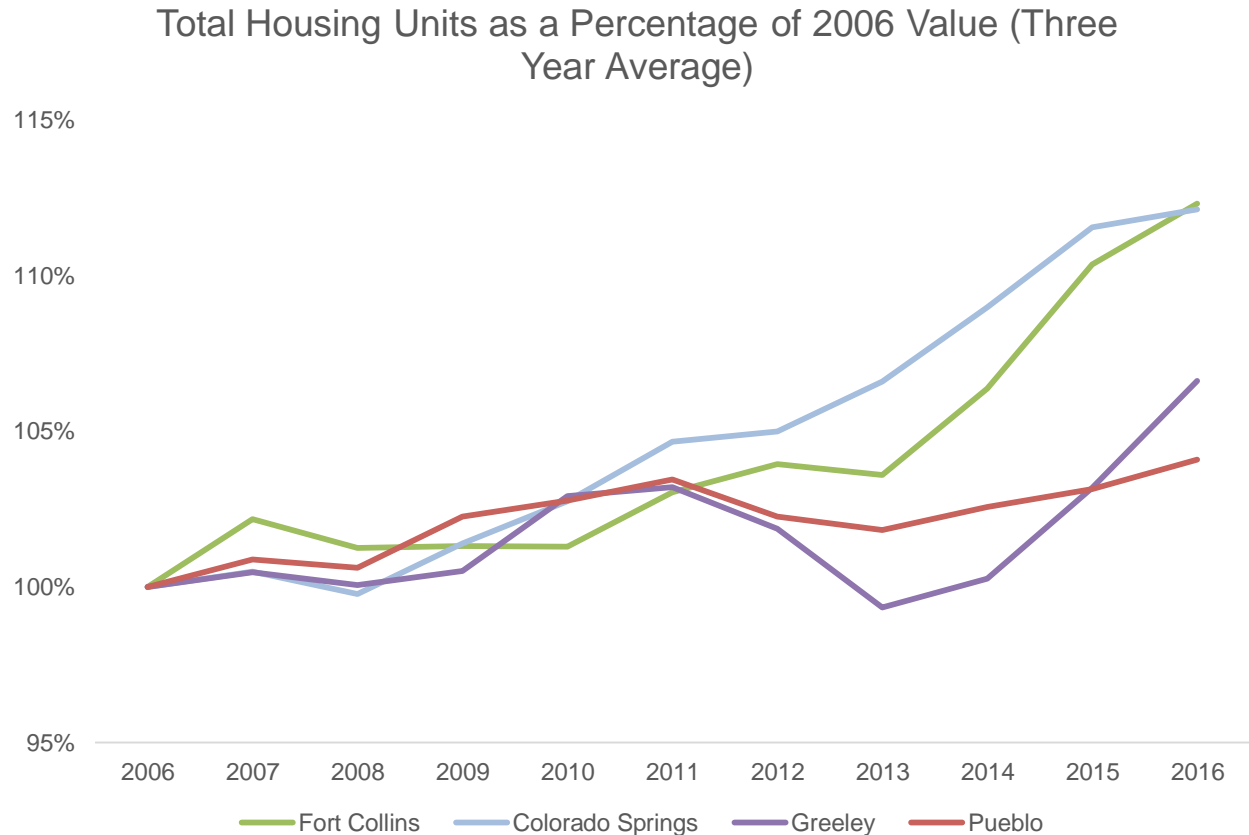
Section 1.1.2

Change in Supply

Growth in housing unit supply has increased significantly since 2013

This graph normalizes housing supply growth as a percentage of each city's 2006 value, allowing for a more effective comparison.

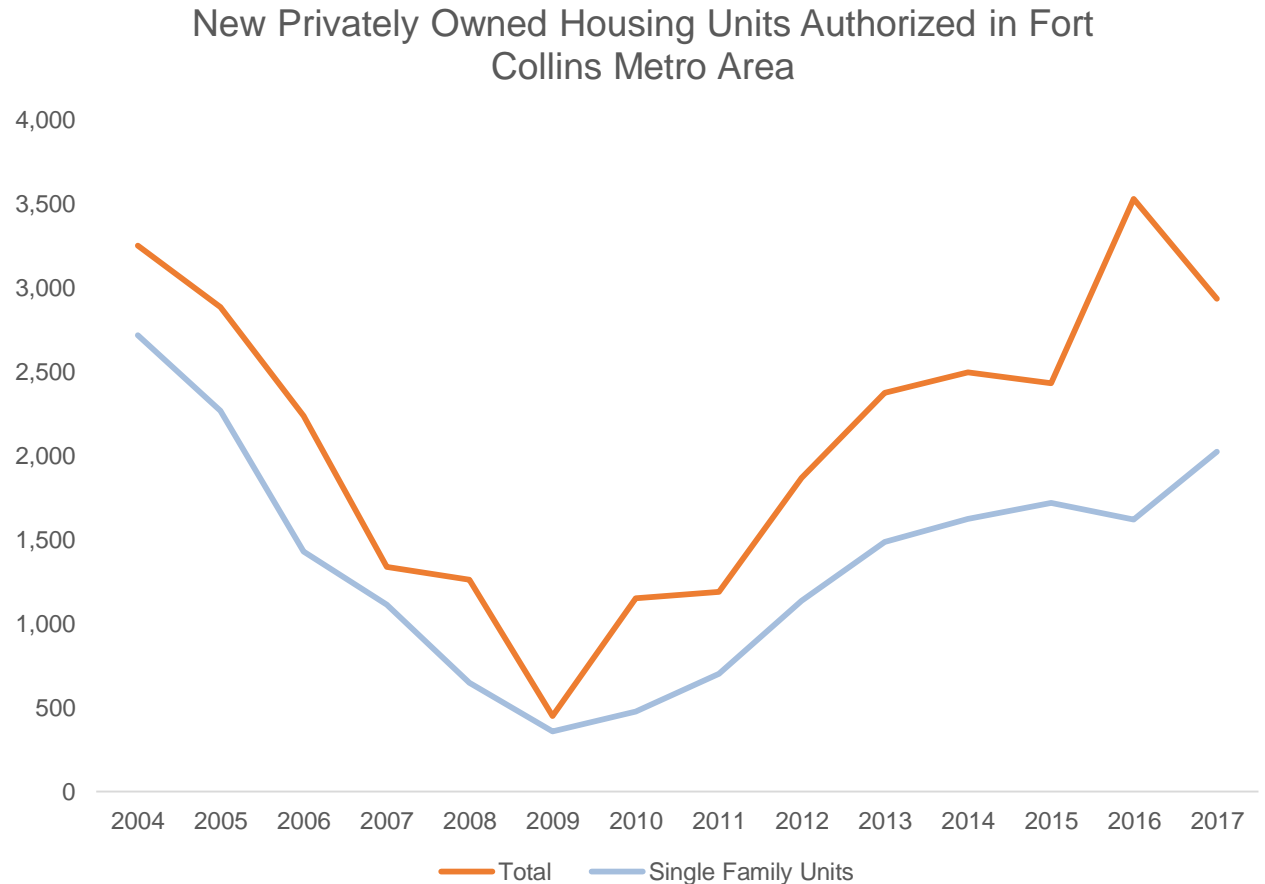
While housing supply in Fort Collins was fairly stagnant between 2005 and 2010 the last five years has seen a higher rate of expansion in housing units.



Housing development in Fort Collins bottomed out in 2009

The US Census' Building Permits Survey shows that the creation of new housing units in Fort Collins was in decline before the 2008 housing crisis and reached its nadir in 2009.

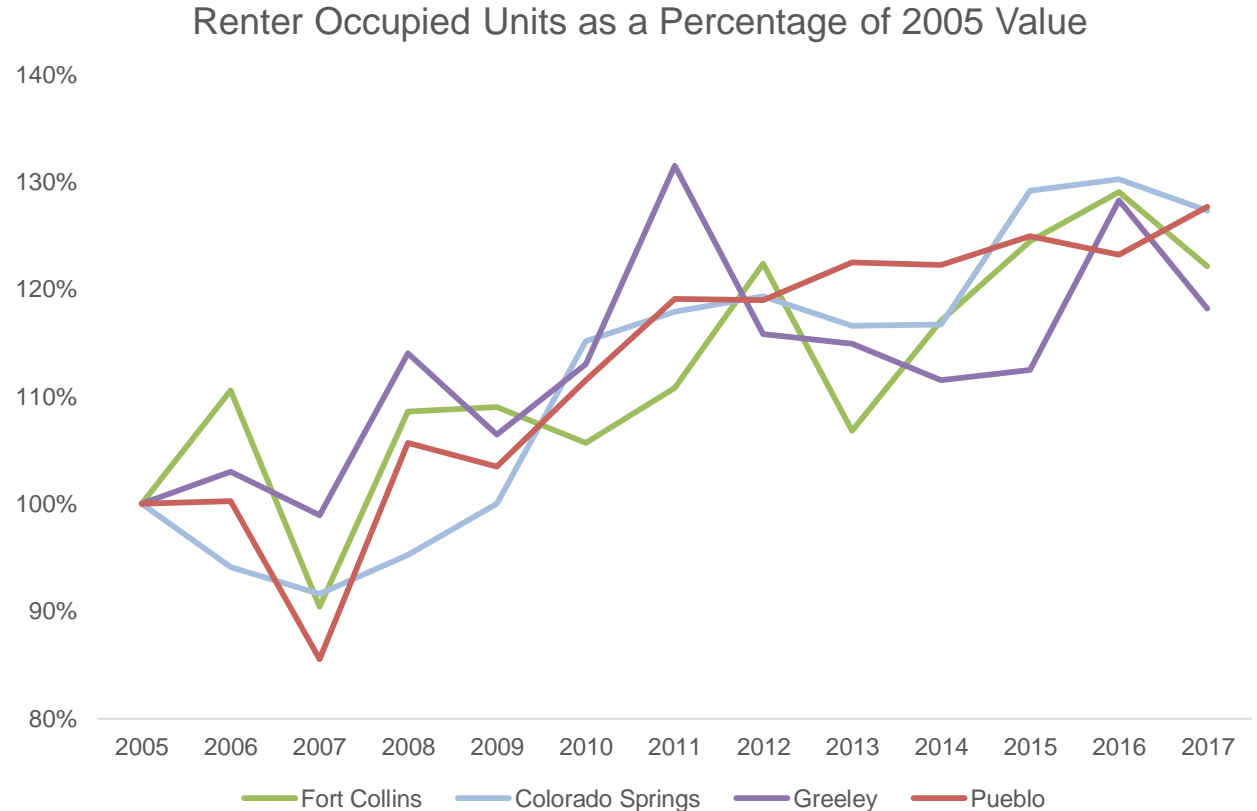
The increase seen in overall housing units after 2013 is mirrored in the growth of newly authorized units.



Growth in renter occupied units is consistent with similar metro areas

All four Colorado metro areas have seen a steady increase in renter occupied units.

The increase in renter occupied units is coming from both increases in housing units and a decrease in home ownership rate.



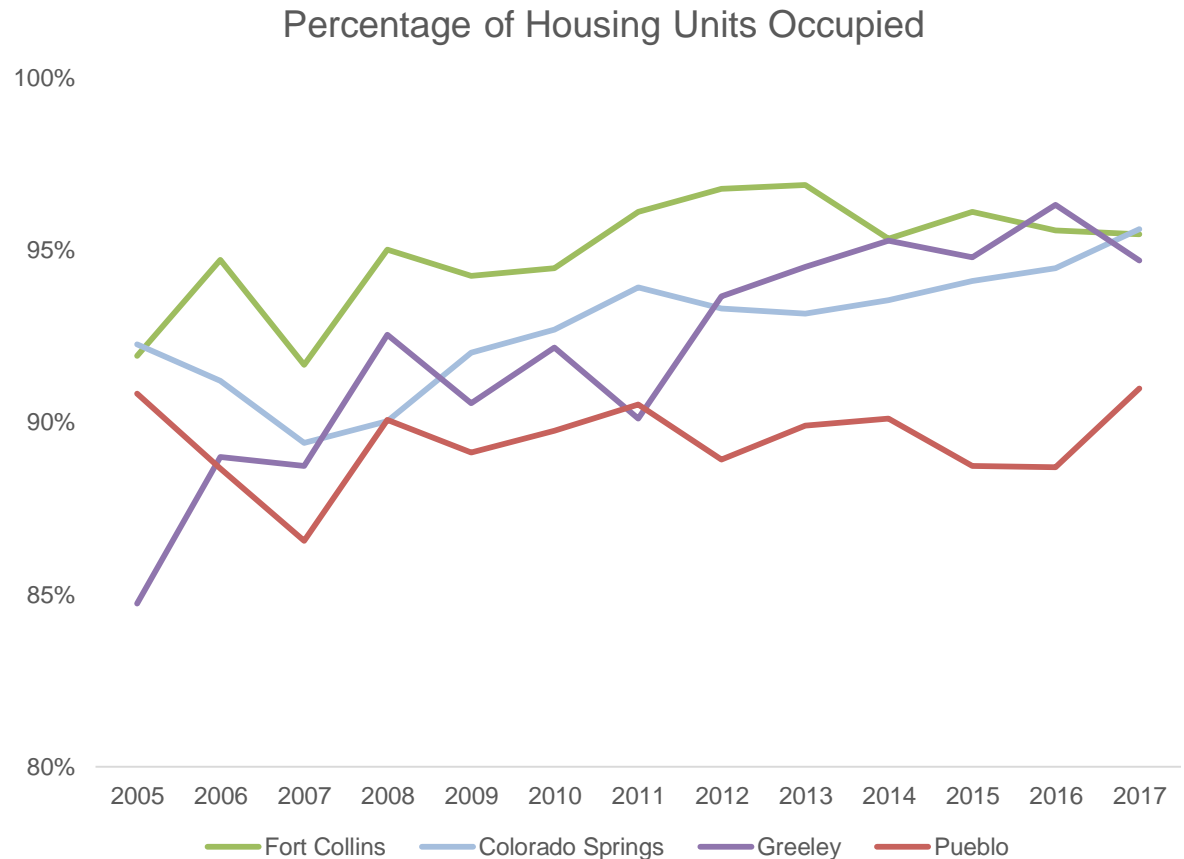
Section 1.1.3

Change in Vacancies

Colorado Springs and Greeley are converging to Fort Collins' high occupancy rate

These Census data, which combine the rental and owner housing markets, show that occupancy rates in Fort Collins have historically been higher than similar metro areas.

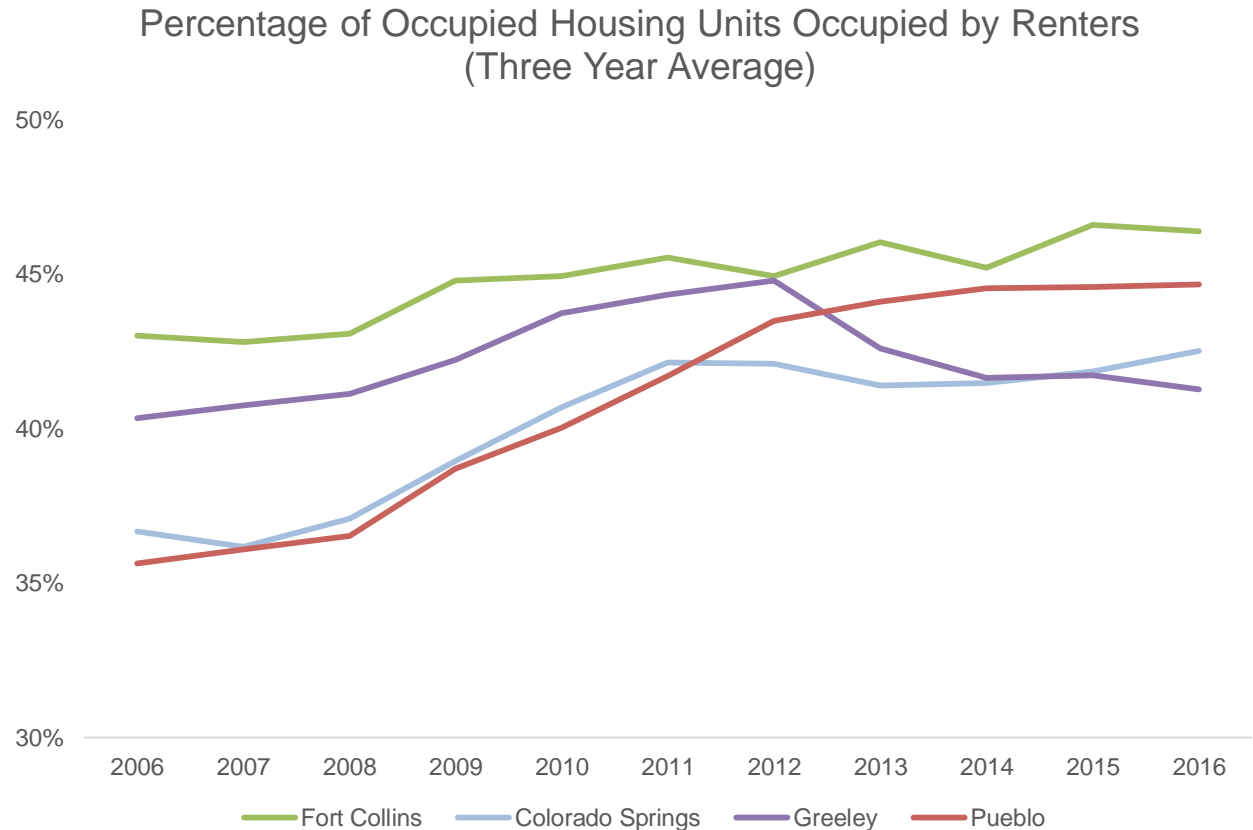
More than 95% of all Fort Collins' housing units have been occupied since 2010



Renters are making up a higher percentage of occupied units in Fort Collins

Compared to similar metro areas in the state, Fort Collins has had a high percentage of renters in occupied units.

The state-wide increase in renting could be attributed to the 2008 financial crisis and increasing costs of home ownership post-recession

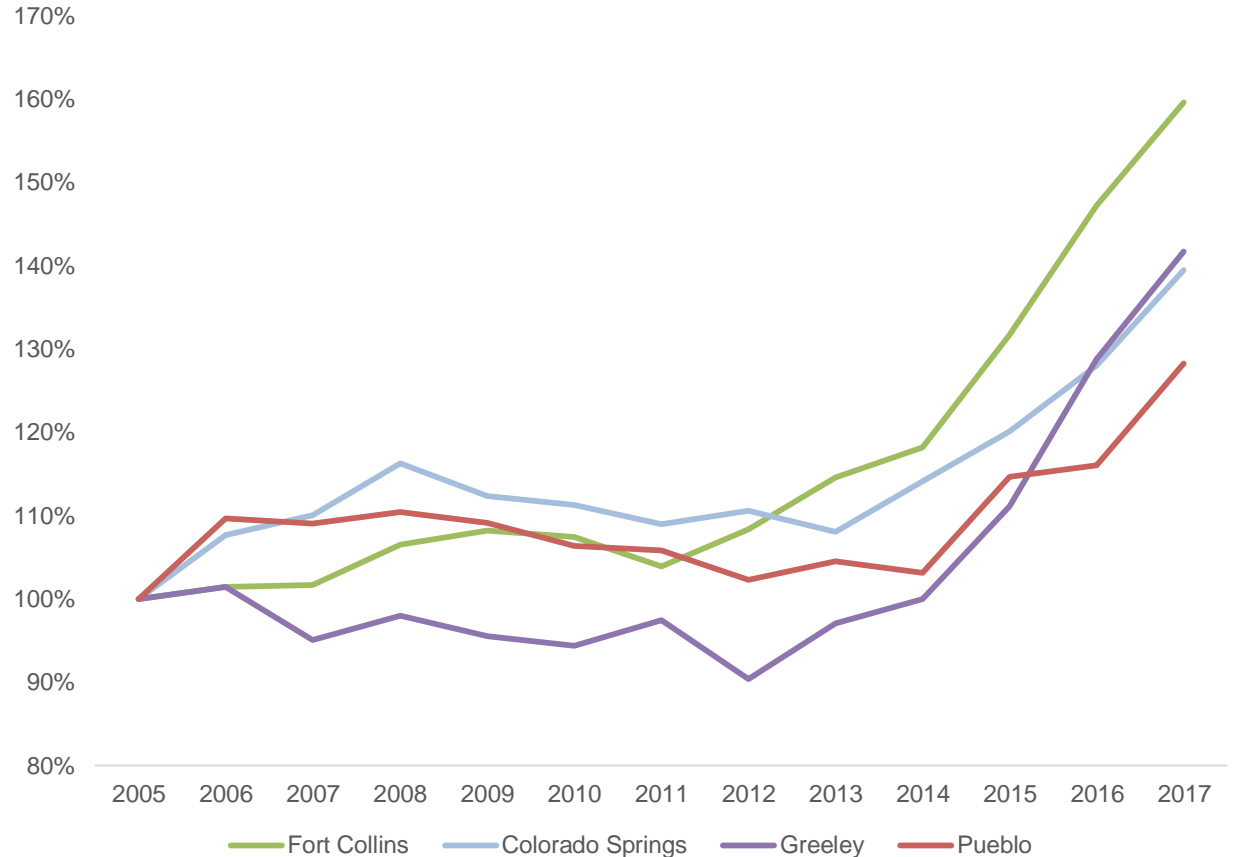


Colorado has seen a steep increase in home values over the last six years

While median home values in Fort Collins were largely stagnant between 2005 and 2011, the next six years saw about a 50% increase.

While all four metro areas had significant increases in home values between 2005 and 2017, Fort Collins demonstrated the largest percentage with the median home value increasing from \$229,700 to \$366,500

Median Home Value as a Percentage of 2005 Value



Sale-to-list price in Fort Collins has been increasing over the last few years

Detailed home sale data is only available after 2011 for Fort Collins.

The last few years have seen home buyers paying a higher percentage of list price.

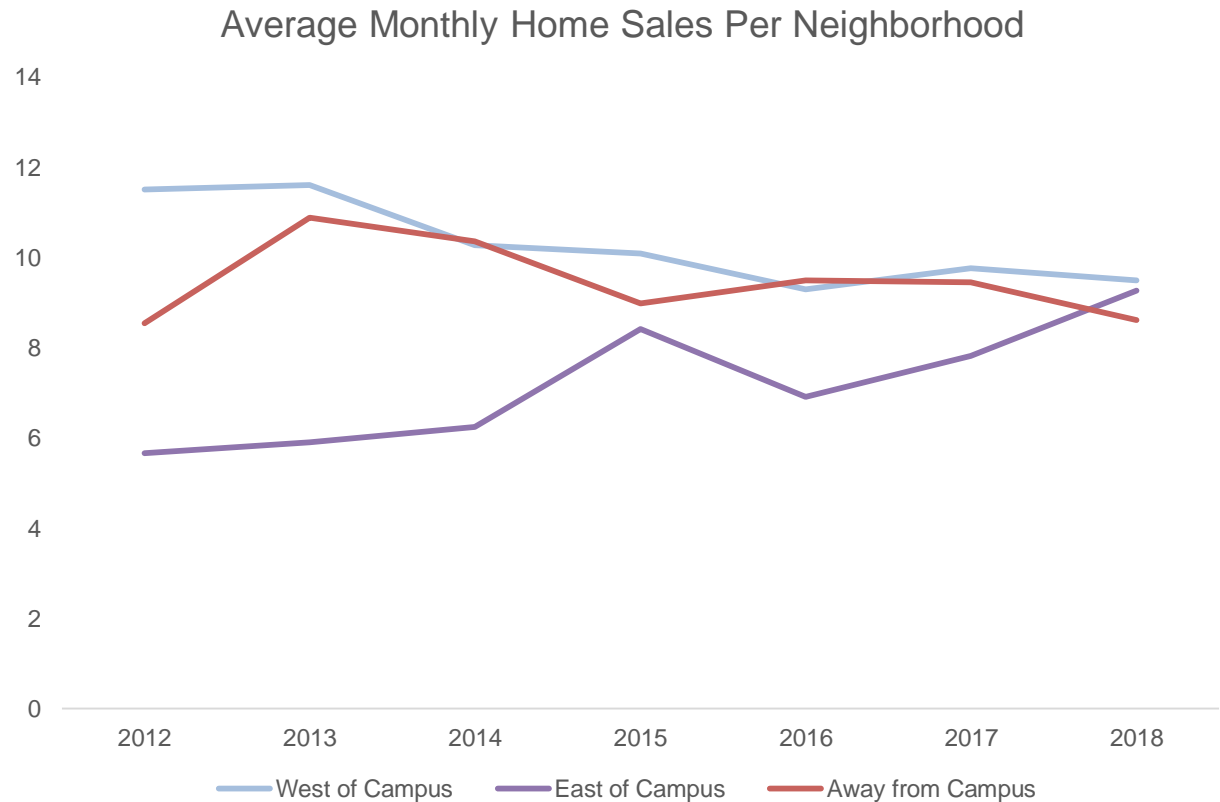
While the sale-to-list price for neighborhoods east of campus appear lower than others, it is important to note that this data is based exclusively on the “University Park” area.



sale-to-list price in Fort Collins has been increasing over the last few years

Average monthly home sales west of campus are very similar to those in neighborhoods away from campus over the last few years.

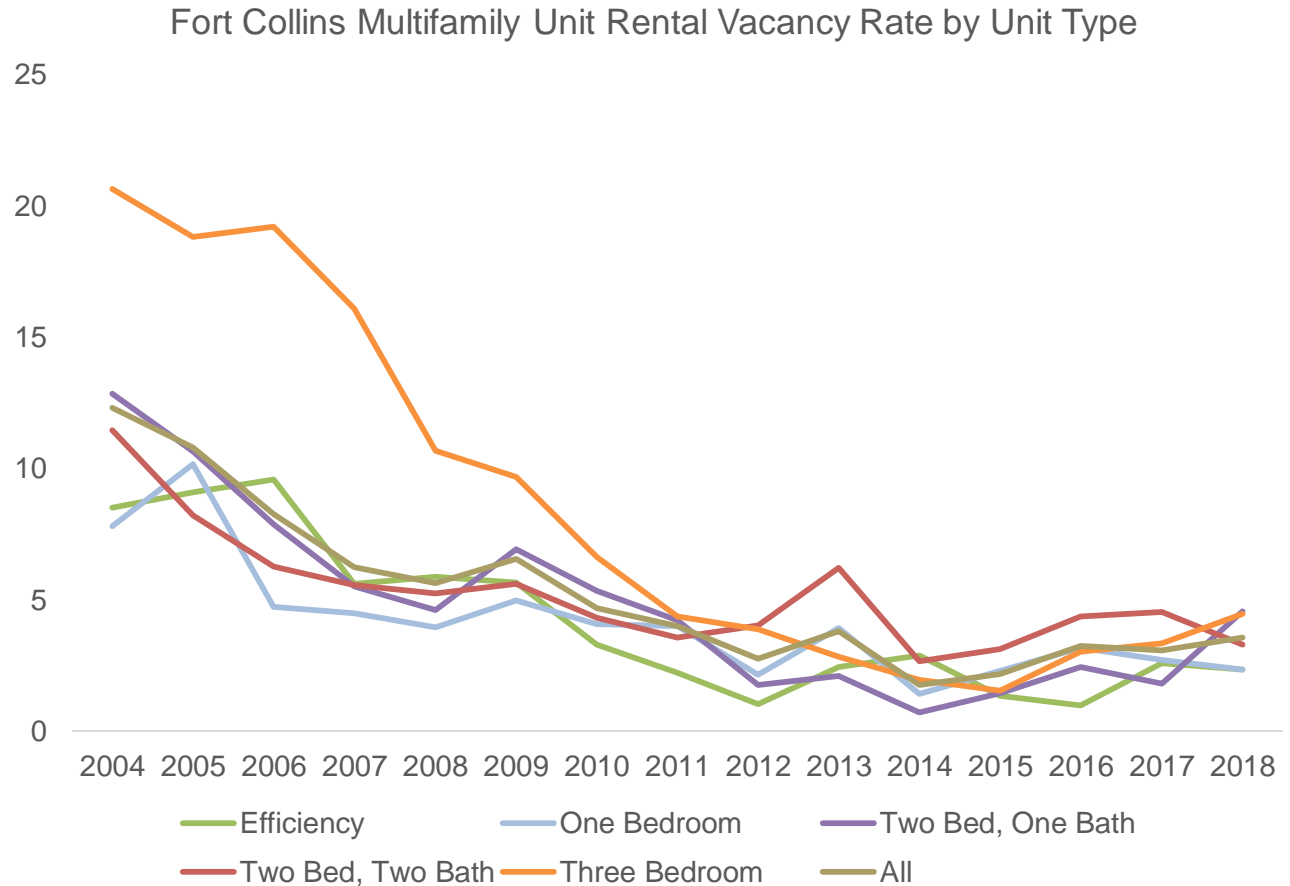
Sales in the University Park area have converged with average rates in other areas of Fort Collins over time.



multifamily vacancy rates in Fort Collins are low across unit types

Rental vacancy rates in Fort Collins steadily decreased across all unit types between 2004 and 2012 and have remained consistently below 5% since.

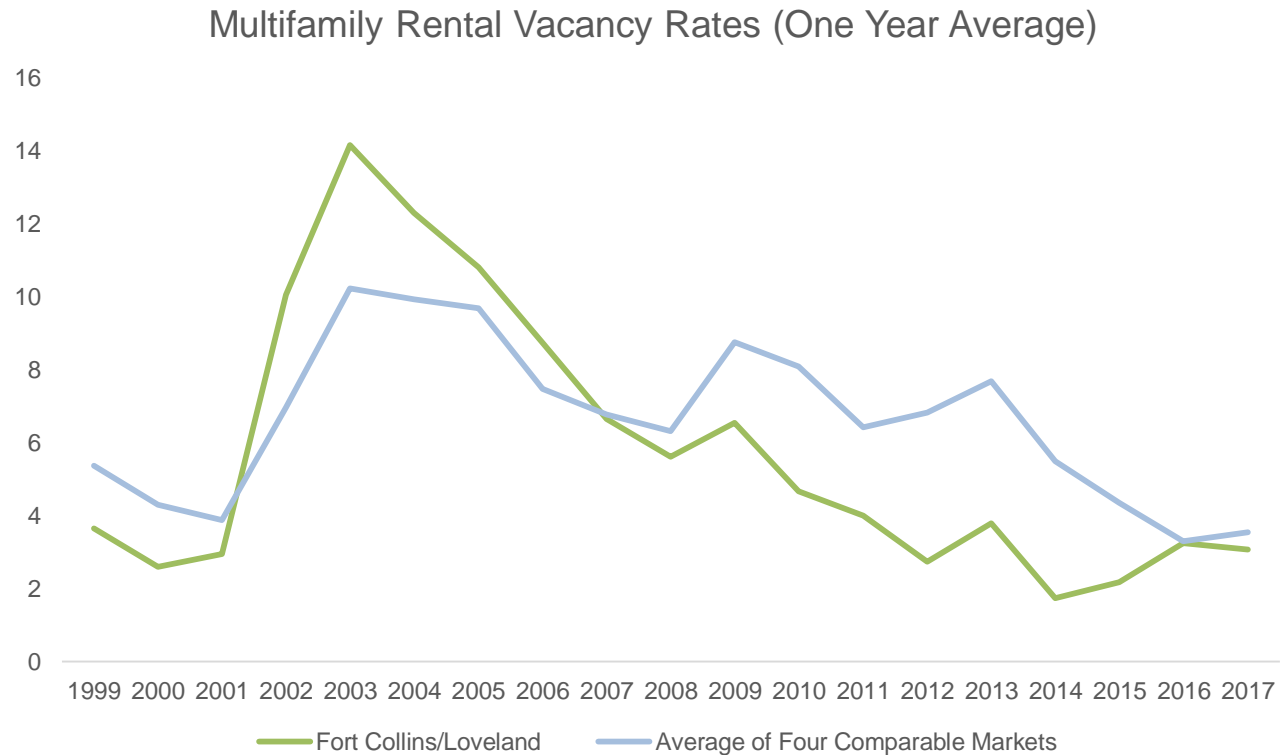
While three bedroom units experienced significantly higher vacancy rates in the mid 2000s, they have converged to the average rate in the city.



vacancy rates in Fort Collins follow a similar trend to comparable metro areas, but are lower in the post-ordinance era

The four comparable metro areas have demonstrated a similar, but less extreme, decline in rental vacancy rates.

Fort Collins has spent most of the post-ordinance era having a significantly lower rental vacancy rate than similar Colorado markets, although appear to be converging lately.



Recent vacancy rates in Fort Collins have been lower than similar cities

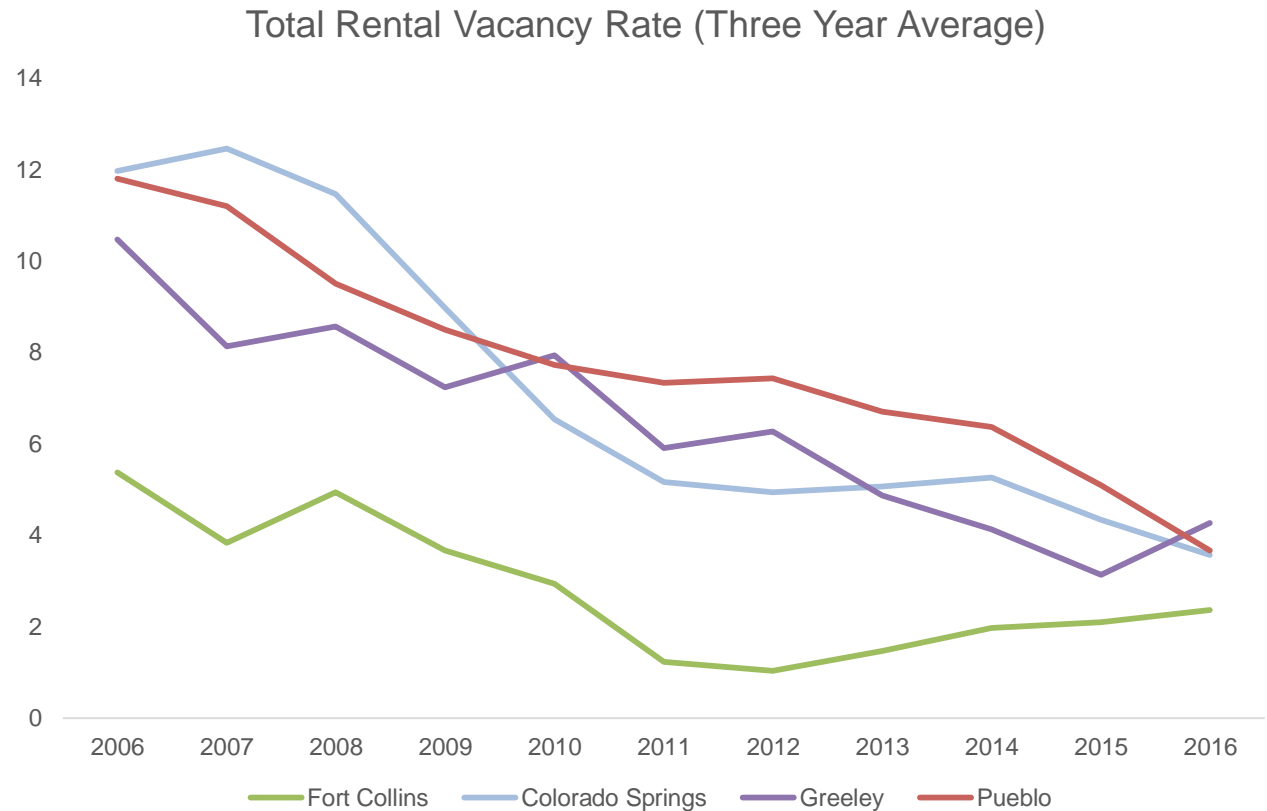
Average Vacancy Rates - Multi-Family Units

	Average Vacancy Rate				
	1998-2001	2002-05	2006-09	2010-13	2014-2017
	I	II	III	IV	V
Fort Collins/Loveland	3%	12%	7%	4%	3%
Colorado Springs	5%	11%	10%	6%	5%
Grand Junction	5%	7%	4%	9%	4%
Greeley	3%	10%	7%	4%	3%
Pueblo	5%	8%	8%	10%	5%
	Average Vacancy Rate Change				
	I-II	II-III	III-IV	IV-V	I-V
Fort Collins/Loveland	8.6	-5.1	-3.0	-1.2	-0.7
Colorado Springs	6.3	-0.6	-3.9	-0.8	0.9
Grand Junction	2.1	-3.5	5.0	-4.9	-1.3
Greeley	7.0	-3.0	-3.1	-1.4	-0.5
Pueblo	3.6	-0.4	1.8	-5.2	-0.3

Total renter vacancy rates in Fort Collins are very low

Examining the total rental vacancy rate (single and multifamily homes) from the Census confirms the trends observed in the Colorado Department of Housing data.

Fort Collins has had a lower rental vacancy rate than similar markets in the post-ordinance era. The decrease between 2008 and 2011 has led to an extremely tight rental market with few vacant rental units.



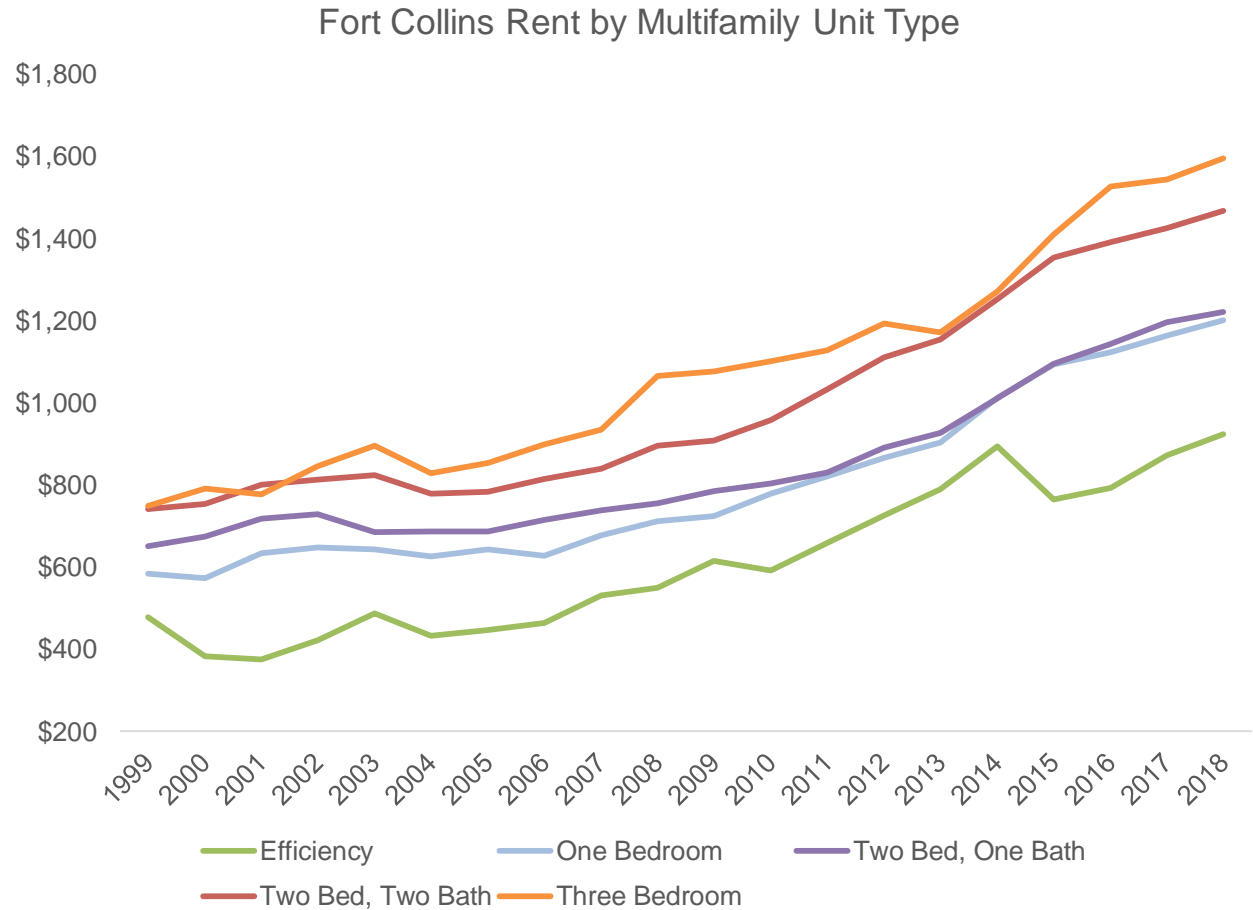
Section 1.1.4

Change in Average Rent

Across unit types, average rent in Fort Collins has nearly doubled over the last 20 years

Rent in Fort Collins is increasing across all unit types. Efficiencies and three bedroom units have seen the largest percentage increase over the last two decades.

2009-2018 saw a 56% increase in the average rent of all unit types. This is significantly higher than the 18% increase observed between 1999-2008.



Average rent increased in Fort Collins at a higher rate than similar metro areas, especially between 2006-2013

Breaking down the change in average rent across four year segments illustrates how Fort Collins' rent compares to similar metro areas in the state. The percentage change from era I to II shows that Fort Collins followed a similar pattern of steady increase seen across the state. More recently, the change between IV and V shows most metro areas experiencing a steep increase in rental prices. The main period where the Fort Collins' market appears to be unique is the change between III and IV. Here the rate of change is double that of comparable cities.

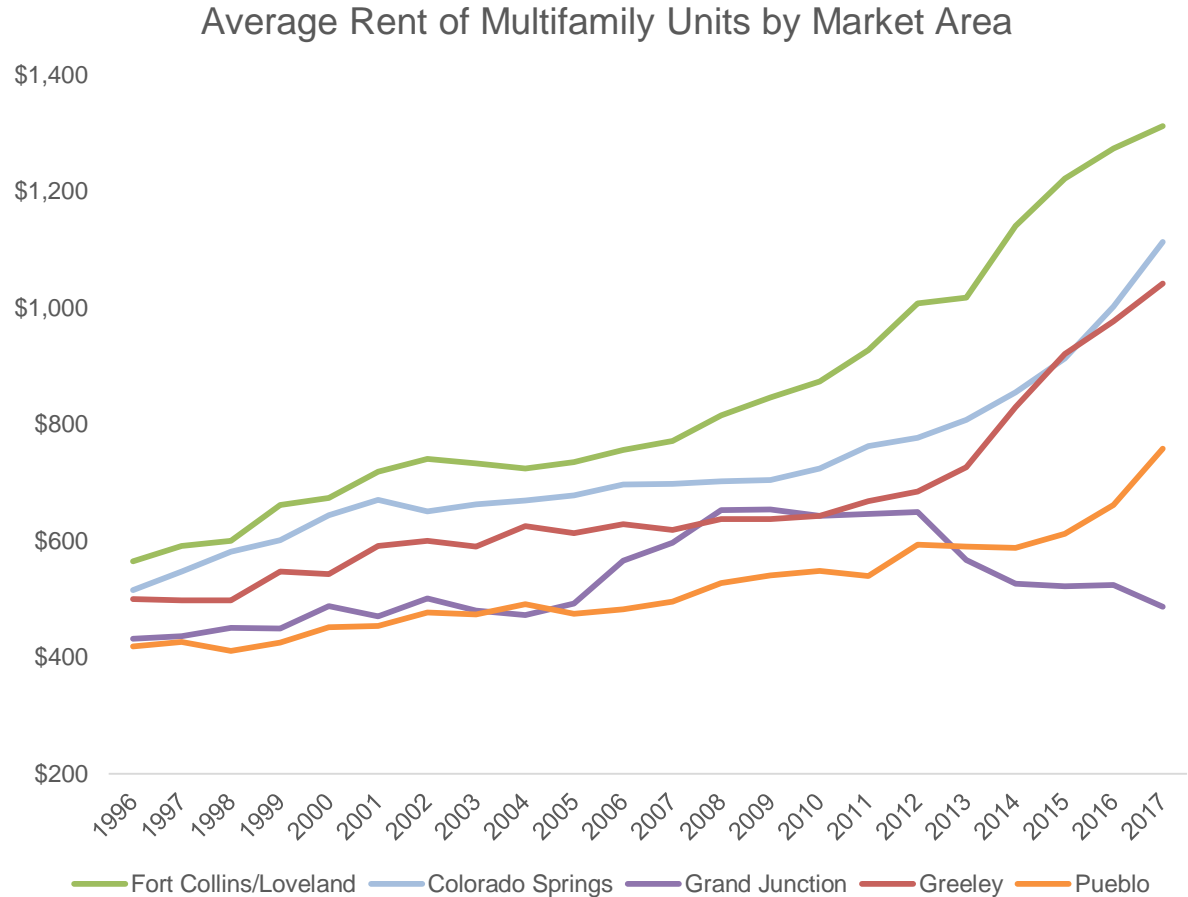
Rental Prices - Multi-Family Units

	Average Rent									
	1998-2001 I		2002-05 II		2006-09 III		2010-13 IV		2014-2017 V	
Fort Collins/Loveland	\$656.90		\$733.22		\$799.85		\$956.93		\$1,237.35	
Colorado Springs	\$613.51		\$665.32		\$700.37		\$768.00		\$970.91	
Grand Junction	\$465.27		\$486.76		\$620.62		\$626.14		\$514.95	
Greeley	\$537.49		\$606.97		\$630.59		\$680.35		\$942.25	
Pueblo	\$434.08		\$479.29		\$513.34		\$567.87		\$655.00	
Rental Price Change										
	I-II		II-III		III-IV		IV-V		Total Change I-V	
Fort Collins/Loveland	12%	\$76.33	9%	\$66.63	20%	\$157.08	29%	\$280.41	88%	\$580.45
Colorado Springs	8%	\$51.80	5%	\$35.05	10%	\$67.63	26%	\$202.92	58%	\$357.40
Grand Junction	5%	\$21.49	28%	\$133.86	1%	\$5.52	-18%	-\$111.19	11%	\$49.68
Greeley	13%	\$69.48	4%	\$23.62	8%	\$49.76	38%	\$261.90	75%	\$404.76
Pueblo	10%	\$45.20	7%	\$34.05	11%	\$54.54	15%	\$87.13	51%	\$220.92

Average rent in Fort Collins increased at a higher rate than similar metro areas

While rent in Fort Collins has always been higher than comparable metro areas, the last decade has seen rent in the city increase at a faster rate.

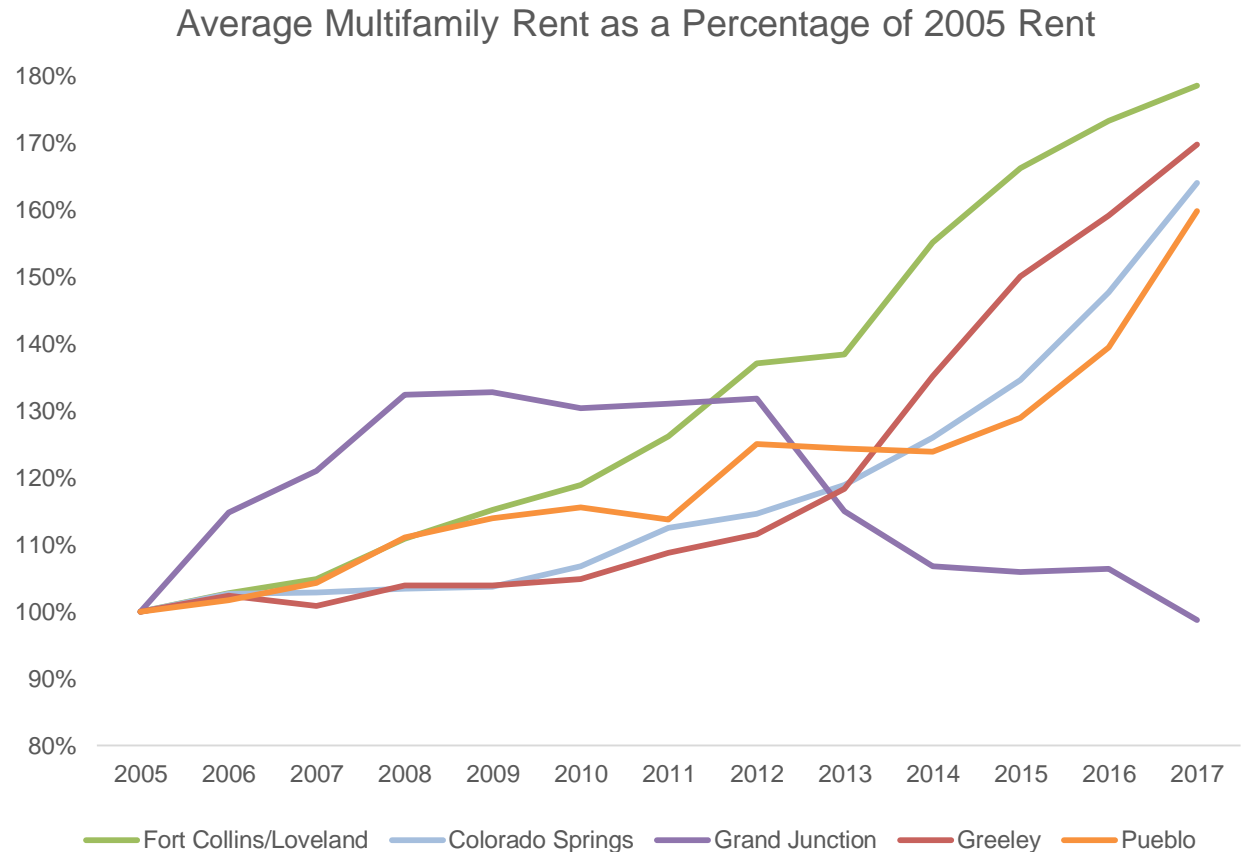
All metro areas, except for Grand Junction, have seen steep increases in multi-family unit rent in recent years.



Post 2005 rent has increased in Fort Collins at a higher rate than similar metro areas

Examining average rent as a percentage of each city's 2005 value confirms the previously identified pattern.

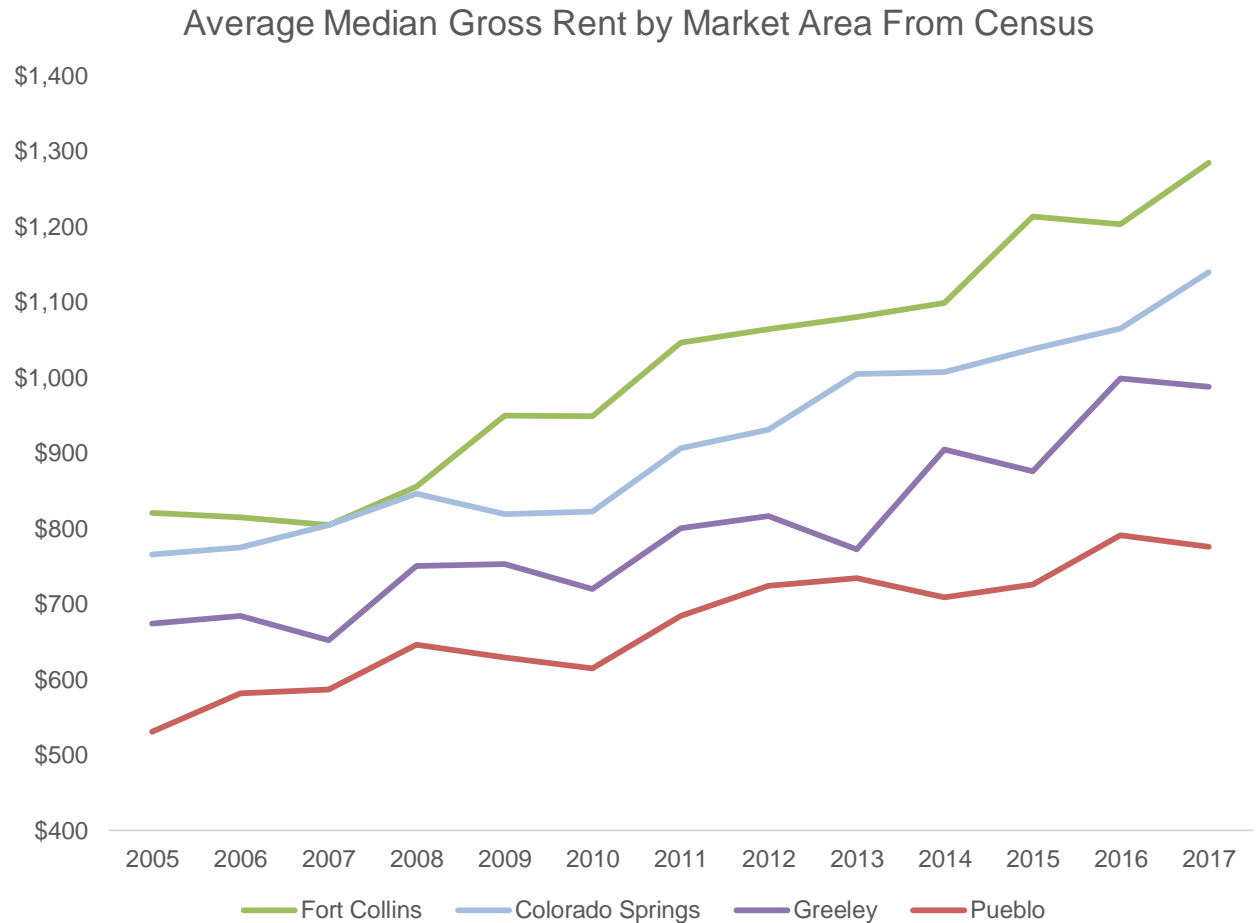
While recent years have brought increased rents across the state, Fort Collins has experienced the most significant rise in rental costs.



Calculating total median rent from the Census confirms the trend

Examining total median rent (single and multifamily homes) from the Census confirms the trends observed in the Colorado Department of Housing data.

Fort Collins has historically had higher rental costs than comparable metro areas, but has also seen the largest increase during this period - 68% compared to an average of 48% for the three comparable cities.



Despite similar population trends, rent in Fort Collins increased at a higher rate than similar areas post-ordinance

- The geographic and temporal coverage of the Colorado Department of Housing's data allow for an assessment of pre and post-ordinance trends. The table below shows average yearly changes in population and multifamily rent in two eight year periods before and after the ordinance. In its 2009 report, Corona Insights identified 2006 as the first year that ordinance affected the rental market due to the start of education and registration efforts.
- The table demonstrates that rental costs in Fort Collins grew at a very similar rate to comparable metro areas pre-ordinance. However, rent increased at a much faster rate post-ordinance. A decrease in the average yearly change in population shows that this change is not likely due to a increase in housing demand unique to Fort Collins.

Population and Multifamily Unit Rent Change Pre and Post-Ordinance

	Average Yearly Change in Rent			Average Yearly Change in Population		
	1997-2005	2006-14	Difference	1997-2005	2006-14	Difference
Fort Collins/Loveland	2.76%	5.28%	2.51%	2.70%	1.92%	-0.77%
Colorado Springs	2.73%	2.60%	-0.14%	1.45%	1.49%	0.04%
Grand Junction	1.52%	-0.89%	-2.42%	2.01%	1.88%	-0.12%
Greeley	2.63%	3.54%	0.91%	2.53%	1.39%	-1.14%
Pueblo	1.34%	2.49%	1.15%	1.34%	0.72%	-0.62%

Average change calculated: (last year/first year)^(1/# years in period)

Section 1.2

Rental Market Trends

Fort Collins Compared to Selected Nationwide Cities

Key Findings: Nationwide Comparisons

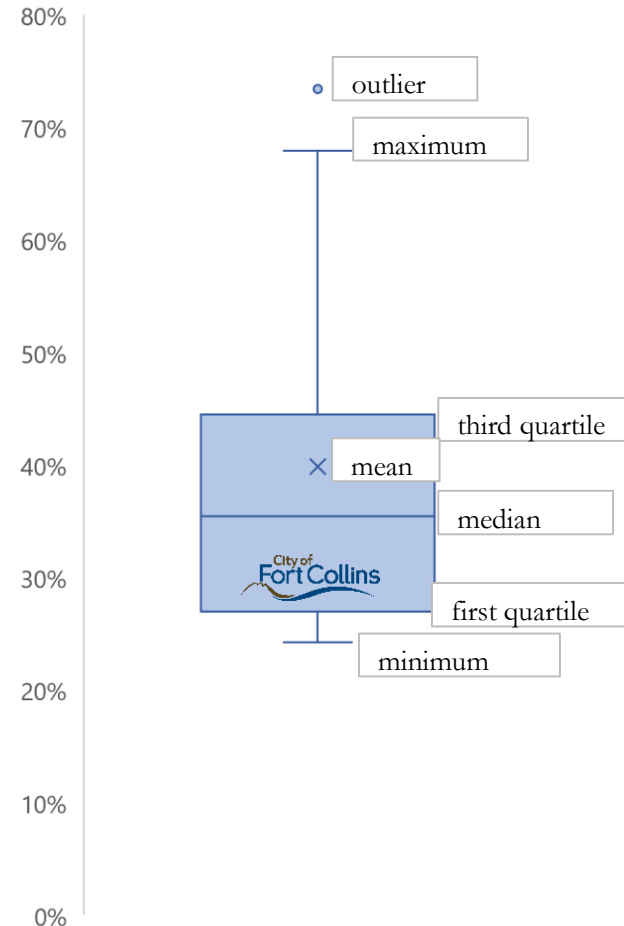
- While population growth in Fort Collins was higher than comparable national cities in the 1990s, it has regressed toward the mean in the post-ordinance era.
- Fort Collins' housing supply increased at a relatively high rate in the 1990s, but is near average in the post-ordinance era. Housing stock growth is lower across all comparable cities.
- The rate that renters have occupied housing units in Fort Collins is higher in absolute and relative terms post-ordinance.
- Fort Collins' rental vacancy rates are lower (in relative and absolute terms) than similar cities in the post ordinance era.
- Fort Collins' expansion in demand (population growth) has exceeded supply (housing units).
- Rental costs in Fort Collins have increased at a faster rate than similar national cities in the post-ordinance era. Fort Collins also had a high increase in rent in the 1990s.

[A description of the methodology is found in the appendix.](#)

How to read a box plot

- Box plots offer a quick and effective way to identify differences between groups of populations.
- They show the median value of each population (marked with a line) and a surrounding box that stretches from the 25th to 75th percentile. The “middle half” of observations are contained in the box.
- The “whiskers” show the range of the top and bottom 25% of observations respectively. If an observation has a value that is more than 1.5 times the interquartile range (the distance between the 75th and 25th percentile value), it is deemed an outlier.
- The City of Fort Collins logo shows where the city falls on the distribution.

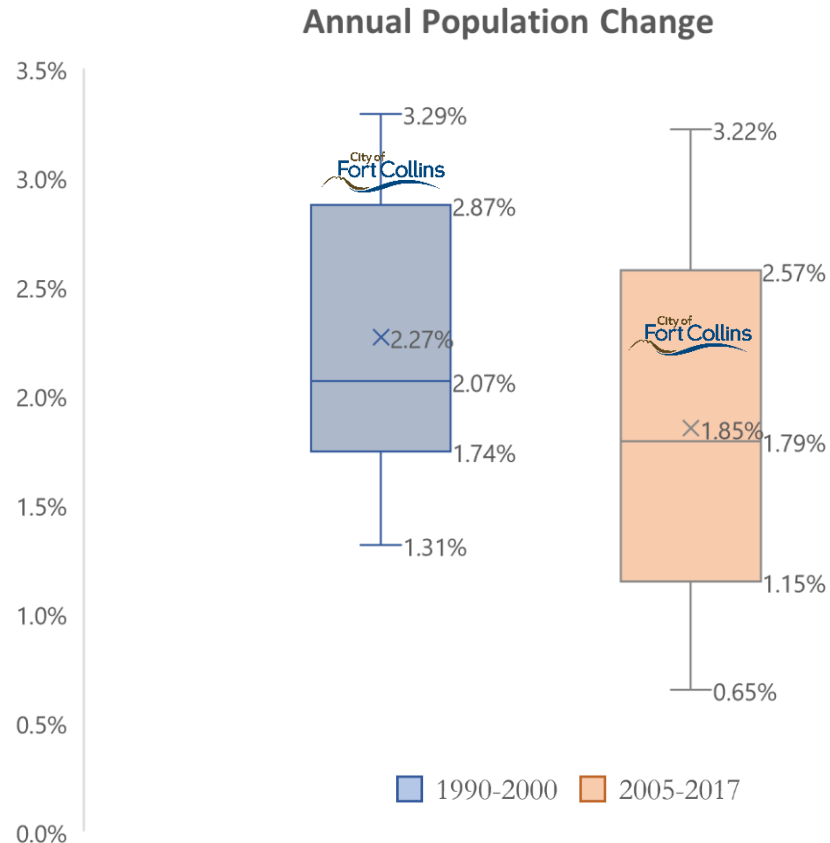
Box Plot Key



Fort Collins' population growth has regressed toward the mean

Average population growth has generally declined across the case study cities.

Fort Collins' population growth rate has decreased in absolute relative terms. While the city's rate was previously at the higher end of the distribution in the 1990s, it is well within the middle half in the modern era.

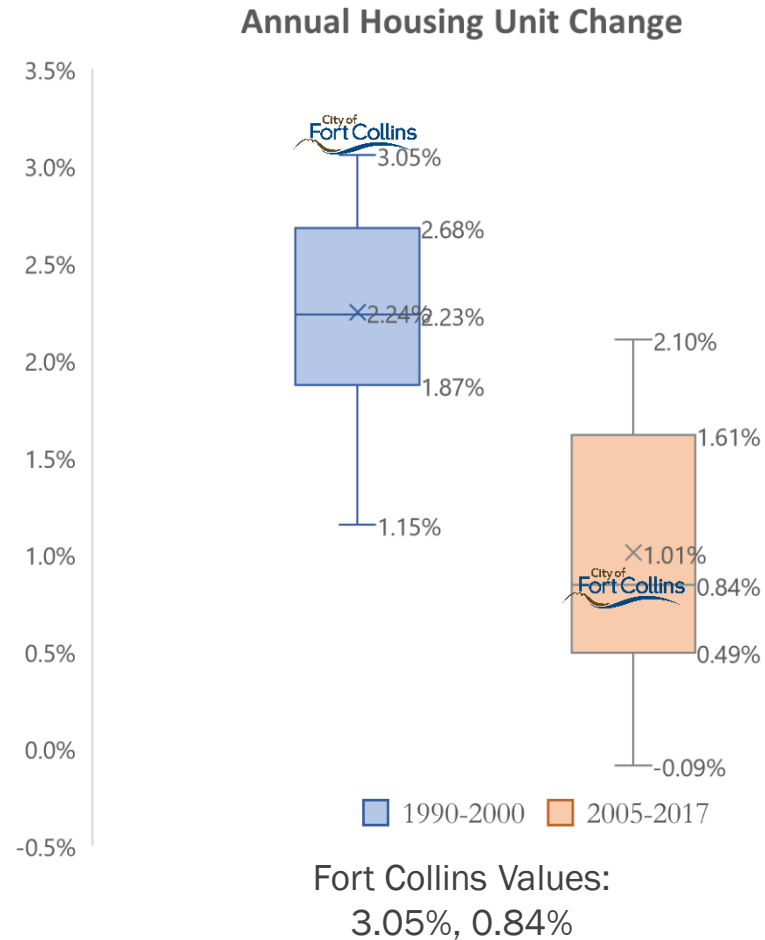


Fort Collins Values:
3.06%, 2.33%

The rate of Fort Collins' housing stock growth has significantly decreased

While Fort Collins had the highest rate of housing unit change in the 1990s, this value has decreased in absolute and relative terms.

Given the 2008 housing crisis and subsequent recession, there is a significantly lower rate of housing unit change between 2005-2017 for the entire sample. Nonetheless, Fort Collins went from pacing this group in the first time period to the median in the second.

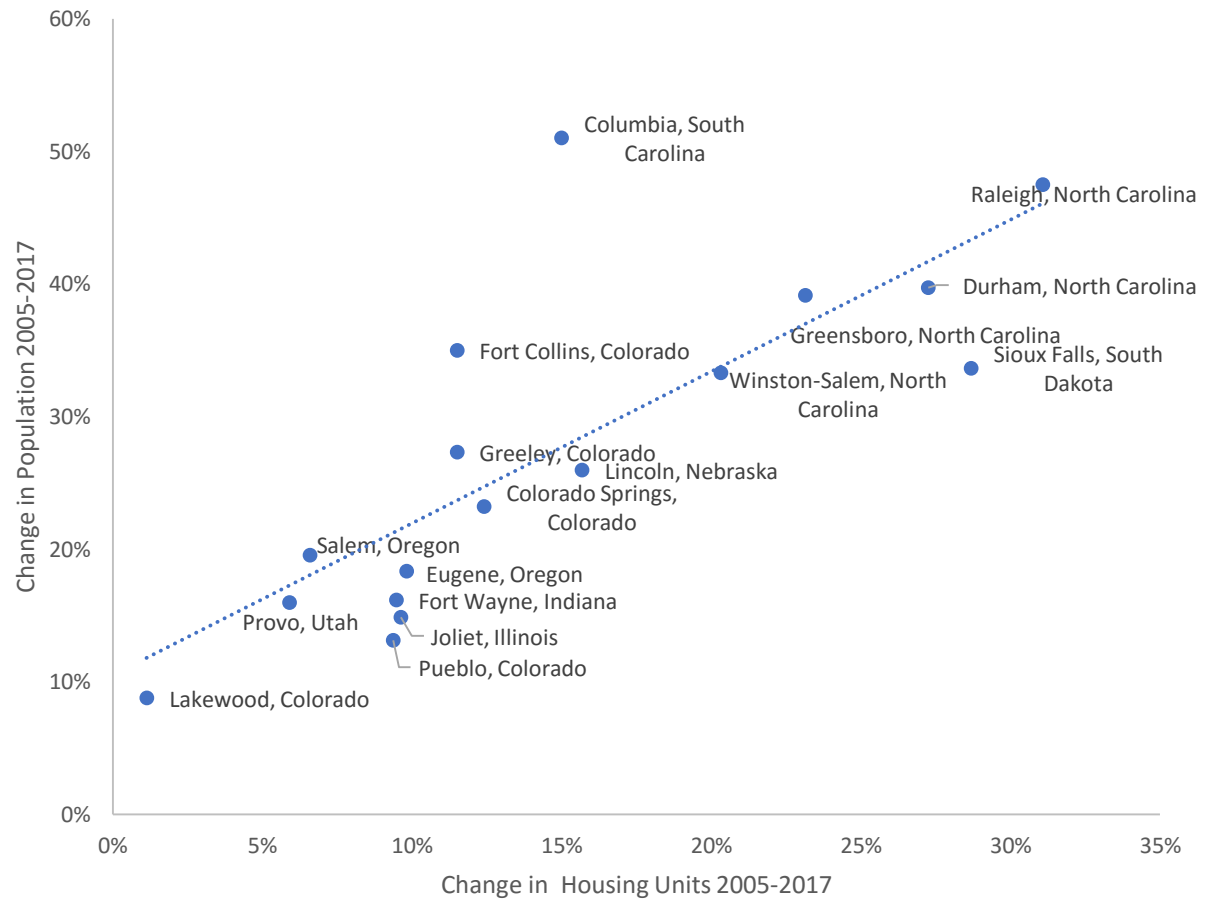


Fort Collins' housing growth lags population growth

This graph plots the change in population and housing units between 2005-2017. The Colorado markets from the previous section are added for reference.

The trendline shows the average relationship between supply and demand. Fort Collins and Columbia are notable outliers in that their population growth (demand) exceeds growth in housing units (supply).

Supply and Demand Trends in the Housing Market

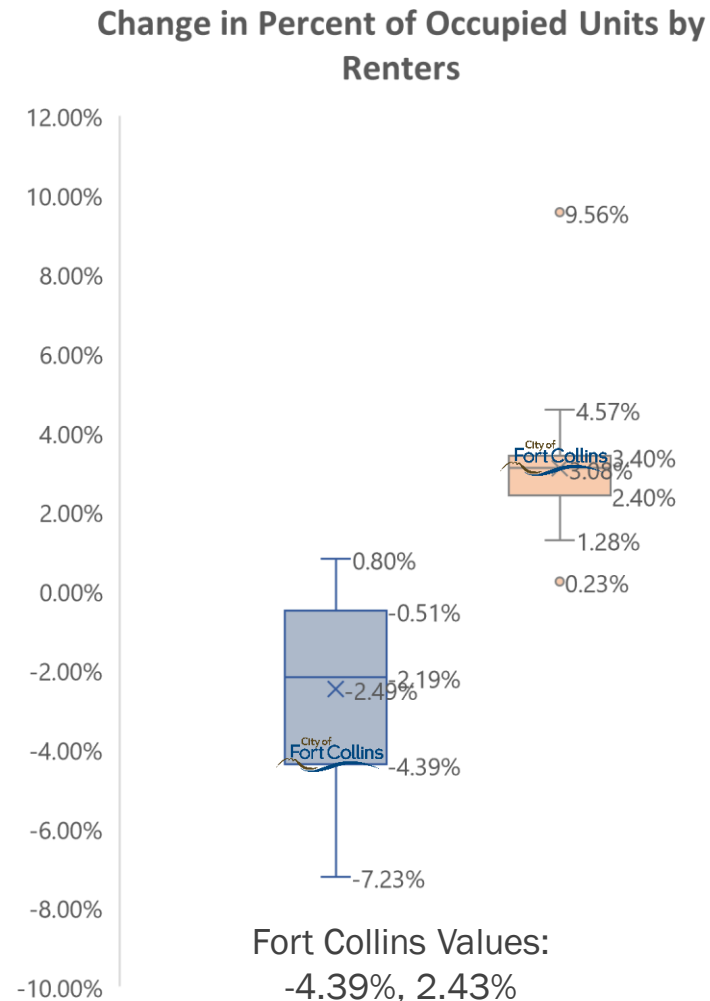


In general, the percentage of renters is on the rise

As a group, the percentage of occupied units by renters is on the rise amongst the comparison cities.

Fort Collins has seen both an absolute and relative increase in the rate of renters in occupied units in the modern era.

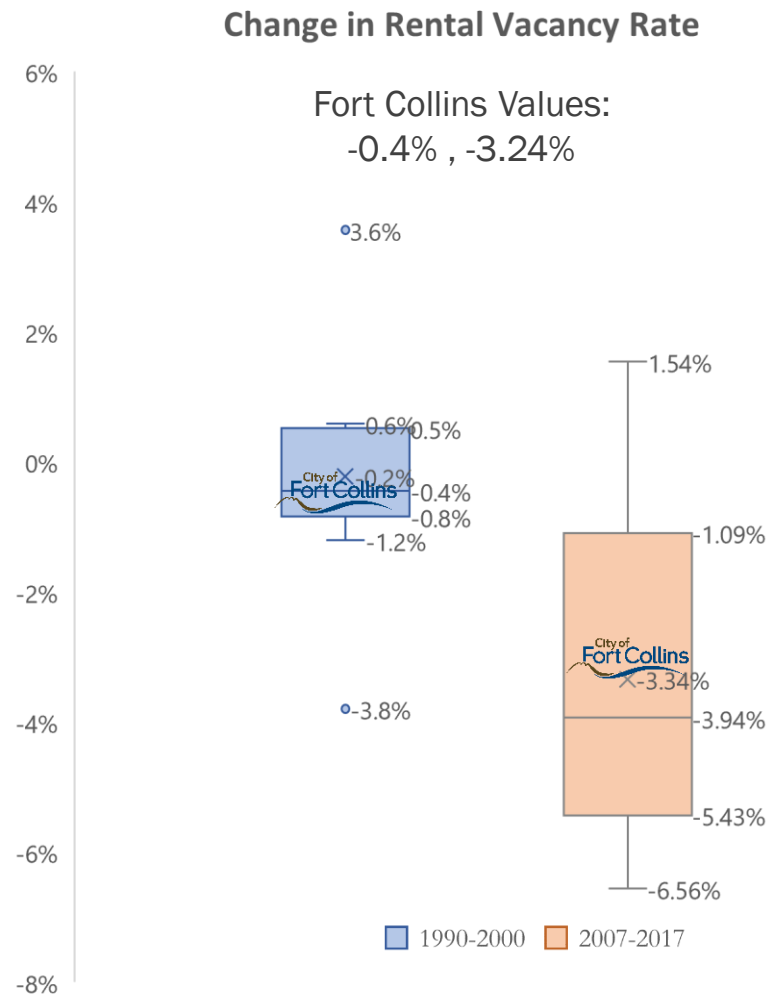
This dynamic has the potential to lower rental vacancy rates and raise the cost of rent, but does not appear to be unique to Fort Collins.



Change in Fort Collin's rental vacancy rates appears average.

As in the previous state analysis, this comparison demonstrates a general trend in decreasing rental vacancy rates across markets.

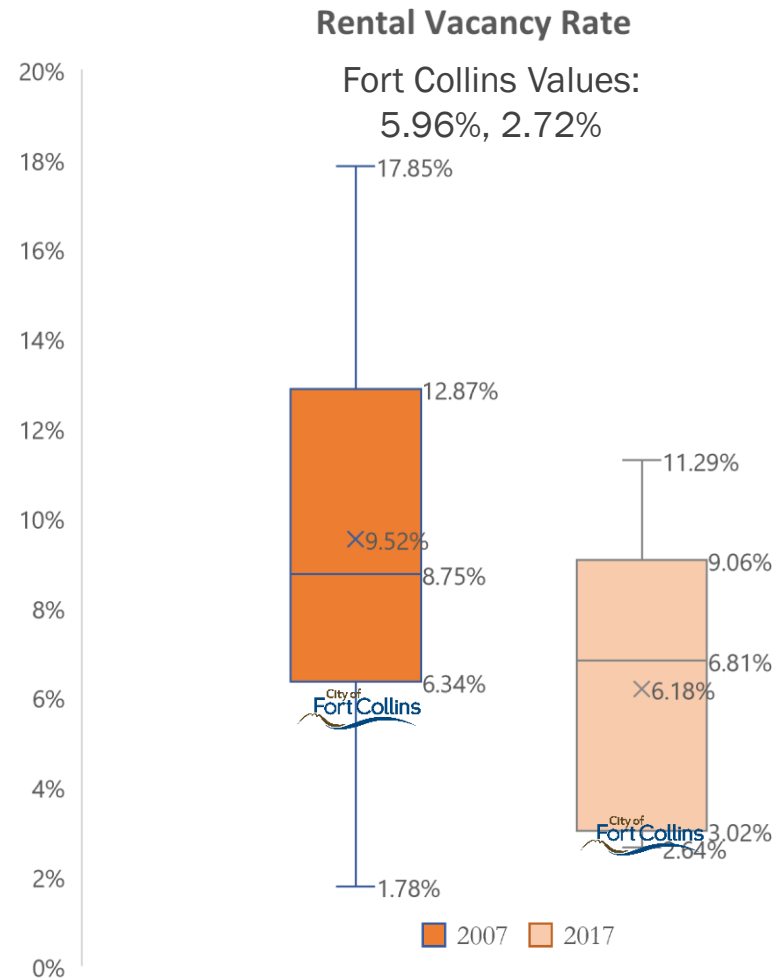
While Fort Collins appears to be at the center of each distribution, it is important to remember that these plots are reporting a measurement of change. Unlike population and housing units, vacancy rates are subject to ceiling and floor effects. Once value approaches the floor (0% rental vacancy rate), change becomes less likely.



However, Fort Collins' vacancy rates are subject to a “floor effect”

Comparing the 2007 and 2017 rental vacancy rates demonstrates that, while the change in these rates is average for this sample, the absolute values are toward the bottom of the distribution.

Again, data show that Fort Collins rental market has been extremely tight in recent years with very few vacant rental units.

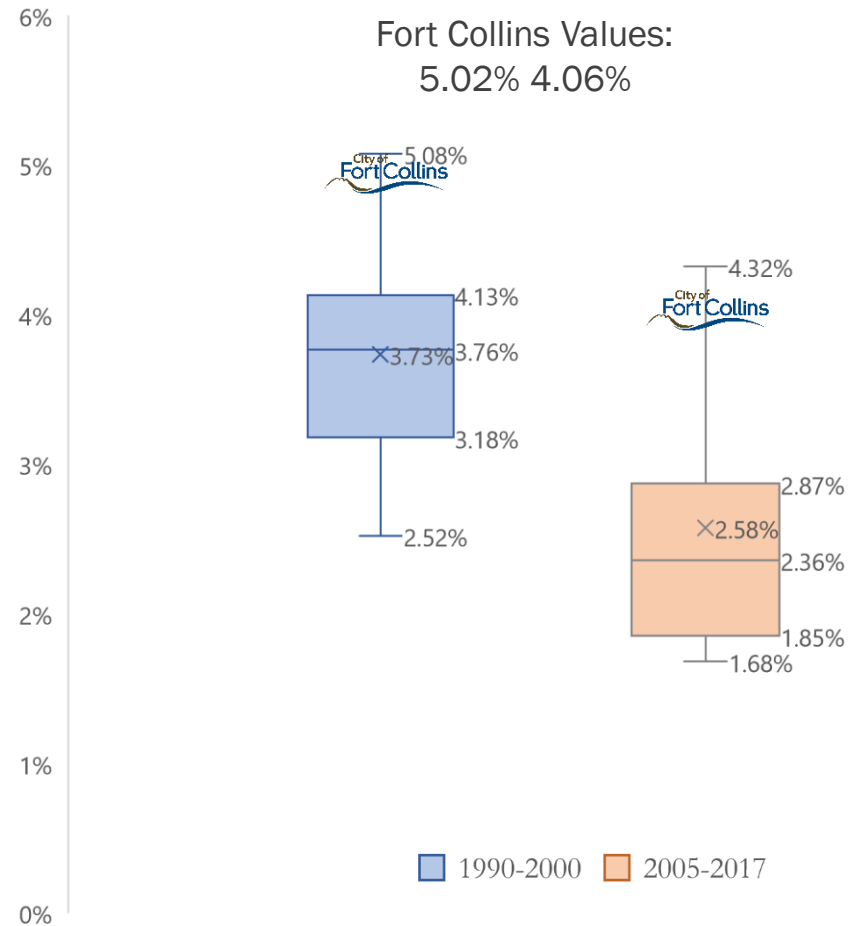


Rent continues to grow at a relatively high rate in Fort Collins

As with the state analysis, Fort Collins' rate of rent increase is at the high end of the distribution in the modern era. However, this is not necessarily out of the ordinary for this sample as the city was also at the high end of the distribution in the 1990s.

Overall, the rate of change in median rent is lower in the modern era. This trend may be attributed to the great recession.

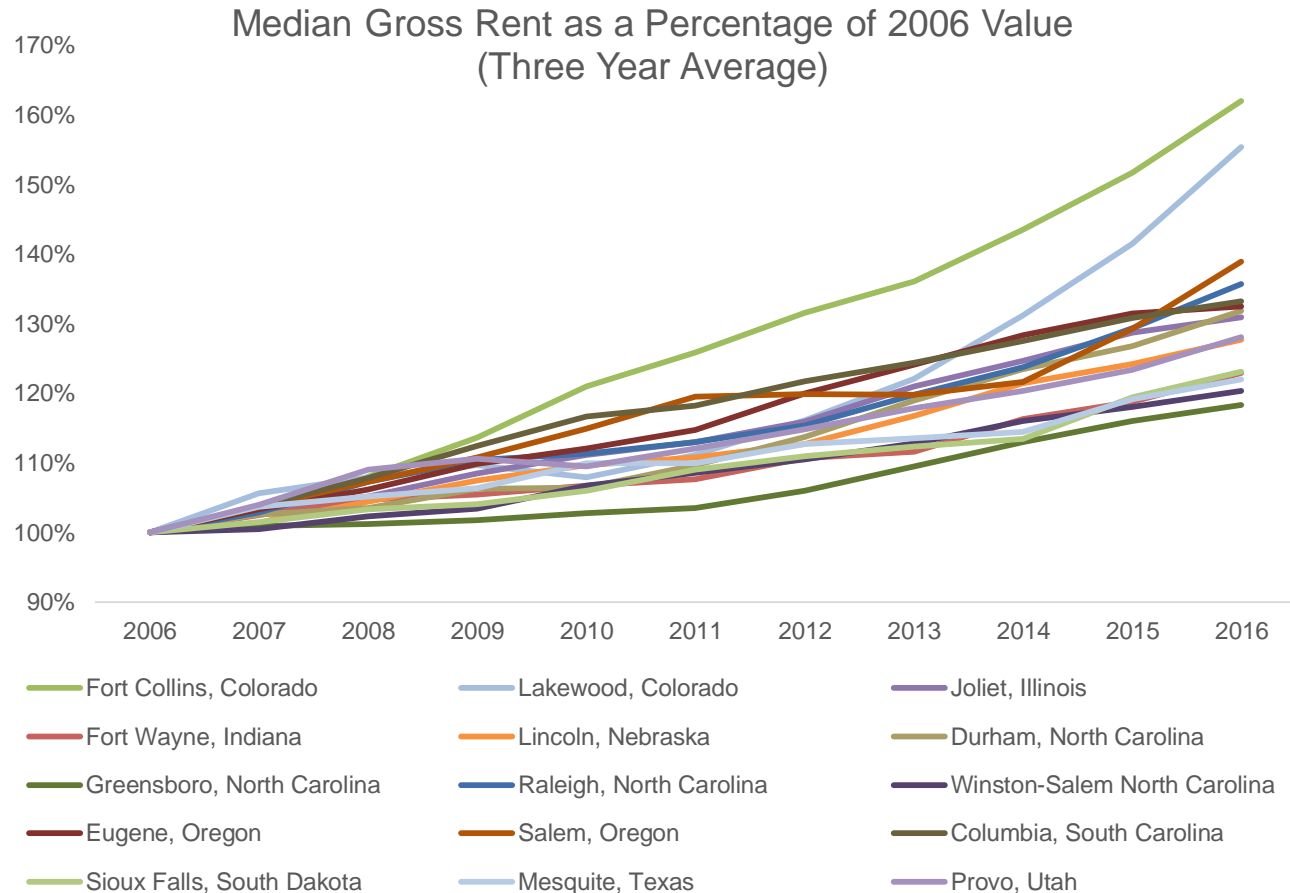
Annual Change in Median Gross Rent



Fort Collins' rent increase is unmatched by comparable national cities

The dramatic increase of rent in Fort Collins between 2005-2017 is unique in the sample of comparable cities.

The previously observed increase in rent amongst Colorado cities post 2013 is exhibited by Lakewood having a significant increase in rent over the last few years as well.

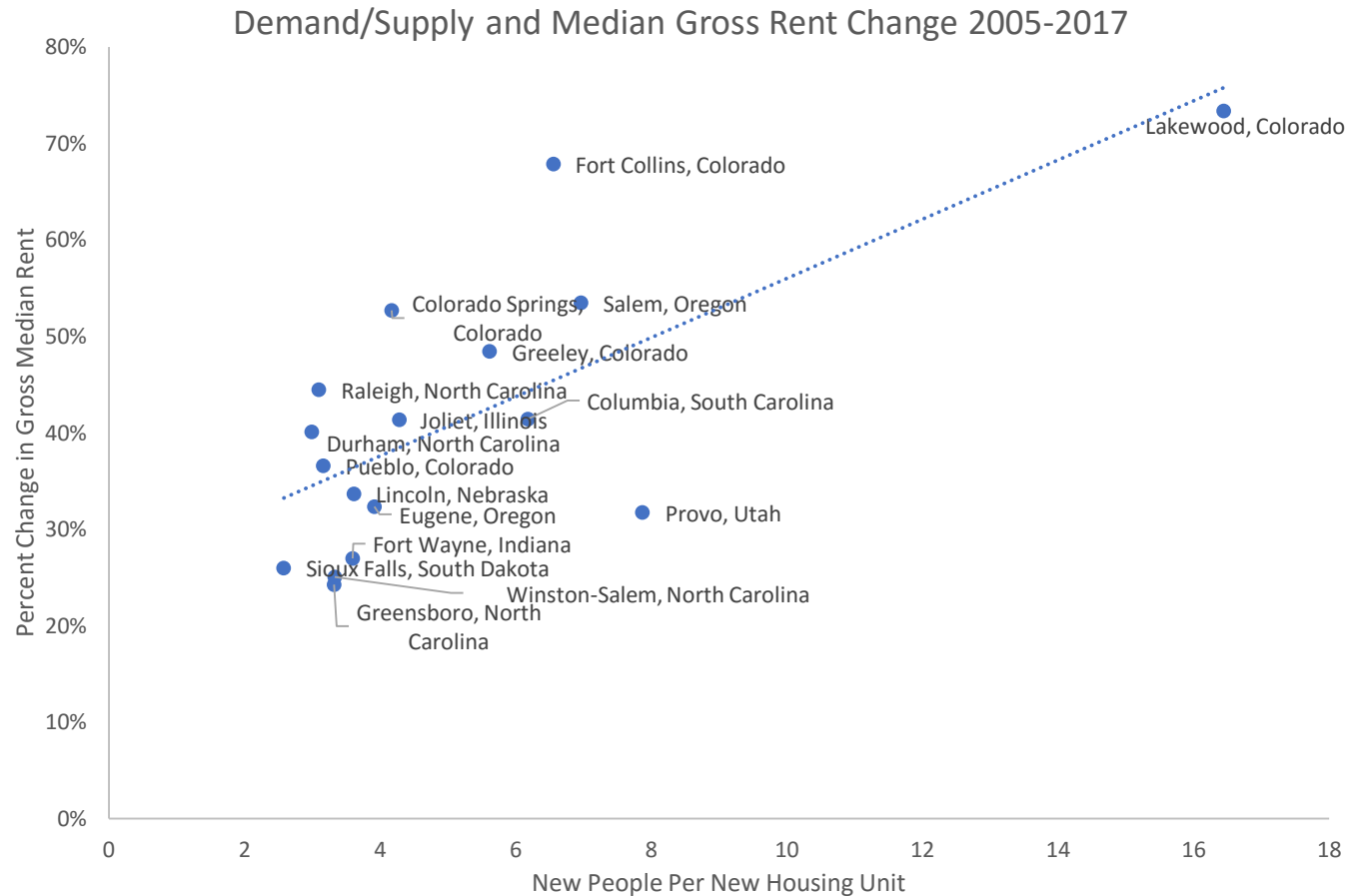


Changes in rent appear to be (in part) a product of supply and demand

The X axis of this plot calculates the increase in population divided by the increase in housing units between 2005-2017. During this time period, Fort Collins has had 6.6 new individuals for every new housing unit. Lakewood is a notable outlier due to a very small (1%) increase in housing units.

The trendline demonstrates a relationship between excess demand and higher median rents.

Colorado market analysis cities are included for reference.

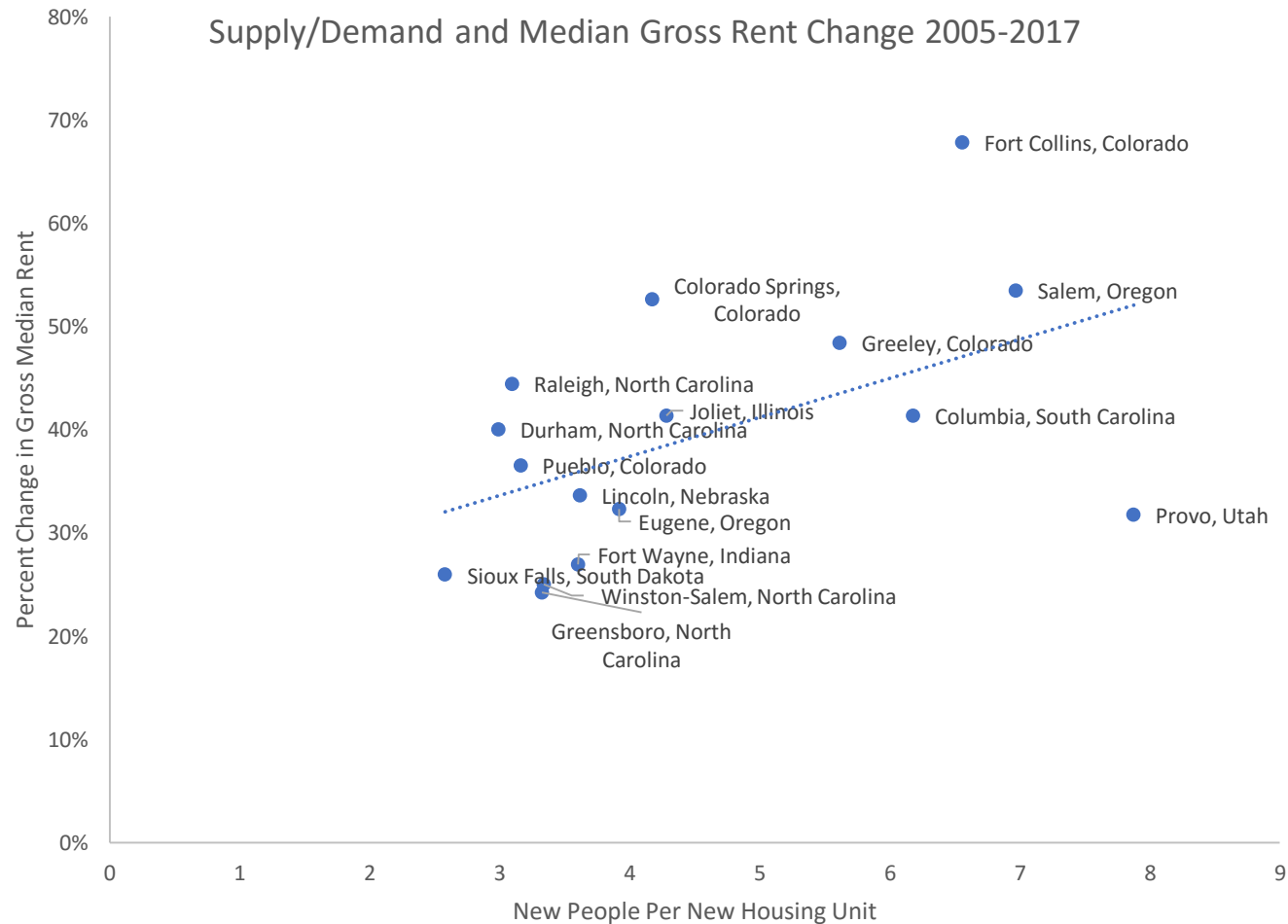


Changes in rent appear to be (in part) a product of supply and demand (removing Lakewood as an outlier)

The main conclusions of the previous plot are preserved when Lakewood is removed.

Fort Collins' 6.6 new individuals per new housing unit is significantly higher than the remaining sample's average of 4.4.

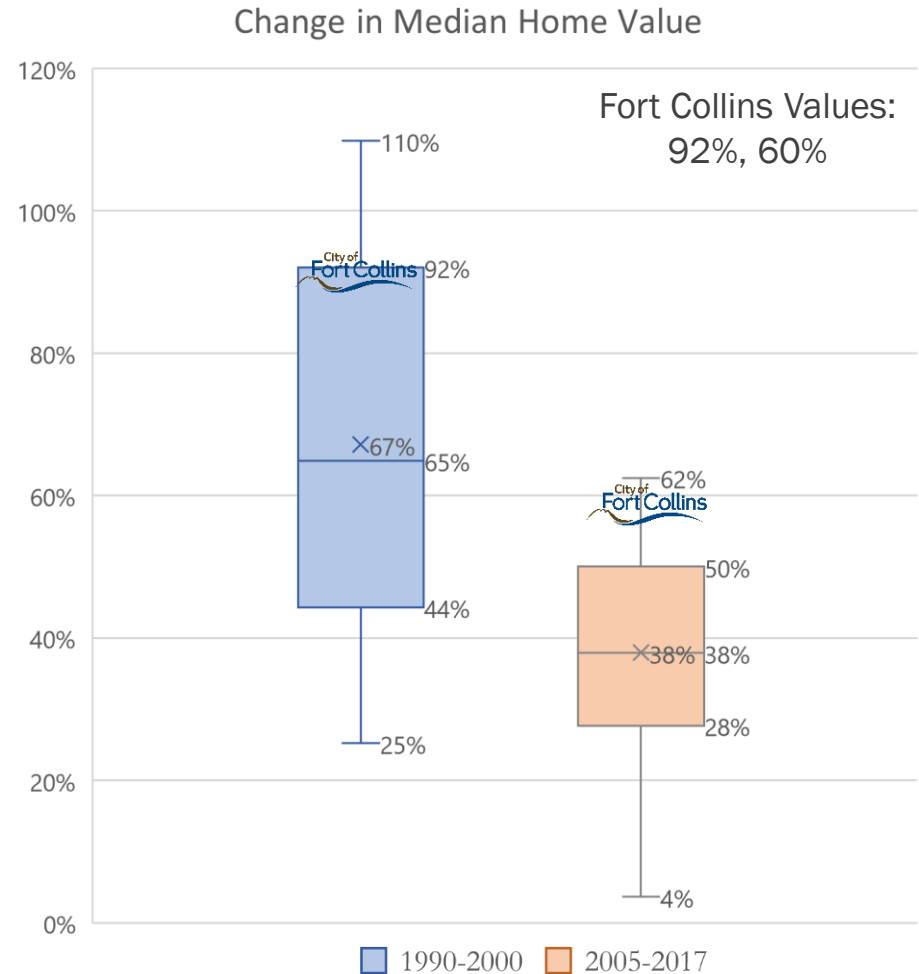
However, it is notable that Fort Collins lies substantially above the trendline in this plot. This location suggests that demand/supply is only one cause, amongst others, of the high rents in the city.



Increase in rent has been mirrored by home values

In general, the home values in the modern era increased at a lower rate than they did in the 1990s. The lower rate is likely a product of the 2008 housing crisis and subsequent recession.

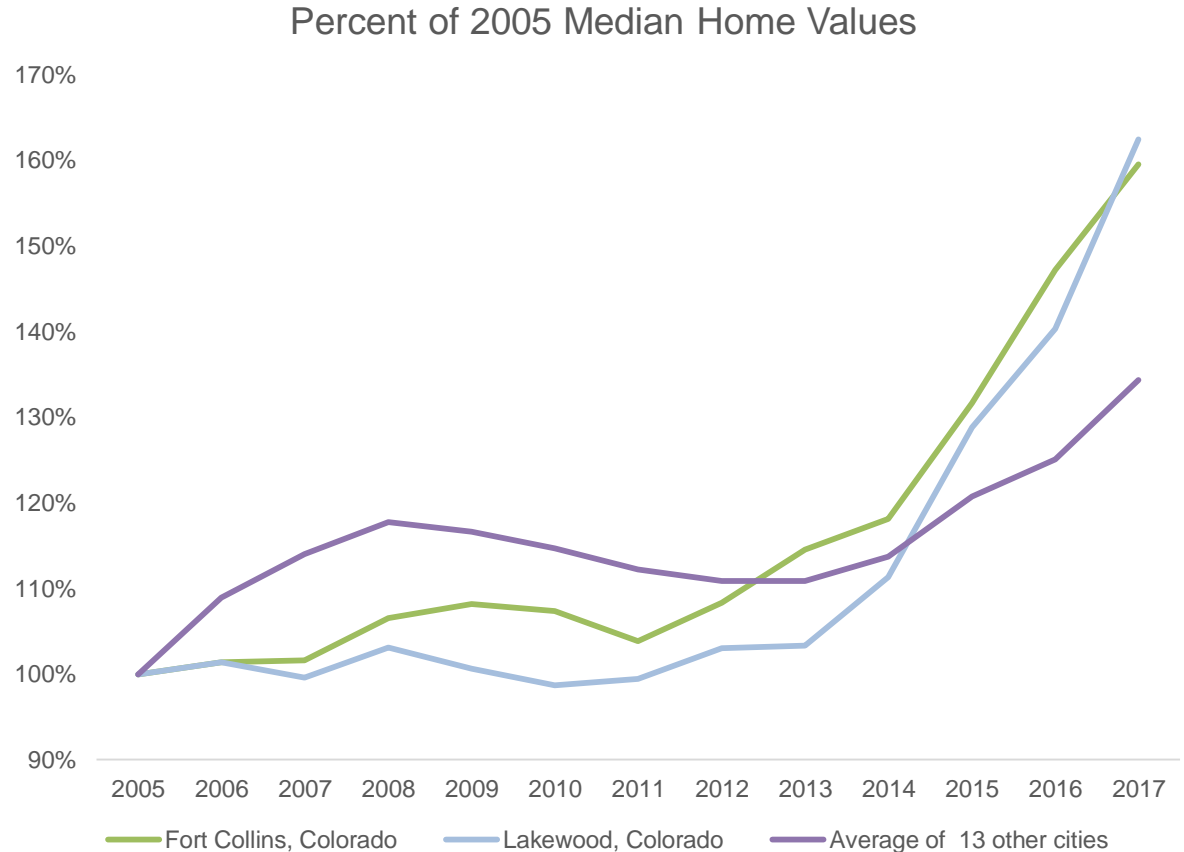
While the rate in Fort Collins decreased in absolute terms, it has increased relatively toward the high end of the distribution.



Fort Collins and Lakewood follow similar trajectories in home values

The recent trend of increasing rent in Colorado has also been present in median home values.

While Fort Collins and Lakewood show a distinct and drastic increase in median home values after 2011, they previously lagged comparable cities.



Section 1.3

Rental Market Trends

Recent Trends in Fort Collins

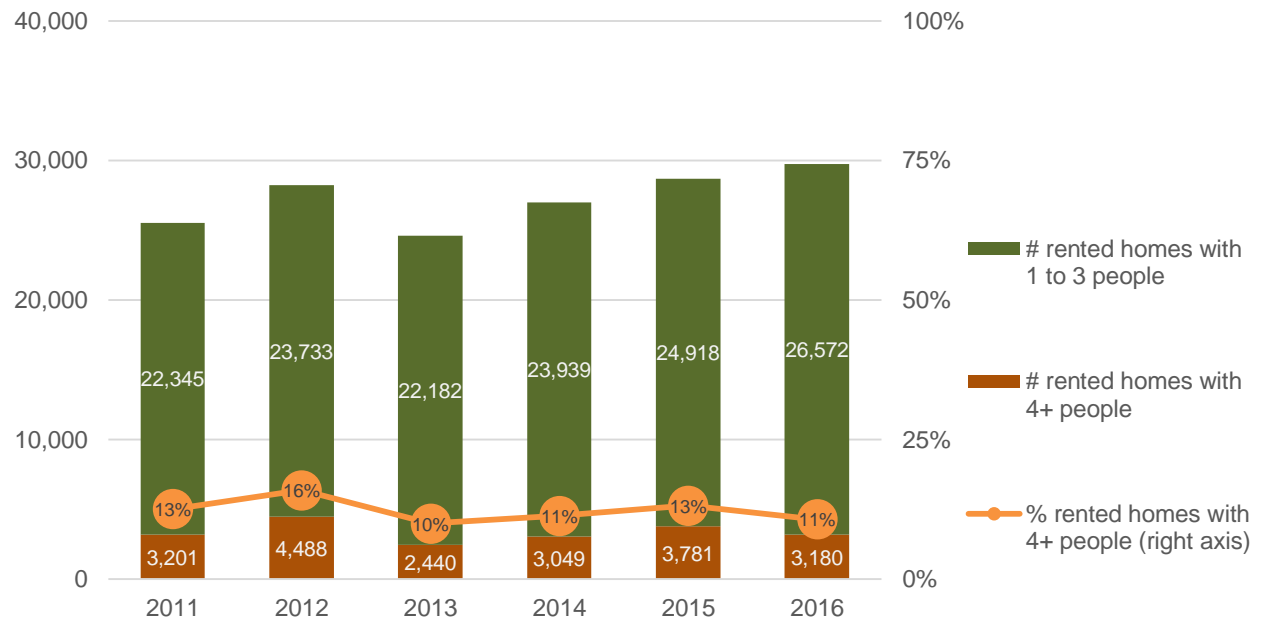
Findings: Recent Trends in Fort Collins

- ➔ Across the last six years, around 12% of rented homes have had four or more occupants. These households could have related occupants or otherwise not be in violation of the occupancy ordinance, so this does not indicate that 12% of rented homes are occupancy ordinance violators.
- ➔ Rented homes with four or more bedrooms is relatively uncommon, typically around 12%.
- ➔ A typical rented home has about 1.6 to 1.7 cars available
- ➔ Over time, the proportion of homes in multi-unit structures stayed about the same

the proportion of rented homes with four or more occupants hovered around 12%

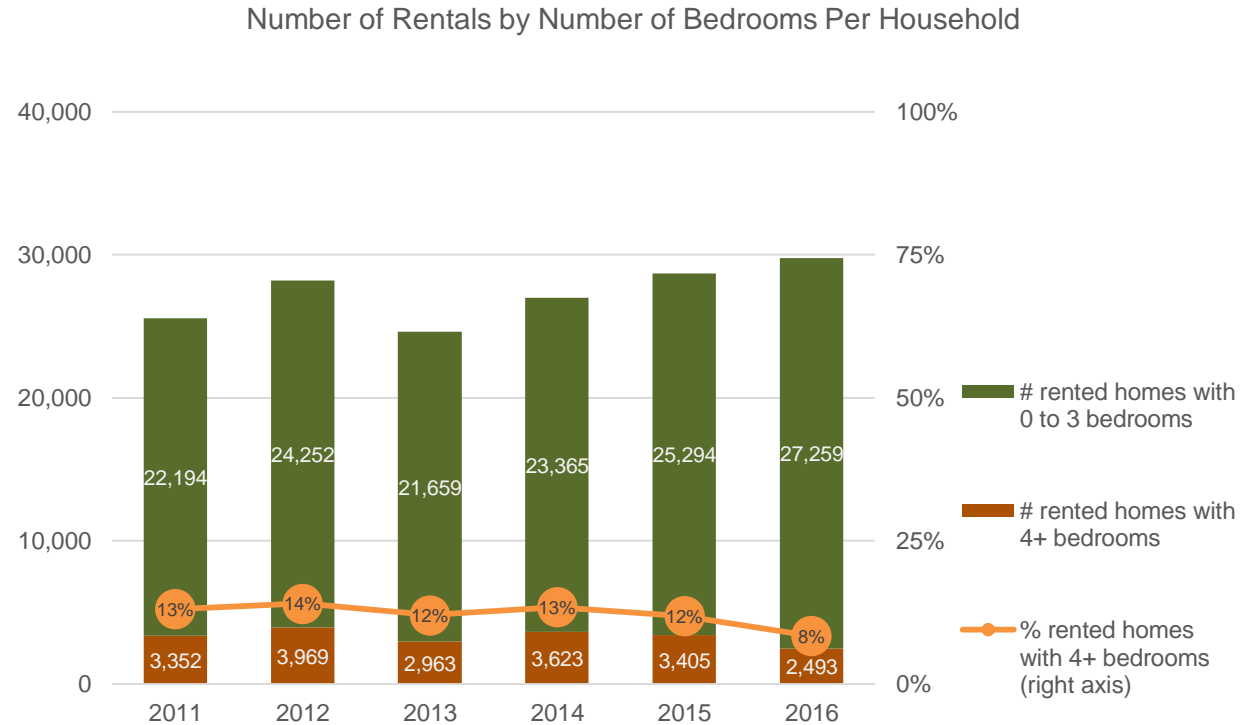
The proportion of rented homes with four or more occupants varied around 12%, but did not steadily increase.

Number of Rentals by Number of Occupants Per Household



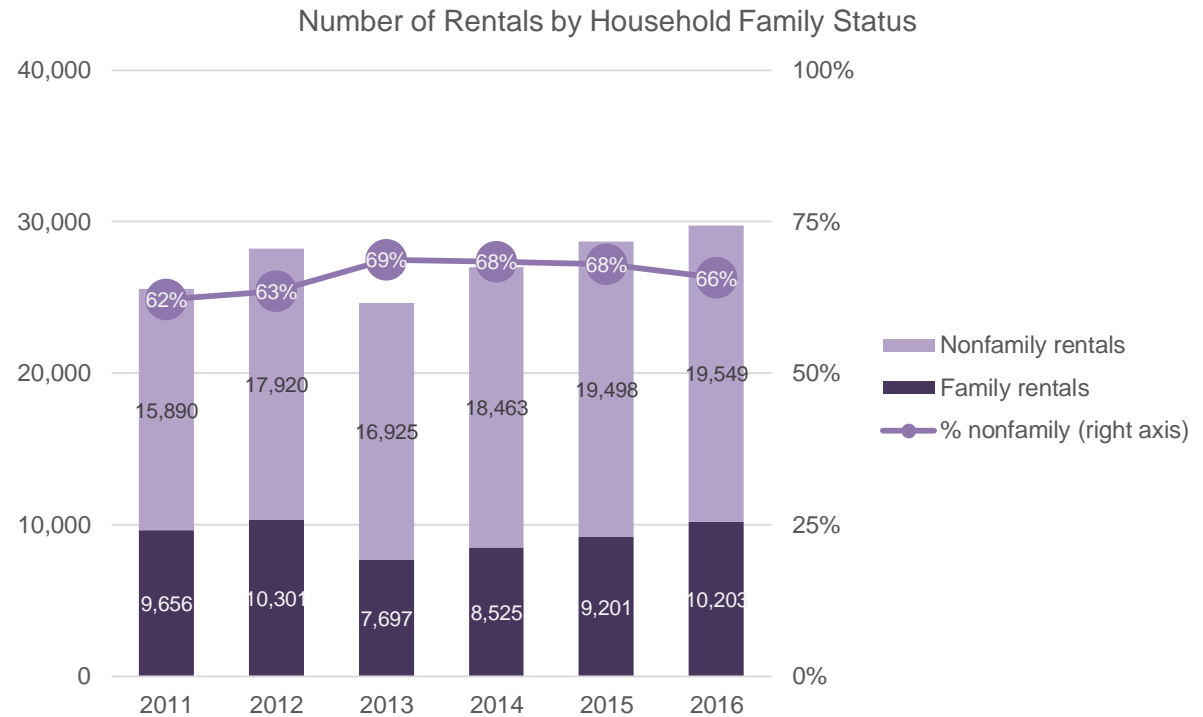
the proportion of rented homes with four or more bedrooms dipped slightly in 2016

The proportion of rented homes with four or more bedrooms bounced around 12% but did not steadily increase. The pattern of rented home with four or more bedrooms was similar to the proportion of rented homes with four or more occupants.



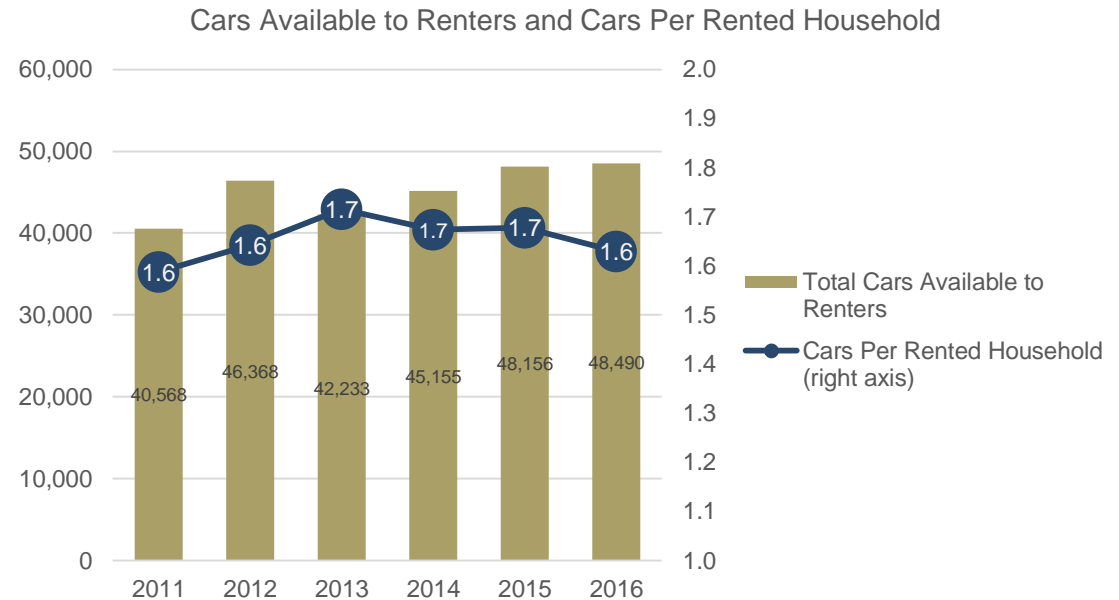
the proportion of homes rented by non-families increased very slightly from 2011

In 2016, about 66% of rented homes were rented by nonfamilies, which is typically defined as no one in the household is related. This proportion was slightly larger than estimates from 2011 (62%) and 2012 (63%) but similar to estimates from 2013 to 2015. Based on 3-year running averages, there was a very slight increasing trend in the percentage of nonfamily rentals.



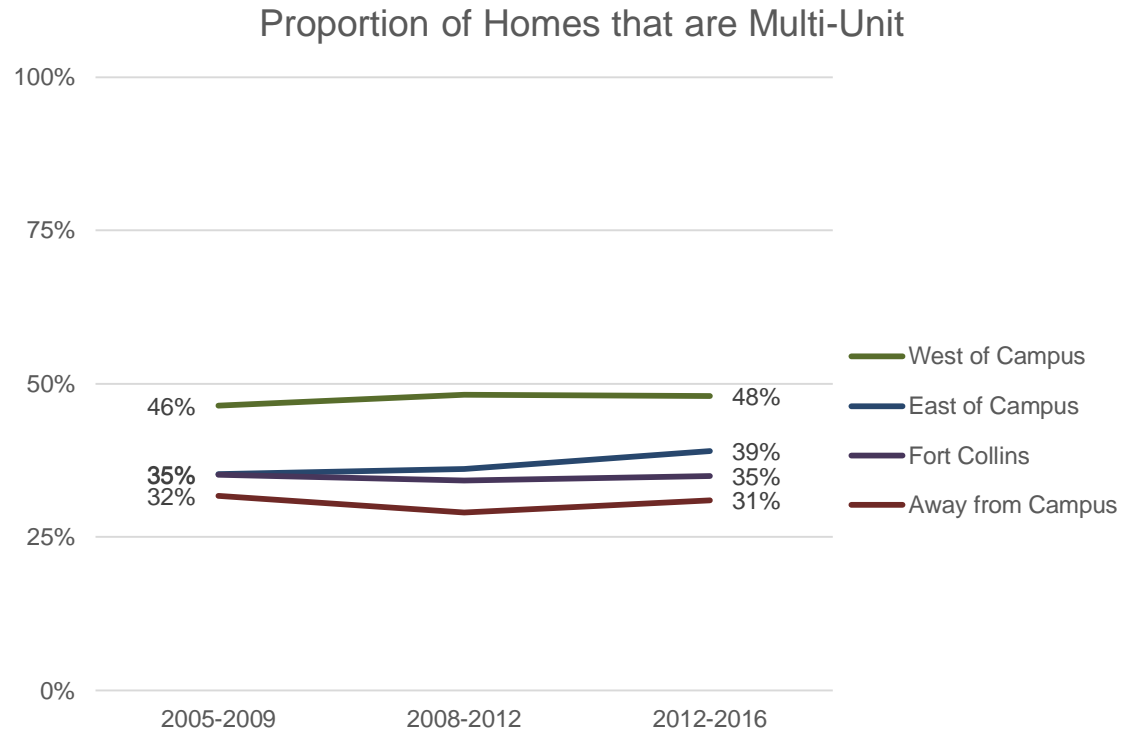
There have been about 1.6 to 1.7 cars available per rented household since 2011

The number of cars available per rented household bounced around 1.6 and 1.7, but it did not substantially change in a sustained pattern between 2011 and 2016.

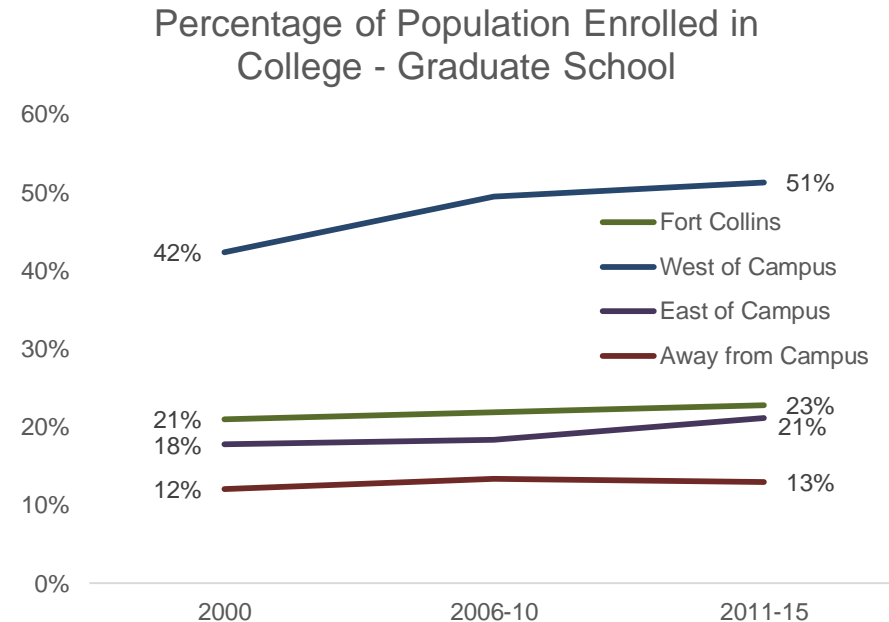
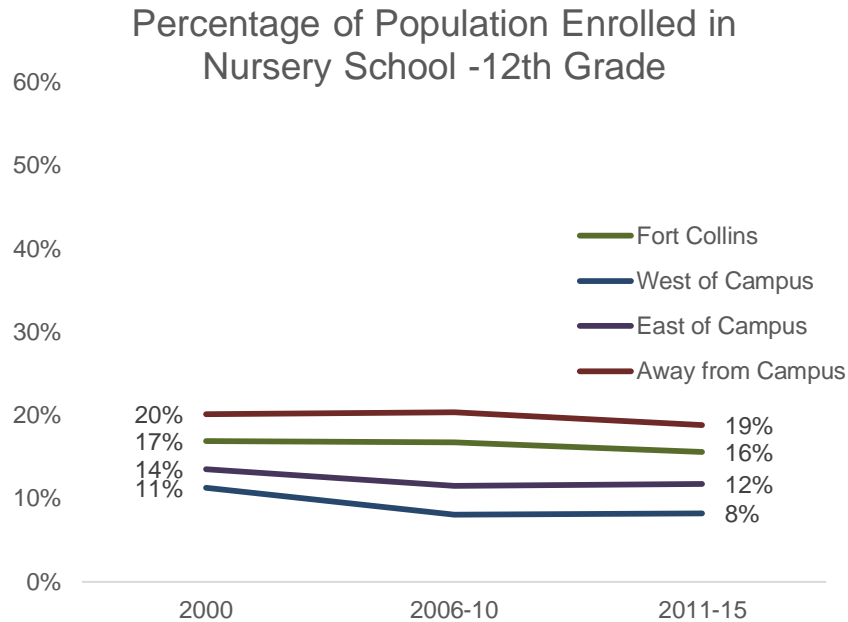


Over time, the proportion of homes in multi-unit structures stayed about the same

Since pre-2010, the proportion of all homes in multi-unit structures (e.g., apartments, duplexes, etc.) stayed about the same throughout Fort Collins and by region.



ool children (nursery-12) make up a smaller percentage of population in the areas around campus post-ordinance



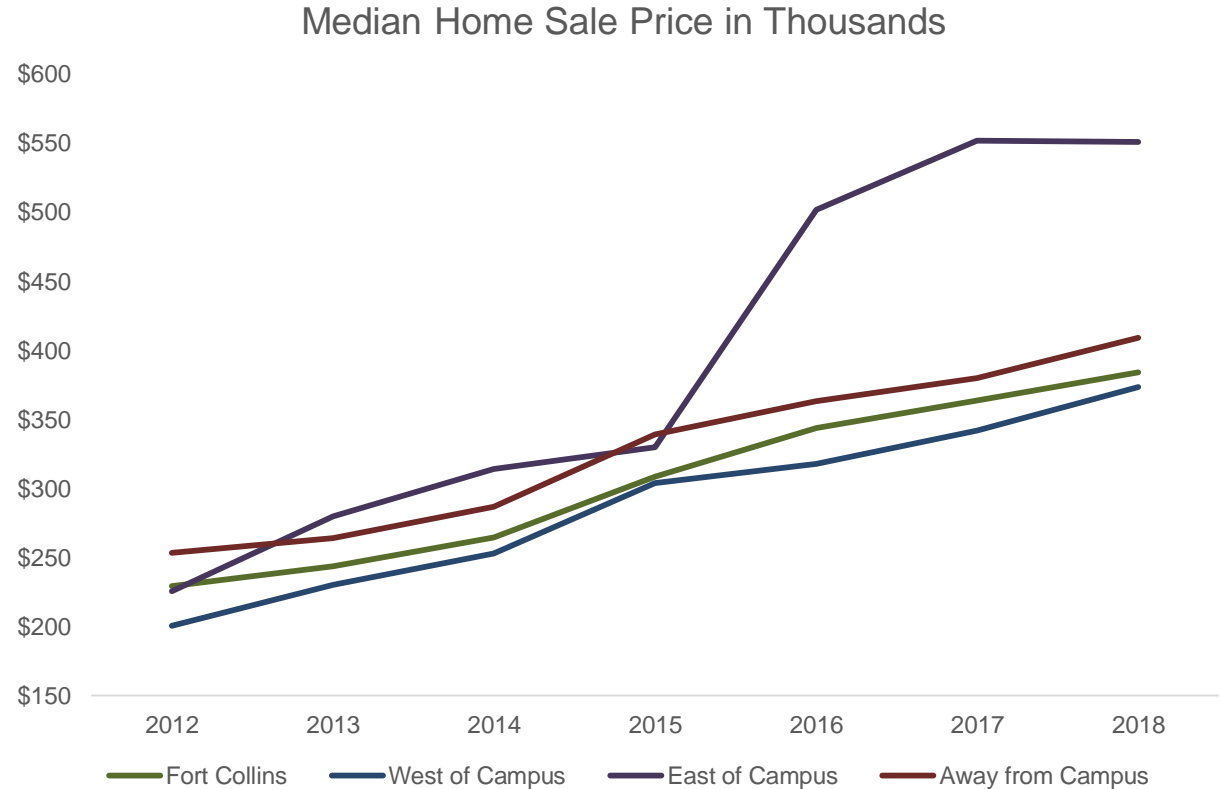
Enforcement of the ordinance has not particularly changed the composition of neighborhoods around campus, as measured by the population of children. The areas around campus have seen a small increase in college students and a small decrease in school children (nursery -12th grade) over the past 15 years, though most of that change occurred pre-enforcement.

Due to changing geographic boundaries, Census tract 2 is treated as "Away from Campus" in these calculations. It was split into two areas (one East and one West) in the 2010 census.

The price of median home sales has been significantly increasing across neighborhoods in Fort Collins

The median home in Fort Collins sold for \$155,000 more in 2018 than it did in 2012, a 67% increase.

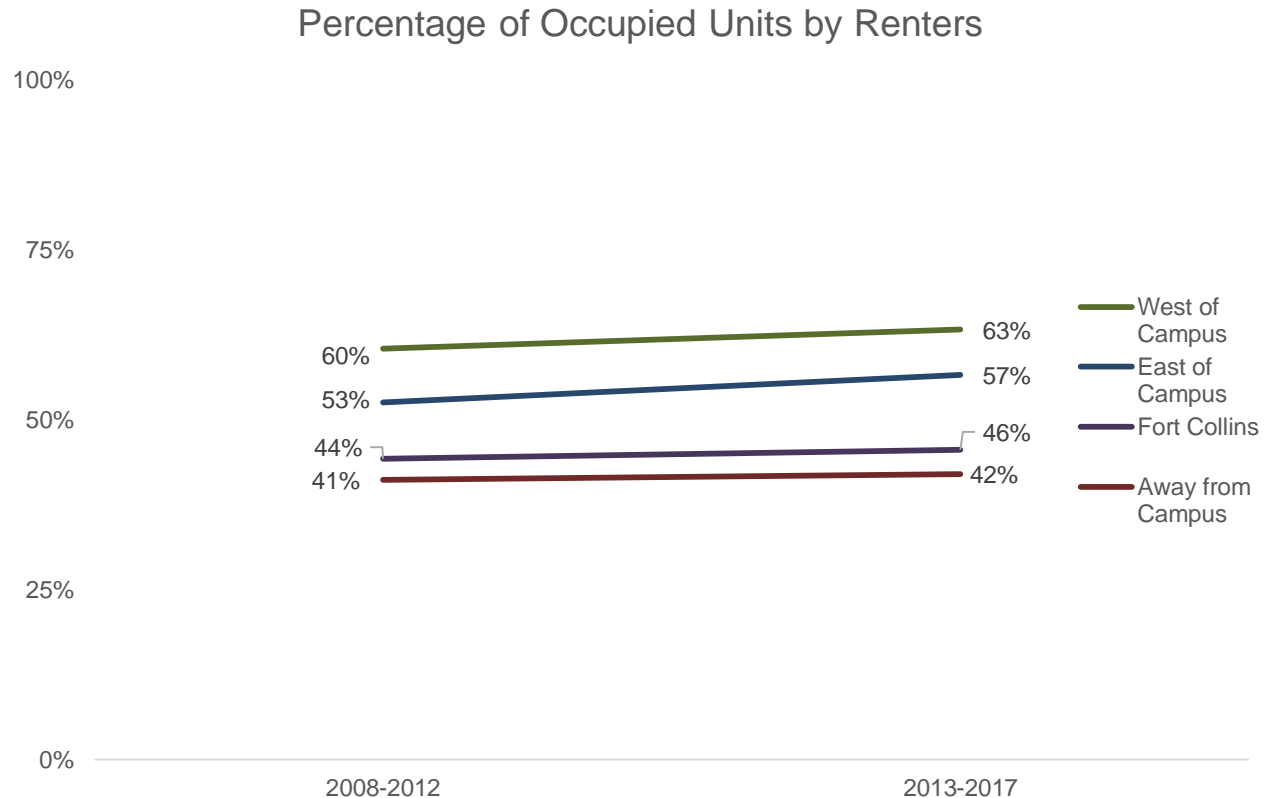
While home values east of campus appear to increase dramatically after 2015, this is based exclusively on data available from the University Park neighborhood.



Neighborhood data is calculated from the following areas. West of Campus (Avery Park, Old Town West, P.O.E.T., Prospect, Rogers Park, and Shields). Away from Campus (Downtown, English Ranch, Foxstone, Huntington Hills, Miramont, Side Hill, The Landings, and Troutman Park. East of Campus (University Park).

Renters have been filling occupied units at higher rates across neighborhoods

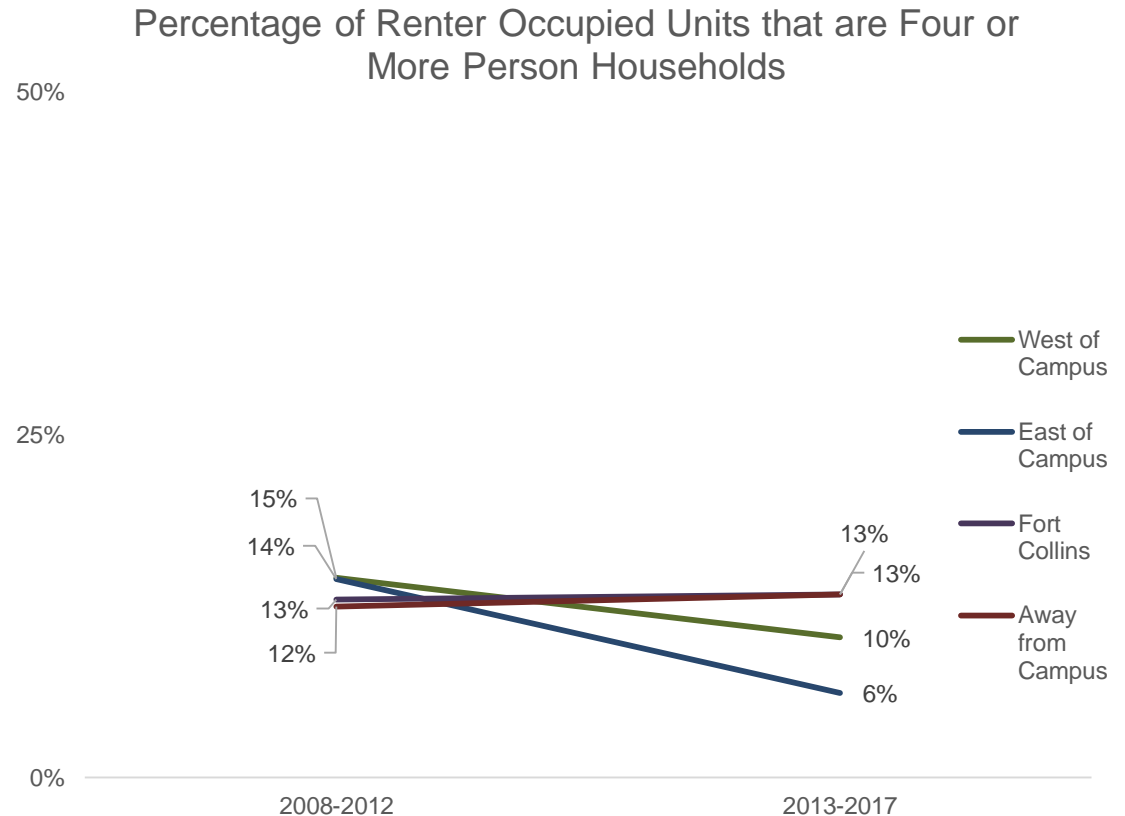
While the percentage of renters in occupied units has been increasing across all neighborhoods, the largest increase has been seen around campus.



the percentage of four or more person rental households has decreased around campus

While the percentage of occupied rental households with four or more people has remained constant in the City at large, it has decreased in the areas around campus.

The areas around campus have seen a decrease of renters in one person households and an increase of renters in two person households.





Section 2.1

Occupancy Ordinance Violators

Estimated Number of Violator Households

Key Findings: Number of Violator Households

- ➔ The number of violator households is estimated at slightly more than 1,200 households. This is notably higher than the figure estimated in 2009, and approximately the same number that was estimated in 2005.

A description of the methodology is found in the appendix.

Estimating the Number of Violator Households

Two approaches were used to estimate the number of households that are living in violation of the occupancy ordinance. The first estimate examined data reported by respondents in the public survey when asked how many of the four houses nearest to their home were in violation of the ordinance. The figures were then multiplied by the current rate at which occupancy violation investigations found such violations. (In other words, 38% of occupancy ordinance complaints were found to be valid.) A high estimate counted every home that was reported in the survey (scaled up to the population of homes), and a low estimates assumed that any reported number greater than one was equal to one.

A second estimate was developed using self-reported data from the census documents. These figures include a high estimate that assumed that all violator households lived within the city of Fort Collins, and a low estimate that assumed that violator households were equally likely inside the city and in the rural areas outside the city. (The particular census source extends beyond the city limits to include much of rural northern Larimer County.)

The four estimates were then averaged to develop an overall estimate of the number of violator households at 1,234. See the next page for the figures.)

Slightly more than 1,200 households are in violation of the occupancy ordinance

Using these two methods, the estimated number of violator households is 1,234, with an average household size of 5.06 people.

	Survey Data	Census Data	
High Range	4,291	x	Violator Households
Low Range	2,727	x	Violator Households
Substantiation Rate	38%	x	Occupancy Investigations
<i>High Range</i>	<i>1,630</i>	<i>1,285</i>	<i>Estimated Violator Housholds</i>
<i>Low Range</i>	<i>1,036</i>	<i>986</i>	<i>Estimated Violator Housholds</i>
		<i>Estimate</i>	<i>1,234</i>

Average Household Size - 5.06 people

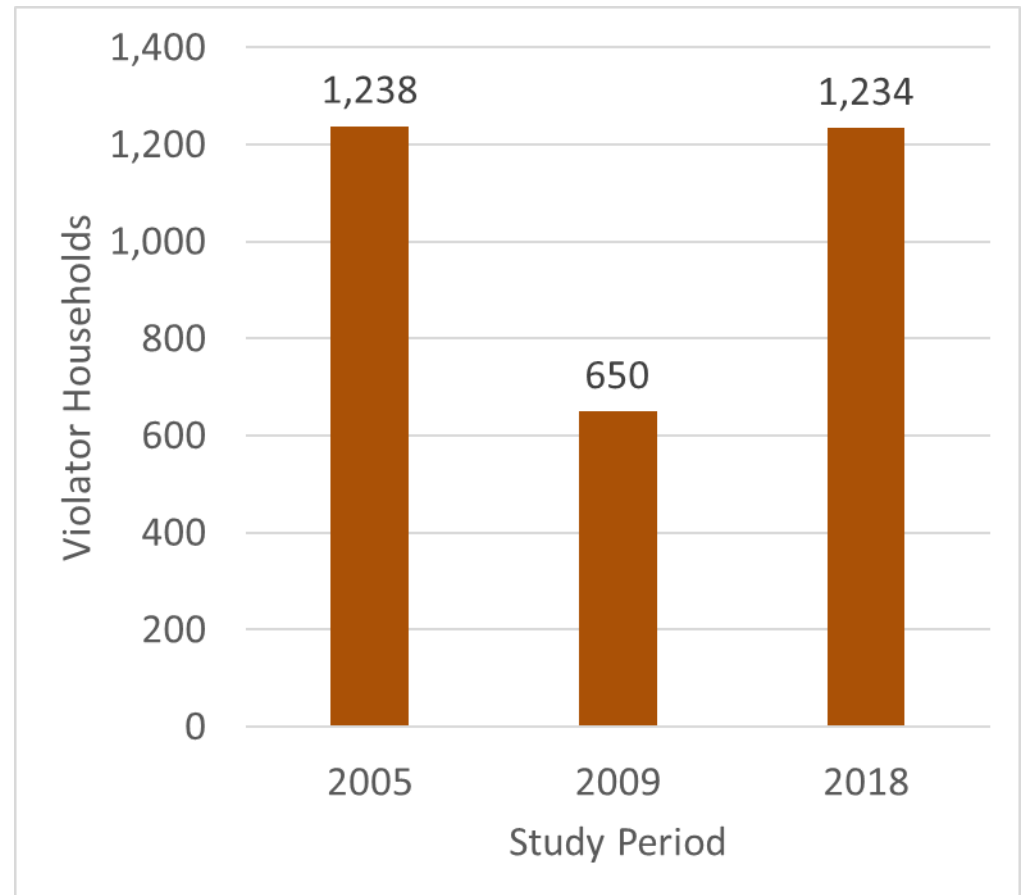
The number of violators has fluctuated over time

In comparing the last three studies (completed in 2005, 2009, and 2018), the number of violators has fluctuated.

Prior to active enforcement of the ordinance, the 2005 study estimated that slightly more than 1,200 households were in violation.

After the ordinance enforcement began, the figures dropped to approximately 650. However, since that time period, the number has risen again, back to the pre-enforcement levels. (Note that the population has grown, so the overall incidence rate is lower now.)

As is discussed elsewhere, a strong theory is that affordability issues may be causing more households to violate the ordinance.



Section 2.2

Occupancy Ordinance Violators

Profile of Violator Households

Key Findings: Profile of Violator Households

- ➔ The makeup of residents in violator households has changed notably, going from 71% college students to 44% college students since 2005. Children under 18 now make up roughly 13% of these households, despite being a negligible population in 2005.
- ➔ The public is very aware of the ordinance (89%), and more likely to support the ordinance than oppose it (42% versus 24%). However, 78% say that it has no impact on their neighborhood.

A description of the methodology is found in the appendix.

A slight majority of violator households are rentals

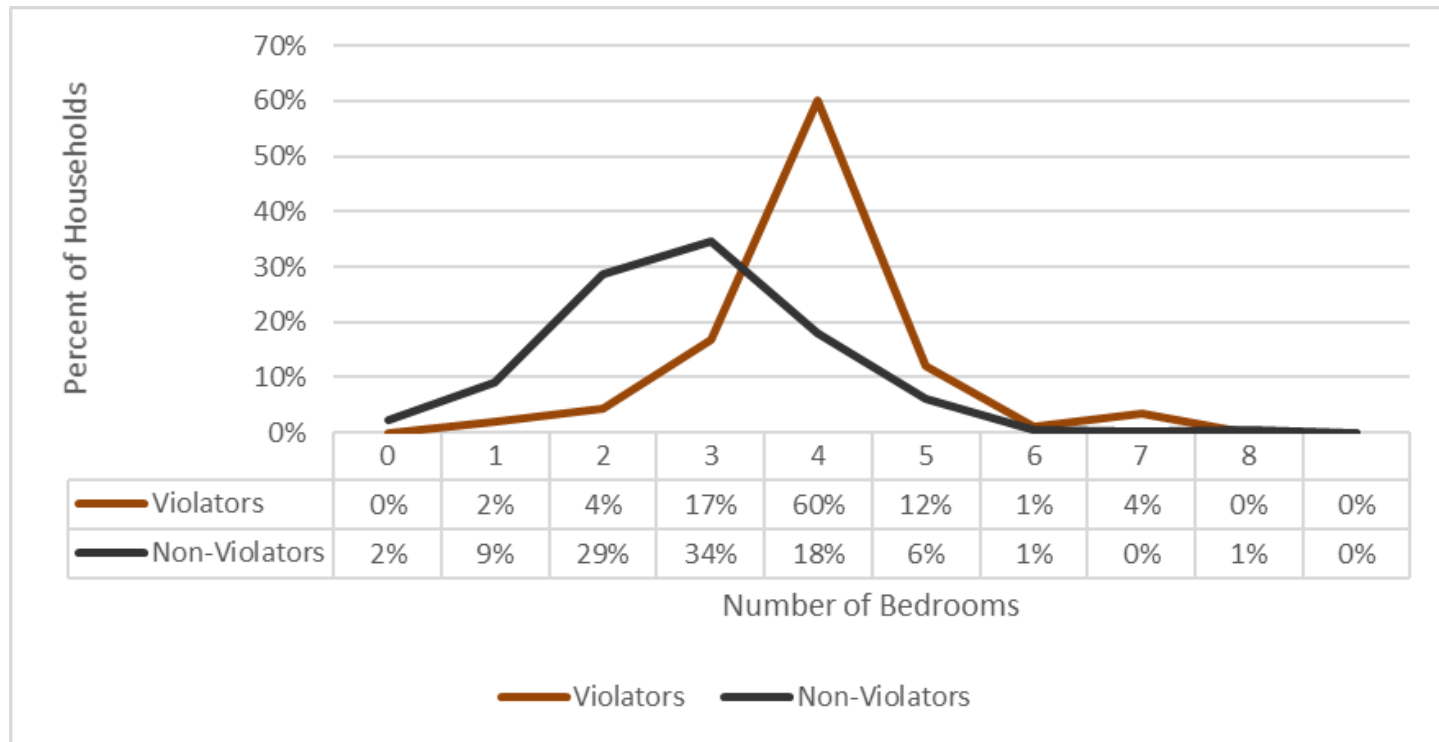
Violator households are nearly evenly split between single family and multi-family homes. Violators who own their home are nearly all in single-family homes, while violators who rent their homes are evenly split between single-family and multi-family units..

	Owned Home	Rented Home
Single-Family Home	45%	28%
Multi-Family Home	1%	26%

	Owned Home	Rented Home
Single-Family Home	560	343
Multi-Family Home	6	326

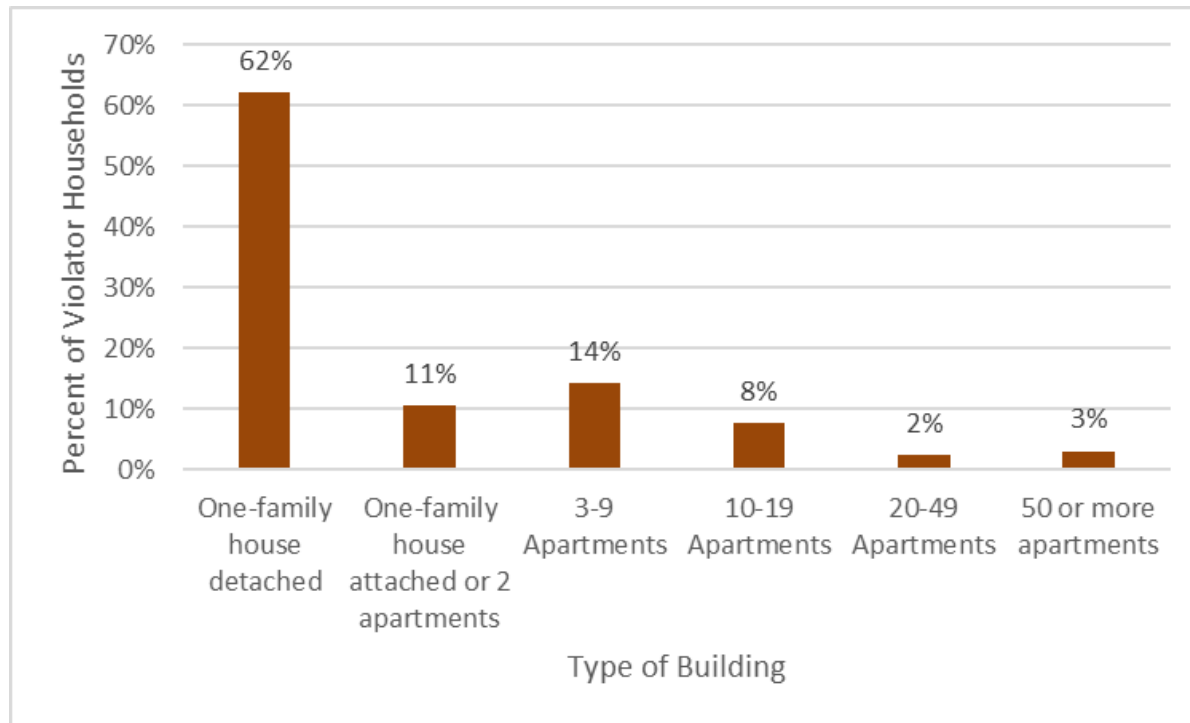
Violator households tend to share larger homes

Most violator households live in 4-bedroom units. This implies that most violator households are not living in overcrowded conditions inside the home.



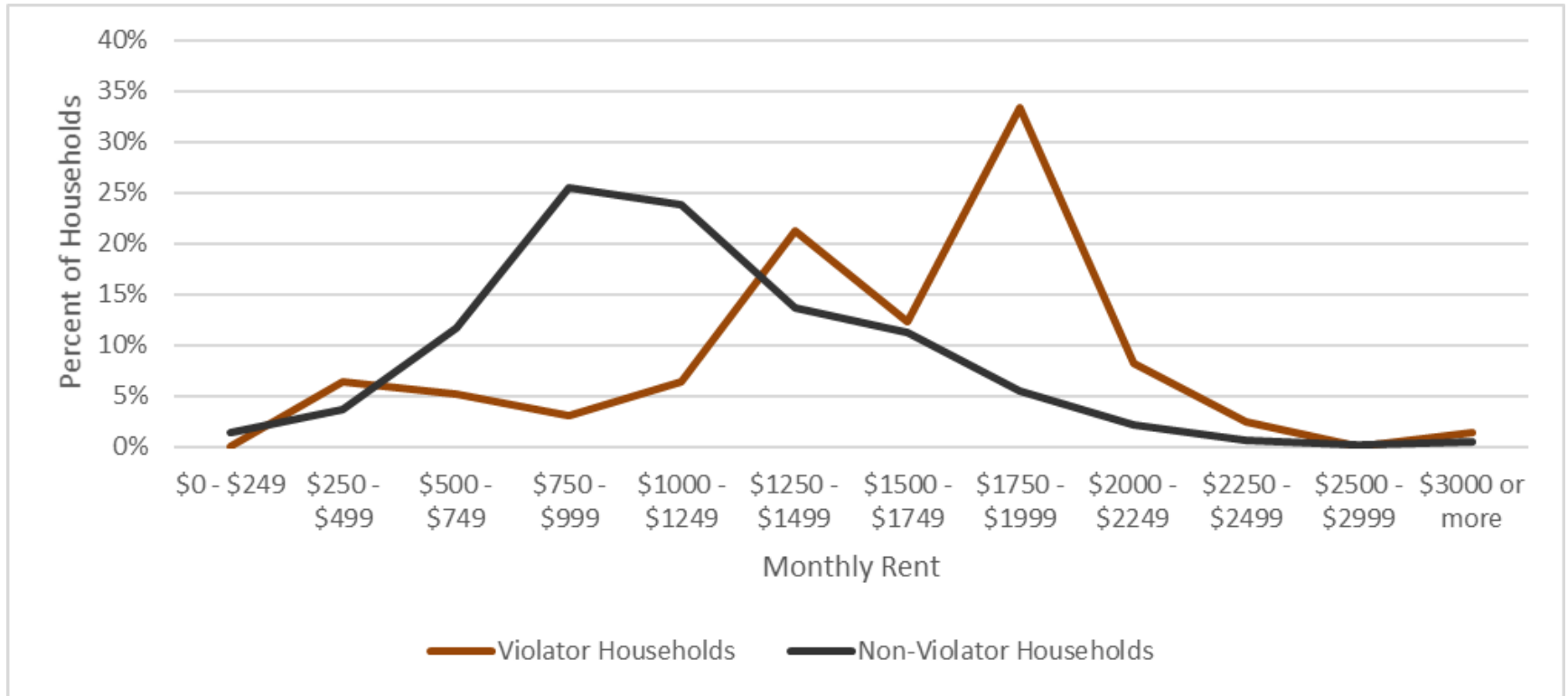
Violator households tend to live in single family homes

As might be expected from the finding on the previous page about the sizes of violator households' homes, most violator households live in single family homes (meaning houses that are detached from other houses). Among those who live in apartments, most live in smaller developments.



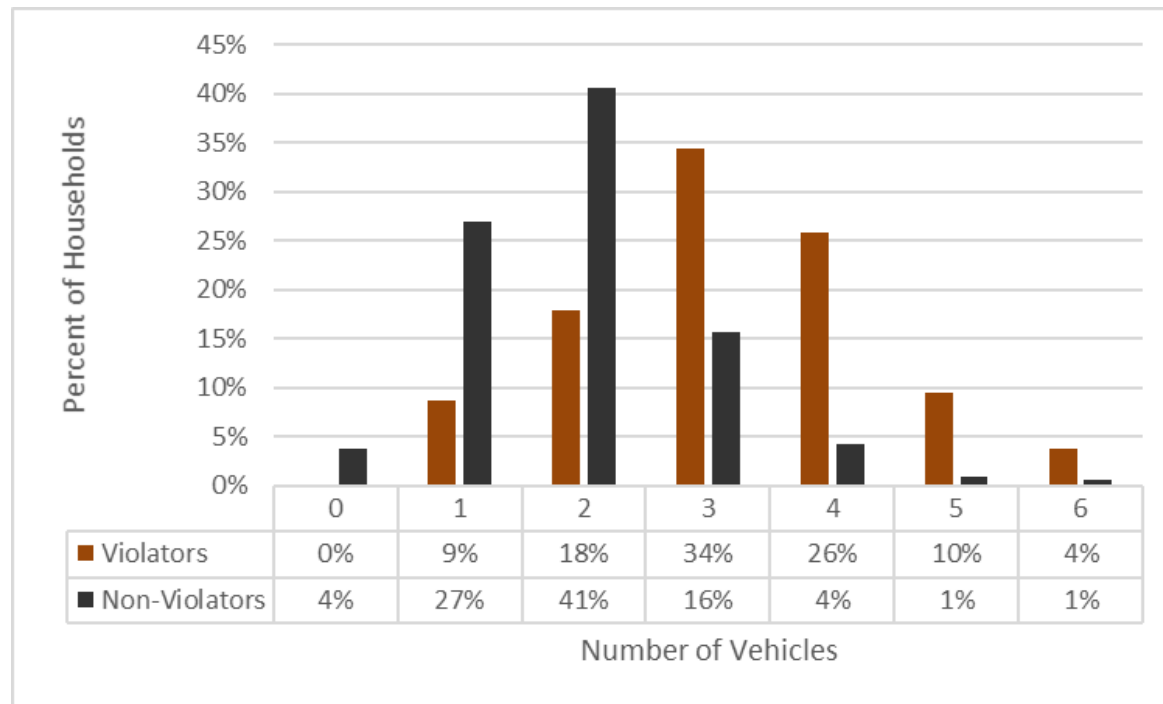
Violator households are higher on the rent spectrum

Because they tend to live in larger housing unit, violator households also tend to pay higher rents. However, the rent is split between more independent payers.



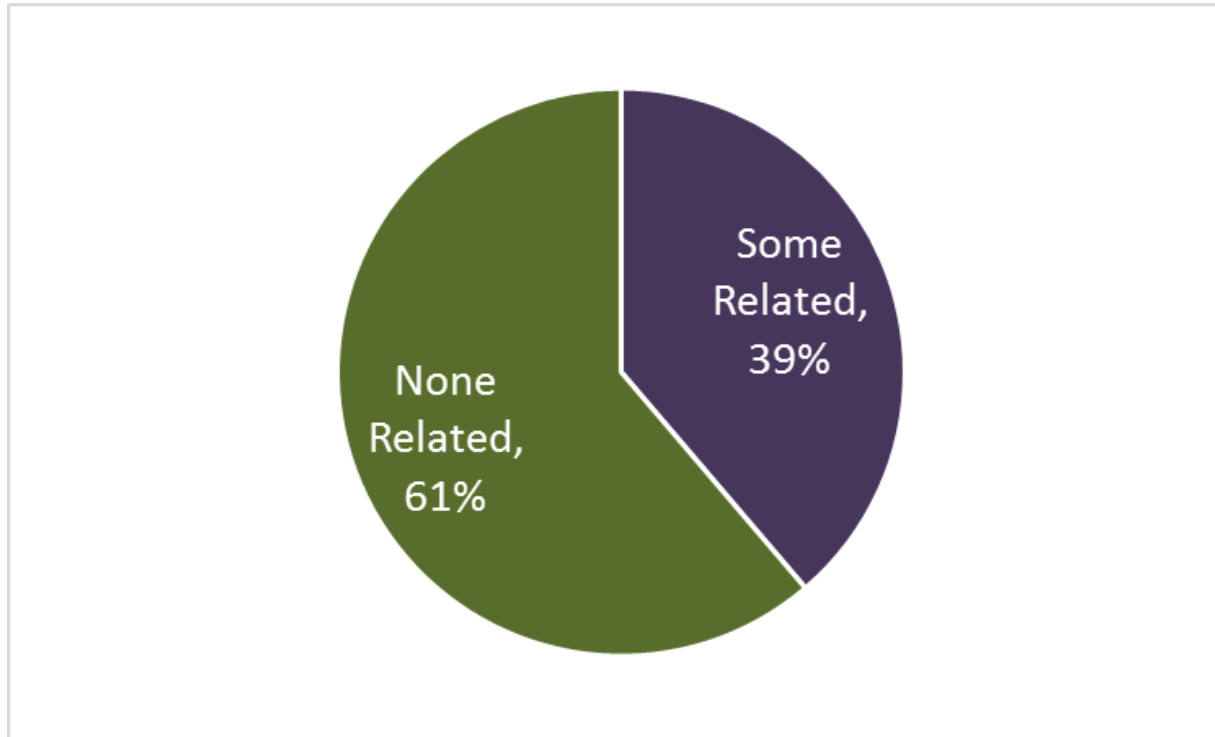
Violator households tend to have more vehicles.

Violator households have notably more vehicles than other types of households. This is an important distinction because, as seen elsewhere in this report, inappropriately parked vehicles tend to be a common complaint by Fort Collins residents with respect to neighborhood quality, and it would be a consistent issue to observe by residents.



Tenant relationships are generally non-blood

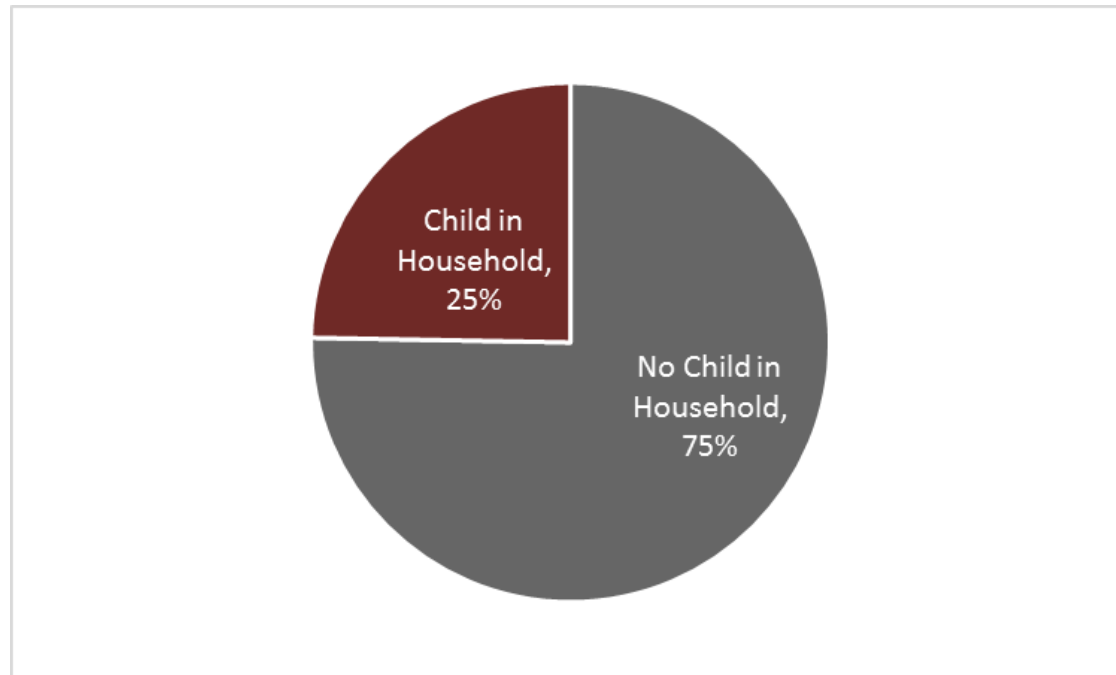
Violator households are usually groups of unrelated people.* Less than 40% consist of groups where at least two people are related to each other. This would imply that nuances to the definition of the ordinance might have an impact on some households, but not the majority.



* - Relationships are for the person filling out the census form. Others in the household could possibly be related.

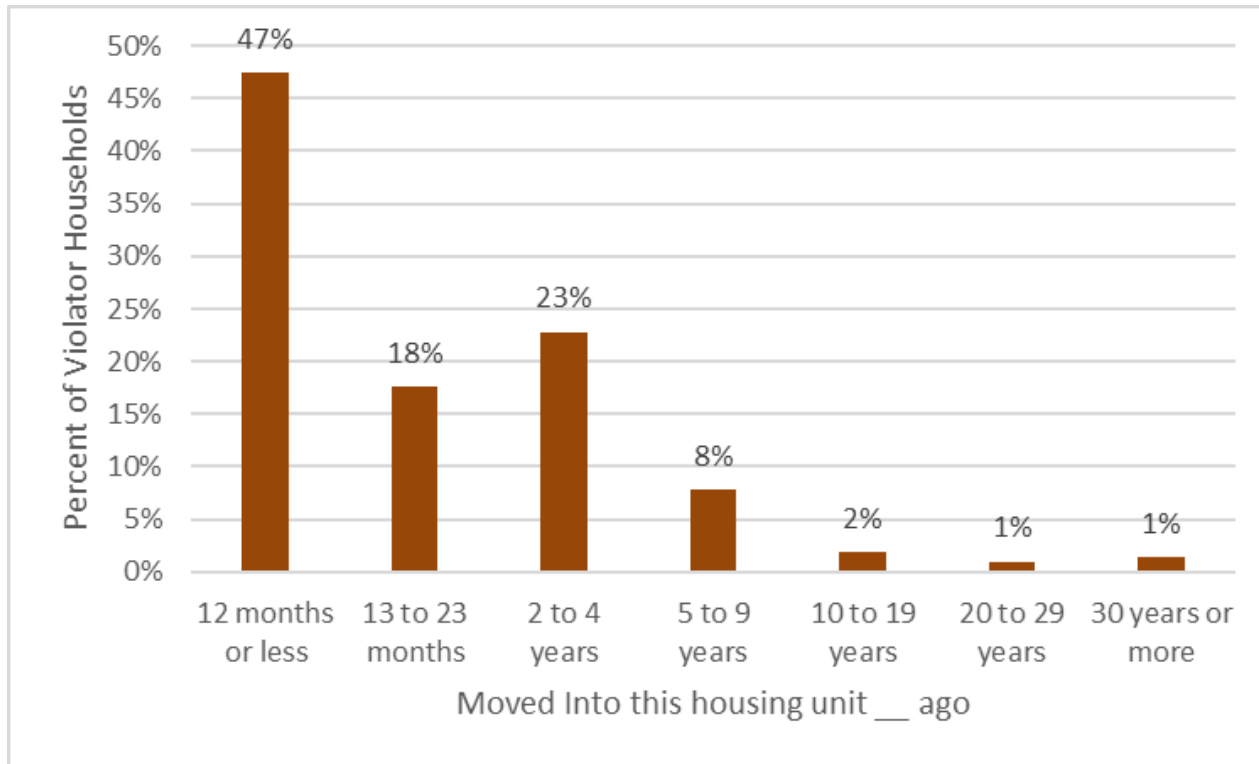
Relationships

When there are related people in the household, the related person is often a child. Children are present in violator households at a very similar rate to their presence in non-violator households (27%). This may suggest younger families that are bringing in others to help with housing costs.



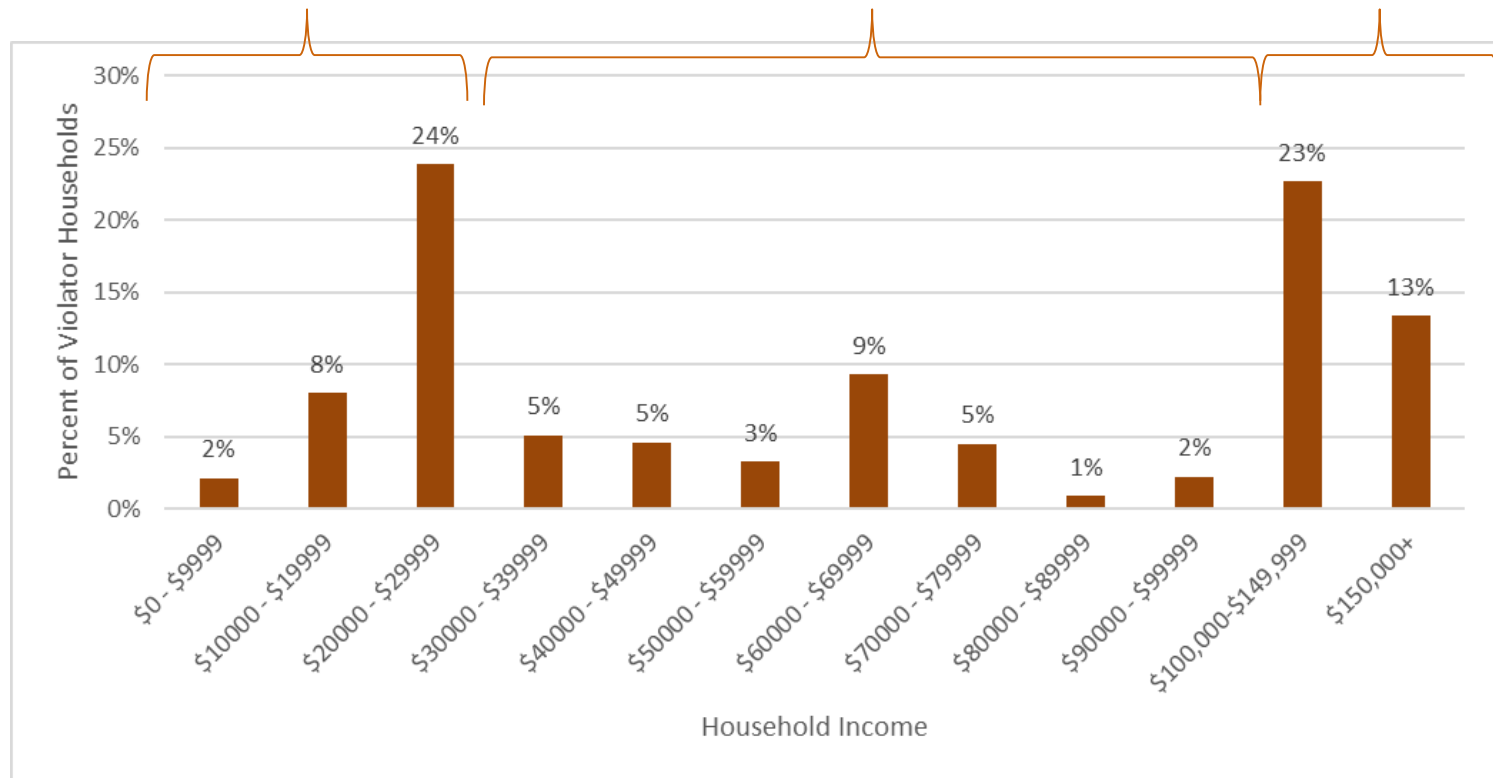
violator households generally form quickly or move frequently

Nearly half of all violator households have lived in their home for less than a year. This is an important item to consider, because conflicts may be more likely to occur with new residents who haven't yet integrated into a neighborhood or who introduce change to a neighborhood.



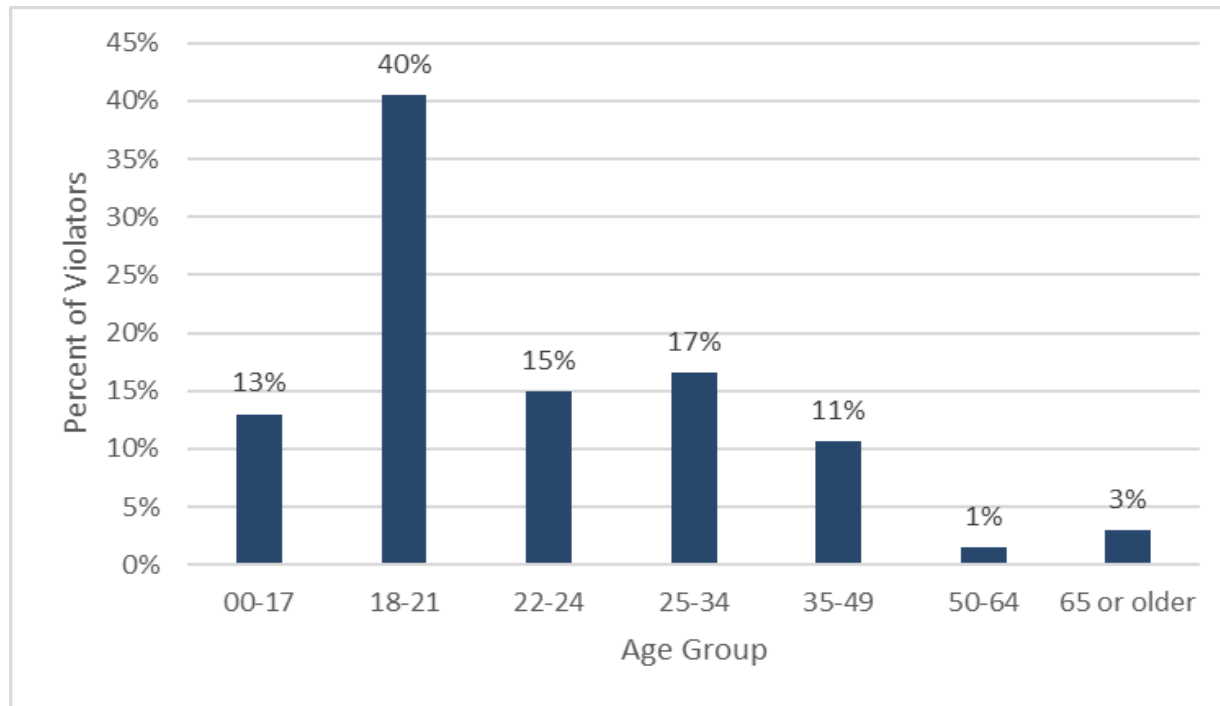
There is no relationship of household income to violator status

Violator households fall into three main income groups: one-third fall into lower household income segments (which is the combined income of all residents of the home), while slightly more than one-third have combined incomes of \$100,000 or more. The remainder fall into the income bank in between.



Violator households are often young adults

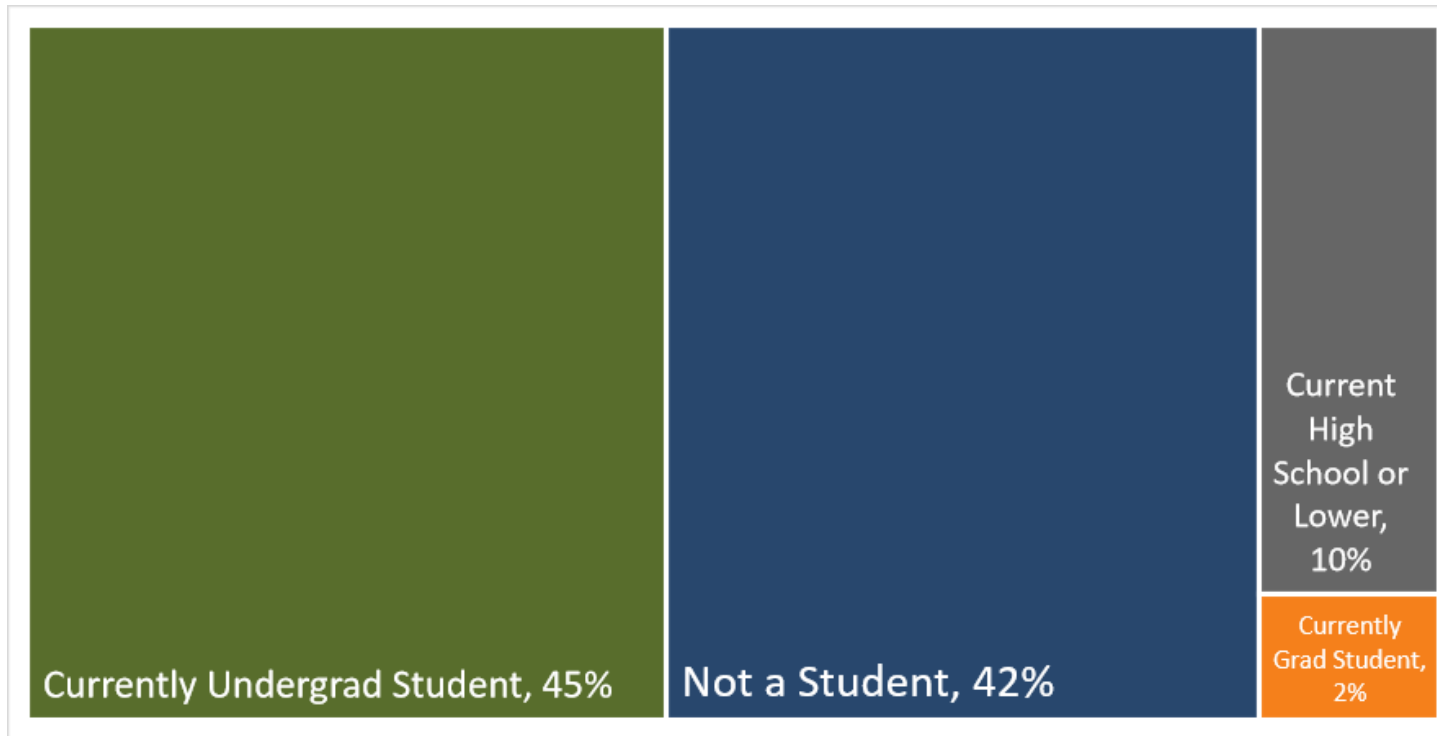
Forty percent of the residents living in violator households are young adults between the ages of 18 and 21. Conversely, very few residents of violator households are age 50 or older. As is discussed later in this section of the report, non-students tend to be older than college students. A new population that is emerging in the violator population is children under the age of 18, who were negligible in the 2005 study and now represent 1 in 8 violators.



50-50 split
of males
and females

College students represent nearly half the violator population

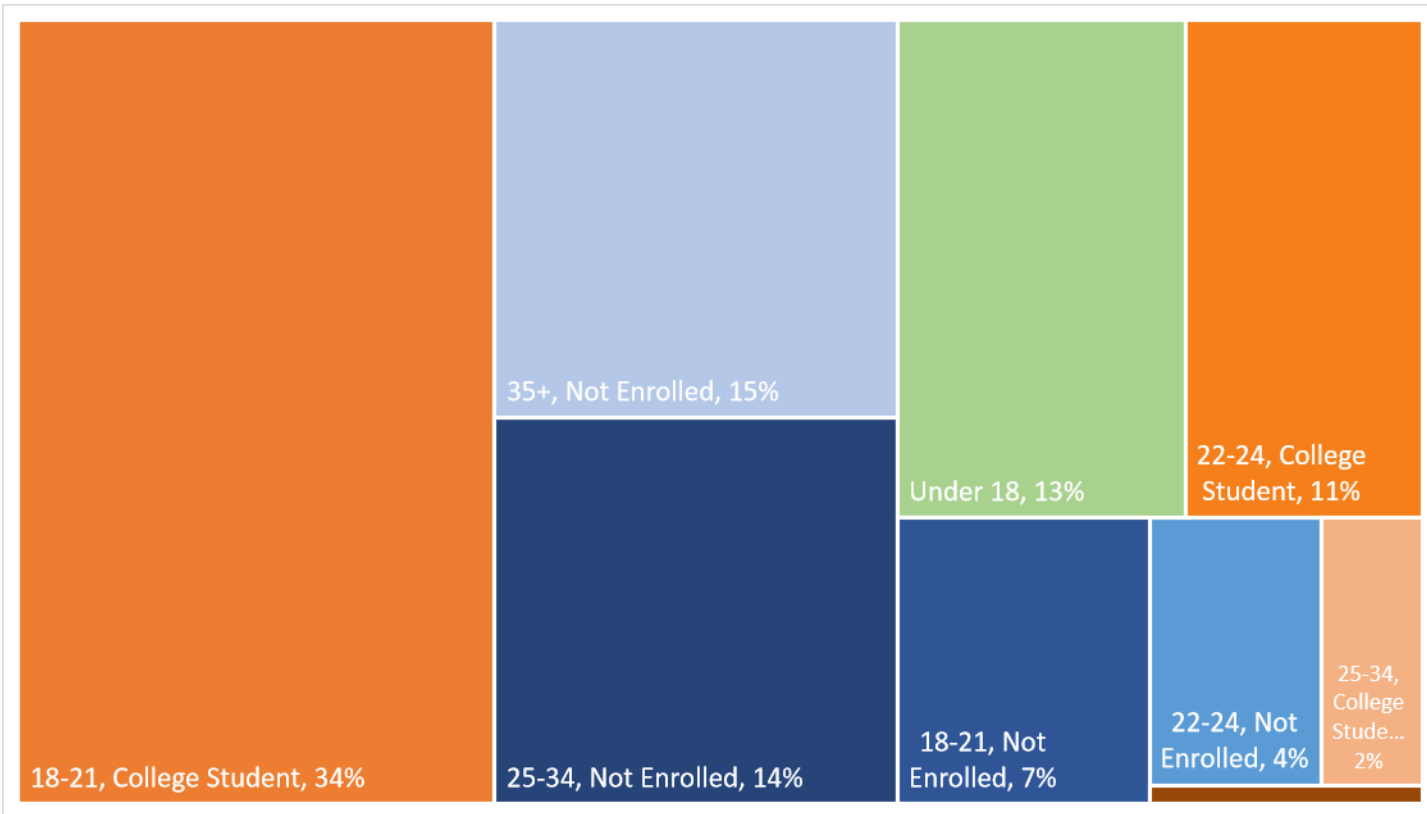
A slight majority of residents in violator households are college students, with the bulk being undergraduates. This represents a notable change from the initial 2005 study, which showed that 71% of residents in violator households were college students.



Ten percent of residents are enrolled in primary or secondary school. This figure is lower than the number of children in those households because some children are not yet of school age.

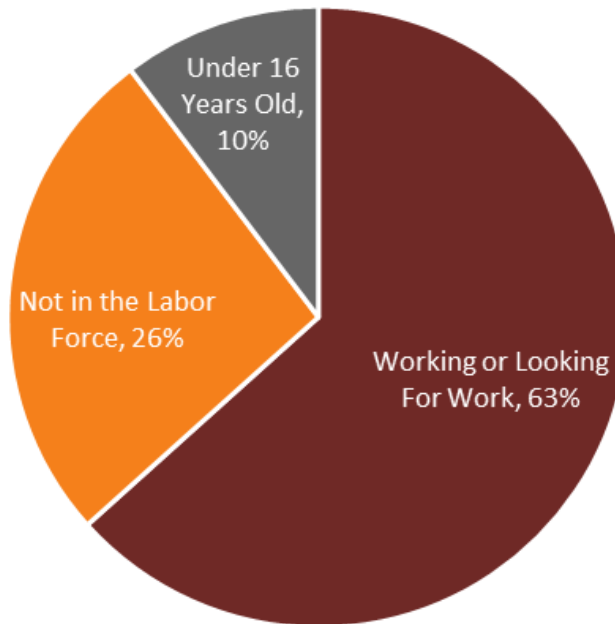
College students are younger, while non-students are older

If we examine violator household members by both age and college student status, we see that the most common segment is college students age 18 to 21. However, the next two largest segments are non-students over the age of 25, with a particular concentration of non-students between the ages of 25 and 34.



Residents of violator households are generally working

This analysis was intended to assess whether significant numbers of residents in violator households were unable to work. Recognizing that many college students may not be in the work force, we see that a majority of residents are working, and relatively few are disabled or receiving any type of public assistance.



5% are disabled

4% receive SNAP

0% receive public assistance payments

Section 2.3

Occupancy Ordinance Violators

Investigation Outcomes

- 2.3.1 Citywide Trends
- 2.3.2 Neighborhood Trends

Key Findings: Investigation Outcomes

- ➔ There was notable year to year variation in the number of over occupancy investigations.
- ➔ Citywide, the number of investigations trended upward, while the number of violations remained about the same; thus, the percentage of investigations with unfounded outcomes increased.
- ➔ The greatest number of violations were in the West of Campus region.
- ➔ The highest violation per home ratio was in the West of Campus region.
 - > Two-thirds of occupancy violations occur in the area west of campus, despite the fact that the area represents only 23% of homes in the city.
- ➔ The proportion of violations increased in the West of Campus region, from 57% of all violations in 2011 to 68% of all violations in 2017.
- ➔ The greatest number of unfounded cases were in the Away from Campus region.

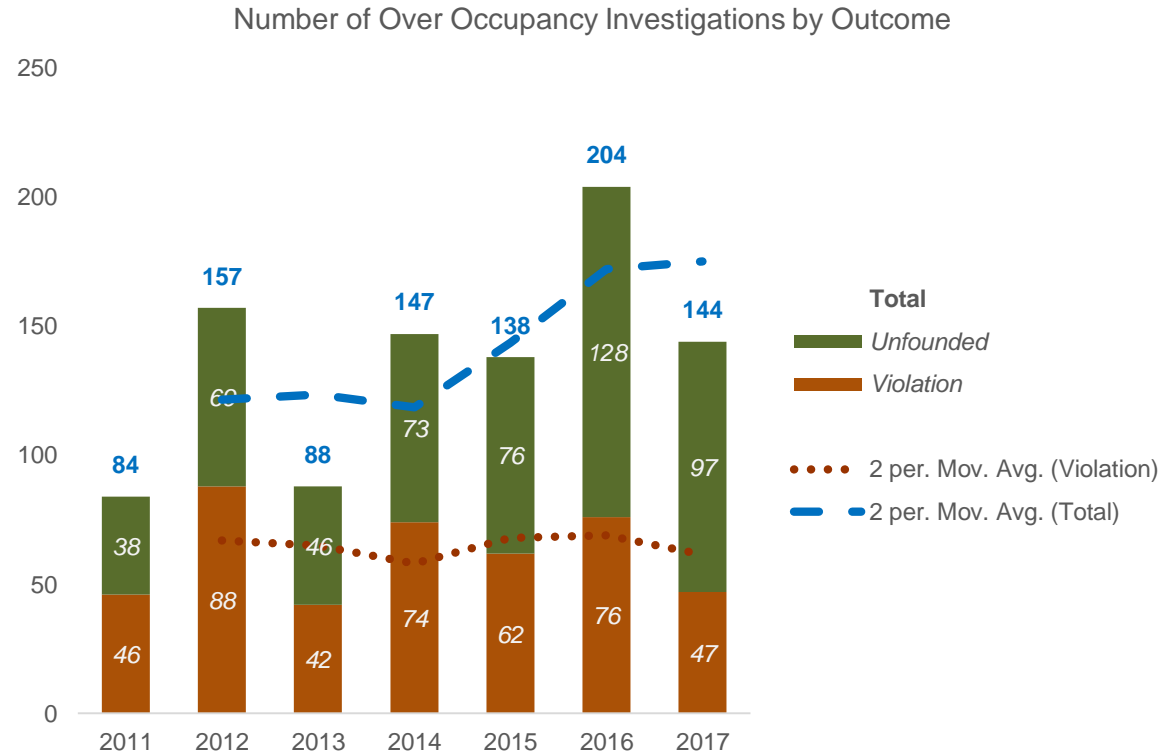
A description of the methodology is found in the appendix.

Section 2.3.1

Citywide Trends

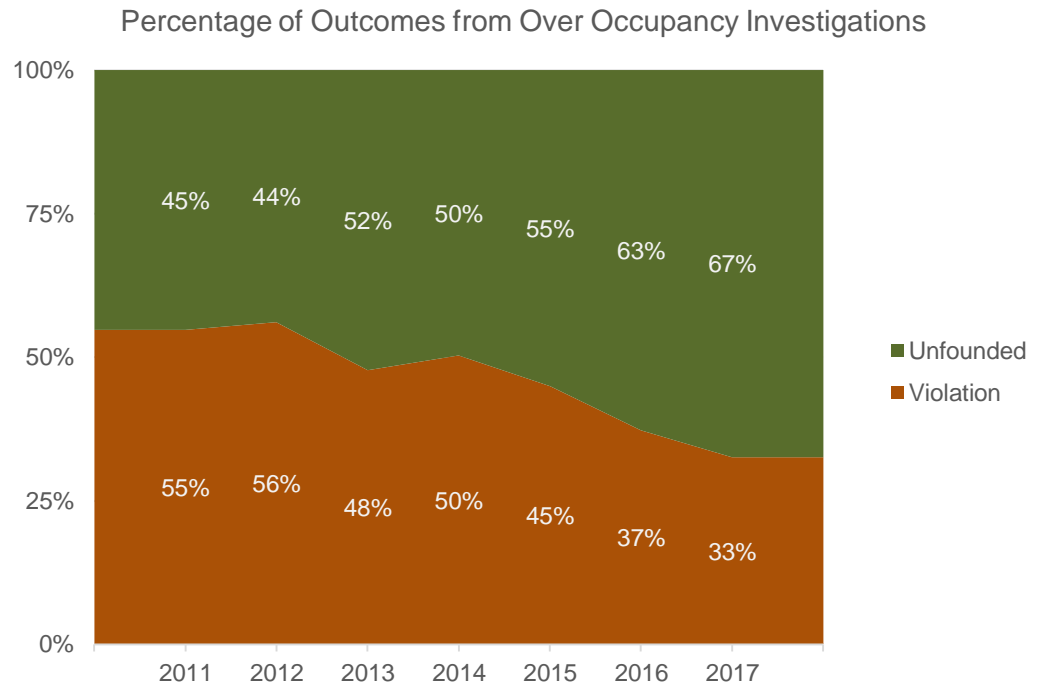
the number of over occupancy investigations increased, but the number of violations did not change

The number of investigations varied substantially from year to year, with a low of 84 investigations in 2011 and a high of 204 investigations in 2016. Based on a two-year running average (the average of the current and prior years), there was an increase in the number of investigations between 2012 and 2017. However, there was not a trending increase in violations, based on a two-year running average, which is represented in the chart below with dotted lines.



The percentage of unfounded investigations increased

Among all investigations, the proportion of violations decreased from 55% in 2011 to 33% in 2017.



Section 2.3.2

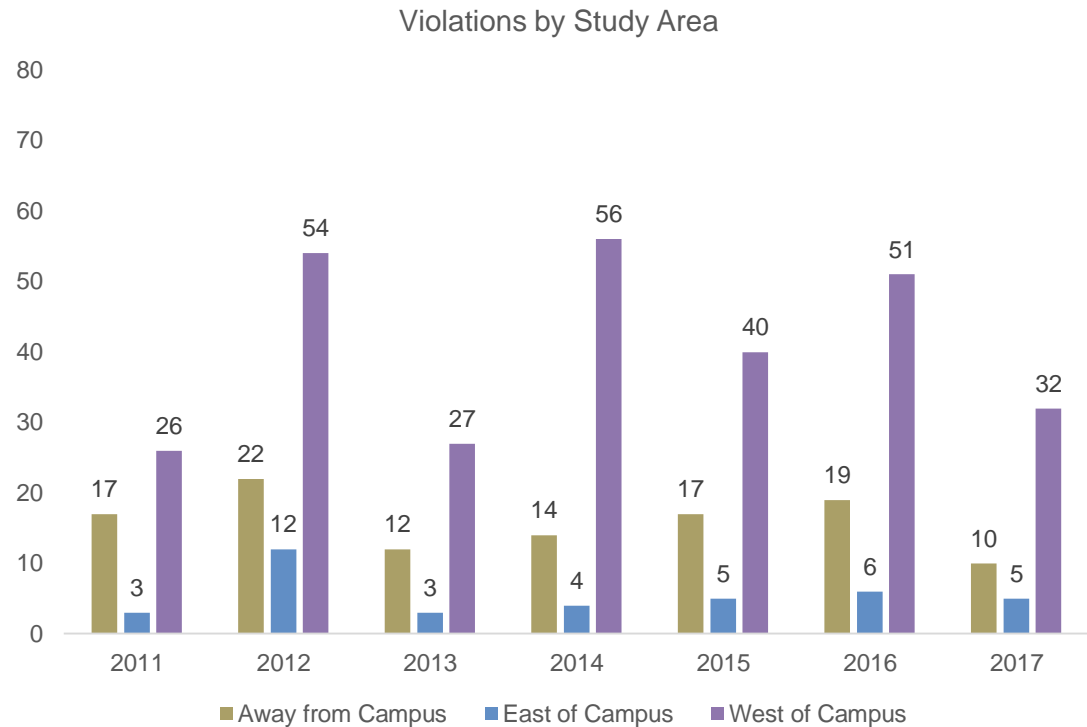
Neighborhood Trends

Neighborhood Summary

Neighborhood	Percentage of occupied homes that are rented	Percentage of occupied homes that are multi-unit (more than one unit in structure)
Away from Campus	35%	31%
East of Campus	57%	39%
West of Campus	70%	48%
<i>Fort Collins</i>	46%	35%

the greatest number of violations were always west of campus

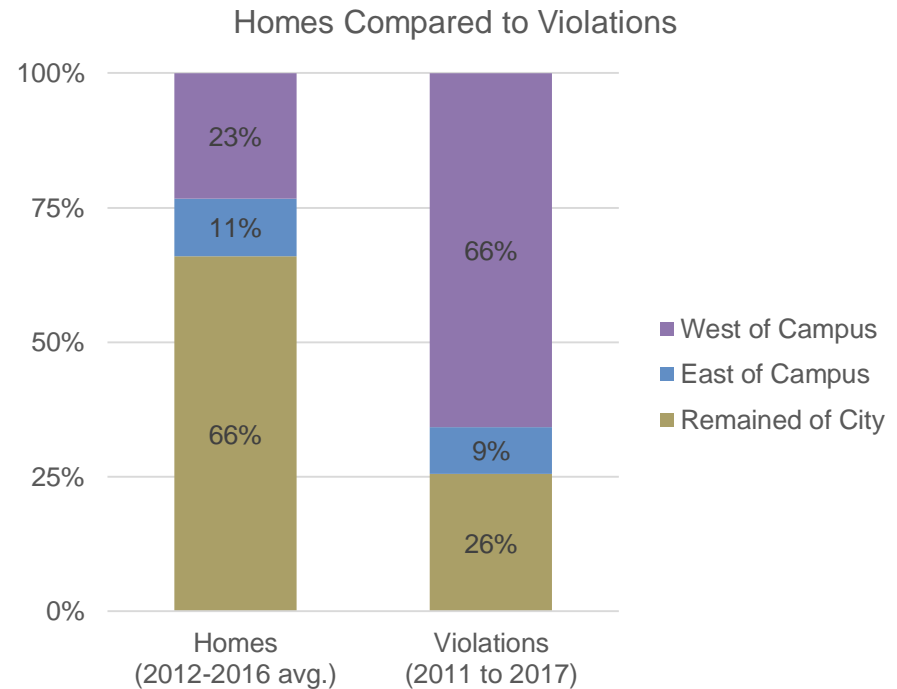
The neighborhoods west, north, and south of campus (labeled as “West of campus” in this report) consistently had the highest number of violations per year since 2011, with total of 286 violations since 2011 and an average of 41 violations per year. The neighborhoods east of campus had a total 38 violations with an average of 5 per year, while the rest of the city had a total of 111 violations with an average of 16 per year.



The area west of campus has the highest violation per home ratio

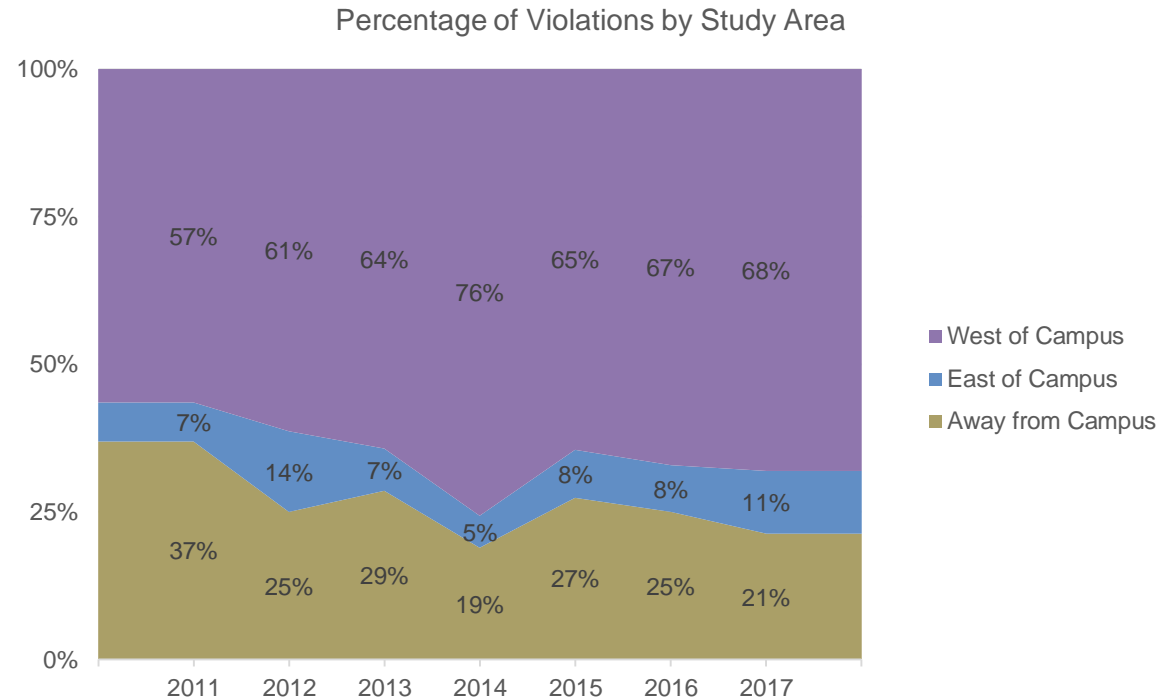
The area west of campus comprises about 23% of all occupied homes within Fort Collins, but this is where 66% of violations occurred from 2011 to 2017. Therefore, the ratio of violations per household was very high.

The share of violations in the area east of campus was about the same as the share of homes. Violations in the remainder of the city were less common than the percentage of homes in this area.



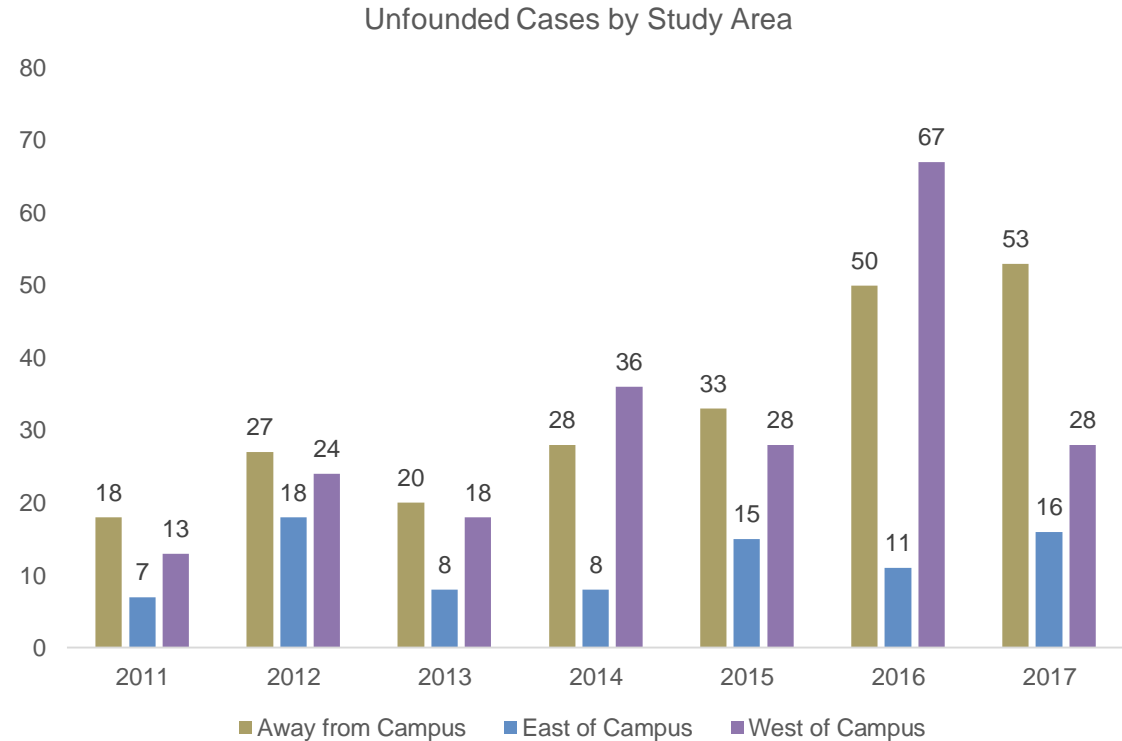
Over time, violations became more likely west of campus

The proportion of violations increased in the neighborhoods West of campus, from 57% of all violations in 2011 to 68% of all violations in 2017.



the greatest number of unfounded cases were typically away from campus

The greatest number of unfounded cases were in neighborhoods away from campus, where there were 229 unfounded cases since 2011 with an average of 33 unfounded cases per year. There were 214 unfounded cases west of campus with an average of 31 per year, and there were 83 unfounded cases east of campus, for an average of 12 per year.



Section 2.4

Occupancy Ordinance Violators

Public Sentiment Towards Occupancy Ordinance

Key Findings: Public Sentiment

- ➔ The public is very aware of the ordinance (89%), and more likely to support the ordinance than oppose it (42% versus 24%).
- ➔ However, 78% say that it has no impact on their neighborhood. Among those impacted by the ordinance, more residents said it had a positive impact (15%) than a negative impact (8%).
- ➔ Two-thirds of residents either wanted no change in enforcement of the ordinance or didn't know enough to have a preference. The remaining 35% were about evenly split, with 17% preferring enforcement more strict than now and 18% preferring enforcement less strict than now.

A description of the methodology is found in the appendix.

Most residents were aware of the occupancy ordinance

Most residents (89%) were aware of the ordinance. There was little variation across different segments of the population, other than slightly more awareness among residents of single-family homes versus multi-family homes. Nonetheless, awareness is high even among multi-family home dwellers.

	Total	Region			Dwelling Type		College Student in Home		Opinion of Occupancy Ordinance			
		West of campus	East of campus	Remainder of city	Single family	Multi-family	Yes	No	Support	Neutral	Oppose	No opinion
Base												
Unweighted	1323	350	495	478	1029	294	205	1061	620	323	304	43
Weighted	1329	318	142	868	836	493	241	1030	539	394	311	45
Aware of Occupancy Ordinance												
Yes	89%	90%	88%	89%	91%	85%	91%	88%	93%	86%	88%	85%
No	11%	10%	12%	11%	9%	15%	9%	12%	7%	14%	12%	15%

Student homes and non-student homes oppose each other on the ordinance

Overall, residents are more likely to support the ordinance than oppose it, though a significant number are neutral or undecided. Support outweighs opposition by a level of 42% versus 24%. The largest observed difference in support is homes containing college students versus those without. Homes with college students are more than twice as likely to oppose the ordinance than support it, but the opposite is true for homes without students. We also see that homeowners strongly support the ordinance while renters are evenly split between support and opposition.

		Region			Dwelling Type		Tenure		College Student in Home		Aware of Occupancy Ordinance	
	Total	West of campus	East of campus	Remainder of city	Single family	Multi-family	Owner	Renter	Yes	No	Yes	No
Base												
Unweighted	1328	355	498	475	1044	284	1049	271	202	1064	1167	123
Opinion of Occupancy Ordinance												
Support	42%	38%	44%	43%	45%	37%	53%	30%	19%	47%	43%	28%
Neutral	31%	34%	26%	31%	29%	34%	25%	38%	31%	31%	29%	40%
Oppose	24%	26%	25%	23%	22%	27%	19%	29%	44%	19%	24%	27%
No opinion	3%	3%	4%	3%	4%	3%	3%	4%	7%	2%	3%	5%

The ordinance does not impact most residents

Only 23% of residents say that the ordinance impacts their neighborhood. Among these, positive impacts outweigh negative impacts by a margin to 15% to 8%. Every segment saw more positives than negatives, other than homes with college students.

The most common reasons cited for positive impacts were simply that the ordinance is effective in its goal, that the ordinance enhances peace and quiet, and that the ordinance leads to fewer cars nearby. The most common reasons cited for negative impacts were affordability and general comments about obtaining housing.

		Region			Tenure		College Student in Home	
	Total	West of campus	East of campus	Remainder of city	Owner	Renter	Yes	No
Base								
Unweighted	1283	342	477	464	1018	257	196	1029
Weighted	1266	301	128	837	700	560	226	983
Positive impact	15%	23%	17%	11%	15%	14%	11%	15%
No significant impact	78%	61%	76%	84%	79%	77%	72%	79%
Negative impact	8%	16%	7%	5%	7%	9%	17%	6%

Support for ordinance changes is split

Two-thirds of residents either wanted no change in enforcement or didn't know enough to have a preference. The other 35% was evenly split on preferring more or less enforcement. Residents in homes with college students preferred less strict enforcement.

		Region			College Student in Home		Opinion of Occupancy Ordinance			
	<i>Total</i>	West of campus	East of campus	Remainder of city	Yes	No	Support	Neutral	Oppose	No opinion
<i>Base</i>										
<i>Unweighted</i>	<i>1319</i>	<i>354</i>	<i>491</i>	<i>474</i>	<i>200</i>	<i>1058</i>	<i>640</i>	<i>327</i>	<i>306</i>	<i>42</i>
<i>Weighted</i>	<i>1314</i>	<i>316</i>	<i>139</i>	<i>859</i>	<i>236</i>	<i>1021</i>	<i>554</i>	<i>405</i>	<i>311</i>	<i>41</i>
More strictly than now	17%	20%	18%	15%	8%	19%	33%	4%	5%	5%
Same as now	38%	40%	33%	37%	31%	38%	49%	46%	9%	19%
Less strictly than now	18%	20%	27%	16%	34%	14%	0%	9%	63%	6%
Don't know	28%	21%	21%	32%	27%	29%	18%	41%	23%	70%

Item 3.



Section 3.1

Short-Term Rentals

Profile of Units and Revenues

Key Findings: Profile of Units and Revenue

- ➔ The number of STRs increased strongly between 2015 and 2017. The number is still growing, though the growth rate has slowed into 2018.
- ➔ A majority of STRs are full-time rentals. They are increasingly entire homes, as opposed to rooms in primary residences.
- ➔ Revenues from STRs are growing rapidly, with nearly \$10 million in citywide revenues estimated for 2018.

A description of the methodology is found in the appendix.

The supply of short-term rentals (STRs) has increased quickly

The accompanying table shows the number of properties listed each month from late 2014 through mid-2018. The number of properties roughly doubled each year until 2018, when it rose roughly 10% (through the latest available data).

Year	Month											
	1	2	3	4	5	6	7	8	9	10	11	12
2014										86	88	100
2015	109	99	103	117	140	148	176	176	185	192	213	241
2016	256	266	277	282	329	343	364	376	414	434	445	465
2017	477	473	501	491	533	524	549	541	525	527	541	562
2018	556	528	524	514								

STRs are vacant more often than not

We can calculate an occupancy rate by dividing the number of occupied nights by the number of nights that the property was available for rent. On average, occupancy rates are 32% on any given night, but with strong seasonal changes. Occupancy rates in the summer are higher than occupancy in other seasons, and particularly in the month of July.

Note that not all STRs are available for rent full time. Some are available less often, depending on the host's preferences. So the units are occupied less than the formal occupancy rate will show. However, as seen later in this chapter, most STRs are available full-time or a strong majority of the time.

Occupancy Rate	Month												Total
	1	2	3	4	5	6	7	8	9	10	11	12	
2014										27%	25%	20%	24%
2015	21%	17%	22%	24%	34%	38%	50%	41%	26%	27%	22%	21%	28%
2016	20%	18%	23%	25%	34%	43%	49%	43%	31%	32%	25%	26%	31%
2017	20%	20%	25%	26%	35%	46%	57%	52%	38%	37%	29%	30%	35%
2018	23%	24%	30%	32%									27%
Total	21%	21%	26%	28%	34%	44%	53%	48%	33%	33%	26%	26%	32%

Most STRs are available as full-time rentals

Over half of STRs are for rent every day, while most of the remainder are available more than half of the days in any given month. As the market has matured, the number of casual rentals (less than half time) has settled into the 10% to 14% range.

Among those that are available more than half the time, most are available for nearly every day of the month, being pulled off the market only occasionally.

Availability

	1	2	3	4	5	6	7	8	9	10	11	12
2014												
Full										58%	64%	61%
Less Than Half										9%	13%	11%
More Than Half										33%	24%	28%
2015												
Full	62%	58%	53%	46%	38%	33%	23%	28%	28%	28%	44%	43%
Less Than Half	11%	13%	15%	17%	21%	22%	30%	33%	22%	18%	13%	15%
More Than Half	27%	29%	32%	37%	41%	45%	47%	39%	51%	55%	44%	42%
2016												
Full	55%	60%	53%	60%	48%	44%	42%	41%	52%	53%	57%	58%
Less Than Half	16%	14%	14%	12%	13%	14%	13%	14%	10%	12%	12%	14%
More Than Half	30%	26%	32%	28%	39%	42%	46%	45%	37%	34%	31%	29%
2017												
Full	62%	65%	54%	60%	48%	48%	47%	46%	51%	51%	55%	60%
Less Than Half	12%	13%	9%	8%	12%	15%	14%	14%	12%	11%	14%	14%
More Than Half	26%	22%	37%	32%	40%	37%	39%	40%	37%	37%	32%	27%
2018												
Full	60%	63%	61%	60%								
Less Than Half	14%	13%	13%	8%								
More Than Half	26%	24%	26%	32%								

STR units are dispersed across the city

Roughly half of STRs were located near campus in the past, but rentals are dispersing over time. Rentals outside the two campus neighborhoods have risen from roughly 50% to over 60% as the market has grown.

East of Campus		Month											
		1	2	3	4	5	6	7	8	9	10	11	12
	2014										22%	23%	27%
	2015	24%	23%	24%	27%	26%	25%	24%	22%	23%	23%	22%	22%
	2016	21%	19%	21%	21%	20%	20%	18%	20%	23%	23%	23%	22%
	2017	22%	22%	21%	21%	21%	21%	20%	22%	22%	22%	21%	21%
	2018	21%	21%	21%	22%								
West of Campus													
		1	2	3	4	5	6	7	8	9	10	11	12
	2014										24%	27%	26%
	2015	24%	24%	21%	21%	21%	22%	21%	23%	20%	20%	23%	23%
	2016	25%	24%	21%	24%	26%	24%	24%	22%	20%	20%	20%	22%
	2017	21%	21%	21%	20%	21%	19%	19%	16%	16%	16%	16%	16%
	2018	17%	17%	17%	16%								
Remainder of City													
		1	2	3	4	5	6	7	8	9	10	11	12
	2014										53%	50%	47%
	2015	52%	53%	54%	52%	53%	53%	55%	55%	57%	57%	55%	55%
	2016	53%	57%	58%	55%	54%	56%	57%	58%	57%	57%	57%	56%
	2017	57%	58%	58%	58%	58%	60%	61%	62%	62%	63%	63%	63%
	2018	62%	62%	62%	62%								

The types of STR units are evolving

Private rooms in homes have historically been the bulk of rentals, but this is changing over time as renting entire units is becoming more common. Renting entire housing units, generally more of an investment approach than renting rooms, has risen from 34% of units to 46% of units.

	Entire home/apt	Private room	Shared room
2014	34%	57%	9%
2015	37%	56%	6%
2016	41%	54%	4%
2017	44%	52%	5%
2018	46%	50%	4%

Prices are rising over time

Length of stay is relatively consistent over time, but price per night is rising (likely due in part to full units becoming more common as STRs).

Average Nights Per Reservation												Month	
	1	2	3	4	5	6	7	8	9	10	11	12	Total
2014										4.3	7.0	6.0	5.5
2015	7.5	3.6	3.8	3.8	3.0	3.0	3.4	3.0	2.8	3.1	3.8	3.4	3.3
2016	3.9	3.5	3.5	3.0	3.2	3.3	3.4	3.2	3.0	3.0	3.5	3.6	3.3
2017	3.6	3.3	3.4	3.2	3.2	3.2	3.7	3.1	3.1	3.0	3.2	3.8	3.3
2018	3.7	3.5	3.3	3.2									

Average Dollars Per Night Reserved												Month	
	1	2	3	4	5	6	7	8	9	10	11	12	Total
2014										\$82	\$89	\$81	\$84
2015	\$90	\$94	\$86	\$86	\$88	\$91	\$89	\$87	\$92	\$89	\$86	\$100	\$90
2016	\$88	\$86	\$84	\$90	\$99	\$103	\$106	\$101	\$99	\$102	\$99	\$102	\$99
2017	\$92	\$96	\$104	\$105	\$119	\$120	\$120	\$118	\$123	\$123	\$130	\$124	\$117
2018	\$108	\$107	\$112	\$114									

Total revenues are growing rapidly

Revenues are growing on both a per-property basis and on a citywide basis. Over the past three years, monthly revenues per unit have roughly doubled, and citywide revenues have risen from less than \$1 million to an estimated \$9.6 million in 2018.

Revenue Per Property												Month	Citywide Revenues	
													Measured	Estimated
													Total	Annual
														Total
1	2	3	4	5	6	7	8	9	10	11	12			
2014										\$599	\$566	\$429	\$144,297	\$489,519
2015	\$498	\$376	\$486	\$495	\$692	\$764	\$923	\$752	\$528	\$571	\$466	\$524	\$1,137,225	\$1,137,225
2016	\$452	\$391	\$499	\$579	\$880	\$1,120	\$1,319	\$1,087	\$783	\$884	\$641	\$691	\$3,398,016	\$3,398,016
2017	\$479	\$461	\$696	\$718	\$1,088	\$1,357	\$1,748	\$1,581	\$1,187	\$1,201	\$960	\$990	\$6,586,274	\$6,586,274
2018	\$673	\$625	\$884	\$981									\$1,671,493	\$9,591,305

Section 3.2

Short-Term Rentals

Rental Hosts and Properties

Key Findings: Rental Hosts and Properties

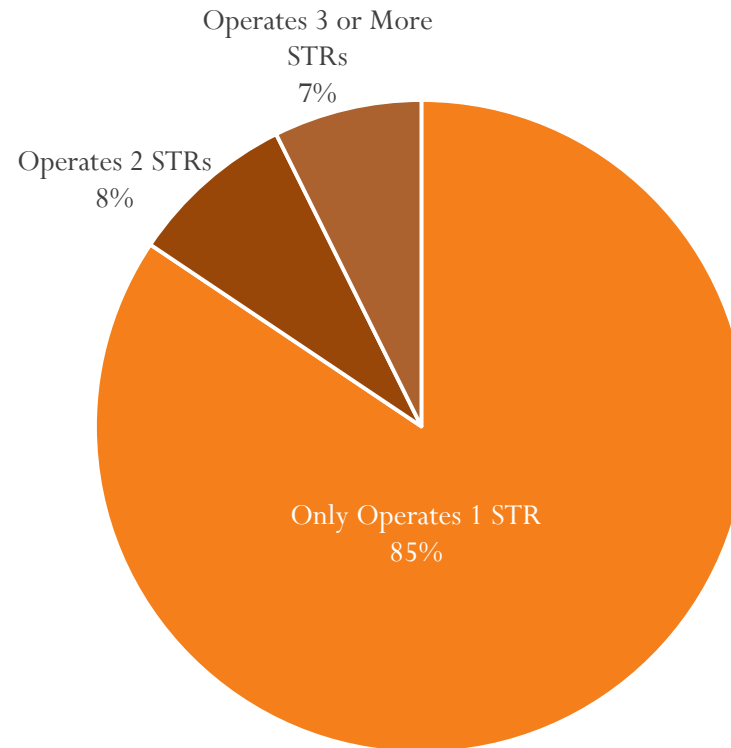
- ➔ The STR market in Fort Collins is run by individuals and appears to be significantly insulated from large property management companies.
 - > 85% of hosts only own and operate a single STR.
 - > Only 5% of hosts said they owned their STRs with anyone other than their spouse.
 - > 62% of STRs in Fort Collins are also hosts' primary residence.
 - > Only 4% of STR units were managed by professional firms.
- ➔ Hosts mention income, culture, and the unique benefits or appeal of STRs as motivations for buying property for this purpose.
- ➔ Around 30% of STRs have been pulled from the long-term rental market.

A description of the methodology is found in the appendix.

The majority of city-licensed hosts operate only one STR

Few hosts in Fort Collins operate more than one STR. Overall, the STR market in Fort Collins appears to be insulated from large property management companies. Only 5% of respondents said they owned their property with someone other than their spouse. Only one respondent noted that they operated five STRs, the highest value in the survey.

How Many Short-Term Rentals do you Operate?

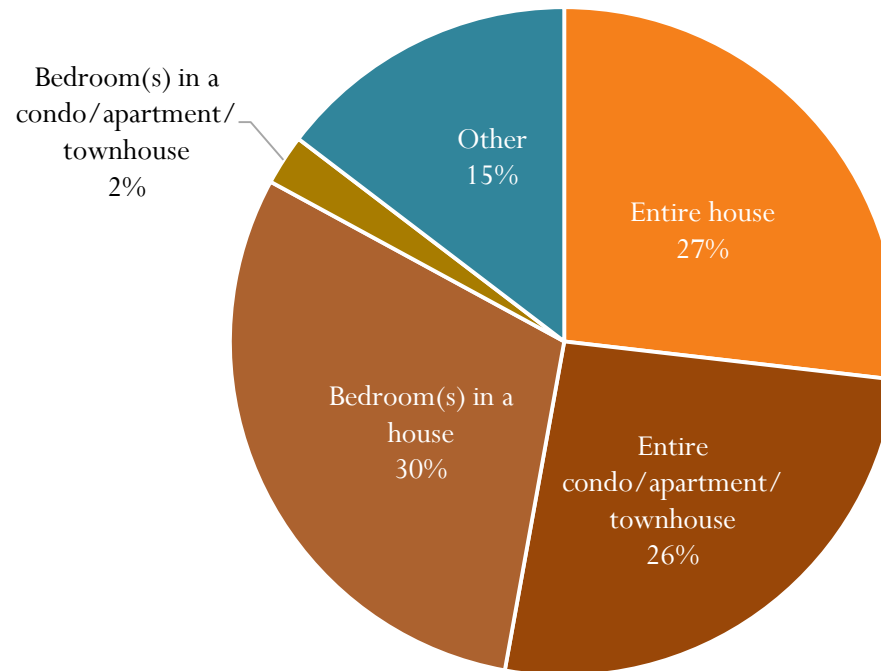


City-licensed STRs in Fort Collins are distributed evenly across unit type

Hosts report renting bedrooms, entire houses, and entire apartments at similar rates.

The most frequent responses within the “Other” category were “Carriage House” and “Private Suite, Basement, or Garage.”

Type of Short-Term Rentals



Few city-licensed STR hosts have plans to own new properties

While a significant percentage of STR hosts also report owning long-term rentals in Fort Collins (38%), few plan on purchasing new properties for the purpose short-term (10%) or long-term (13%) renting in the next two years.

Very few (4%) hosts plan on making long-term rentals into STRs in the near future.

Host Activity	
Please check each statement that applies to you.	
I currently own long-term rentals in Fort Collins	38%
I currently own a second, unrented home for personal use	8%
I plan on purchasing more properties to use as short-term rentals in Fort Collins in the next two years	10%
I plan on purchasing more properties to use as long-term rentals in Fort Collins in the next two years	13%
I plan on selling properties I own that are currently short-term rentals in Fort Collins in the next two years	4%
I plan on selling properties I own that are currently long-term rentals in Fort Collins in the next two years	5%
I currently own long-term rental(s) in Fort Collins and plan on making some or all of them short-term rental(s) in the next two years	4%
I currently own long-term rental(s) in Fort Collins and plan on selling some or all of the property(ies) in the next two years	3%

The average city-licensed STR in Fort Collins rents for \$125 a night

Host Reported Nightly Cost by Most Common Unit Types				
	Average rent per night			
	Less than \$65	\$65 - \$100	\$101 - \$150	More than \$150
Entire house	-	7%	30%	63%
Entire condo/apartment/townhouse	6%	42%	33%	19%
Bedroom(s) in a house	65%	24%	6%	6%

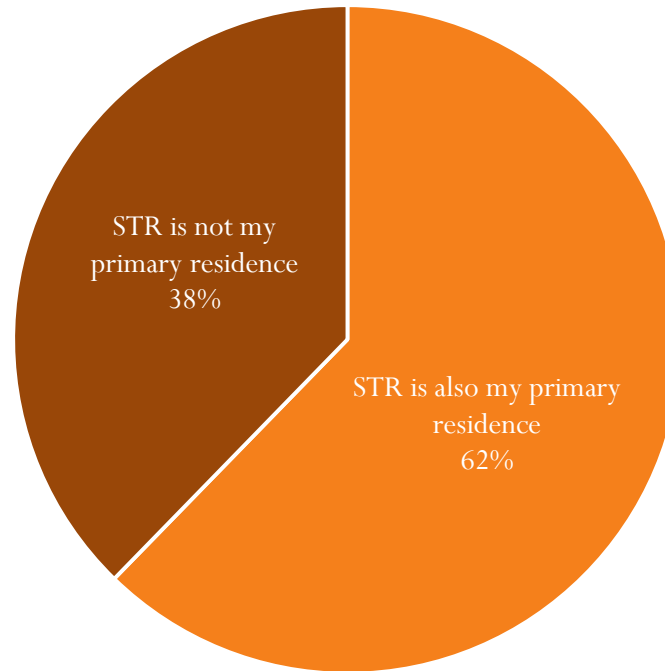
Hosts reported charging an average of \$125 per night for their STRs. A majority of bedroom(s) within a house were rented for less than \$65 a night, while a majority of entire houses were rented for more than \$150 a night. The median nightly rent was \$100, indicating the presence of a few very expensive STRs. The most expensive reported average nightly rent was \$450 for an entire house.

Most city-licensed STRs are hosts' primary residence

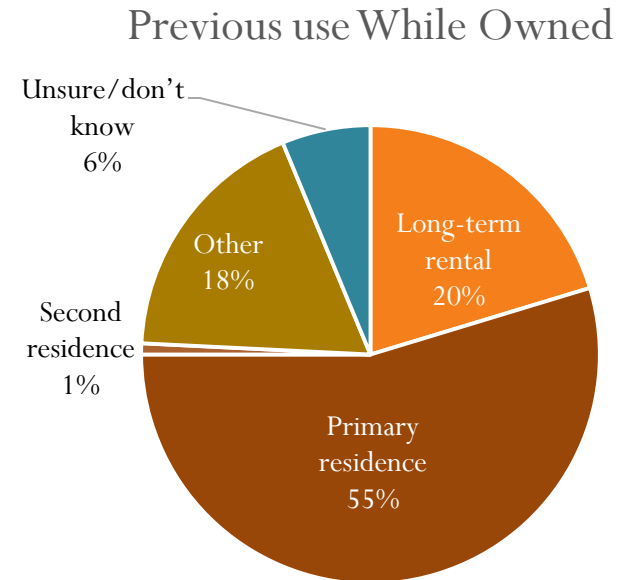
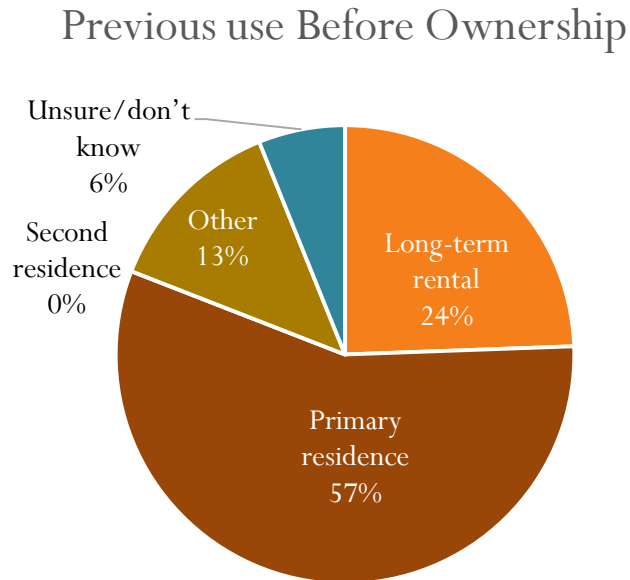
The majority of STRs described in the survey were also hosts' primary residence. This pattern is consistent with previous findings that suggest the STR market in Fort Collins is managed more by individuals than property companies. Hosts reported only 4% of STRs in the survey as being managed by professional firms.

A significant proportion of STRs that are not primary residences belong to the few hosts who happen to operate multiple STRs.

Residency Status of STRs



A majority of city-licensed STRs were previously primary residences



When asked to recall the previous use of their STRs before and during ownership, a majority of hosts said these units used to be primary residences. Hosts recall 24% and 20% of STRs previously being long-term rental units (with lease agreements 1 month or longer) before and during ownership, respectively. The most common descriptions of the “Other” category reference new construction or remodeling.

Unlicensed Hosts mention income, culture, and the unique benefits or appeal of STRs as motivations for renting

The majority of hosts mentioned income when asked about their decision to purchase a STR property. 40% of hosts indicated that they would not have a rental property if it were not short-term, primarily due to scheduling flexibility and alternative uses of the property. 26% of hosts noted that they prefer STR renting to long-term renting due to the quality of tenants, higher income, and other benefits. Finally, 14% of hosts highlighted the cultural experience of short-term renting. Example quotes can be found below.

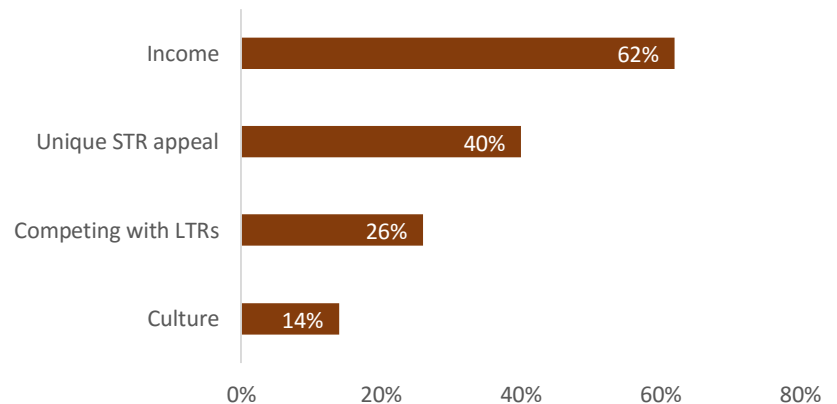
Income: *“For extra income so I can pay my mortgage and HOA fees.”*

Unique STR appeal: *“The amount of time I spend away from home for both work and personal travel, might as well let someone else use the space while it sits there empty.”*

Competing with LTRs: *“Too much wear and tear on the property from long term tenants.”*

Culture: *“There is something really special and unique about staying in a home where you can share a cup of coffee with your host, share stories, and learn about the town you're visiting.”*

Percentage of Responses that Mentioned Each of the Following when asked, "What led to your decision to purchase this property with the intent of it being short-term rental?"



Approximately 30% of city-licensed STRs were once long-term rentals

Estimation Strategies to Calculate Percentage of STRs that Came from the LTR Market

	Units			Bedrooms		
	Switched STRs	Total STRs	Percent	Switched Rooms	Total Rooms	Percent
Q7: Previous Use While Owned was LTR	26	123	21%	57	236	24%
Q8: Original Intent at Purchase was LTR	20	122	16%	45	236	19%
Q10: Decision Process Considered LTR	23	122	19%	50	232	22%
Q12: Recall Previous Owner LTR	31	122	25%	71	235	30%
Average	25	122	20%	56	235	24%
Any Switch Indicator	52	122	43%	107	236	45%
Q7, Q8, or Q10	36	122	30%	80	236	34%

The table above details a series of strategies to estimate the percentage of STRs that came from the LTR market. The number of bedrooms switched is calculated by multiplying the various switch data by the number of bedrooms hosts reported for each switched STR unit. The most conservative estimate is the average of all potential switch indicators (20% of STRs). Relying on hosts to report only their own past actions (questions 7, 8, and 10), and not their recollection of previous owners (question 10), provides a higher estimate of 30% of STR units that were converted from long-term rentals.

Section 3.3

Short-Term Rentals

Public Sentiment Toward Short-Term Rental Rules

Key Findings: Public Sentiment

- ➔ About one-third of residents are aware of STR licensing rules.
- ➔ Support for STR rules outweighs opposition by a margin of 38% to 20% (with the remainder being neutral).

A description of the methodology is found in the appendix.

Most residents are not aware of STR licensing rules

About one-third of residents were aware of STR licensing rules. The highest awareness was seen east of campus, while the lowest awareness was in areas where only primary STRs are allowed.

	Total	Region			STR Zone		
		West of campus	East of campus	Remainder of city	No STRs allowed	Primary STRs only	Primary and non-primary STRs allowed
Base							
Unweighted	1366	361	513	492	851	468	47
Weighted	1362	323	145	894	640	622	101
Missing							
No reply	5%	5%	4%	5%	2%	7%	7%
Aware of STR Licensing							
Yes	31%	29%	39%	31%	34%	27%	37%
No	64%	67%	57%	65%	64%	66%	56%

The public generally supports STR rules

While a large proportion of residents were not aware of STR rules, those people still generally supported such rules when informed about them. Nonetheless roughly 20% still opposed them. Support for the rules was higher among residents who were already aware of the rules.

Residents with higher incomes were slightly more likely to support rules than those with lower incomes.

	Total	Region			Aware of STR Licensing		Impact of STRs on Neighborhood				Household Income		
		West of campus	East of campus	Remainder of city	Yes	No	Positive impact	No significant impact	Negative impact	Not applicable	Less than \$50,000	\$50,000 or more	Decline to specify
Base													
Unweighted	1344	354	506	484	487	817	31	673	144	438	287	777	215
Weighted	1337	316	144	877	422	863	23	647	170	439	401	661	213
Opinion of STR Rules													
Support	41%	38%	41%	42%	50%	37%	31%	38%	61%	38%	35%	44%	43%
Neutral or no opinion	39%	42%	41%	38%	34%	42%	39%	43%	23%	42%	44%	36%	40%
Oppose	19%	20%	18%	20%	16%	21%	31%	19%	16%	20%	21%	20%	17%



Section 4.1

Neighborhood Quality

Citywide

Key Findings: Citywide Neighborhood Quality

- ➔ Residents give generally high ratings to neighborhood quality, though ratings have declined over the past 15 years.
- ➔ Parking vehicles inappropriately and loud noises (other than parties) were most common neighborhood issues citywide.

A description of the methodology is found in the appendix.

Neighborhood quality was generally high

On a citywide basis, residents had positive perceptions of their neighborhood, particularly in terms of peace and quiet, and maintenance of lawns and homes. Sense of community had lower scores, but still positive.

However, opinions were not uniform. The neighborhoods west of the campus rated all of these attributes considerably lower than did the other areas of the city, though all attributes were still rated positively. Additionally, homeowners tended to rate all elements higher than renters, particularly sense of community.

Interestingly, residents who opposed ordinance generally gave higher neighborhood ratings than those who supported the ordinance.

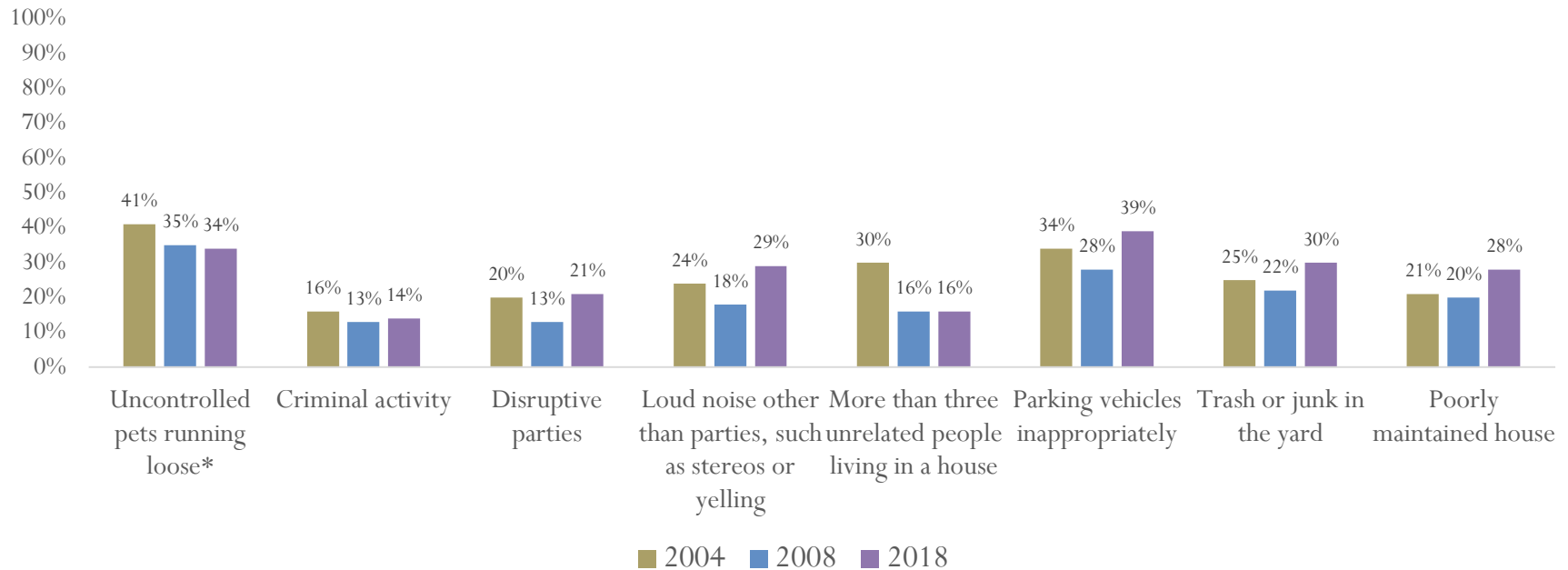
	Total	Region			Tenure		College Student in Home		Opinion of Occupancy Ordinance			
		West of campus	East of campus	Remainder of city	Owner	Renter	Yes	No	Support	Neutral	Oppose	No opinion
Peace and quiet	1.12	0.80	1.14	1.24	1.27	0.94	1.17	1.11	1.06	1.11	1.21	1.40
Maintenance of lawns	1.05	0.77	0.87	1.18	1.10	0.99	1.13	1.04	0.99	1.01	1.25	1.19
Maintenance of houses	1.07	0.78	0.90	1.20	1.20	0.90	0.89	1.10	1.04	1.04	1.12	1.28
Sense of community	0.48	0.25	0.56	0.55	0.76	0.13	0.21	0.54	0.54	0.39	0.52	0.69

Very good = 2, Fair = 0, Very bad = -2,

Not applicable = excluded

Some neighborhood problems have increased over the last decade

Percentage of Single Family Homes that Observed Neighborhood Problems



While neighborhood problems decreased between 2004 and 2008, a higher percentage of residents in 2018 reported observing at least one of their four nearest residences having disruptive parties, loud noise, parking vehicles inappropriately, trash or junk in the yard, and a poorly maintained house.

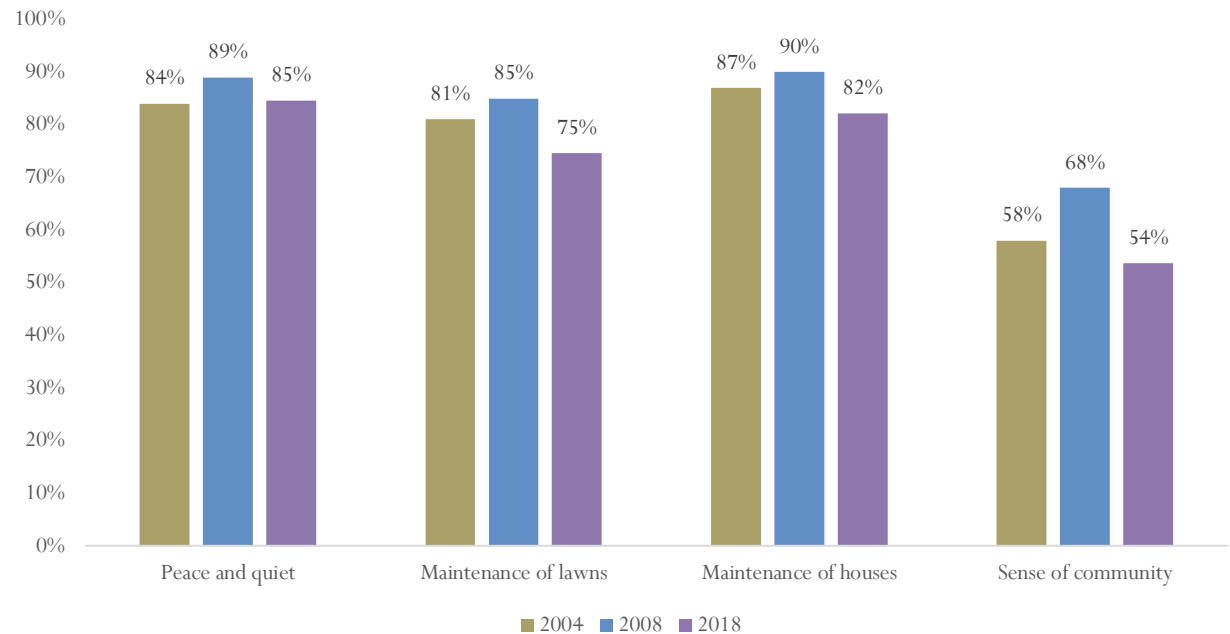
* “Uncontrolled pets running loose” was the text from 2018 while “Animals running loose” was the wording in 2008 and 2004.

While neighborhood ratings are high, the percentage of residents rating their neighborhood good or very good has reverted to, or dropped below, pre-ordinance levels

While the 2008 survey saw universal increases in neighborhood ratings compared to 2004, the change between 2008 and 2018 saw the percentage of residents rating their neighborhood good or very good decrease across the board.

Nonetheless, substantial majorities rate their neighborhood as good or very good on these measures.

Percentage of Single Family Homes that Rated Their Neighborhood Good or Very Good



inappropriately parked vehicles are the most common neighborhood issue

Parking vehicles inappropriately and loud noises (other than parties) were most common issues, particularly in the neighborhoods west of campus. This area was more likely to see every one of the tested issues. Similarly, renters were more likely to see every tested issue in comparison to owners.

	Total	Region			Tenure		Opinion of Occupancy Ordinance		
		West of campus	East of campus	Remainder of city	Owner	Renter	Support	Neutral	Oppose
Uncontrolled pets running loose	0.51	0.69	0.47	0.45	0.43	0.6	0.58	0.53	0.39
Criminal activity	0.33	0.62	0.34	0.23	0.16	0.54	0.35	0.31	0.27
Disruptive parties	0.36	0.74	0.3	0.24	0.24	0.5	0.35	0.45	0.3
Loud noise other than parties, such as stereos or yelling	0.59	1.12	0.55	0.4	0.37	0.86	0.56	0.66	0.59
Parking vehicles inappropriately	0.66	1.03	0.64	0.53	0.59	0.74	0.71	0.66	0.59
Snow on sidewalks (snow not shoveled)	0.54	0.83	0.66	0.43	0.58	0.49	0.59	0.6	0.36
Trash or junk in the yard	0.49	0.91	0.51	0.34	0.39	0.62	0.59	0.46	0.39
Poorly maintained house	0.36	0.6	0.54	0.25	0.34	0.39	0.41	0.36	0.28

Averages exclude “not applicable” responses

Section 4.2

Neighborhood Quality

Proximity to Ordinance Violators

Key Findings: Proximity to Ordinance Violators

- ➔ Lower neighborhood quality and more negative neighborhood issues are strongly correlated with being neighbors to a suspected ordinance-violating household.
- ➔ However, the overall negative trend in neighborhood quality and long-term increases in negative neighborhood issues are also seen when no ordinance-violating neighbors are present.

A description of the methodology is found in the appendix.

Neighborhood impacts were linked to perceptions of a violating neighbor

Residents who reported having at least one violating neighbor were much more likely to report lower neighborhood quality, especially for maintenance of houses in the remainder of the city.

	Total	West of campus- Neighbor(s) violating occupancy ordinance		East of campus- Neighbor(s) violating occupancy ordinance		Remainder of city- Neighbor(s) violating occupancy ordinance	
		Yes	No	Yes	No	Yes	No
Peace and quiet	1.13	0.52	0.92	0.78	1.24	0.85	1.3
Maintenance of lawns	1.08	0.51	0.97	0.57	0.93	0.72	1.28
Maintenance of houses	1.08	0.5	0.96	0.83	0.95	0.49	1.31
Sense of community	0.49	-0.11	0.44	0.45	0.58	0.03	0.65

Very good = 2, Fair = 0, Very bad = -2,
Not applicable = excluded

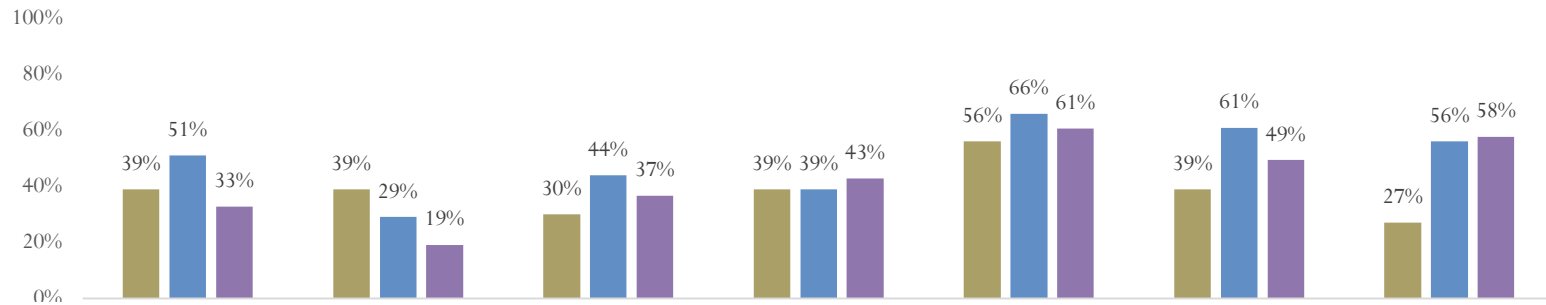
Within neighborhoods, proximity to violator households led to differences in neighborhood issues

Residents reporting at least one violating neighbor were much more likely to report a higher number of neighbor issues, especially for trash or junk in the yard in the East region and parking vehicles in the West region.

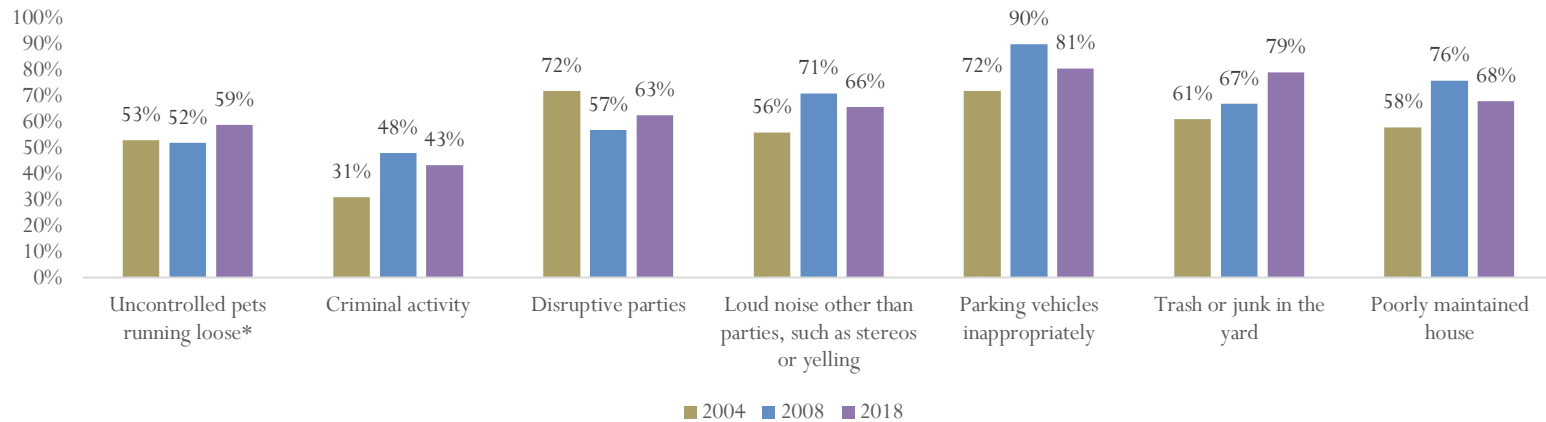
	Total	West of campus- Neighbor(s) violating occupancy ordinance		East of campus- Neighbor(s) violating occupancy ordinance		Remainder of city- Neighbor(s) violating occupancy ordinance	
		Yes	No	Yes	No	Yes	No
Uncontrolled pets running loose	0.51	1.02	0.54	0.66	0.42	0.77	0.4
Criminal activity	0.31	1.07	0.45	0.93	0.23	0.54	0.14
Disruptive parties	0.36	1.42	0.44	0.7	0.19	0.6	0.18
Loud noise other than parties, such as stereos or yelling	0.59	1.75	0.84	1.49	0.39	0.76	0.35
Parking vehicles inappropriately	0.63	1.78	0.67	1.47	0.49	0.86	0.44
Snow on sidewalks (snow not shoveled)	0.53	1.55	0.47	1.35	0.5	0.87	0.35
Trash or junk in the yard	0.48	1.53	0.58	1.53	0.32	0.91	0.25
Poorly maintained house	0.35	1.07	0.33	1.19	0.42	0.89	0.15

presence of violators in 2018 increased reported neighborhood problems, but often at a lower rate than 2008

Single Family Homes that Observed Neighborhood Problems:
One Observed Violator



Two or More Observed Violators

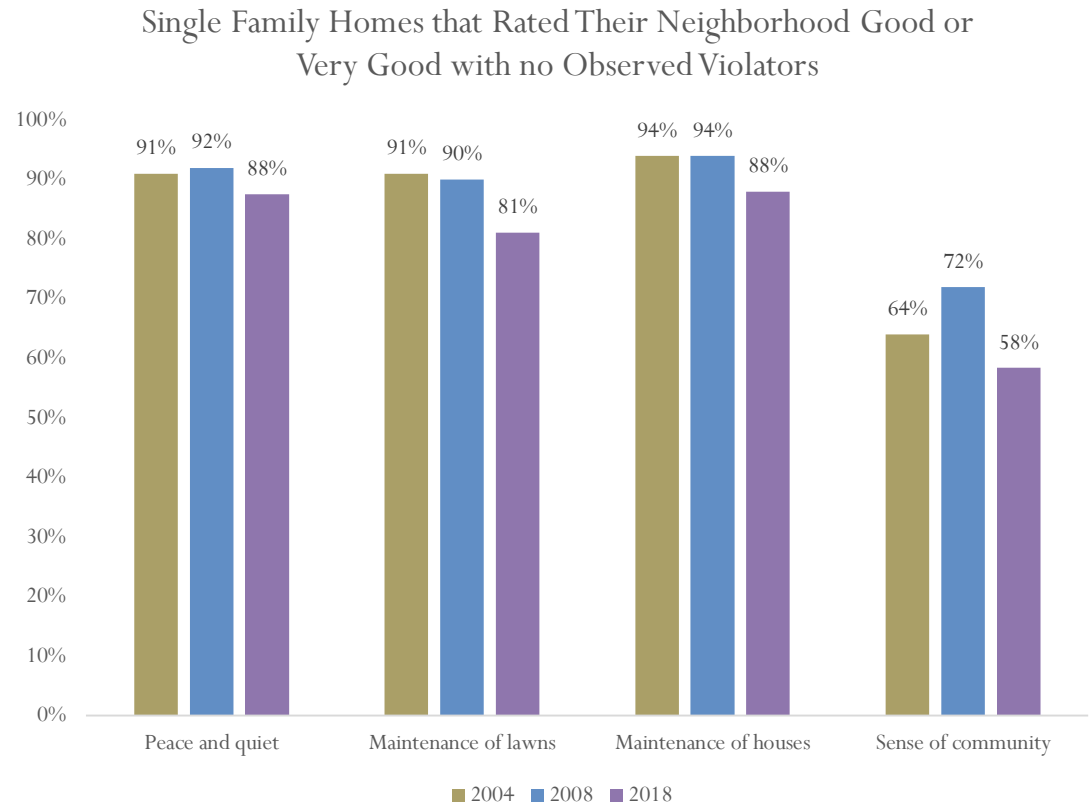


* “Uncontrolled pets running loose” was the
next from 2018 while “Animals running
the wording in 2008 and 2004.

Decreases in neighborhood ratings were observed in the absence of violator households

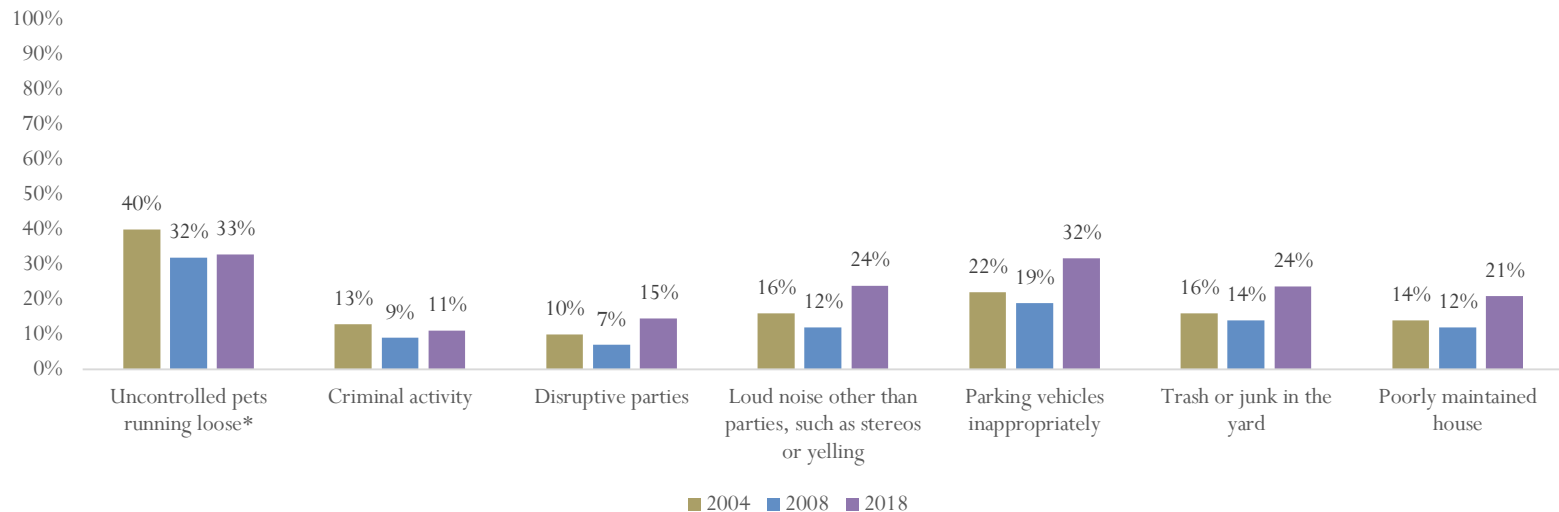
While residents who observed no violators in their four neighboring households rated their neighborhood good or very good at higher rates than those who did, they did so at a lower rate than they have in the past.

This suggests something beyond, or in addition to, ordinance violators is causing the observed decrease in neighborhood quality.



Increases in neighborhood problems were observed in the absence of violator households

Single Family Homes that Observed Neighborhood Problems:
No Observed Violators



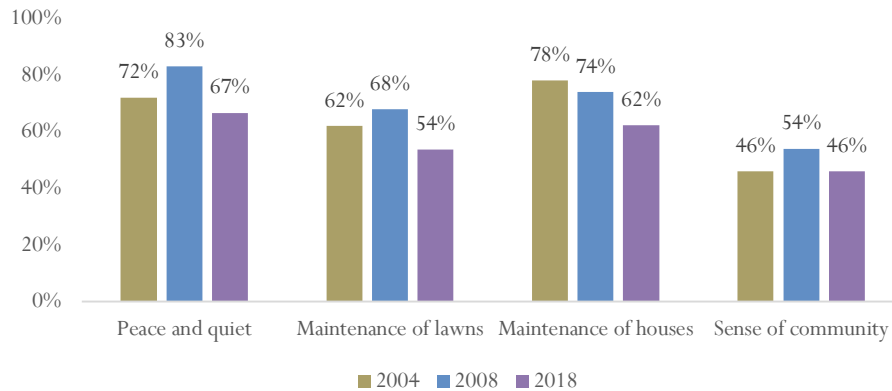
The above graph plots the percentage of neighborhood issues reported by residents who said none of their four nearest homes had more than three unrelated people living in them. While the number of problems reported by this group is significantly lower than those who observe neighbors violating the ordinance, this group was more likely to report problems in 2018 than they were in 2008.

* “Uncontrolled pets running loose” was the wording in 2018 while “Animals running loose” was the wording in 2008 and 2004.

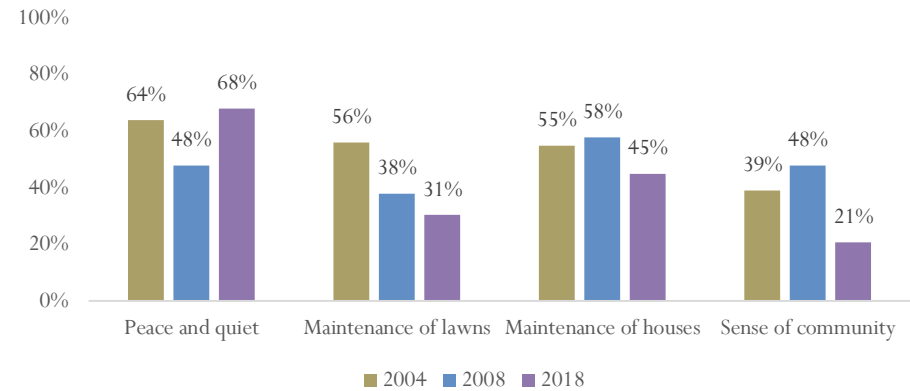
the presence of violating households decreases the percentage of good or very good neighborhood ratings

Single Family Homes that Rated Their Neighborhood Good or Very Good

One Observed Violator



Two or More Observed Violators



Living next to violators decreases good and very good neighborhood ratings across all surveys and indicators. As with residents who observed zero violating households, these percentages decreased in between 2008 and 2018 for those who reported one or multiple violating neighbor.

Section 4.3

Neighborhood Quality

Proximity to Short-Term Rentals

Key Findings: Proximity to Short-Term Rentals

- ➔ Lower neighborhood quality and more negative neighborhood issues are also correlated with being neighbors to an STR property.
- ➔ However, the impact is smaller than proximity to a suspected ordinance-violating property, and the negative impacts are notably smaller in areas where STRs are allowed, compared to areas where they are not allowed.

A description of the methodology is found in the appendix.

STR presence correlates with lower neighborhood quality

- ➔ Residents report somewhat lower neighborhood quality when they live near an STR, with the largest impact being on sense of community.
- ➔ While the sample sizes are too small to draw confident conclusions, it appears that the negative impact is primarily when STRs operate in areas where they're not allowed. An STR operating in a zone where STRs are allowed did not appear to impact quality of life (with results even leaning very slightly positive).

	Total	Neighbor(s) operate STRs		No STRs allowed-Neighbor(s) operate STRs		Primary STRs only-Neighbor(s) operate STRs	
		Yes	No	Yes	No	Yes	No
Peace and quiet	1.13	1.07	1.14	1.1	1.27	1.17	1.08
Maintenance of lawns	1.07	0.91	1.09	0.71	1.14	1.15	1.09
Maintenance of houses	1.07	0.93	1.09	0.90	1.18	0.96	0.98
Sense of community	0.5	0.36	0.52	0.37	0.68	0.40	0.38

Very good = 2, Fair = 0, Very bad = -2,
Not applicable = excluded

Small sample sizes

Neighborhood issues are correlated with STR presence

Residents report more neighborhood issues when neighbor(s) operate(s) an STR. The impact is larger when STRs are operating in areas where they are not allowed, particularly having snow on sidewalks, parking, and loud noises.

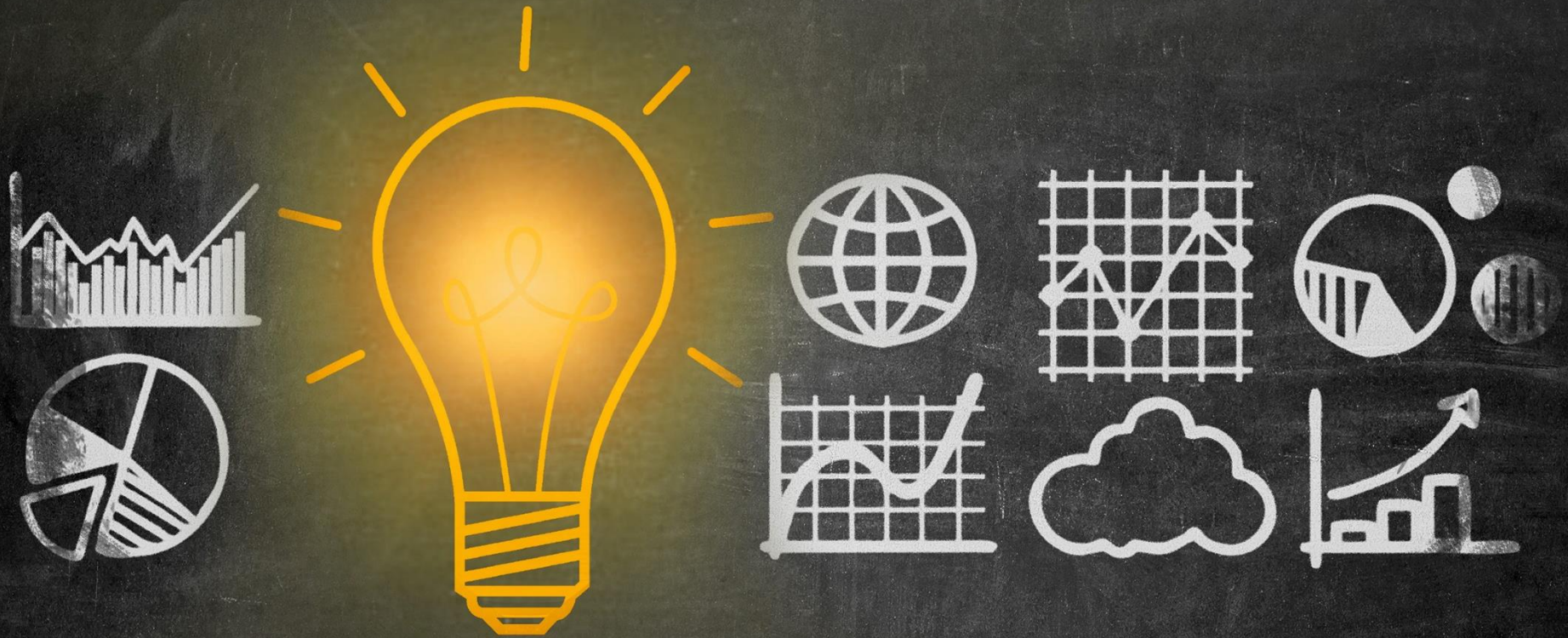
	Total	Neighbor(s) operate STRs		No STRs allowed- Neighbor(s) operate STRs		Primary STRs only- Neighbor(s) operate STRs	
		Yes	No	Yes	No	Yes	No
Uncontrolled pets running loose	0.51	0.82	0.47	0.85	0.47	0.78	0.46
Criminal activity	0.3	0.56	0.26	0.52	0.15	0.68	0.35
Disruptive parties	0.35	0.56	0.33	0.63	0.24	0.55	0.37
Loud noise other than parties, such as stereos or yelling	0.57	0.84	0.54	0.88	0.39	0.91	0.63
Parking vehicles inappropriately	0.63	0.87	0.60	1.03	0.52	0.8	0.66
Snow on sidewalks (snow not shoveled)	0.53	0.77	0.50	1.08	0.51	0.5	0.54
Trash or junk in the yard	0.47	0.67	0.44	0.76	0.38	0.65	0.45
Poorly maintained house	0.35	0.64	0.32	0.71	0.33	0.63	0.32

Averages exclude “not applicable” responses

The impact of STRs is narrow

STRs impact the neighborhood of about 15% of residents, showing that they are not yet widespread and/or that their impact is narrow within a neighborhood. Of impacted residents, more cited a negative impact than a positive impact (13% versus 2%). The impact goes up if they have a neighbor operating an STR, as does the support of STR rules. The most commonly cited reasons for negative impacts were strangers coming and going, trash/lack of maintenance, parking, and partying/noise.

		Neighbor(s) Operate STRs		STR Zone			Aware of STR Licensing		Opinion of STR Rules			
		Yes	No	No STRs allowed	Primary STRs only	Primary and non-primary STRs allowed	Yes	No	Support	Neutral	Oppose	No opinion
Base												
Unweighted	1366	147	1152	851	468	47	491	825	558	388	274	124
Weighted	1362	145	1134	640	622	101	423	877	547	391	260	138
Missing												
No reply	7%	3%	3%	5%	7%	15%	4%	3%	5%	5%	6%	4%
Positive impact	2%	1%	2%	2%	1%	3%	2%	2%	1%	0%	3%	6%
No significant impact	47%	61%	49%	45%	50%	50%	57%	45%	45%	56%	47%	42%
Negative impact	13%	31%	10%	12%	14%	8%	14%	13%	19%	9%	10%	2%
Not applicable	33%	4%	38%	37%	29%	25%	24%	38%	30%	31%	34%	46%



Methodology

Rental Market Trends

- *Comparisons to Other Colorado Metro Areas*
- *Comparison to a Selection of Nationwide Cities*

Methodology: Rental Market Trends

Comparisons to Other Colorado Metro Areas

In order to assess changes to the overall rental market in Fort Collins, Corona Insights employed data from current and archived reports from the Colorado Department of Housing. These data allow for an analysis of trends in vacancy and rental rates by unit type and offer the chance to make two important comparisons.

First, we replicate analysis from our 2009 report and include trends from similar Colorado cities including, Colorado Springs, Greeley, Grand Junction, and Pueblo. By observing these similar metro areas we can start to distinguish what separates Fort Collins' rental market from broader trends in the state. Second, these data often allow for comparisons overtime spanning multiple decades. Comparing trends pre and post-ordinance provides insights into the law's potential effect.

It is important to note that the Colorado Division of Housing only collects data on multifamily homes. While this accounts for a majority of the rental market in Fort Collins, these data were supplemented with data from the US Census' American Community Survey to account for the entire scope of the market. Population data was collected from the State Demographer and the US Census.

Finally, Corona Insights collected supplemental data from Redfin and the Census' Building Permits Survey in order to assess the broader housing market in Fort Collins. While the Colorado Division of Housing often reports data for the combined Fort Collins/Loveland market, these cities are reported independently when possible. Cities and years are included/excluded in analysis based on data availability.

Methodology: Rental Market Trends

Comparisons to a Selection of Nationwide Cities

Item 3.

The Comparisons to Other Colorado Metro Areas section of this report identified how the Fort Collins rental market has compared to similar metro areas within the state of Colorado. While that analysis allowed for the ability to account for broader trends within the state, it could not rule out the possibility that the patterns observed in Fort Collins were common to similar cities across the country. Specifically, Fort Collins' household growth and composition have historically been filled by younger individuals (aged 15-24) at higher rates than other cities in the state. As such, a comparison of similar cities nationwide is needed to supplement the assessment of the previous section.

This section replicates analysis conducted in Corona Insights' 2005 report to compare trends in the rental markets across 15 similar case study cities. This national analysis allows for an additional assessment of how the Fort Collins housing market has fared in the pre and post-ordinance era. Data in this section comes from the US Census' American Community Survey. Two main time periods will be compared. The first is the era between 1990 and 2000. This provides a baseline for how the Fort Collins rental market compared to similar cities. The second era is between 2005 and 2017. Here, comparisons demonstrate what trends emerge post-ordinance. Data have been annualized to account for the difference in each era's length.

Methodology: Rental Market Trends

Case Selection for National Market Analysis

Item 3.

- This section details the case selection process for the national market analysis.
- As of the Year 2000, there were 243 cities in the United States and its protectorates with population of 100,000 or more, which made up the initial population of eligible comparable cities. From that initial list, Corona pared down the candidates as follows:
 - > Corona eliminated from consideration 41 cities that had **population over 400,000**.
 - > Corona eliminated two cities that **radically changed their boundaries** between 1990 and 2000, and thus acquired large pre-existing populations and housing stocks.
 - > Corona eliminated 34 cities that experienced **declines in population** from 1990 through 2000.
 - > Corona eliminated 7 cities that experienced **phenomenal growth** from 1990 through 2000, with rates of over 6.8% per year.
 - > Corona eliminated two cities in **Puerto Rico** for which standard data were not available.
- These cuts pared the list from 243 cities to 157 cities. Data was then gathered on those cities to identify specific growth patterns between 1990 and 2000. From that list, **16 cities** were identified to have exhibited highly similar household growth patterns to those projected for Fort Collins, **based on total household growth, household growth among traditional college-age students, and a higher growth rate among the second group than the first.**

2005 Report Case Study Cities

Similar Growth Cities	Annual Household Growth	Annual Household Growth, Ages 15-24	Ratio of Young/Total Household Growth
Columbia, South Carolina	2.19%	4.14%	1.89
Durham, North Carolina	2.95%	3.33%	1.13
Eugene, Oregon	2.26%	3.68%	1.63
Fort Collins, Colorado	3.07%	3.34%	1.08
Fort Wayne, Indiana	1.86%	3.20%	1.72
Greensboro, North Carolina	2.12%	3.34%	1.58
Joliet, Illinois	3.06%	3.10%	1.01
Lakewood, Colorado	1.59%	2.74%	1.73
Lexington-Fayette, Kentucky*	1.93%	3.73%	1.93
Lincoln, Nebraska	1.83%	2.73%	1.49
Mesquite, Texas	2.03%	2.52%	1.24
Provo, Utah	2.13%	3.06%	1.44
Raleigh, North Carolina	2.77%	2.69%	0.97
Salem, Oregon	2.09%	3.39%	1.63
Sioux Falls, South Dakota	2.22%	2.93%	1.32
Winston-Salem, North Carolina	2.49%	2.94%	1.18

*Lexington-Fayette, Kentucky is excluded from all subsequent analysis as the US Census no longer collects annual data for the city.

2015 Report Case Studies: Cities with Large Universities

Similar Growth Cities	Largest University	Number of Undergraduates
Columbia, South Carolina*	University of South Carolina	24,941
Durham, North Carolina	Duke	6,501
Eugene, Oregon*	University of Oregon	20,220
Fort Collins, Colorado*	Colorado State University	22,727
Fort Wayne, Indiana	Purdue Fort Wayne	8,746
Greensboro, North Carolina*	The University of North Carolina at Greensboro	15,158
Joliet, Illinois	NA	
Lakewood, Colorado	Colorado Christian University	3,885
Lincoln, Nebraska*	University of Nebraska Lincoln	20,182
Mesquite, Texas	NA	
Provo, Utah*	Brigham Young University	30,221
Raleigh, North Carolina*	North Carolina State University	22,458
Salem, Oregon	Willamette University	1,925
Sioux Falls, South Dakota	University of Sioux Falls	1,185
Winston-Salem, North Carolina	Wake Forest University	4,866

*These cities contain colleges or universities with more than 15,000 undergraduates. The sample of case studies shows effective diversity between college towns and comparable cities that have experienced historically similar household growth and composition to Fort Collins.

Methodology

Ordinance Violators

- *Estimated Number*
- *Profile of Violators*
- *Investigation Outcomes*

Methodology: Violator Estimates and Profiles

Estimates of the number of violators were developed via two means. First, the study team examined specialized census data on a sample of the population, where individual (anonymized) records are made available to the public. This has emerged as the predominant means of developing estimates. As a second check, the public survey was used to develop estimates, in conjunction with complaint data to estimate the accuracy with which residents identify violator households. These are the same two methods used in the past, though specific methodologies have evolved over time.

The profiles of violator households are drawn specifically from the specialized census records referenced above. These microdata records are deemed to be accurate since they are gathered for other purposes, but also contain information about household makeup.

One limitation of the microdata sample is that relationships within a household are always measured from the perspective of the person who filled out the census form. If that person is not related to others in the household, then it is not possible to identify whether those others are related. The research team took a conservative approach that they were not related, which in most cases is the likely scenario (for example, when all residents are labeled as roommates or boarders relative to the householder). However, some of these may be related in which case some households that are not violators could be labeled as violators. This is unlikely to have a large enough effect on the conclusions to change any findings, though.

Methodology: Investigation Outcomes

Over occupancy investigation outcome results were calculated from complaint, investigation, and outcome records provided by City of Fort Collins Neighborhood Services. These data included the case year (based on investigation start date), the address of the investigated residence, and the outcome determined as either violation or unfounded. Additionally, each residence was assigned to a study area region that aligned with the regions from the resident survey in this report. The dataset analyzed spanned the years 2011 to 2017.

Methodology

Short-Term Rentals

- *Profile of Units and Revenues*
- *Rental Host Survey*

Methodology: Profile of Units and Revenue

For the short-term rental market analysis, the research team purchased data that had been scraped from the AirBnB web site by a third-party vendor. (We recognize that other sites exist for short-term rentals, but the STR survey conducted on this project showed a large overlap in advertising across sites.) The data included information on specific properties, including nights available, nights rented, asking price, type of unit, and location.

The research team used GIS software to assign the STRs to specific zones relative to STR licensing rules. This also allowed the team to eliminate any properties that were outside the Fort Collins city limits, even if they were in the general Fort Collins market area. Therefore, the figures relates specifically to units inside the city limits.

Data were available beginning in October of 2014, and Corona Insights purchased all available data, which at the time of purchase extended through April of 2018.

Methodology: Short-Term Rental Host Survey

The survey of short-term rental hosts was conducted by using the contact list for licensed STR units that is gathered during the licensing process. Corona Insights designed an 10-minute online survey and sent an invitation to complete the survey to every available STR host. We sent 255 survey invitations and received 143 useable responses, constituting a very strong response rate of 56%.

One way to check the representativeness of a sample is to compare demographic breakdowns within a survey to available data from the population (like a census). While there is no broader demographic data for STR hosts in Fort Collins, comparing available information (residency status and the title of the registered STR) from the total recruited population (registered STR hosts) offers an opportunity to assess representativeness.

The similar percentages amongst the two samples provides evidence in favor of the STR survey sample being representative of the population.

Comparing Response and Non-Response by Residency

	Total	Residency	
		Primary	Non-Primary
Non-Response	111	67%	33%
In Survey	143	68%	32%

Comparing Response and Non-Response by Title Registered

	Total	Title Registered			
		Business	Personal	Address	Other
Non-Response	111	32%	48%	6%	14%
In Survey	143	36%	50%	5%	8%

Methodology

Resident Survey

- *Public Sentiment Toward Occupancy Ordinance*
- *Public Sentiment Toward STR Rules*
- *Citywide Quality Measures*
- *Proximity to Ordinance Violators*
- *Proximity to Short-Term Rentals*

Methodology: Resident Survey

Survey Instrument

To facilitate comparability to previous results, many of the survey questions were asked in the same way as they were asked in the previous community surveys, with some updates where applicable.

The final survey instrument was six pages long, printed in black and white, with a cover letter on the first page. The cover letter instructed that any adult resident of the household could complete the questionnaire. It also assured residents that their responses would remain confidential and would not be used for enforcement.

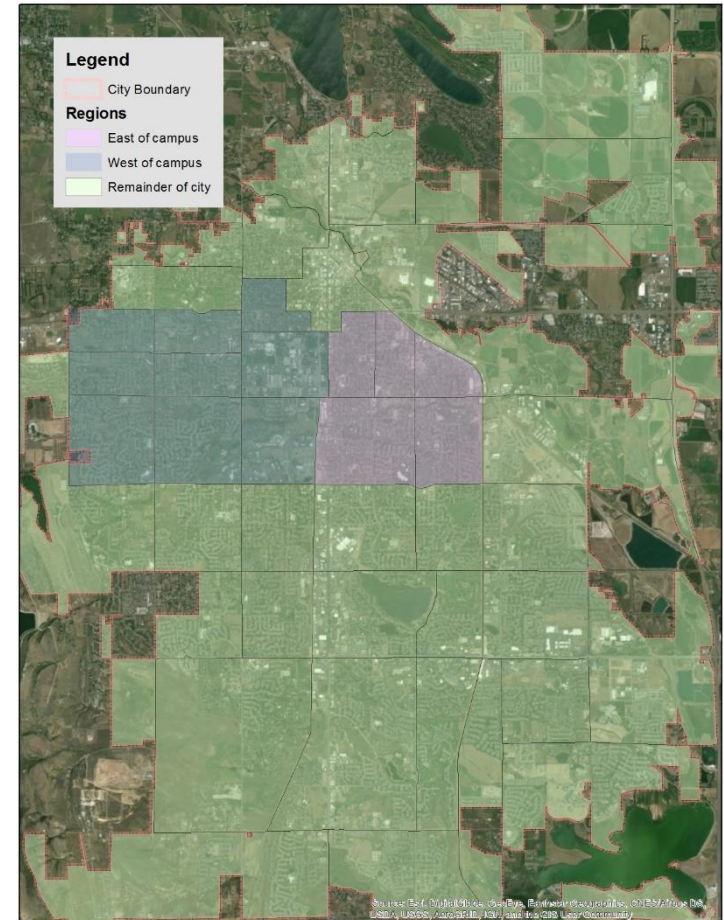
To further encourage residents to complete and return the questionnaire, an incentive was offered, which was a chance to win one of two \$500 grand prizes or one of ten separate \$100 prizes. Lastly, a pre-stamped and pre-addressed return envelope was included to make it easy for residents to return their completed questionnaire.

Methodology: Resident Survey

Sampling

Selecting a subset of home addresses to send a survey packet is called sampling. We used a stratified random address-based sampling technique to draw a list of 6,450 home addresses in Fort Collins that each received one survey packet in the mail. We used a stratified approach to send disproportionately more questionnaires to homes in the regions immediately east and west of campus with the goal of collecting enough responses from each region to report results by those segments. The list of home addresses was purchased from MSG, a commercial address-based sampling vendor.

Region	% of Homes	% of Sample
Away from Campus	66%	34%
East of Campus	11%	33%
West of Campus	23%	33%
<i>Fort Collins</i>	100%	100%



Methodology: Resident Survey

Survey Administration

Survey packets were mailed in mid-September of 2018. About ten days after mailing the initial survey packet, a postcard was sent to each household to remind and encourage residents to complete and return the questionnaire.

Response Rate

1,053 survey packets were returned as non-deliverable. We received and entered 1,366 useable responses, for a final adjusted response rate of 25%. A typical response rate for a community-issue mail-based survey is around 15%.

Region	% of Delivered Surveys	% of Returned Surveys	Adjusted Response Rate
Away from Campus	35%	36%	26%
East of Campus	33%	38%	29%
West of Campus	32%	26%	21%
Fort Collins	100%	100%	25%

Methodology: Resident Survey

Weighting

In a community survey, it is common for certain demographics to be over or under-represented. For example, mail survey respondents are often older. Additionally, because the sample was originally stratified, it was necessary to check the balance of responses between the three strata.

To check and correct for potential skew and response biases, we calculated corrective weights based on the known demographic estimates provided by the U.S. Census Bureau. Three dimensions were used for weighting: region (west, east, or away from campus), owner/renter status, and years lived at current residence (more than two years or no more than two years). The corrective weights were applied to the data so that the results would more closely reflect the community as a whole. All results in this report, including demographic tables, are based on the weighted data.

Methodology: Resident Survey

Margin of Error

The corrected top-level margin of error was $\pm 4.6\%$ at the 95% confidence level. If we were to conduct this survey 200 times, drawing a new random sample each time, we would expect that our estimates would be within the margin-of-error in 19 of those 20 surveys. The margin of error accounts for the study's design and weighting effects, which increased the margin of error relative to the size of the weights.

The corrected margin of error for each region is shown below.

Region	Corrected Margin of Error
Away from Campus	$\pm 6.1\%$
East of Campus	$\pm 8.0\%$
West of Campus	$\pm 9.1\%$
Fort Collins	$\pm 4.6\%$

About Corona Insights

Our founder named the company Corona because the word means “light.” It’s the knowledge that surrounds and illuminates an issue; exactly what we provide. Our firm’s mission is to provide accurate and unbiased information and counsel to decision makers. We provide market research, evaluation, and strategic consulting for organizations both small and large.

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MEMORANDUM

To: Marcy Yoder, City of Fort Collins
From: Mollie Fitzpatrick, Avilia Bueno, and Julia Jones, Root Policy Research
Re: Peer Community Research: Rental Registry Policy and Implementation
Date: June 8, 2021

Peer Community Research

Communities interviewed. Root interviewed the following peer communities about their rental regulations. These communities were selected because they are 1) university anchored (with a few exceptions); and/or 2) have unique program requirements or methods of enforcement.

- Ames, Iowa
- Austin, Texas
- Boulder, Colorado
- Corvallis, Oregon
- Kansas City, Missouri
- Lawrence, Kansas
- Manhattan, Kansas
- San Marcos, Texas
- Seattle, Washington
- Westminster, Colorado

Elements of regulations. While each community has unique challenges and utilizes different rental regulations, there are common elements that constitute a rental registration, licensing, or inspection program. This section of the memorandum will discuss the pros and cons of elements of the peer community regulations and include recommendations for the City of Fort Collins to consider when crafting their rental regulations. Generally, rental regulations include the following elements:

- Registration or licensing requirements,
- Methods for enforcement and penalties for noncompliance,
- Fee structure for funding the program,
- Inspections either by request or systematized,
- Landlord and tenant outreach practices,
- Local considerations, and
- Implementation.

Registration versus licensing. Clear expectations and terminology are vital to the successful implementation of rental regulations. In peer communities interviewed, many had registration programs that acted as licenses. For the purposes of this memo registration and license are defined as follows.

Registration programs can be either mandatory or voluntary and involve collecting information from property owners and landlords. Registration programs are typically complaint based and rarely involved proactive enforcement. The following communities are considered registration programs by this definition:

- Austin
- Corvallis
- Kansas City
- Manhattan
- Westminster

Licensing programs are mandatory and require property owners or landlords complete an application and, in some cases, complete an inspection prior to renting the property. Licensing programs are typically proactively enforced, but inspections can be either complaint based or proactive. The following communities are considered licensing programs by this definition:

- Ames
- Boulder
- Lawrence
- San Marcos
- Seattle

Most peer communities interviewed indicated that mandatory licensing programs with inspections have the best outcomes for health and safety of units and accuracy of information. Mandatory licensing programs generally include an inspection and a complete application prior to renting the unit. However, lack of political will, landlord opposition, and administrative burden were cited as the primary reasons some communities were unable to implement a mandatory licensing program.

Among communities that have registration programs that are complaint based, the condition of rental properties still improved. There were concerns about equity within complaint-based systems because residents fear retaliation from landlords—this fear is particularly acute among undocumented residents, residents with a disability, seniors, low income residents, and racial and ethnic minorities. While there are equity concerns with a complaint-based system, the registration of rental properties was still largely successful in communities for opening up avenues for communication with rental property owners, landlords, and property managers.

The biggest concern about rental registration programs, particularly voluntary programs, are that they “have no teeth.” These programs rely on property owners, landlords, or management companies to voluntarily register and maintain accurate

information within the registration system. Communities interviewed indicated these programs have lower participation rates compared to mandatory licensing programs.

Some communities build in deterrents for repeat offenders—properties that are routinely cited for code violations—through inspection schedules. The City of Austin’s rental registration program is unique in that it only applies to repeat offenders. If properties in the city exceed two code violations within a 24-month period they are required to register with the program and receive, at a minimum, annual inspections for at least two years. Properties must move into compliance before they can be removed from the program.

Programs that rely on code violations to trigger inspections or registration have a greater impact on larger properties—unless the number of citations is scaled to the size of the property. For example, a 400-unit apartment complex can easily have five code violations in a year, whereas the same five code violations on a single family home is more concerning for health and safety.

Peer communities said:

“Registration is no good without a license you can withhold and without an inspection.”

“Voluntary registration programs you might as well not waste your time.”

“[I] would be somewhat afraid of trying to do a full registration program with periodic inspections.”

“It is punitive to require all properties to register.”

Recommendations.

- Require all rental properties to register with the city and obtain a license to rent their unit.
- Require all rental properties to pass an inspection prior to renting units.
- Provide a three-year introductory period to provide education, allow property owners to ensure properties are habitable for inspection, and get properties licensed prior to enforcement.

Enforcement. Peer communities utilize a wide variety of enforcement methods from proactive to complaint based. Proactive enforcement is conducted through staff investigation into parking permits, rental advertising online or in the community, and utility billings. Complaint based enforcement requires a community member to report the issue to the department. Most communities interviewed lead with education and open a dialogue to give landlords the opportunity to comply prior to moving to penalties.

Communities interviewed expressed the need to have decision makers and city attorney(s) in agreement about suitable penalties for violations because they will

ultimately take action when violations escalate. Peer communities interviewed utilize a variety of penalties including revoking or suspending rental licenses, vacating the property, allowing tenant rent abatement, cash citations, tax liens, tickets or administrative citations, and finally summons and prosecution.

Most communities require a local contact—some specify the distance they can live from the city—in order to provide timely correspondence and fix maintenance issues. Local contacts also ensure that fewer violations are escalated due to unresponsiveness of out of town landlords and owners. Many communities work closely with owner property management companies to resolve issues quickly without escalation.

Peer communities said:

“Very rare to have to issue citations to landlords or tenants. We generally start with a door hanger to notify tenants about requirements, but it is ultimately the landlord’s responsibility to come into compliance.”

“We approach enforcement mainly as pro-active where able, and definitely re-active in all cases. We take an ‘education first’ approach to give landlords the opportunity to comply with city codes prior to moving to penalties.”

“Safe and healthy living environment is our job...we are successful because we are reasonable.”

“The real goal for registration was to provide better access to someone who could fix things [like landlords and owners]. With out of state owners, it takes months to get grass mowed.”

“Getting out of state landlords has been a huge benefit for us. They need to put local contact for repairs and this is public information so tenants can contact them as well.”

Recommendations.

- Lead with education to tenants and landlords before issuing a citation.
- Consider requiring landlords that rent four or more units and live more than 50 miles from the city to designate a local contact with authority to fix maintenance issues and make repairs.
- Consult the city’s legal team to understand the options for enforcement penalties and escalation of violations. Review enforcement tactics with City Council.

Fee structure. The communities interviewed either directly fund their program through fees collected, allocate fees to the general fund to fund the program through the general fund, or collect fees and other department specific funding to run the program. Most communities are cost neutral and self-sufficient, while some communities are working toward that goal or using a unique funding structure. Cost recovery depends on the frequency of registration/licensing renewals (ranges from 1 to 4 years in communities) and the fee structure and frequency of inspections (varies).

Communities where fees collected fund the program include Ames, Boulder, Kansas City, Manhattan, and Seattle. Programs funded through the general fund include Corvallis, Lawrence, San Marcos, and Westminster. Programs funded through the general fund can be cost neutral if fee revenue contributed to the general fund is adequate. Finally, the City of Austin charges a small fee that covers the cost of registration paperwork and funds the remainder of the program's administration (staff, inspectors, etc.) through a clean community fee—\$4.25 collected monthly as part of utility billing.

Communities interviewed indicated the fee calculation itself can be a challenge. Fees that are calculated per property have a larger impact on small properties whereas fees calculated per unit have a larger impact on large properties. Interviewees suggested the fee calculation be tailored to the amount of staff time and resources properties require. A tiered fee based on the size of the property was preferred.

The fee structure for the program determines the staffing capacity. The communities interviewed indicated the following staffing levels at the time of the interview.

- Ames—3 full time inspectors
- Austin—8 full time inspectors, 1 supervisor
- Boulder—3 full time licensing team, inspections conducted by 3rd party
- Corvallis—2 full time staff, 1 part time code compliance specialist
- Kansas City—4 public health specialists, 6 field staff, 2 supervisors, 4 clinical staff
- Lawrence—3 inspectors
- Manhattan—1 clerical, 1 supervisor, 2 inspectors
- San Marcos—0 dedicated staff
- Seattle—1 call center, 3 administrative, 1 cashier, 3 inspectors, 1 senior inspector, 1 manager
- Westminster—3 inspectors, 1 part time admin

Peer communities said:

"Self-sufficient; if it becomes a point where the program is not sufficient, then we would raise the fee."

"We are not allowed to profit from our program. Must be cost of service. Difficult to figure out how to separate repeat offender activities from regular code enforcement. Right now, we expend more time and money trying to collect the fee than the fee is."

"When they look to hire people, think outside of the box. We are way overqualified for what we do—our skillsets are helpful for the job we have. The people are important."

"Funded through the registration fee. When talking to anyone against program we can say, 'we don't take from general fund. Landlords pay for it, just like health inspections, hotel inspections.'"

"We ended up having to borrow more when getting started. It cost more than we thought to get things running. We also, overestimated the number of rental properties and set fees too low as a result."

Recommendations.

- Design the fee structure to cover the costs of running the program.
- Charge fees based on the number of rental units under ownership, not based on the number of properties. This ensures the administrative burden is consistent with the fee charged.
- Assume startup costs will be more than you think.
- Hire full time staff dedicated to this program, particularly inspectors.

Inspections. Communities interviewed are almost evenly split between complaint-based inspections (Manhattan, Corvallis, Kansas City, and San Marcos) and mandatory inspections (Ames, Austin, Boulder, Lawrence, Seattle, and Westminster). Complaint based inspections require someone to report the property to the city, and some interviewees raised the issue of equity and fear of retaliation in complaint-based programs.

Mandatory inspection programs are generally required between every year and every six years. Three of the communities interviewed offer a reward for a good inspection. In Ames if you pass your inspection the first time you get put on a four-year schedule as opposed to an annual. In Lawrence if you have fewer than five violations you switch from a three-year schedule to a six-year schedule. Westminster can modify inspection periods based on performance.

Another key attribute of mandatory programs interviewed is unit sampling. Austin, Lawrence, and Seattle all rely on unit sampling for inspections as part of their rental regulations. Generally, 10 percent of units are inspected in sampling programs. However, in Lawrence the unit sampling is capped at 15 units total for each property owner. Staff noted this is not effective for large properties and owners with multiple properties in the program. Finally, Seattle uses a computer program to pull randomized properties for inspection to prevent discrimination and targeting.

Among communities interviewed, most inspect HUD properties as well—even though they have their own inspection requirements. While communities indicated this does cause some inefficiencies, the standards and requirements are different for HUD inspections. In one of the communities interviewed, most of their citations are in units owned by the housing authority and in another they had to go back and revise the

ordinance to include Section 8 properties because one third of complaints came from those properties. Interviewees advised to include publicly subsidized housing units in the inspection program.

Peer communities said:

"Reward those that have units that are maintained."

"If I had a choice, I would find a way to staff city inspectors for consistency and knowing the codes specific to [our city]. There is a training element for licensed inspectors, and we do not have control of consistency... a city inspector would give the program more consistency and take away the price difference."

"Registration is no good without a license you can withhold and without an inspection."

Recommendations.

- Require mandatory life and safety inspections of rental properties to receive a license to rent units.
- Provide a tiered inspection schedule to alleviate the burden of inspections on landlords who maintain their property to a higher standard. Consider the number of citations received during initial inspection as a gauge for the inspection period.
- Inspect all properties at least once every four years.
- Inspect all rental properties, even if they are inspected through another program. Explore opportunities to coordinate inspections to alleviate administrative burden on landlords.
- Hire city inspectors to perform rental inspections but allow landlords to choose a private inspector if they wish.

Landlord and tenant involvement. Open communication is key. Communities advised to open a dialogue with landlords and tenants during program development, and keep the dialogue going once the program is up and running. Quarterly touchpoints are ideal to facilitate learning, training, and identify pain points in the process. Particularly for students, education is constant. Many students are living alone for the first time and do not understand the norms and behaviors to be a good neighbor.

Most landlords want to do a good job. Interviewees stressed the importance of having a lot of upfront conversations and including them in the implementation process. Some communities market the program as insurance for landlords as well to ensure tenants are taking good care of their property. It is important to have a clear message for why the community is pursuing rental regulations and how the program will ensure good landlords are not penalized. Most communities focus on keeping costs low and focusing on health and safety issues.

Tenants are generally compliant with the program and permit entry into units for inspection. In some cases, it is difficult to balance tenants' desires for swift compliance and the need to properly notice landlords and provide ample time for them to fix the issue.

Peer communities said:

"Most of the landlords want to do a good job."

"Start with an open and collaborative approach with stakeholders on both sides—include tenants as well."

"Ordinance was repealed because of opposition. There is no buy-in and there never has been. The prevailing thought is buyer beware. Students should know if it is unsafe. They need to step up and get a clue—we don't need to police landlords."

"Focus on: 'Let's not wait for a tragedy or someone to die to realize this is important!' It takes a lot of talking about why we are doing this."

"You will always have opposition. It is really dependent on how you frame it—documentation and illustration of the problems is critical."

"You need to have people on your team that fit in. Don't dress like police officers—you are not there to look for stuff or snitch. If there is stuff out in the open shame on them, but we are not adversarial."

"The tone was this is going to happen let's talk about how to make it workable."

Recommendations.

- Convene a stakeholder advisory committee to collaborate on process efficiencies, program cost, and implementation timelines to ensure there is an open avenue of communication.
- Maintain quarterly meetings with stakeholders and residents to identify issues with the program implementation, discuss progress and effectiveness, and provide education.

Local considerations. Mobile home parks, energy efficiency, and university context are all local considerations for the City of Fort Collins. The responses from peer communities regarding these local considerations are summarized below.

Mobile homes. Seven of the ten communities interviewed inspect mobile homes if they are rentals. Communities that do not inspect mobile homes either have state requirements for them to be licensed or they are inspected by other entities. Communities that do inspect mobile homes only inspect units where the unit itself is rented—lot rent does not qualify as a rental if the unit is owned by the occupant.

Energy efficiency. Only one of the communities interviewed incorporate minimum energy efficiency regulations into their rental regulation program. Communities without energy efficiency standards indicated that they want to keep the focus on health and safety of the units and many landlords do not have the resources to address minimum energy efficiency. Communities did clarify that basic weatherization and safety were included in the inspections and that new construction residential is generally held to a higher standard for energy efficiency.

The City of Boulder adopted their SmartRegs in 2012 to help address energy and climate goals within rental housing stock. The city allowed two rental registration cycles (8 years) for property owners to meet the new requirements. A license is a four-year term and requires the property to meet a base level of energy efficiency and a life safety inspection. The energy requirements are a one-time certification, and the life safety inspection is required at each four-year renewal term. Early adopters of the energy efficiency standards received incentives including rebates and upgrades. The city used grants and program funds to support initial incentives.

In the early stages of the program the city was providing free energy audits as initial inspections. The city designed an inspection and training program tailored to their regulations. All inspections are done by a third party and costs are market driven. The biggest pushback the city received was the cost of upgrades to properties and the cost of inspections—particularly if the property required multiple inspections.

University context. University anchored peer communities stress the importance of education and engagement with the student population. Peer cities conducted outreach in a variety of ways including meeting with student newspaper, reserving an ex officio seat on City Council for a student, attending back to school events, going door to door, engaging the student conduct office, and including students in stakeholder meetings. Corvallis and San Marcos take student engagement one step further by forming partnerships with local universities to monitor off campus living.

- Special response notices (SRN) in Corvallis allow code enforcement or police to report a nuisance violation with an SRN which is available to the Oregon State University code of conduct office. The student code of conduct extends off campus and into the community. SRNs notify the university of violations so the school may discuss the issue with students. Staff report this program has been very successful in reducing or addressing nuisance violations with students living off-campus.
- The Act Ally program in San Marcos is a partnership between the university and landlords. Landlords register for the program—there is no fee—and if landlords maintain their properties, they are included on the off campus living list. The university has a long-standing relationship with apartment complexes and this program has had some success. However, the program was rolled back because of the legal and liability issues of program managers certifying properties to rent.

Landlords can now register through an online portal to get into the program, but the university provides no guarantees about the conditions of the properties.

Recommendations.

- Treat mobile and manufactured housing units the same as other rental units if the unit itself is occupied by a renter. Lot rent should not be considered a rental property trigger if the unit is owner occupied.
- Review energy efficiency standards for new construction in the city. Reevaluate the introduction of minimum energy efficiency standards for existing rental properties in five years to avoid overburdening landlords and administrative staff while implementing initial rental regulations. Life and safety issues should be the priority.
- Partner with Colorado State University code of conduct office to craft a notice system that involves the university in nuisance violations in off campus student housing.

Implementation. Communities interviewed emphasized the importance of messaging, education, and engagement during implementation. Messaging for the program should “focus on the why,” which is for health and safety of tenants and preservation of rental housing stock. Position the program as educational and do not take sides between the tenant and landlord. Implementation in most communities took two to three years to educate and work rental properties through the system. Interviewees recommended to start early with education and engagement. For engagement, it is important to work with stakeholders and alert them that this program is coming and is supported politically, but the design and implementation of the program is open for discussion. Have an open conversation about how to make the program work for everyone.

Communities interviewed spoke about the importance of fairness, balance, and neutrality in implementation. The process for filing a complaint should be systematized in order to avoid access to the “back door” for politically connected residents. The process for filing a complaint and registering properties should also be designed in a way to avoid unnecessary administrative burden on staff.

Many communities spoke about their experience with computer systems and software. IT can either work for you or against you. One community struggled with issuing letters of compliance for different number of years to reward good behavior another had to revert to paper applications and manual data entry because their IT system was ineffective. Starting an inventory of rentals was challenging in communities interviewed because they were starting from scratch. Startup almost always took longer and cost more than anticipated.

Peer communities said:

“Advice for them: ramping up is a great idea! Get way out in front of it. Take two years to create awareness; you have to tell people time and time again.”

"There is a group of renters out there that do not know the basics they should know. If you are involved in government or housing it is your responsibility to advocate for those people. Start with basic life safety. Otherwise, you missed the mark."

"How you spin the program is important...you are there to educate. We have owners that love us and are grateful and of course there are some that get upset. People who yell the loudest are the ones that need it."

"Startup was a real challenge. Before us there was no inventory of rentals. There was no good information."

"Wish we looked more at licensing software, for example, business licensing."

Recommendations.

- Create a community education and engagement plan to guide outreach efforts over the first three years of implementation. Include education, stakeholder engagement, student engagement, clear expectations on timing, and key messaging about the purpose and jurisdiction of the program regulations.
- Formalize the process for filing and investigating complaints to remove biases.
- Work closely with the city's IT staff to identify the unique software needs to administer the program and register properties efficiently.

Occupancy. Peer communities, particularly university anchored communities regulate occupancy similar to the City of Fort Collins—through the number of unrelated individuals that can live together. Among peer communities, occupancy is measured using the following methods: adults per bedroom, number of unrelated individuals by type of unit, and limits on unrelated individuals defined by zoning district. Most communities do not proactively enforce these ordinances—and in some states it is illegal to—while others monitor parking permits, party complaints, number of individuals receiving mail, and rental inspections to identify households in violation.

In Iowa and Oregon, local realtors and landlords lobbied the state to pass a law making it illegal for jurisdictions to regulate or enforce occupancy based on familial status. Additionally, regulating the number of unrelated individuals that can live together has been challenged as a violation of the Fair Housing Act. A best practice is to not define family through the zoning code to better facilitate inclusive housing arrangements, reflect changing preferences in sharing of residential units, and instead regulating through occupancy restrictions to prevent overcrowding. Additionally, it is a best practice to focus definitions of families—or preferably households—on the functional aspects of relationships instead of familial relatedness.

Recommendations.

- Revise the occupancy ordinance to regulate based on household functionality rather than familial relatedness.

Recommendation Summary

- Licensing
 - Require all rental properties to register with the city and obtain a license to rent their unit.
 - Require all rental properties to pass an inspection prior to renting units.
 - Provide a three-year introductory period to provide education, allow property owners to ensure properties are habitable for inspection, and get properties licensed prior to enforcement.
- Enforcement
 - Lead with education to tenants and landlords before issuing a citation.
 - Consider requiring landlords that rent four or more units and live more than 50 miles from the city to designate a local contact with authority to fix maintenance issues and make repairs.
 - Consult the city's legal team to understand the options for enforcement penalties and escalation of violations. Review enforcement tactics with City Council.
- Fee structure
 - Design the fee structure to cover the costs of running the program.
 - Charge fees based on the number of rental units under ownership, not based on the number of properties. This ensures the administrative burden is consistent with the fee charged.
 - Assume startup costs will be more than you think.
 - Hire full time staff dedicated to this program, particularly inspectors.
- Inspections
 - Require mandatory life and safety inspections of rental properties to receive a license to rent units.
 - Provide a tiered inspection schedule to alleviate the burden of inspections on landlords who maintain their property to a higher standard. Consider the number of citations received during initial inspection as a gauge for the inspection period.
 - Inspect all properties at least once every four years.
 - Inspect all rental properties, even if they are inspected through another program. Explore opportunities to coordinate inspections to alleviate administrative burden on landlords.

- Hire city inspectors to perform rental inspections but allow landlords to choose a private inspector if they wish.
- Landlord and tenant involvement
 - Convene a stakeholder advisory committee to collaborate on process efficiencies, program cost, and implementation timelines to ensure there is an open avenue of communication.
 - Maintain quarterly meetings with stakeholders and residents to identify issues with the program implementation, discuss progress and effectiveness, and provide education.
- Other considerations
 - Treat mobile and manufactured housing units the same as other rental units if the unit itself is occupied by a renter. Lot rent should not be considered a rental property trigger if the unit is owner occupied.
 - Review energy efficiency standards for new construction in the city. Reevaluate the introduction of minimum energy efficiency standards for existing rental properties in five years to avoid overburdening landlords and administrative staff while implementing initial rental regulations. Life and safety issues should be the priority.
 - Partner with Colorado State University code of conduct office to craft a notice system that involves the university in nuisance violations in off campus student housing.
- Implementation
 - Create a community education and engagement plan to guide outreach efforts over the first three years of implementation. Include education, stakeholder engagement, student engagement, clear expectations on timing, and key messaging about the purpose and jurisdiction of the program regulations.
 - Formalize the process for filing and investigating complaints to remove biases.
 - Work closely with the city's IT staff to identify the unique software needs to administer the program and register properties efficiently.
- Occupancy
 - Revise the occupancy ordinance to regulate based on household functionality rather than familial relatedness.

Appendix: Peer Community Program Details

	Registration v. License	Voluntary v. Mandatory	Registration/ Licensing Period	Registration/ Licensing Fee
Ames, Iowa	License (registration and letter of compliance)	Mandatory	Annual	Single family \$50; duplex \$100; multifamily \$23-\$30 per unit
Austin, Texas	Registration	Triggered by code violations within a 24 month period	Annual; in the program for at least 2 years	\$372 per property
Boulder, Colorado	License	Mandatory	4 years	\$190 per SF unit or per building
Corvallis, Oregon	Registration	Mandatory	Annual	\$15 per unit; escalation factor of \$1 every odd number year
Kansas City, Missouri	Registration	Mandatory	Annual	\$20 per unit
Lawrence, Kansas	License	Mandatory	Annual	\$14-\$17 per unit
Manhattan, Kansas	Registration	Mandatory; not enforced	One time; update as needed	None
San Marcos, Texas	Registration	Mandatory	One time; update as needed	None
Seattle, Washington	License	Mandatory	2 years	\$70 for property and 1st unit; \$15 per additional unit
Westminster, Colorado	License (properties with 4+ units); Registration otherwise	Mandatory	2 years	\$50 per unit

	Inspections Complaint or Proactive	Inspection Frequency	Inspection Fee	Local Contact Required
Ames, Iowa	Proactive	1 to 4 year rotation; frequency based on performance	Included in registration fee; 3+ inspections \$50 each	No
Austin, Texas	Registered repeat offender properties	Annual	No fee for inspection; clean community fee \$4.25/month utility charge funds code enforcement	No
Boulder, Colorado	Proactive	4 years	Third party inspectors	Within 60 minutes of Boulder
Corvallis, Oregon	Complaint based	N/A	N/A	No
Kansas City, Missouri	Complaint based	N/A	N/A	No
Lawrence, Kansas	Proactive	3 years typical; 5 or less violations, 6 years	\$50 per unit	Resident agent within 40 miles of the city
Manhattan, Kansas	Complaint based	N/A	N/A	60 mile radius or appoint a local agent
San Marcos, Texas	Complaint based	N/A	N/A	Out of state contact
Seattle, Washington	Proactive; random selection of 10% of all rental units in city per year	At least once every 5-10 years	\$175 for property and 1st unit; \$35 per additional units	Out of state contact of local for repairs
Westminster, Colorado	Proactive	2 and 4 year schedule of inspections based on property age	\$40 per unit	50 miles from unit, need property manager to take summons, notices of noncompliance, and oversee inspections

	Occupancy Standards	Cost Recovery	Administration	Staffing
Ames, Iowa	1 adult per bedroom; capped at 5 adults	100%	Ames Fire Department	3 full time inspectors
Austin, Texas	Restricted by land use; 6 unrelated in SF; 3 unrelated per duplex	Covers registration, not staff	Code Department	8 full time inspectors, 1 supervisor
Boulder, Colorado	Determined by zone; 3 unrelated in low density; 4 unrelated in high density	100%; pre-2021 60% fee recovery, 40% general fund	Planning and Development Services	3 full time licensing team, inspections conducted by 3rd party
Corvallis, Oregon	Rule of 5; 5 unrelated	100%; fees paid through the general fund	Housing and Neighborhood Services	2 full time staff, 1 part time code compliance specialist
Kansas City, Missouri	5 unrelated	100%	Health Department	4 public health specialists, 6 field staff, 2 supervisors, 4 clinical staff
Lawrence, Kansas	Determined by zone	General fund	Planning and Development	3 inspectors
Manhattan, Kansas	4 unrelated	N/A	Fire Department; Risk Reduction Division	1 clerical, 1 supervisor, 2 inspectors
San Marcos, Texas	2 unrelated	N/A	Neighborhood Enhancement	0 dedicated staff
Seattle, Washington	6 unrelated	Working toward self-sufficiency	Department of Construction and Inspections	1 call center, 3 administrative, 1 cashier, 3 inspectors, 1 senior inspector, 1 manager
Westminster, Colorado	4 unrelated	100%	Building Division	3 inspectors, 1 part time admin

MEMORANDUM

To: Marcy Yoder, City of Fort Collins
From: Mollie Fitzpatrick, Avilia Bueno, and Julia Jones, Root Policy Research
Re: Fort Collins Occupancy Code Data Analysis
Date: June 8, 2021

Fort Collins Occupancy Analysis

This memorandum presents an analysis of living arrangements of households according to compliance with the current Fort Collins occupancy code. The analysis uses microdata from IPUMS USA¹ to provide demographic details of households according to the number and relationship of people in current households. Microdata is not available by city limit designations and as such the analysis includes the northern portion of Larimer County which includes Fort Collins but also includes small communities outside of Fort Collins (e.g., Bellvue, Wellington, Timnath) and unincorporated areas.² Figure 1 shows the geographic area of analysis.

The occupancy limit ordinance, found in 3.8.16 of Fort Collins Land Use Code, currently restricts the number of persons who occupy a dwelling unit to no more than three (3) unrelated parties, or a family of any size plus one additional unrelated individual. Throughout this memo households with four or more unrelated individuals or composed of a family and more than one unrelated individual are labeled nonconforming households.

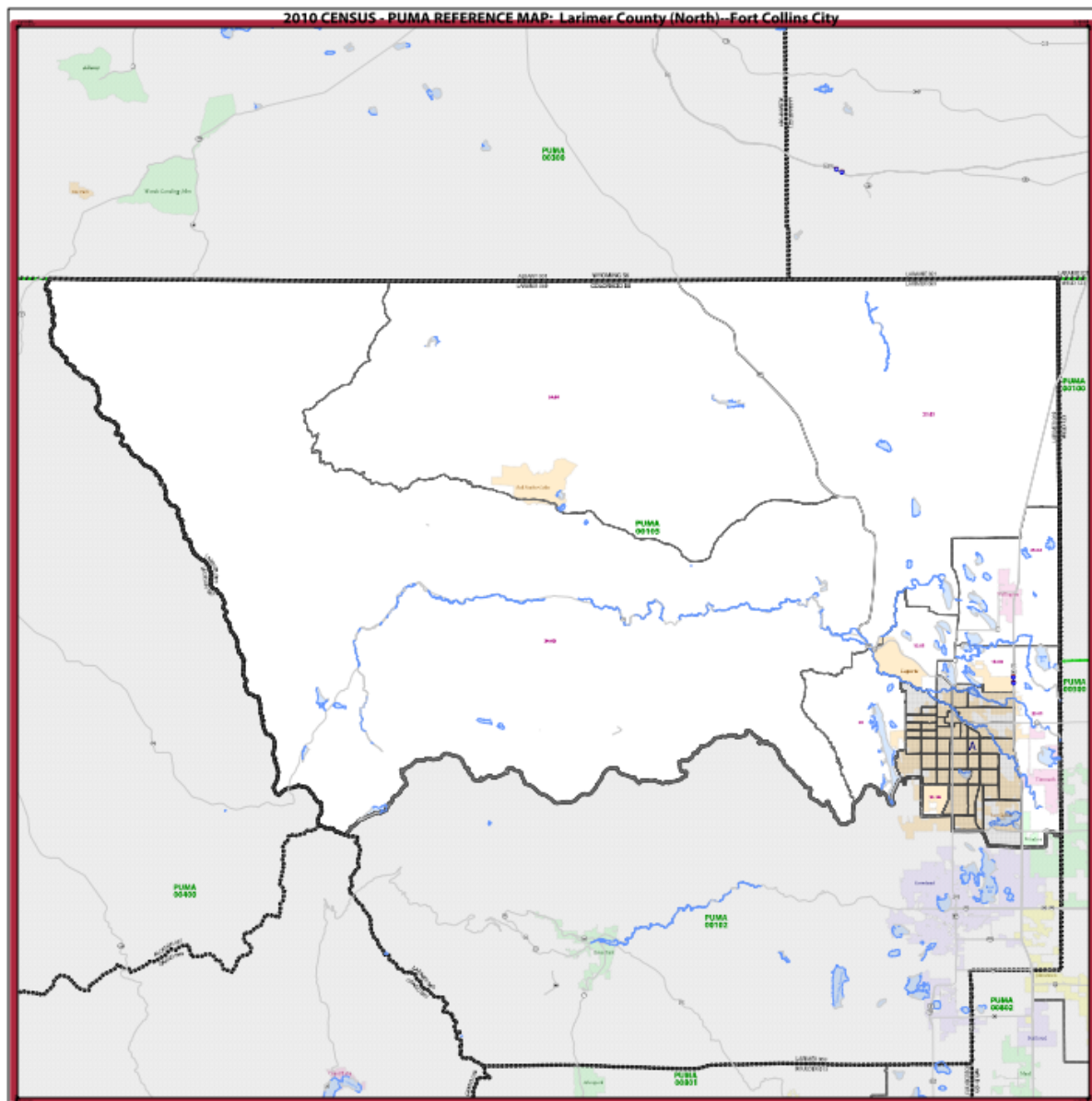
There are 82,691 households in the area of analysis shown in Figure 1.³ Of those, around 2 percent, or 1,875 households live in nonconforming households.

¹ Estimates are based on 2019 5-year ACS data.

² It excludes communities south of Fort Collins, e.g., Loveland and Estes Park.

³ Estimate excludes populations living in “group quarters,” defined in the Census as “group living arrangement that is owned or managed by an entity or organization providing housing and/or services for the residents” and generally include college dormitories, residential treatment centers, and correctional facilities.

Figure 1. Geographic Area of Analysis



Source: U.S. Census Bureau.

Household Type and Size

Figure 2 shows the number and distribution of all households and nonconforming households by household size.

- Overall, 94 percent of study area households are composed of 4 persons or less.
- The majority of nonconforming households (68%) are composed of 4 persons, another 30 percent are composed of 5 and 6 persons, and only 2 percent are composed of more than 6 persons.

Figure 2.
Household Size

Household size	All Households		Nonconforming Households	
	Number	Percent	Number	Percent
Total	82,691	100%	1,875	100%
1- Person household	19,764	24%	-	0%
2- Person household	33,688	41%	-	0%
3- Person household	13,380	16%	-	0%
4-Person household	10,696	13%	1,284	68%
5-Person household	3,767	5%	355	19%
6-Person household	995	1%	199	11%
7-Person household	210	0%	16	1%
8-Person household	97	0%	21	1%
10-Person household	94	0%	-	0%

Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Almost half of all households (47%) are married-couple family households. Not surprisingly, nonconforming households are more likely to be non-family households (64%); however 438 households (23%) do include a family unit living in the household.

Figure 3.
Household Type

Household type	All Households		Nonconforming Households	
	Number	Percent	Number	Percent
Total	82,691	100%	1,875	100%
Family Households	45,892	55%	438	23%
Married-couple household	38,778	47%	299	16%
Male householder, no spouse present	2,225	3%	58	3%
Female householder, no spouse present	4,889	6%	81	4%
Non-Family Households	29,636	36%	1,201	64%
Male householder, living alone	8,982	11%	-	0%
Male householder, not living alone	5,463	7%	653	35%
Female householder, living alone	10,782	13%	-	0%
Female householder, not living alone	4,409	5%	548	29%
Type could not be determined	7,163	9%	236	13%

Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

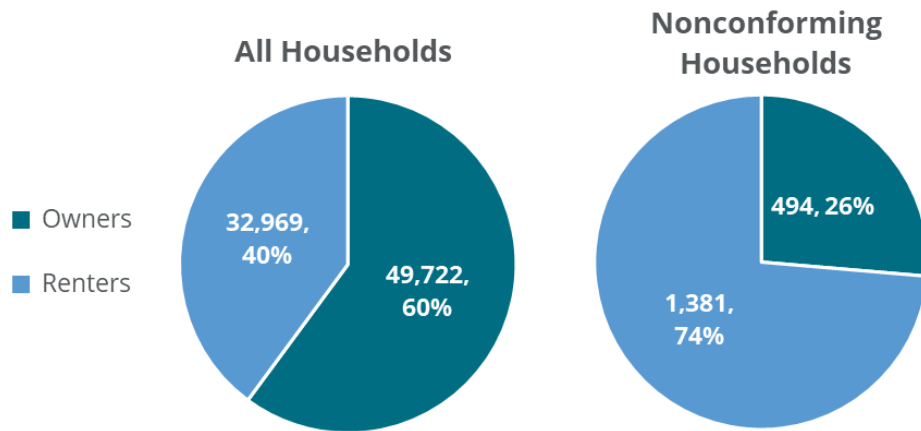
Homeownership and Structure

Figure 4 shows the number and distribution of households by tenure. Almost three fourths (74%) of nonconforming households are renters.

**Figure 4.
Tenure**

Note:
Excludes households
living in group quarters.

Source:
IPUMS USA, University
of Minnesota,
www.ipums.org and
Root Policy Research.

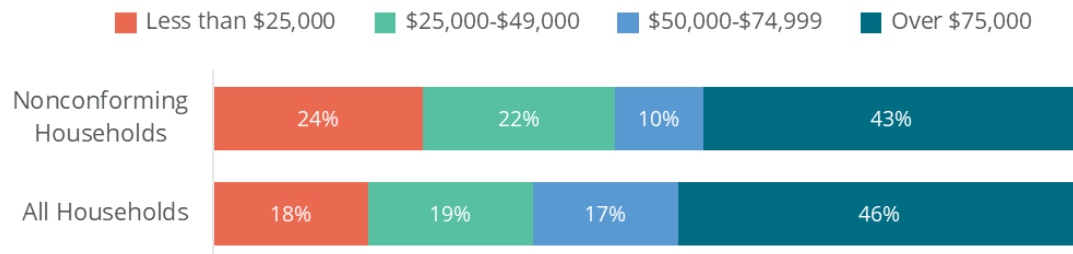


Nonconforming households are less likely than conforming households to live in single family detached homes. Overall 62 percent of households live in single family detached homes compared to 54 percent of nonconforming households. Around 4 percent of households live in building with 50 or more units, compared to 14 percent of nonconforming households.

Income

Nonconforming households are more likely to have income below \$50,000 compared to all households (46% v. 37%) and are significantly less likely to have income between \$50,000 and \$75,000 (10% v. 17%).

**Figure 5.
Income Distribution**



Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Demographic Characteristics

Nonconforming households are slightly more racially and ethnically diverse (Figure 6). Eighty five percent of all households are non-Hispanic White compared to 78 percent of nonconforming households. Nonconforming households are more like to be of one or more races (9% v. 2%).

Figure 6.
Racial and Ethnic Distribution

Note:

Excludes households living in group quarters.

Source:

IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

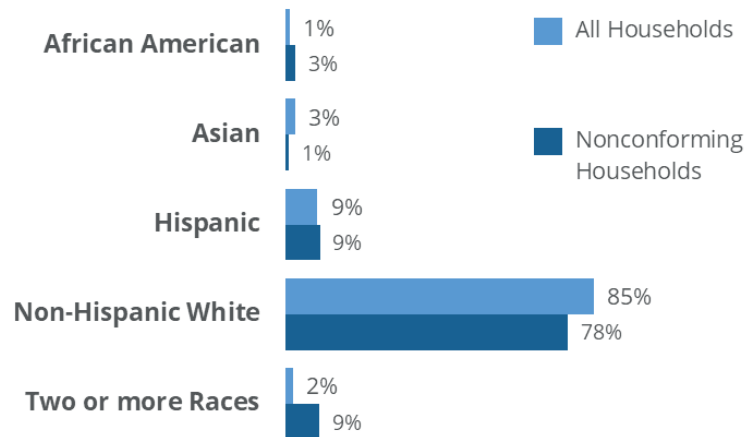


Figure 7 presents the number and distribution of households grouped by different age ranges of members in the household. Around 18 percent of nonconforming households (341 households) include children. As expected, nonconforming households are clustered around younger adults, 48 percent of nonconforming households are composed of members between the ages of 18 and 24.

Figure 7.
Age Range of Household Members

Age range of household members	All Households		Nonconforming Households	
	Number	Percent	Number	Percent
With children in household	21,090	26%	341	18%
Without children in household:	61,601	74%	1,534	82%
College aged adults 18-24	8,405	10%	909	48%
Middle aged adults 25-54	18,828	23%	40	2%
Older adults 55 and over	23,160	28%	0	0%
Broader Age Range	11,208	14%	585	31%

Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Unit Size

Figure 8 shows the average number of persons per bedroom for different unit sizes and the distribution of households by unit size. While there is some crowding among nonconforming households in units with one and two bedrooms, the majority (76%) of nonconforming households occupy units with 4 or more bedrooms. As shown, these larger units tend to be underutilized—have less than one occupant per bedroom—among conforming households while nonconforming households are more likely to have a more appropriate utilization of these larger housing units, with an average of one person per bedroom.

Figure 8.
Average Number of Persons per Bedroom, and Household Distribution, by Unit Size

Number of bedrooms	All Households		Nonconforming Households	
	Average Number of Persons per	Percent of Households in Unit Type	Average Number of Persons per Bedroom	Percent of Households in Unit Type
No bedrooms	-	2%	-	0%
One bedroom	1.3	7%	4.0	1%
Two bedrooms	1.0	27%	2.1	5%
Three bedrooms	0.8	34%	1.6	18%
Four bedrooms	0.7	21%	1.0	54%
Five bedrooms	0.6	7%	1.0	17%
Six bedrooms	0.6	1%	0.9	5%

Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Key Findings

Overall, around 2 percent, or 1,875 households are “nonconforming” households—meaning their occupancy is currently out of compliance with Fort Collins’ code. Key findings about the composition and characteristics of non-conforming households include:

- 23% of all nonconforming households include a family unit living in the household;
- 26% of nonconforming households are owners;
- 54% of nonconforming households (or about 1,000 units) are living in single family homes; the rest are in various types of attached housing;

- Nonconforming households are more likely to have incomes below \$50,000 compared to all households (46% v. 37%). However, occupancy isn't just a low-income issue: conforming and nonconforming households are similarly likely to have incomes over \$75,000 (46% and 43%, respectively).
- Nonconforming households are slightly more racially and ethnically diverse than households overall; and
- Larger housing units (3 or more bedrooms) tend to be underutilized by conforming households, while non-conforming households average 1 person per bedroom in these units. (The majority (76%) of nonconforming households occupy units with 4 or more bedrooms).

MEMORANDUM

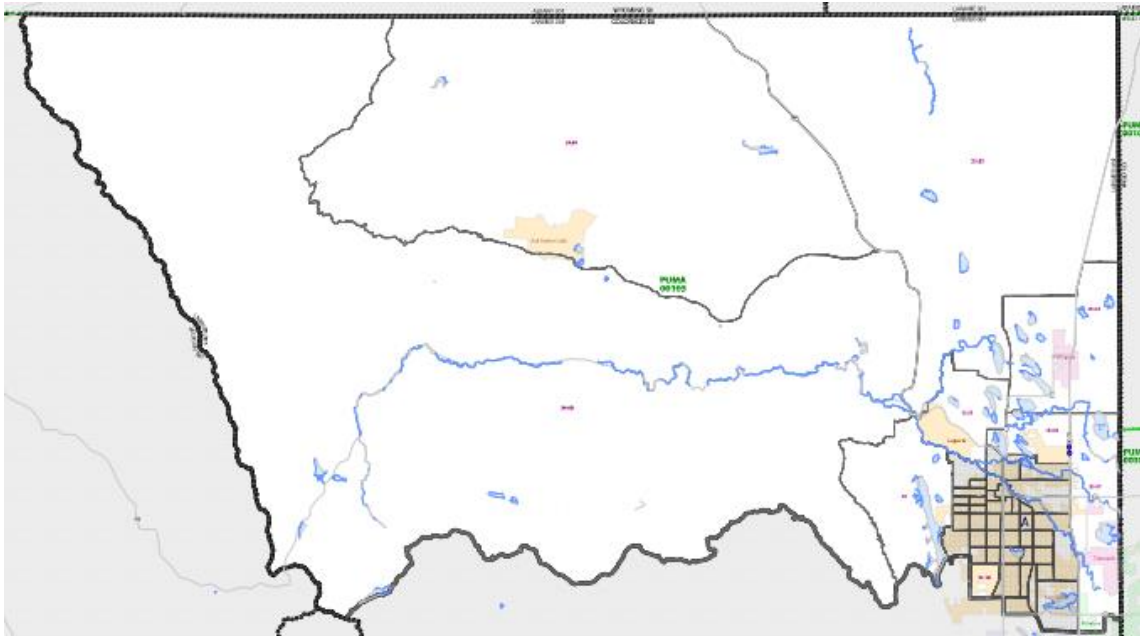
To: Marcy Yoder, City of Fort Collins
From: Mollie Fitzpatrick, Lucy McGehee, and Julia Jones, Root Policy Research
Re: Fort Collins Housing Stock Bedroom and Capacity Analysis
Date: November 29, 2022

This memorandum provides a summary of current bedroom capacity within Fort Collins housing stock using data from the American Community Survey (ACS).

Data Sources and Geographic Note

The analysis uses data from the 2020 5-year ACS for the City of Fort Collins as well as ACS microdata from IPUMS USA (also 2020 5-year data). The microdata provide more specificity about bedrooms and occupancy of units; however, the microdata geographic boundaries do not align perfectly with the City of Fort Collins. As shown in Figure 1, microdata captures the northern portion of Larimer County which includes Fort Collins and surrounding smaller communities (e.g. Bellvue, Wellington, Timnath) and unincorporated areas. The City of Fort Collins accounts for 82% of homes in this area.

Figure 1. Geographic Area of Analysis for IPUMS Data



Source: U.S. Census Bureau.

For aggregate data on number of units, total number of bedrooms, and units in structure, Root Policy Research relies on ACS data specifically for the City of Fort Collins. However, Root also calculates estimated bedrooms by units in structure and occupancy relative to bedroom, by applying IPUMS estimates from the broader area to data for the City of Fort Collins. Such calculations are detailed in table notes for transparency.

Overview of Bedroom Capacity

Figure 2 displays the number of units by bedroom count in the City of Fort Collins (using 2020 5-year ACS data). Three bedrooms are the most common in Fort Collins, accounting for 33% of all units. There are a total of 186,718 bedrooms in the city in 64,262 units (average of 2.91 bedrooms per unit).

Figure 2.
Units by Bedroom Count,
City of Fort Collins

Source:
2020 5-year ACS and Root Policy Research.

Note: Studio units included as one bedroom

	Number of Units	Percent of Units	Total Number of Bedrooms
Studio/One Bedroom	7,208	11%	7,208
Two bedroom	16,778	26%	33,556
Three bedroom	21,045	33%	63,135
Four bedroom	14,176	22%	56,704
Five or more bedrooms	5,055	8%	26,115
Total	64,262	100%	186,718

The number of bedrooms vary by type of residential structure. Figure 3 details unit and bedroom count by structure type, and the average number of bedrooms per unit by structure type.

Figure 3.
Bedroom Count by Structure Type, City of Fort Collins

Structure Type	Units		Bedrooms		Avg. Bedrooms per Unit
	Number	Percent	Number	Percent	
Single-Family Detached	36,674	57%	128,506	69%	3.5
Single-Family Attached	5,129	8%	13,496	7%	2.6
Duplex	1,381	2%	3,091	2%	2.2
3-4 Units	3,445	5%	6,897	4%	2.0
5-9 Units	4,751	7%	9,773	5%	2.1
10-19 Units	4,558	7%	8,519	5%	1.9
20-49 Units	3,237	5%	5,436	3%	1.7
50+ Units	3,613	6%	7,236	4%	2.0
Manufactured/Mobile Home	1,424	2%	3,683	2%	2.6
Other	50	0%	81	0%	1.6
Total	64,262	100%	186,718	100%	2.9

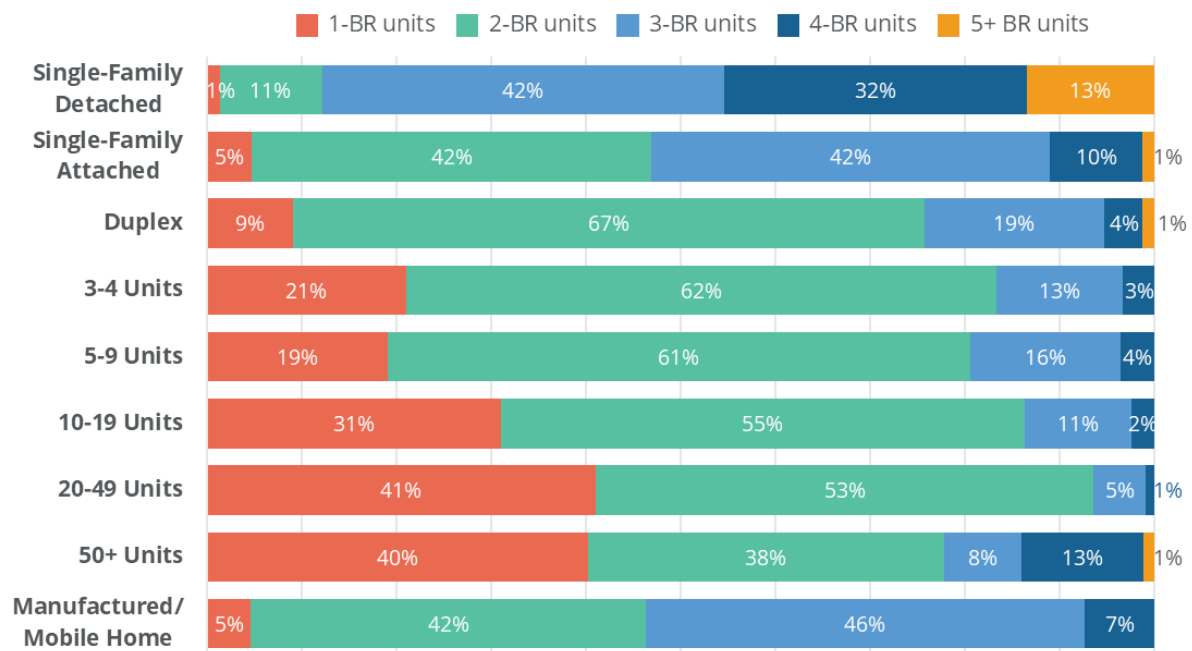
Note: Units in Structure and total number of bedrooms reflect data for the City of Fort Collins; bedrooms by units in structure and average number of bedrooms per unit applied from IPUMS analysis of greater Fort Collins area.

Source: 2020 5-year ACS, IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Residential single family homes account for 57% of all units and 69% of all bedrooms in the City with an average of 3.5 bedrooms per unit. The second largest contributor to the total bedroom count are townhomes (i.e., single family attached), which account for 7% of bedrooms and have, on average, 2.6 bedrooms per unit. Multifamily structures have lower bedroom counts on average, ranging from 1.7 bedrooms per unit to 2.1 bedrooms per unit.

Figure 4 provides additional detail on the distribution of units by bedrooms and structure type. These data reflect the distribution within the broader Fort Collins Area (see map in Figure 2) but are representative of the City, which accounts for 82% of the homes in the area.

Figure 4.
Bedrooms by Unit Structure, Broader Fort Collins Area



Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Among single family detached units, 11% of units have two bedrooms, 42% have three bedrooms, 32% have four bedrooms, and 13% have five or more bedrooms. Multifamily units (particularly those with 10 or more units in the structure) have higher proportions of one bedroom units than other structure types. Five (or more) bedroom homes are primarily found in single family structures, duplexes or mobile/manufactured homes.

Occupancy by Bedroom

Figure 5 details the average number of occupants per bedroom by structure type. Single family detached structures have the fewest average occupants per bedroom at 0.79 people per bedroom. Note that values less than one indicate there are more bedrooms than people, suggesting that most people have their own bedroom or there are spare rooms.

**Figure 5.
Units by Bedroom Count,
Broader Fort Collins Area**

Source:

IPUMS USA, University of Minnesota,
www.ipums.org and Root Policy Research..

	Occupants Per Bedroom
Single-Family Detached	0.79
Single-Family Attached	0.86
Duplex	0.92
3-4 Units	0.98
5-9 Units	1.08
10-19 Units	1.09
20-49 Units	1.14
50+ Units	0.97
Mobile home/ Trailer	1.02

The highest occupancy per bedroom is within multifamily housing with 20-49 units. On average, there are 1.14 occupants per bedroom. In most housing above five units, there is more than one person per bedroom.

Summary of Key findings

- There are a total of 186,718 bedrooms in the city in 64,262 units (average of 2.91 bedrooms per unit).
- Single family residences (attached and detached) account for 65% of units and 76% of bedrooms in Fort Collins.
- On average, single family homes have 3.4 bedrooms compared to multi-unit homes with 2.4 bedrooms.
- Single family housing types (detached, townhomes, and duplexes) all average fewer than 1 person per bedroom. Multifamily residences have the higher average occupancy per bedroom compared with other building structures but still only average about 1 person per bedroom;



MEMORANDUM

To: Fort Collins Housing Strategic Plan Implementation Team
From: Root Policy Research
Re: Investor Ownership Analysis
Date: April 12, 2022

This memo outlines Root Policy Research's analysis of investor presence in the Fort Collins rental market. Traditional rental units in multi-family buildings have always been "investor" properties; however, investor presence in the single family, townhome, and condo markets has increased nationwide since the Great Recession, when many such homes fell into foreclosure. Currently, the strong rental market in Fort Collins (and Northern Colorado more broadly) may contribute to additional interest in acquiring residential properties as investment opportunities.

The analysis contained in this memo focuses specifically on investor ownership of single family, du-/tri-plex, and townhome units.

Data sources and Methodology

Root utilized several data sources to inform the analysis:

- For a current profile of investor-owned properties, Root relied on data from the Larimer County Assessor (geocoded to the City of Fort Collins). Investors are defined as owners not occupying the specified residential unit (excluding multi-unit apartments). Investors can be individuals or companies and are identified by matching owner and site addresses in the assessor data (where site and owner addresses match, the property is assumed to be owner occupied; where site and owner addresses do not match, the property is assumed to be investor owned).
- Due to data limitations of historical Larimer County Assessor data, Root relied on two different sources to evaluate historical trends in investor ownership. The first is Census and American Community survey data on tenure (renter v owner) of housing units by structure type (e.g., single family, duplex, etc.). In addition, Root was able to access ATTOM Data¹ on national, state, and local trends of company vs individual ownership of residential properties between 2016 and 2020.

¹ ATTOM data solutions aggregates assessor data across geographies; data are only available back to 2016 and individual properties are not available so Root was not able to conduct an owner occupancy analysis on the data.

Trends Over Time

According to the American Community Survey 2020 5-year sample, there are 61,526 occupied households in the City of Fort Collins. Overall, 55% (34,046) units are owner occupied. Owner occupancy is substantially higher when focusing specifically on single-unit structures—76% of such units are owner occupied.

As noted in the introduction, national trends show a rise in investor ownership of single family properties over the past decade, particularly in the wake of the Great Recession (2007-2009). Figure 1 illustrates this trend by showing rentership rates by structure type of occupied households in the country, the state, and in Fort Collins from 2000 to 2020.

**Figure 1.
Rentership Rates
by Units in
Structure, 2000-
2020**

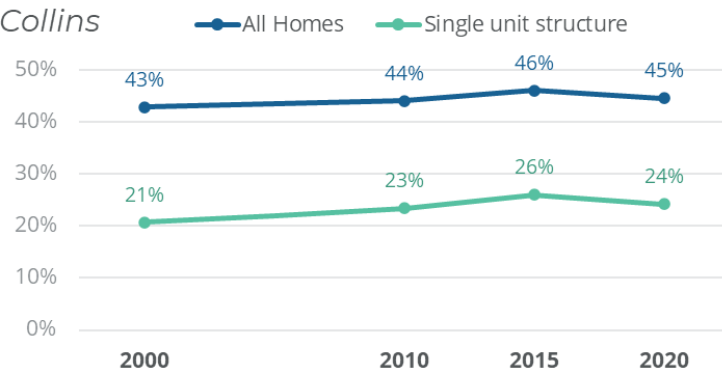
Note:

Rentership rate is the % of households in each structure type that are renters (as opposed to owners).

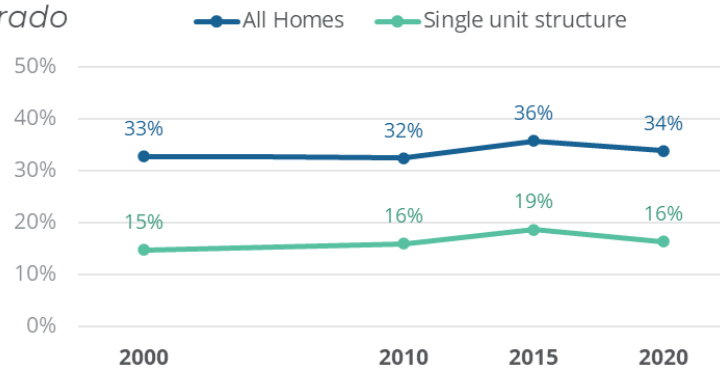
Source:

2000 Decennial Census; 5-year ACS estimates from 2010, 2015, and 2020; and Root Policy Research.

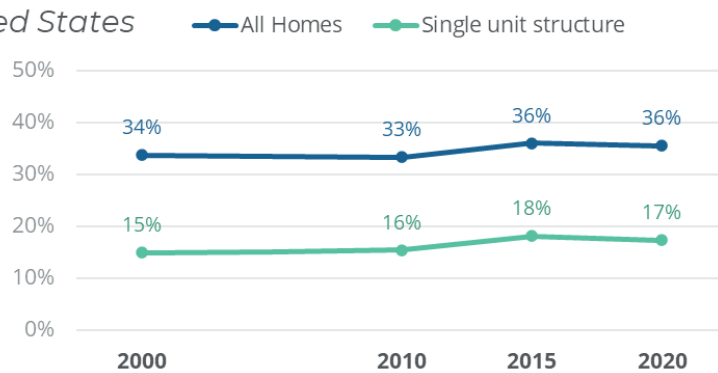
Fort Collins



Colorado



United States



As shown in the previous figure, the proportion of homes occupied by renters in Fort Collins rose from 43% to 45% between 2000 and 2020 (peaking at 46% around 2015). The proportion of single family homes occupied by renters in Fort Collins rose from 21% in 2000 to 26% in 2015, moderating back to 24% by 2020. Similar trends are evident in the state overall and the country.

Though a 3-percentage point change may seem minimal, this shift combined with overall housing unit growth reflects a 3,800-unit increase in renter occupied single family units:

- In 2000, a total 6,092 single family units were renter occupied (out of 29,405 total single family units).
- In 2020 (based on 5-year ACS data), 9,848 single family units were renter occupied (out of 40,572 single family units).

Figure 2 shows the proportion of residential properties (excluding multi-family apartment properties) that are owned by companies (as opposed to individuals) in Fort Collins, Colorado, and the United States. It is important to note that not all rental units are company owned, but this does provide another indicator of investor presence in the market. Company ownership has increased nationally since 2016 (except in 2020); statewide trends are similar with steady increases since 2016, despite a slight drop in 2020. In Fort Collins, the increase in company ownership is slightly more pronounced and continues through 2020. Currently 11.5% of residential properties are owned by a company.

**Figure 2.
Company
Ownership of
Residential
Properties,
2016-2020**

Source:

Atom Data Solutions
aggregation of local
assessor data, and Root
Policy Research.

% Residential Properties with a Company as a Primary Owner (excludes commercial multifamily rental properties)			
Year	Fort Collins	Colorado	United States
2016	9.0%	7.9%	8.3%
2017	9.7%	8.1%	8.6%
2018	10.7%	8.5%	8.9%
2019	11.2%	8.8%	9.3%
2020	11.5%	8.4%	7.6%

Profile of Investor-Owned Properties

The remainder of this memo uses Larimer County Assessor data to evaluate the current profile of investor-owned properties in the Fort Collins single-family, townhome, and duplex market. Of these types of properties, about 33% are investor owned and 77% are owner occupied (investor ownership is defined as properties for which site and owner addresses do not match).

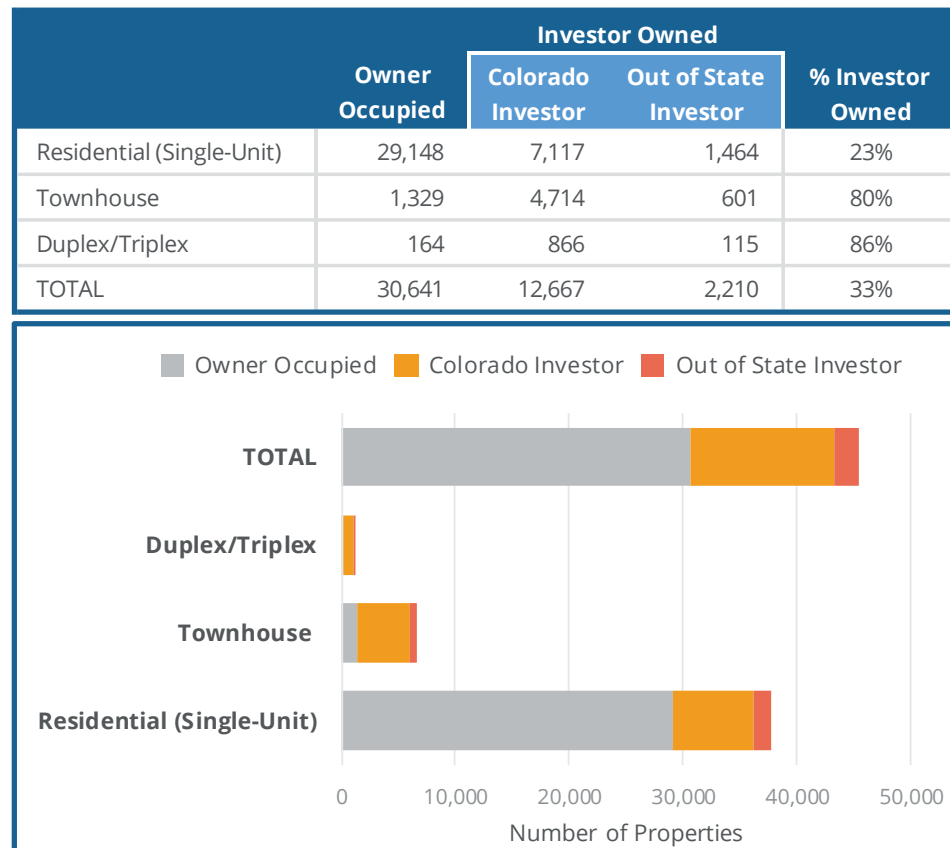
Investor ownership as a percentage of total units is substantially higher for townhomes (80%) and duplex/triplex properties (86%) than for single-family units (23%). However,

the sheer number of single family investment properties exceeds the other types, simply due to the dominance of this housing structure type.

Figure 3 shows the number and proportion of investor-owned properties by structure type. It also shows the number of investors who are “local” (have a Colorado address) versus out of state investors. Overall, about 15% of investors are out of state entities.

**Figure 3.
Investor
Ownership
by Property
Type, Fort
Collins,
2021**

Source:
Larimer County
Assessor and Root
Policy Research.



The vast majority of investors own just 1 property (in addition to their residence). Fewer than 1% of investors own 10 or more properties. (See Figure 4).

**Figure 4.
Number of
Properties
per Investor**

Source:
Larimer County
Assessor and Root
Policy Research.

Number of Investment Properties Owned	Investors with Single Family Properties	Investors with Townhouse Properties	Investors with Duplex/Triplex Properties	All Investors
1 property	87.6%	94.8%	87.1%	90.3%
2 properties	8.0%	3.3%	9.7%	6.3%
3 to 5 properties	3.7%	1.5%	2.0%	2.7%
6 to 10 properties	0.6%	0.3%	0.5%	0.4%
More than 10 properties	0.2%	0.1%	0.7%	0.2%

Investor-owned properties tend to be smaller, older, and have lower market value than owner-occupied properties of the same type. This is an indicator that investors are more likely to compete in the entry-level ownership market.

At the median single family residential units that are investor owned are 1,475 square feet, built in 1979, and valued at \$367,700. Single family owner occupied units at the median are 1,836 square feet, built in 1991, and valued at \$428,600.

**Figure 5.
Median
Characteristics of
Investor Owned
Properties and
Owner Occupied
Properties**

Source:

Larimer County Assessor and Root
Policy Research..

	Square Footage	Bedrooms / Bathrooms	Year Built	Market Value
Residential Properties				
Investor Owned	1,475	3 / 2	1979	\$367,700
Owner Occupied	1,836	3 / 2.5	1991	\$428,600
Townhouse Properties				
Investor Owned	1,258	2 / 2.5	1998	\$297,000
Owner Occupied	1,395	3 / 2.5	1997	\$346,200
Duplex Properties				
Investor Owned	1,671	4 / 2	1966	\$472,300
Owner Occupied	1,361	4 / 2	1948	\$515,000

As shown in Figure 6, investor properties are prevalent throughout the city with clusters around the University and central neighborhoods (where rentership is highest).

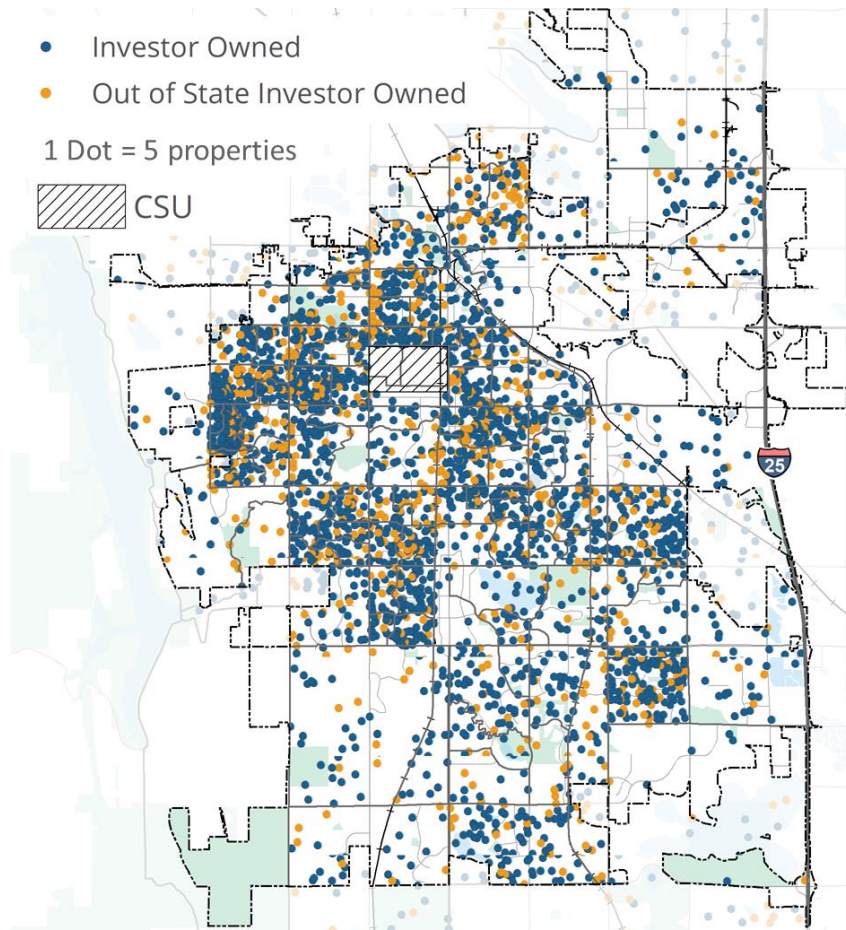
**Figure 6.
Geographic
Distribution of
Investor-Owned
Single Family,
Townhouse,
Duplex and Triplex
Properties**

Note:

Each dot represents 5
properties; dot locations are
approximate.

Source:

Larimer County Assessor and
Root Policy Research..



Item 3.

City	County	Year Definition Adopted	Maximum # of Unrelated Adults	Definition/Regulation	Square Footage Req't / Bedroom	Single Unit Parking Requirement(s)	Term
Denver	Denver	2021	5 Unrelated Adults, Unlimited # of Related Adults	Household a. A "household" is either: A dwelling unit occupied by persons in any one of the following f	Habitable rooms shall have a floor are of not less than 70 square feet	No Parking Requirements	Household
Aurora	Adams/Arapahoe	2001	4 persons	A group of persons related by blood, marriage, or adoption, living together as a single housekeeping unit and normally consisting of two parents and their children; Persons living together in the relationship and for the purpose of guardian, ward, or foster family or receiving home care who may not necessarily be related by blood or marriage to the head of the household, but live together as a single housekeeping unit but shall not include correctional homes; A group of not more than four unrelated persons living together in a dwelling unit as a single housekeeping unit; or Living arrangements wherein one person is providing care to another occupant who is not related by blood or marriage, provided they neither maintain separate cooking facilities nor advertise the premises for rent. 5. A single individual living as a single housekeeping unit. Exceptions: A family shall not include more than one person required to register as a sex offender pursuant to § 18-3-412.5, C.R.S. as amended, unless related by marriage or consanguinity. Family shall not include any group of individuals who are in a group living arrangement as a result of criminal offenses. Utilizes "Space and Occupancy Standards" which requires at least 150 square feet of floor space for each occupant. The floor space is calculated on the basis of total enclosed space within a dwelling.	150 sf per occupant required	2 spaces per dwelling unit (spaces can be accommodated in garage or driveway outside the required front yard setback) plus 2 guest spaces per unit	Family
Brighton	Adams	2008	4 persons	An individual or 2 or more persons related by blood, marriage, or legal adoption, or a group of not more than 4 persons who are not related by blood, marriage or legal adoption living together in a dwelling unit.		2 spaces per dwelling unit	Family
Commerce City	Adams	2016	3 persons	An individual or 2 or more persons related by blood or marriage, or a group of not to exceed 3 persons (excluding servants) living together as a single nonprofit housekeeping unit in a dwelling unit. Family members include those defined by the Internal Revenue Code as dependents of the occupants; provided, however, that a family not include more than one registered sex offender, except if the members of the family are related by blood or marriage.		2 spaces / dwelling unit	Family
Northglenn	Adams	2019	4 persons	(1) An individual, or two or more persons related by blood, marriage, or adoption, excluding domestic servants, plus an additional two persons per dwelling unit, used as a single housekeeping unit. (2) A group of unrelated persons not to exceed two persons per bedroom plus an additional two persons per dwelling unit used as a single housekeeping unit.	2 persons per bedroom	Residences: two (2) parking spaces for each dwelling unit and may be in a garage or carport or on a slab or driveway, except in the R-1-C Zone, within which one (1) space per dwelling unit is required.	Family
Thornton	Adams	2011	4 persons	Individuals living together as a single housekeeping unit in which not more than four individuals are unrelated to the head of the household by blood, marriage, or adoption. For the purposes of this definition, "living together as a single housekeeping unit" is generally characterized by a family like structure, and/or a sharing of responsibility associated with the household, and a concept of functioning as a family unit with a sense of permanency, as opposed to the transient nature of a group home, bed and breakfast, motel, hotel, dormitory, boardinghouse, or rooming house. A single housekeeping unit shall not include more than one individual who is required to register as a sex offender under the provisions of the Colorado Revised Statutes, as amended.		Four spaces for each lot. At least two of these spaces shall be fully enclosed within a structure on the lot.	Family
Westminster	Adams/Jefferson	2015	4 persons	A head of household plus, if applicable, any individuals related to the head of household by blood, marriage, adoption, or guardianship, including foster children placed by a state institution or a licensed child placement agency. 11-4-6. - Special Regulations. The following additional regulations apply as indicated below: (A) Single-Family Detached Dwelling Units: Permitted in the R2, R3, R4, and T1 Districts in accordance with the RA "Density Schedule" provisions. Duplexes are also permitted in the R3, R4, and T1 Districts in accordance with the R2 "Density Schedule" provisions. Multiple-Family Dwelling Units are also permitted in the T1 District in accordance with the R3 "Density Schedule" provisions. In the B1 District, a caretaker's quarters is allowed on or above the main floor, if said use is clearly ancillary to the primary business or commercial use. (B) Occupancy of Dwelling Units: Subject to the provisions of Chapter 12 of Title XI, "Rental Property Maintenance Code," W.M.C., no persons except the following persons shall occupy a dwelling unit: (1) Members of a family, together with bona fide domestic employees of such family; or (2) Up to four unrelated persons; or (3) Two persons and any of either of their children by blood, marriage, adoption, or guardianship, including foster children placed by a state institution or licensed child placement agency; or (4) Up to eight residents of a group home for the aged; or (5) Up to eight residents, plus staff, of a group home for persons with mental illness; or (6) Up to eight residents, plus staff, of a group home for developmentally disabled persons, provided, further, that, except as otherwise provided by law, no more than one individual who is required to register as a sex offender under the provisions of the Colorado Sex Offender Registration Act shall occupy a dwelling unit.		Four spaces per unit, with two spaces enclosed in a garage and two spaces in driveway, except that parking for neo-traditional developments may be reduced by the Planning Manager on a case-by-case basis, upon a finding that less parking is needed based upon the design of the development.	Family

Boulder	Boulder	2007	P, A, RR, RE, and RL Zone Districts: 3 persons MU, RM, RMX, RH, BT, BC, BMS, BR, DT, IS, IG, IM, and IMS Zone Districts: 4 persons	Heads of household plus the following persons who are related to the heads of the household: parents and children, grandparents and grandchildren, brothers and sisters, aunts and uncles, nephews and nieces, first cousins, the children of first cousins, great-grandchildren, great-grandparents, great-great-grandchildren, great-great-grandparents, grandnieces, grandnephews, great-aunts and great-uncles. These relationships may be of the whole or half blood, by adoption, guardianship, including foster children, or through a marriage or a domestic partnership meeting the requirements of Chapter 12-4, "Domestic Partners," B.R.C. 1981, to a person with such a relationship with the heads of household. An individual, or 2 or more individuals related by blood, marriage, or adoption, and not more than 2 roomers or boarders; or 2 adults and any of their lineal descendants; or a group of not more than 3 unrelated individuals; and who are living together as a single housekeeping unit. NOTE: Landlords are jointly and severally responsible for the over occupancy activities of tenants. This liability extends to landlords even if the landlords have no knowledge of such activities and even if the landlords actively discourage such activities within lease prohibitions.		Minimum number of off-street parking spaces for a detached dwelling unit (DU) RR, RE, MU-1, MU-3, BMS, DT, A, RH-6 RMX-2, MU-2, MH, IMS RL, RM, RMX-1, RH-1, RH-2, RH-4, RH-5, BT, BC, BR, IS, IG, IM, P RH-3 Zone Districts: 1 off street parking space MU-4, RH-7 Zone Districts: 0 off-street parking spaces	
Longmont	Boulder	2015	5 persons	One or more persons related by blood, marriage, adoption, or legal guardianship, including foster children, living together in a dwelling unit; or group of not more than five persons not related by blood, marriage, adoption, or legal guardianship (including foster children) living together in a dwelling unit; or two unrelated persons and their minor children living together in a dwelling unit.		2 spaces per dwelling unit + 1 on street parking space	Family
Arvada	Jefferson	2008	5 persons	A. One or more persons related by blood, marriage, or adoption, living together as a single household unit; or a group of not more than 5 persons not related by blood, marriage, or adoption, living together as a single household unit; or a family foster home, licensed by the State of Colorado, or certified by the Jefferson County Department of Human Services or Adams County Department of Social Services, or a state-licensed child placement agency, and having no more than 4 foster children, shall also be considered a "family." A "family" shall not include more than one (1) person required to register as a sex offender pursuant to Section 18-3-412.5, Colorado Revised Statutes, as amended, unless related by blood, marriage, or adoption.		2 per dwelling unit; In the R-NT Zoning District, 2-car garages are required for each dwelling unit.	Family
Wheat Ridge	Jefferson	2001	3 persons	One (1) or more persons related by blood, marriage, adoption, or legal custody plus domestic servants employed for service on the premises, or a group of not more than three (3) persons who need not be so related living together as a single housekeeping unit. Five (5) people over the age of sixty (60) years sharing one (1) housekeeping unit shall also be deemed to be a family. Notwithstanding the foregoing, a family shall be deemed to include four (4) or more persons that are not related by blood, marriage, adoption, or legal custody occupying a residential dwelling unit and living as a single housekeeping unit if the occupants are handicapped persons as defined in title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, or disabled persons as defined by § 24-34-301, C.R.S. A family shall not include more than one (1) person required to register as a sex offender pursuant to § 18-3-412.5, C.R.S., as amended, unless related by blood, marriage or adoption.		With Street Parking: 2 spaces per dwelling unit (including enclosed garage spaces) Without Street Parking: 4 spaces per dwelling unit (including enclosed garage spaces)	Family
Golden	Jefferson	1973	4 persons	A household or family is defined as: (1) Any number of persons related by blood, marriage or adoption, plus (a) Domestic servants employed for service on the premises. (b) Up to four children under the age of 18 who may not be related to any or all of the other residents, but who are under the care and supervision of the adult family head. (c) Any combination of (a), or (b), above, not to exceed four individuals. (2) A group including not more than two adults, together with any number of children, related by blood or legal adoption to at least one of the adults; or (3) A group of not more than four unrelated or related and unrelated persons living together as a single housekeeping unit. (4) A household shall not, except for adjudicated delinquent children in foster care, include more than one individual who is a registered sex offender unless related by blood or marriage. For the purpose of this subsection, "registered sex offender" means any person required to register as a sex offender in accordance with article 22 of title 16 of the Colorado Revised Statutes as amended.		Downtown Golden and community mixed use zone districts: Each single-family residence shall be provided with one parking space Non-downtown areas: Each single-family residence shall be provided with one parking space.	Households
Fort Collins	Larimer	2002	3 persons	An individual living alone, or either of the following groups living together as a single housekeeping unit and sharing common living, sleeping, cooking and eating facilities: (1) any number of persons related by blood, marriage, adoption, guardianship, or other duly authorized custodial relationship unless such number is otherwise specifically limited in the Land Use Code; or (2) any related group of persons consisting of: a. not more than 3 persons; or b. not more than 2 unrelated adults and their related children, if any.		For each single-family dwelling there shall be one (1) parking space on lots with greater than forty (40) feet of street frontage or two (2) parking spaces on lots with forty (40) feet or less of street frontage.	Family
Loveland	Larimer	1974	3 persons	Any individual or two or more persons related by blood, adoption or marriage, or an unrelated group of not more than three persons living together in a dwelling unit, and includes family foster care of up to four children which is licensed according to the statutes of the state.		2 spaces per dwelling unit (may count tandem and garage spaces to meet requirement)	Family
Castle Rock	Douglas	2012	5 persons	One or more persons who are related by blood, marriage or adoption, including any foster children; or a group of not more than five unrelated persons living together as a single housekeeping unit by joint agreement on a nonprofit cost-sharing basis; or a combination of persons related by blood, marriage or adoption, including any foster children and unrelated adults, not to exceed five persons living together and occupying a single dwelling unit; or a group of persons with a disability or handicap and associated resident staff, subject to the occupancy and licensing requirements of the State.		2 spaces per dwelling unit	Family

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Parker	Douglas	1990	5 persons	Two (2) or more persons related by blood, marriage, or other legally recognized relationship, or a group not exceeding five (5) unrelated persons (excluding paid household staff such as nannies, cleaners and caregivers) living together as a single housekeeping unit in one (1) structure on one (1) lot, unless otherwise specifically authorized by this Land Development Ordinance, including, without limitation, Section 13.04.290 of this Title and its regulation of group homes, as may be amended from time to time, or by the provisions of state or federal law. This definition of family supersedes any definition of family in planned development documents, including, without limitation, development guides adopted by ordinance.		2 spaces per dwelling unit	Family
Englewood	Arapahoe	2004	2 persons	A household includes one (1) or more persons related by blood, marriage, adoption, or legal guardianship, including foster children, together in a dwelling unit; or two (2) unrelated persons and their children living together in a dwelling unit.		2 spaces per dwelling unit	Household
Littleton	Arapahoe/Douglas/Jefferson	1992	3 persons	Any number of persons related by blood, marriage or adoption, living together and normally, but not always, consisting of 2 parents and their children; or persons living together for the purpose of guardian, ward or foster family who may or may not be related by blood or marriage to the head of the household; or a group of not more than 3 unrelated individuals living together in a dwelling unit. A family shall not include more than one unrelated individual over the age of 12 years who is required to register as a sex offender under the provisions of Colorado Revised Statutes section 18-3-412.5, as amended, nor shall this section apply to any child required to register as a sex offender under said statute who is placed pursuant to section 19-1-103(51.3), Colorado Revised Statutes in a foster care home certified or licensed pursuant to article 6 of title 26, Colorado Revised Statutes.		2 spaces per dwelling unit	Family
Lakewood	Jefferson	2018	5 persons	A household shall be made up of: 1. An individual living alone; or 2. Any number of individuals, who are related by blood, marriage, or legal adoption, including foster children; or 3. Any unrelated group of individuals living together as a single housekeeping unit up to a maximum of one person per 500 gross square feet in a single family dwelling unit (including basements and excluding attached and/or detached garages) not to exceed five individuals per dwelling units; or 4. Any unrelated group of individuals living together in a multiple family dwelling unit as a single housekeeping unit up to a maximum of one person per habitable room; or 5. Not more than two unrelated individuals and their related children and/or parents; or 6. A household shall not include more than one individual who is required to register as a sex offender pursuant to Article 22 of Title 16, Colorado Revised Statutes. This section shall not apply to a registered sex offender who is living with his immediate family. For purposes of this section, immediate family is defined as a person, the person's spouse, the person's parent, the person's grandparent, the person's brother or sister of the whole or half blood, the person's child, the person's step-child or the person's child by adoption and shall include children who have been placed in foster care, as defined by the Colorado Revised Statutes. For purposes of this definition, "living together as a single housekeeping unit" is generally characterized by a family-like structure, and/or a sharing of responsibility associated with the household, and a concept of functioning as a family unit with a sense of permanency, as opposed to the transient nature of a bed and breakfast establishment, motel or hotel. Notwithstanding the square foot limitations above, no dwelling unit shall be limited to fewer than three individuals.	Any unrelated group of individuals living together as a single housekeeping unit up to a maximum of one person per 500 gross square feet in a single family dwelling unit (including basements and excluding attached and/or detached garages) not to exceed five individuals per dwelling units; or Any unrelated group of individuals living together as a single housekeeping unit up to a maximum of one person per habitable room	No Parking Requirements	Household
Colorado Springs	El Paso	2018	5 persons	As used in this Zoning Code, an individual, two (2) or more persons related by blood, marriage, adoption, or similar legal relationship, or a group of not more than five (5) persons who need not be so related, plus domestic staff employed for services on the premises, living together as a single housekeeping unit in one dwelling unit. The definition of "family" shall apply regardless of whether any member of such group receives outside services for mental, emotional, or physical disability.	Space Required: Every dwelling unit shall contain at least: <ul style="list-style-type: none"> •825 square feet _ 1 person •200 square feet _ 2 persons •275 square feet _ 3 persons •350 square feet _ 4 persons •425 square feet _ 5 persons •500 square feet _ 6 persons •560 square feet _ 7 persons •620 square feet _ 8 persons •680 square feet _ 9 persons •740 square feet _ 10 persons and a minimum of forty (40) square feet for each additional person. The required floor space shall be calculated on the basis of total habitable room area. In no case shall more than eight hundred fifty (850) square feet be required for one family.	1 space per dwelling unit	
Unincorporated Adams	N/A	2018	3 or more persons	An individual or three (3) or more persons related by blood, marriage, or legal adoption, living together in a dwelling unit as a single housekeeping unit. Persons not related by blood, marriage, or legal adoption shall be deemed to constitute a family where they are living and cooking together as a single housekeeping unit, but shall not include unrelated students attending colleges or universities.		2 spaces per dwelling unit	Family
Unincorporated Arapahoe	N/A	2011	5 persons	An individual or two or more persons related by blood, marriage or adoption residing under one head of household, or a group of not more than five (5) persons, who need not be related, living as a single housekeeping unit. The definition of "Family" specifically excludes any group home licensed by the State for the use of four (4) to eight (8) persons.		2 spaces per dwelling unit	Family

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City	State	Year Definition Adopted	Maximum # of Unrelated Adults	Definition/Regulation	Minimum Parking Req. w/ Detachment	Single Unit Parking Requirement(s)	Term
Salt Lake City	Utah	1995	3 persons	One or more persons related by blood, marriage, adoption, or legal guardianship, including foster children, living together as a single housekeeping unit in a dwelling unit; or a group of not more than three (3) persons not related by blood, marriage, adoption, or legal guardianship living together as a single housekeeping unit in a dwelling unit; or two (2) unrelated persons and their children living together as a single housekeeping unit in a dwelling unit. The term "family" shall not be construed to mean a club, group home, residential support dwelling, a lodge or a fraternity/sorority house.		2 spaces per dwelling unit	Family
Phoenix	Arizona	2011	5 persons	An individual or two (2) or more persons related by blood, marriage, or adoption, and usual servants, living together as a single housekeeping unit in a dwelling units, or a group of not more than five (5) persons, who need not be related, living together as a single housekeeping unit in a dwelling unit.		2 spaces per 1 dwelling unit	Family
Albuquerque	New Mexico	2018	5 persons	An individual; or two (2) or more persons related by blood, marriage, legal guardianship, or adoption, plus household staff; or any group of not more than 5 persons living together in a dwelling; or any group of 5 persons or more that has a right to live together pursuant to the federal Fair Housing Act Amendments of 1988 (or as amended), as interpreted by the courts.		For each dwelling not covered by another item of this division (24): one space per bath but not less than two spaces. (b) For each dwelling with net leasable area of less than 1,000 square feet and which is not covered by either divisions (c) or (b) of this division (24): one space per bath but not less than one and one-half spaces. (c) Vehicle parking and maneuvering areas in the front yard setback area shall be either a dust free surface consisting of concrete, cement, brick, or sealed aggregate pavement; or three inches of crushed rock or crusher fines over a four inch compacted subgrade. (d) For each house or townhouse on a lot designated with the suffix "p1" on the subdivision plat (on streets classified for Intermittent Parking as provided in the Subdivision Regulations set forth in Chapter 14, Article 14 of this code): 1. Three spaces if the dwelling has up to two bedrooms; or 2. Four spaces if the dwelling has three or four bedrooms; or 3. Five spaces if the dwelling has five or more bedrooms. (e) For each house or townhouse, on lots designated with the suffix "p2" on the subdivision plat (on streets classified for Infrequent Parking as provided in the Subdivision Regulations set forth in Chapter 14, Article 14 of this code): 1. Four spaces if the dwelling has up to two bedrooms; or 2. Five spaces if the dwelling has three or four bedrooms; or 3. Six spaces if the dwelling has five or more bedrooms.	Family
Seattle	Washington	2006	8 persons	A housekeeping unit consisting of any number of related persons; eight or fewer non-related, non-transient persons; eight or fewer related and non-related non-transient persons, unless a grant of special or reasonable accommodation allows an additional number of persons.		1 space per dwelling unit	Household
Portland	Oregon	2018	5 persons	One or more persons related by blood, marriage, domestic partnership, legal adoption or guardianship, plus not more than 5 additional persons, who live together in one dwelling unit; or one or more handicapped persons as defined in the Fair Housing Amendments Act of 1988, plus not more than 5 additional persons, who live together in one dwelling unit.		No Parking Requirements	Household
Boise	Idaho	2013	5 persons	A group of individuals related by blood, marriage, civil union, adoption, or guardianship functioning as a single and independent housekeeping unit or persons occupying a group home as defined in this ordinance. A dwelling unit may be occupied by a family by up to five unrelated individuals, or by persons with a disability or elderly persons living in a group home as defined in this ordinance. The term does not imply or include types of occupancy such as lodging or boarding house, club, sorority, fraternity, or hotel.		2 spaces per dwelling unit	Family
Austin	Texas	2016	6 persons	In this section: (1) ADULT means a person 18 years of age or older. (2) DOMESTIC PARTNERSHIP means adults living in the same household and sharing common resources of life in a close, personal, and intimate relationship. (3) UNRELATED means not connected by consanguinity, marriage, domestic partnership or adoption. (B) Except as otherwise provided in this section, not more than six unrelated adults may reside in a dwelling unit. (C) The regulations in Subsection (D) apply in the area defined in Subchapter F: Residential Design and Compatibility Standards Section 1.2.1. (D) Except as provided in Subsection (E), for a conservation single family residential, single family attached residential, single family residential, small lot single family, duplex residential use, or two-family residential use, not more than four unrelated adults may reside on a site, in the following zoning districts: (1) Lake Austin Residence District (LA) Zoning District; (2) Rural Residence District (RR) Zoning District; (3) Single Family Residence Large Lot (SF-1) Zoning District; (4) Single Family Residence Standard Lot (SF-2) Zoning District; (5) Family Residence (SF-3) Zoning District; (6) Single Family Residence Small Lot (SF-4A) Zoning District; (7) Single Family Residence Condominium (SF-4B) Zoning District; (8) Urban Family Residence (SF-5) Zoning District; and (9) Townhouse and Condominium Residence (SF-6) Zoning District. (E) The requirements of Subsection (D) of this section do not apply if: (1) before March 31, 2014: (a) a building permit for the dwelling unit was issued; or (b) the use was established; and (2) after March 31, 2014: (a) the gross floor area does not increase more than 69 square feet, except to complete construction authorized before March 31, 2014 or to comply with the American with Disabilities Act, or (b) any interior remodel that requires a building permit does not result in additional sleeping rooms. (F) Not more than three unrelated adults may reside in a dwelling unit of a duplex residential use, unless: (1) before June 5, 2003; (a) a building permit for the duplex structure was issued; or (b) the use was established; and (2) after June 5, 2003, the gross floor area in the duplex structure does not increase more than 69 square feet, except for the completion of construction authorized before that date or to allow for compliance with the Americans with Disabilities Act. (G) For a two-family residential use or a site with a secondary apartment special use not more than four unrelated adults may reside in the principal structure, and not more than two unrelated adults may reside in the second dwelling unit, unless: (1) before November 18, 2004: (a) a building permit for the second dwelling unit was issued; or (b) the use was established; and (2) after November 18, 2004, the gross floor area does not increase more than 69 square feet, except for the completion of construction authorized before that date or to allow for compliance with the American with Disabilities Act. (H) A structure located on a site subject to Subsection (B) that is partially or totally destroyed by a natural disaster, act of god or fire does not become subject to Subsection (D), if a building permit to repair or reconstruct the structure is applied for within one year of the date of the partial or total destruction. (I) A group of not more than ten unrelated adults may reside in a dwelling unit if: (1) a majority of the adults are 60 years of age or older; (2) the adults are self-caring and self-sufficient and participate in the daily operation of the dwelling unit; and (3) the adults live together as a single, non-profit housekeeping unit.		2 spaces per dwelling unit	Dwelling Unit Occupancy Limit
Las Vegas	Nevada	2011	4 persons	With respect to the occupancy of a dwelling unit: One or more individuals related by blood, marriage, adoption, guardianship or legal custody; or No more than four unrelated individuals living together as a single housekeeping unit.		2 spaces per dwelling unit	Family
Kansas City	Missouri	2012	5 persons	Household means an individual; or two or more persons related by blood, marriage or adoption; or a group of not more than five persons, excluding servants, who need not be related by blood or marriage, living together and subsisting in common as a separate nonprofit housekeeping unit which provides one kitchen; or a group of eight or fewer unrelated mentally or physically handicapped persons, which may include two additional persons acting as houseparents or guardians who need not be related to each other or to any of the mentally or physically handicapped persons residing in the home.		1 space per dwelling unit	Household
Oklahoma City	Oklahoma	2007	5 persons	One or more persons related by blood or marriage, including adopted children, or a group of, not to exceed, five unrelated persons (not related by blood or marriage), occupying the premises and living as a single non-profit housekeeping unit, as distinguished from a group occupying a boardinghouse, lodging house or hotel.		2 spaces per dwelling unit + garage	Family

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Washington	District of Columbia	2016	6 persons	Household: Shall be defined as one (1) of the following: (a) One (1) family related by blood, marriage, adoption, or foster agreement; (b) Not more than six (6) persons who are not so related, living together as a single house-keeping unit; (c) A religious community having not more than fifteen (15) members; or (d) A residential facility providing housing for up to six (6) persons with disabilities and two (2) caregivers. For purposes of this subsection, a "disability" means, with respect to a person, a physical or mental impairment which substantially limits one (1) or more of such person's major life activities, or a record of having, or being regarded as having, such an impairment, but such item does not include current, illegal use of a controlled substance.		1 space per dwelling unit	Household
Boston	Massachusetts	2008	2+ persons	Family. One person or two or more persons related by blood, marriage, adoption, or other analogous family union occupying a dwelling unit and living as a single non-profit housekeeping unit, provided that a group of five or more persons who are enrolled as full-time, undergraduate students at a post-secondary educational institution shall not be deemed to constitute a family. A group residence, limited, as defined in "Group residence, limited" of this Section 2-1 shall be deemed a family.		1 space per residential use (FAR 0.3 or 0.5)	Family
Minneapolis	Minnesota	2012	2-5 persons (dependent on Residence Districts)	Family. An individual or two (2) or more persons related by blood, marriage, domestic partnership as defined in Chapter 142 of the Minneapolis Code of Ordinances, or adoption, including foster children and domestic staff employed on a full-time basis, living together as a permanent household. This definition of family is established for the purpose of preserving the character of residential neighborhoods by controlling population density, noise, disturbance and traffic congestion, and shall not be applied so as to prevent the city from making reasonable accommodation where the city determines it necessary to afford handicapped persons living together in a permanent household equal access to housing pursuant to the Federal Fair Housing Amendments Act of 1988. Residence Districts Maximum occupancy. (a) Dwelling units. The maximum occupancy of a dwelling unit located in the R1 through R3 Districts shall not exceed one (1) family plus up to two (2) unrelated persons living together as a permanent household, provided that the family plus the unrelated persons shall not exceed a total of five (5) persons. The maximum occupancy of a dwelling unit located in the R4 through R6 Districts shall not exceed one (1) family plus four (4) unrelated persons living together as a permanent household, provided that the family plus the unrelated persons shall not exceed a total of five (5) persons. Commercial, Downtown, and Overlay Districts Maximum occupancy. (a) Dwelling units. The maximum occupancy of a dwelling unit located in the commercial districts shall not exceed one (1) family plus four (4) unrelated persons living together as a permanent household, provided that the family plus the unrelated persons shall not exceed a total of five (5) persons.	Requires 150 sf for first occupant, 70 additional sf for second occupant, and 100 sf for each occupant in excess of 2	1 space per dwelling unit	Family

Myler

PPA 670

Opp

8 August 2022

Rental Housing Strategies Community Engagement

Executive Summary

Background

With nearly half of all housing in Fort Collins occupied by renters (*Housing Strategic Plan, 2021*), the City must support both renter and homeowners living next door to each other, even when their values may have tensions between them. Nowhere is this discrepancy starker than on the issue of occupancy limits. The City of Fort Collins has been enforcing rental occupancy since the 1960's and the ordinance known as U+2 since 2007. The language of the ordinance is in Article 3, Division 8.16 of the City's Municipal Code (*City of Fort Collin Municipal Code, 2006*). The City's website describes the purpose of occupancy limits as "to help ensure health and safety of residents, and to help protect the quality and character of neighborhoods" ("Occupancy"). Historically, occupancy limits have been a space where residents are often polarized.

The City has also had multiple conversations about how to support both renters and landlords through rental licensing and/or registration over more than 10 years. The goal of these strategies would be to make it easier to both rent and landlord in the city, with health and safety protections for tenants and support for small landlords. In October

2021, the City Council reviewed an evaluation of rental strategies and directed staff to conduct community engagement on the topic.

In March 2021, the City released its new *Housing Strategic Plan*, a document which used expert analysis and public input to define the challenges in housing facing Fort Collin and outline strategies to combat them and help housing become more healthy, stable and affordable for all residents. The seventh challenge listed in the *Plan* is that “Housing policies have not consistently addressed housing stability and healthy housing, especially for those who rent.” Seven strategies are listed under this challenge as tools the City would like to use to help renters and others. Strategy 20 is related to a rental licensing and/or registration program and Strategy 21 concerns revisions to the current occupancy limits (Image 1).

20. Explore the option of a mandated rental license/ registry program for long-term rentals and pair with best practice rental regulations (New)	Potential components include landlord education (fair housing or other), standardized lease agreements in English and Spanish, requirements for reasonable application fees, a more defined path for conflict resolution, and rental inspections focused on health, safety, stability and efficiency.	Improve renter protections, housing quality, housing stability and landlord access to information; Improves housing equity	<ul style="list-style-type: none"> • Explore rental licensing to promote safe and healthy housing • Increase equity in existing programs and services 	Transformational (2+ years)
21. Explore revisions to occupancy limits and family definitions in order to streamline processes and calibrate the policy to support stable, healthy, and affordable housing citywide (Expand)	Occupancy limits and narrow family definitions often create unintended constraints on housing choice and options, including cooperative housing opportunities for seniors, people with disabilities, and low-income renters desiring to live with unrelated adults in a single family home setting, as well as non-traditional household arrangements.	Diversify housing options / Increase housing choice; Improves housing equity; Increases stability / renter protections	<ul style="list-style-type: none"> • Remove or relax occupancy restrictions • Increase equity in existing programs and services 	Transitional (1-2 years)

Image 1: Strategies 20 and 21 (*Housing Strategic Plan*, 2021).

Community Engagement

In order to get direction and better understand the public’s tolerance of changes to occupancy limits and rental regulations, Neighborhood Services staff began a public

engagement campaign which included convening a resident taskforce and deploying a community questionnaire.

Rental Housing Advisory Taskforce

In March, 2022, a Taskforce of 19 residents including housing tenants, property owners, property managers and more was selected by staff and convened to discuss occupancy and rental strategies. “The Rental Housing Task Force was convened to support deeper exploration of the three strategies and work collaboratively to propose modifications to current housing policy over the course of ten biweekly meetings. Modifications proposed by the Task Force will be considered by City staff, the broader public, and City Council moving forward” (*Fort Collins Rental Housing Task Force July 6, 2022 Agenda*). The taskforce met monthly for ten months, overseen by City staff and a third-party facilitator. Participants worked to diverge and then reconverge on recommendations to present to City Council.

Community Questionnaire

In order to better support the Taskforce and help them expand their viewpoint to the broader Fort Collins population, staff also conducted a Rental Housing Strategies Community Questionnaire. The results were presented to the Taskforce and will also be included in the report to City Council along with the Taskforce’s recommendations. The survey was deployed online and sent to staff contacts at Colorado State University, *The Coloradoan*, and *The Collegian*. Staff also used the Neighborhood Services pop up lemonade stand to table at strategic neighborhoods. These neighborhoods were chosen

because of their high quantity of both renters and homeowners living next door to one another. The survey was also available in Spanish.

Demographics

Overall, the survey had 1,739 responses. 64.8% said they own their home and 30.8% said they rented. The survey also asked respondents to self-identify as a renter, homeowner, student, real estate agent, homeowners' association member, property manager, landlord or other, with the option to select multiple to capture the intersectionality of identities at play. On average, renters reported lower household income, age, and length of residency in Fort Collins than owners, although some of the demographic questions such as household income also had larger numbers of participants refuse to answer so the trends may be skewed. The survey captured representative percentages of most racial identities except that only 4.3% of respondents identified as Hispanic/Latinx while the larger population has a higher percentage of people in this category.

Results

The results are presented through various cross-sections of the respondents. All the questions will show how the entire pool of respondents answered, and then a comparison of only renters and only homeowners. The occupancy questions were further filtered by respondents who identified as homeowners but NOT rental housing industry professionals such as landlords, property managers or real estate agents. The rental occupancy questions were filtered for respondents who identified as an industry professional. This shows an interesting impact of working in the rental housing industry.

Occupancy	All Respondents		Renters		Homeowners		Non Industry Professionals	
	Yes	No	Yes	No	Yes	No	Yes	No
Agree or disagree to the following statements:								
Should Fort Collins occupancy limit stay as they are?	31%	69%	22%	78%	36%	64%	45%	55%
Allow extra occupancy rentals in more places around the city	62%	35%	72%	23%	50%	41%	43%	49%
Make the process to approve extra occupancy easier	59%	33%	74%	21%	51%	39%	43%	46%
Adjust occupancy limit to match number of bedrooms in a home	51%	50%	59%	33%	47%	44%	38%	51%
Regulate occupancy based on household function, not family relatedness	48%	41%	51%	31%	21%	47%	28%	52%
Regulate occupancy based on number of parking spaces	22%	61%	12%	69%	27%	57%	24%	63%
Focus on regulating nuisances instead of occupancy	56%	32%	61%	26%	54%	36%	44%	44%
Increase occupancy limits to more than 3 unrelated residents	56%	37%	73%	23%	47%	45%	39%	52%
Eliminate occupancy limits completely	36%	54%	52%	36%	27%	63%	24%	67%
Rental Strategies	All Respondents		Renters		Homeowners		Landlords	
	Yes	No	Yes	No	Yes	No	Yes	No
Agree or disagree with the following statements:								
Should Fort Collins rental strategies stay as they are?	40%	60%	25%	75%	46%	54%	53%	47%
Require that all landlords obtain a license to rent property in the City	50%	40%	63%	21%	45%	48%	13%	78%
Require that all landlords register their rental properties with the City	56%	34%	69%	17%	52%	40%	21%	69%
Proactively inspect rental properties on a regular basis for health and safety violations	47%	37%	62%	20%	42%	44%	15%	72%
Inspect rental properties only when a complaint is filed	56%	26%	60%	22%	53%	28%	56%	23%

Analysis

The results show divides in opinions between subgroups of the population. Overall, renters were more likely to say that they wanted to see changes in both occupancy and rental strategies. Homeowners as a single group without filtration of profession were

more moderate or split more evenly between those who disagreed with strategies and those who agreed. It was helpful then to filter out subsections of the homeowners by profession in the rental housing industry. Homeowners who were NOT industry professionals were less likely to approve of changes to U+2. However, Homeowners who WERE in the industry themselves were less likely to approve of rental strategies which would regulate their business. An interesting pattern to point out is the dual inspection questions. Many respondents disagreed with one type of inspection and agreed with the other, but there were also many respondents who agreed with both types, indicating that inspections in general are needed, but there were differing opinions on whether to perform them preemptively or case-by-case.

Conclusions and Next Steps

However divided individual groups were in the questionnaire, the majority of respondents said they would tolerate or even welcome changes in both U+2 and rental strategies. There are some other clear directives from the survey, including that most people thought restricting occupancy based on parking spaces is a bad idea, or that offering increased landlord/tenant mediation services would be a good one. The survey was presented to the Rental Housing Advisory Taskforce, and after discussion they agreed to recommend rental registration over licensing and case-by-case inspections over preemptive ones. For occupancy, the Taskforce recommended basing occupancy limits on the number of bedrooms in a house, removing the definitions of family from the ordinance language, as well as making the extra occupancy application process easier by removing occupancy from the Land Use Code.

The survey results and Taskforce recommendation will go to City Council on August 26, 2022 where staff will receive direction on which of the recommendations to implement.

The next steps will be deciding on the many small details of the new policies and determining how they will be enforced and administrated. As the City progresses, it should continue to engage the public in order to build rental strategies which successfully address the greatest challenges in the *Housing Strategic Plan*.

Resources

City of Fort Collin Municipal Code, 3.8.16, 2006.

https://library.municode.com/co/fort_collins/codes/land_use?nodeId=ART3GEDEST_DIV3.8SURE_3.8.16OCLIINNUPEAL

Fort Collins Rental Housing Task Force August 3, 2022 Agenda. (n.d.). City of Fort Collins. https://www.fcgov.com/housing/files/august-3-agenda_website-edits.pdf?1659717450

Housing Strategic Plan. (2021). City of Fort Collins. <https://www.fcgov.com/housing/files/20-22913-housing-strategic-plan-no-appendices.pdf?1618855189>

Occupancy. (n.d.). Fcgov.Com. <https://www.fcgov.com/neighborhoodservices/occupancy>



Council Work Session: Housing Strategic Plan Implementation

Occupancy Regulations

Marcy Yoder, Neighborhood Services Manager
Meaghan Overton, Housing Manager

Introduction: Overview and Policy Alignment

Existing Conditions

Topic 1: Policy Considerations for Occupancy Definitions

Topic 2: Policy Considerations for Maximum Number of Occupants

Topic 3: Policy Considerations for Extra Occupancy Process

Conclusion: Next Steps

1. What additional information do Councilmembers need to inform their policy guidance?
2. What feedback do Councilmembers have about the range of occupancy options outlined?
3. What feedback do Councilmembers have about the proposed approach to community engagement around the occupancy options?





- **Strategy 21** - Explore revisions to occupancy limits and family definitions in order to streamline processes and calibrate the policy to support stable, healthy, and affordable housing citywide.



Big Move 7: Healthy, Affordable Housing

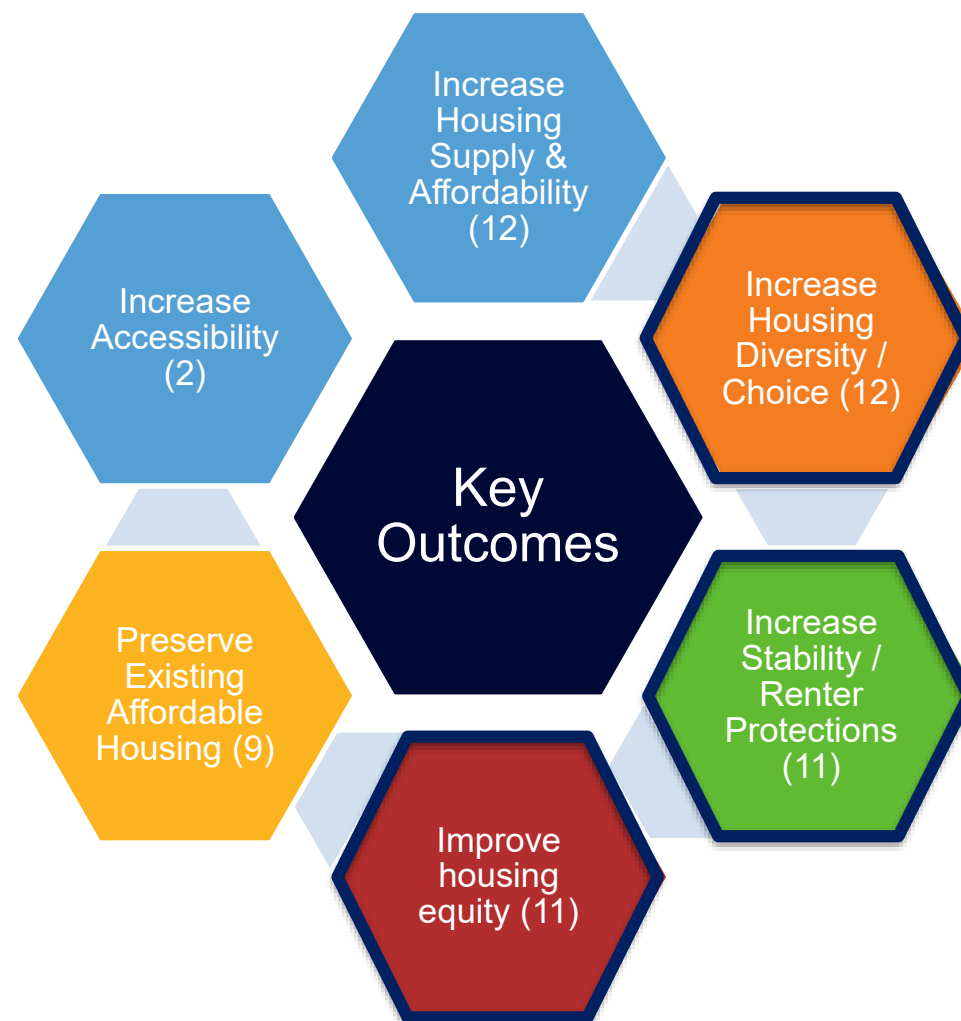
- **HAH2:** Explore revisions to the City's occupancy ordinance



- **LIV 5:** Create more opportunities for housing choices
- **LIV 6:** Improve access to housing ...regardless of their race, ethnicity, income, age, ability, or background

Why explore changes to occupancy regulations?

- *Greatest Challenge #7:* Housing policies have not consistently addressed housing stability and healthy housing, especially for people who rent.
- *Community engagement:* a desire to proactively ensure **healthy, safe units** and maintain neighborhood **quality of life**
 - Lack of choices and affordable options
 - Efficient use of existing housing stock
 - Concerns about impacts on specific populations including lower-income residents, LGBTQ+ residents
 - Concerns about impacts on neighborhoods if occupancy regulations are changed
 - Many opinions about the best approach to “right-sizing” the City’s occupancy ordinance



Demographics

- Significant demographic shifts since 2005 in households violating occupancy:

	2005	2018
Total (est) households in violation	1,238	1,234
Percentage college students	71%	47%
Percentage children under 18	Negligible	13%

- Price escalation (78% rent increase between 2005-2018) and low rental vacancy rates (under 5%) may result in “doubling up” to afford housing for a wide range of household configurations
- About 26% of ‘nonconforming’ households are owner-occupied, and about 74% are renter-occupied

Demographics Key Findings

- Households in violation are increasingly likely to include both individuals and families
- Most nonconforming households had a size of 4 (68%) or 5 (19%) adults
- 23% of nonconforming households include a family unit
- Over half (54%) of nonconforming households live in single unit detached homes, with the rest in various types of attached dwelling units
- Housing units with 3 or more bedrooms tend to be underutilized by conforming households, while nonconforming households average 1 person per bedroom

Housing Stock

Structure Type	Units		Total Bedrooms		Average Bedrooms per Unit
	Number	Percent	Number	Percent	
Single-Unit Detached	36,674	57%	128,506	69%	3.5
Single-Unit Attached	5,129	8%	13,496	7%	2.6
Duplex	1,381	2%	3,091	2%	2.2
3-4 Units	3,445	5%	6,897	4%	2.0
5-9 Units	4,751	7%	9,773	5%	2.1
10-19 Units	4,558	7%	8,519	5%	1.9
20-49 Units	3,237	5%	5,436	3%	1.7
50+ Units	3,613	6%	7,236	4%	2.0
Manufactured/Mobile Home	1,424	2%	3,683	2%	2.6
Other	50	0%	81	0%	1.6
Total	64,262	100%	186,718	100%	2.9

Housing Stock Key Findings

- Existing housing stock may be underutilized
- There are roughly 14,718-17,718 more bedrooms in the city than there are residents
- Single unit houses (attached and detached) account for 65% of units and 76% of bedrooms
- On average, single-unit houses have 3.4 bedrooms compared to multi-unit homes.
 - 55% are 1 to 3 bedrooms, 32% are 4 bedrooms, and 13% are 5 or more bedrooms.

Peer Cities and Community Engagement

- Peer Cities research comprised 40+ peer cities across the country and 22 cities in Colorado
- Community engagement to date has included:
 - Community questionnaire
 - Rental Industry questionnaire
 - Rental Housing Task Force
 - Pop-up engagement in neighborhoods
 - Presentations to community groups and Boards and Commissions

Community Questionnaire, Summer 2021

Occupancy	All Respondents		Renters		Homeowners		Non Industry homeowners	
	Yes	No	Yes	No	Yes	No	Yes	No
Agree or disagree with the following statements:								
Should Fort Collins occupancy limit stay as they are?	31%	69%	22%	78%	36%	64%	45%	55%
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Eliminate occupancy limits completely	36%	54%	52%	36%	27%	63%	24%	67%

Peer Cities and Community Engagement Key Findings

- Peer Cities

- Common maximum occupancy was 4-5 unrelated adults (range: 2-8 people)
- Most required 2 parking spaces per unit (range: 0-4 spaces)
- 8 peer cities and 17 Colorado cities use the term “family”, 4 peer cities and 5 Colorado cities use the term “household”, and one peer city uses “dwelling unit”

- Community Engagement

- Most respondents wanted to see changes to the city’s occupancy regulations; however, most non-industry homeowners were not in support of any changes
- Approaches supported by a majority of respondents included regulating based on number of bedrooms, focusing more on nuisance than occupancy, or increasing the total number of unrelated adults permitted
- Rental housing task force recommended regulating based on number of bedrooms OR making changes to extra occupancy (where permitted and the process required)



Policy Considerations

- **Currently Permitted:**
 - A family of any size plus one additional unrelated occupant OR
 - No more than three unrelated occupants
 - Extra occupancy rental house permitted in some zones through land use approval

Allowable scenarios:	Unallowable scenarios:
<ul style="list-style-type: none"> - A family of any configuration, plus one unrelated roommate - Three siblings, plus one unrelated roommate - A single parent with their children, plus one unrelated roommate - Two couples, but only when there is a familial relationship between each couple (i.e. two siblings and their partners) - Three unrelated roommates 	<ul style="list-style-type: none"> - A family of any configuration, plus two roommates or one additional family - Three siblings, plus two unrelated roommates - Two single parents and their children - Two couples, married or unmarried (when there is no familial relationship between each couple) - Four unrelated roommates

- Current definition: *Family* shall mean any number of persons who are all related by blood, marriage, adoption, guardianship or other duly authorized custodial relationship, and who live together as a single housekeeping unit and share common living, sleeping, cooking and eating facilities.
- Policy Considerations:
 1. Determine whether to keep the current definition of “family” in Section 3.8.16 and 5.1.2
 2. Determine whether to regulate occupancy based on the number of adults (with their dependents); remove the definition of family/relationship from Section 3.8.16 and 5.1.2

Note: “Dependents” would require a clear, enforceable definition

- Policy Considerations:
 1. Consider whether to regulate maximum occupancy based on the number of adults (with their dependents) in a dwelling unit
 2. Consider whether to regulate maximum occupancy based on number of bedrooms in a dwelling unit
- Potential impacts to consider:
 - Multi-generational families
 - Households with multiple non-dependent adults

- Current process: Section 3.8.28 of the Land Use Code regulates extra occupancy requirements and review types

Zone	Maximum number of residents, excluding occupant family	Maximum % of parcels per block face	Parking	Review Type and Approving Authority
Mixed-Use Zones (LMN)	One occupant per 350 square feet of habitable floor space	No more than 25% of a block face	1 bicycle space per occupant	> 4 occupants: Type 1 (hearing officer)
Mixed-Use Zones (MMN, HMN, NCB)		No limit	.75 vehicle space per occupant, rounded up to the nearest whole parking space	5 or fewer occupants: BDR (administrative)
Downtown, Commercial, Employment, and Industrial Zones (D, RDR, CC, CCN, CCR, CG, CN, NC, CL, E, I)	Additional minimum 400 square feet if owner-occupied			>5 occupants: Type 1 (hearing officer)
Residential, Harmony Corridor, and Open Lands (RL, NCL, RF, UE, NCM, POL, RC)	Extra occupancy not allowed			

- Policy Considerations:
 1. Determine whether to maintain the extra occupancy process as it currently exists, or to establish an administrative permit process
 2. Determine whether to allow in more places or citywide
 3. Consider whether regulations should be streamlined or simplified
 4. Consider whether to regulate number of extra occupants based on number of bedrooms instead of square footage
 5. Determine whether a rental inspection should be required

Engagement approach will be finalized pending Council direction

Key engagement questions:

- What are your thoughts about the options being considered?
- What is the best fit for Fort Collins?
- What is missing?

Proposed Timeline:

- Summer 2023 – Neighborhood, Nonprofit partners, and Rental Industry engagement
- Fall 2023 – Student/CSU and tenant community engagement

Winter 2023 – Council action

1. What additional information do Councilmembers need to inform their policy guidance?
2. What feedback do Councilmembers have about the range of occupancy options outlined this evening?

Topics: Ordinance Definitions | Maximum Occupants | Extra Occupancy

3. What feedback do Councilmembers have about the proposed approach to community engagement around the occupancy options?



Definitions

- Determine whether to keep the current definition of “family” in Section 3.8.16 and 5.1.2
- 2. Determine whether to regulate occupancy based on the number of adults (with their dependents); remove the definition of family/relationship from Section 3.8.16 and 5.1.2

Maximum Occupants

- Consider whether to regulate maximum occupancy based on the number of adults (with their dependents) in a dwelling unit
- 2. Consider whether to regulate maximum occupancy based on number of bedrooms in a dwelling unit

Extra Occupancy

- Determine whether to maintain the extra occupancy process as it currently exists, or to establish an administrative permit process
- Determine whether to allow in more places or citywide
- Consider whether regulations should be streamlined or simplified
- Consider whether to regulate number of extra occupants based on number of bedrooms instead of square footage
- Determine whether a rental inspection should be required

THANK YOU!

For Questions or Comments, Please Contact:

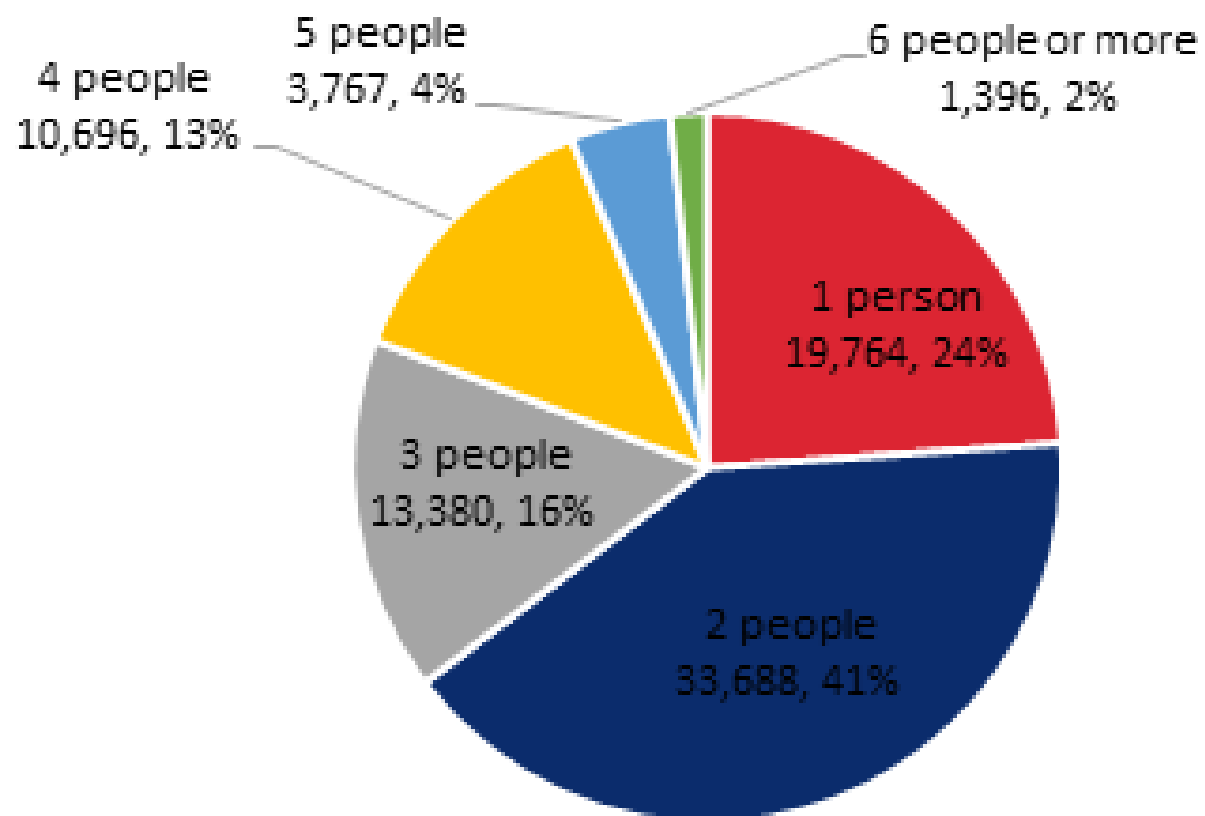


Previous Council Direction and Research

- Key Policy Decisions
 - 1963 – Adoption of Occupancy Ordinance (U+2)
 - 2005 – Decriminalization of occupancy violations, beginning of enforcement, increase support of nuisance enforcement
- Research
 - Corona Insights Economic and Impact Studies completed in 2005, 2009, 2018
 - Peer City research
 - Root Policy Analysis on occupancy violations and housing stock # of bedrooms
- Recent Council Direction
 - December 2020: Ad Hoc Housing Committee; direction for further work on rental licensing/registration, occupancy, and landlord incentives
 - October 2021: Full Council Work Session; support for community engagement to explore potential design of rental licensing/registration, revisions to occupancy, and small landlord incentives
 - August 2022: Full Council Work Session; support to continue moving forward

Demographics

Estimated Household Sizes in Fort Collins



Demographics

Household size	All Households		Nonconforming Households	
	Number	Percent	Number	Percent
Total	82,691	100%	1,875	100%
1- Person household	19,764	24%	-	0%
2- Person household	33,688	41%	-	0%
3- Person household	13,380	16%	-	0%
4-Person household	10,696	13%	1,284	68%
5-Person household	3,767	5%	355	19%
6-Person household	995	1%	199	11%
7-Person household	210	0%	16	1%
8-Person household	97	0%	21	1%
10-Person household	94	0%	-	0%

Note: Excludes households living in group quarters.

Source: IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

Almost half of all households (47%) are married-couple family households. Not surprisingly, nonconforming households are more likely to be non-family households (64%); however 438 households (23%) do include a family unit living in the household.

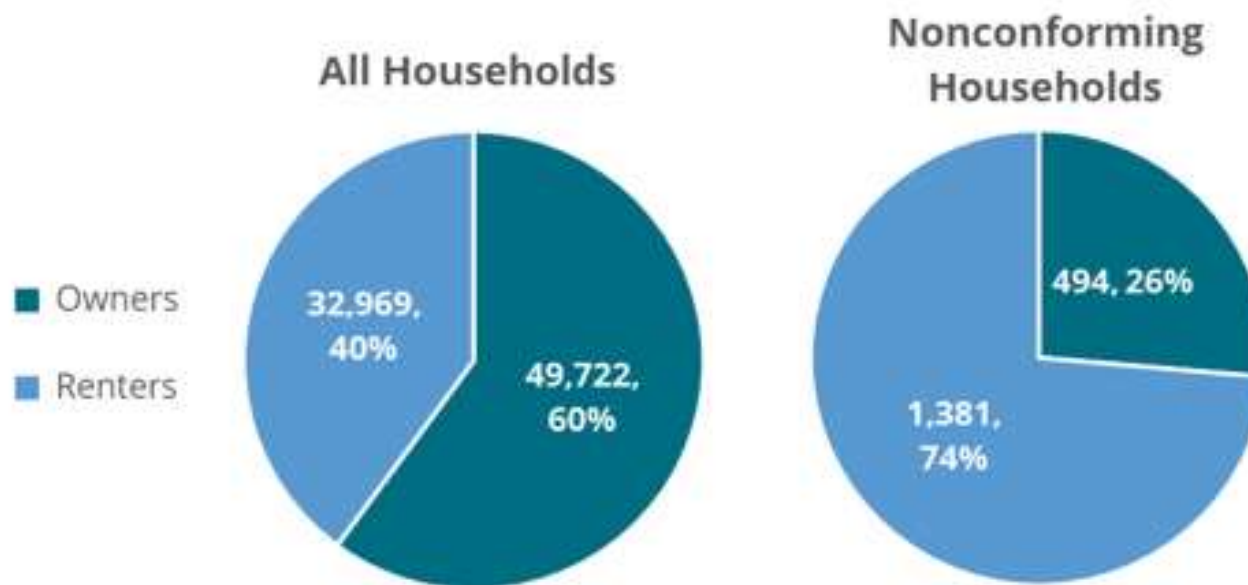
Demographics

Figure 4 shows the number and distribution of households by tenure. Almost three fourths (74%) of nonconforming households are renters.

**Figure 4.
Tenure**

Note:
Excludes households
living in group quarters.

Source:
IPUMS USA, University
of Minnesota,
www.ipums.org and
Root Policy Research.



Nonconforming households are less likely than conforming households to live in single family detached homes. Overall 62 percent of households live in single family detached homes compared to 54 percent of nonconforming households. Around 4 percent of households live in building with 50 or more units, compared to 14 percent of nonconforming households.

Housing Stock

	Number of Units	Percent of Units	Total Number of Bedrooms
Studio/One Bedroom	7,208	11%	7,208
Two bedroom	16,778	26%	33,556
Three bedroom	21,045	33%	63,135
Four bedroom	14,176	22%	56,704
Five or more bedrooms	5,055	8%	26,115
Total	64,262	100%	186,718

Structure Type	Units		Bedrooms		Avg. Bedrooms per Unit
	Number	Percent	Number	Percent	
Single-Family Detached	36,674	57%	128,506	69%	3.5
Single-Family Attached	5,129	8%	13,496	7%	2.6
Duplex	1,381	2%	3,091	2%	2.2
3-4 Units	3,445	5%	6,897	4%	2.0
5-9 Units	4,751	7%	9,773	5%	2.1
10-19 Units	4,558	7%	8,519	5%	1.9
20-49 Units	3,237	5%	5,436	3%	1.7
50+ Units	3,613	6%	7,236	4%	2.0
Manufactured/Mobile Home	1,424	2%	3,683	2%	2.6
Other	50	0%	81	0%	1.6
Total	64,262	100%	186,718	100%	2.9

Note: Units in Structure and total number of bedrooms reflect data for the City of Fort Collins; bedrooms by units in structure and average number of bedrooms per unit applied from IPUMS analysis of greater Fort Collins area.

Source: 2020 5-year ACS, IPUMS USA, University of Minnesota, www.ipums.org and Root Policy Research.

City Compliance Data

- Complaint-based system

Year	# Cases	# Violations	# Citations
2022	73	21 (29%)	0 Voluntary compliance
2021	97	39 (40%)	5 occupancy 3 failure of disclosure
2020	126	44 (35%)	9 occupancy 3 failure of disclosure
2019	162	57 (35%)	6 occupancy 15 failure of disclosure
2018	209	80 (38%)	16 occupancy 6 failure of disclosure

Somewhere in the deck we need to discuss nuisance issues

Group	Engagement Activities Conducted
Renters, neighborhood groups, HOAs	Housing Strategic Plan engagement, 2020-2021 Community Questionnaire, Aug. 2022 Pop-up Engagement, Aug. 2022 Rental Housing Taskforce
Landlords, realtors, property managers	Presentation to Northern CO Rental Housing Association, Feb. 2022 Presentation to Board of Realtors, Feb. 2022 Rental Industry Questionnaire, Feb./March 2022 Rental Housing Taskforce
City Departments	Convening of Rental Housing and Occupancy Core Team Conversations with IT, Building Services, Communications and Public Involvement Office, City Attorney's Office
Council	Ad Hoc Housing Committee discussion, Dec. 2020 Rental Strategies Work Session, Oct. 2021 & August 2022

Potential Example (illustrative only)

- Any 1 to 2-bedroom unit could allow 3/4 adults and dependents and each additional bedroom could allow for 1 additional adult and dependents, not to exceed 6/7 adults and their dependents.

Example:

Bedrooms	# of adults, if 3 + dependents	# of adults, if 4 + dependents
3 rd bedroom	4	5
4 th bedroom	5	6
5 th bedroom	6	7
6 th bedroom	7	

May 9, 2023

WORK SESSION AGENDA ITEM SUMMARY

City Council



STAFF

Kendall Minor, Utilities Executive Director
Jason Graham, Utilities Water Director
Eric Potyondy, Legal

SUBJECT FOR DISCUSSION

Fort Collins Water Storage Overview.

EXECUTIVE SUMMARY

The purpose of this work session is to discuss the water supply and storage challenges faced by the Fort Collins community and to seek direction on future engagement with Northern Water regarding the Northern Integrated Supply Project (NISP). Fort Collins is served by multiple water service providers and the challenges of significant growth and climate change will impact the entire community. Fort Collins Utilities is focused on the Halligan Water Supply Project, which will only serve the Utilities' service area. Other water service providers in the community are relying on different efforts, such as NISP, to ensure adequate supply for their customers, which includes about 24,000 Fort Collins residents.

The discussion will provide an overview of the Fort Collins Utilities' water system; water supply challenges including drought, growth, and the Colorado River Compact; current water storage projects; and the City's role as a regional partner with other water service providers in Northern Colorado.

GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. Do Councilmembers have any questions or comments on the City's water storage situation?
2. Do Councilmembers agree with staff further engaging with Northern Water on NISP and its mitigation projects to continue alignment on City environmental and river goals?
3. Do Councilmembers agree with City staff negotiating with Northern Water on a potential collaborative agreement related to NISP, the City's water storage issues, and the City's environmental and river goals?

BACKGROUND / DISCUSSION

Fort Collins Utilities is committed to providing safe and reliable drinking water. We are one of many water providers in Fort Collins. Our service area covers about thirty-five square miles and serves more than 35,000 customers. Other providers serving the Fort Collins community include the East Larimer County Water District (ELCO), Fort Collins-Loveland Water District, and West Fort Collins Water District. Northern Colorado water systems will be challenged by significant growth and climate change. Future challenges

should be addressed through partnership and collaboration to ensure the water needs of Northern Colorado are met.

There are two main water supplies for Northern Colorado. The first is the Colorado-Big Thompson (C-BT) system, which brings Colorado River water from the Western Slope to the Front Range. The other supply is the Cache la Poudre River (CLPR) which is primarily comprised of annual snowmelt from April to July. Fort Collins Utilities receives a small amount of water from the Michigan Ditch which is stored in Joe Wright Reservoir. Joe Wright Reservoir is the only water storage facility owned and operated by Fort Collins Utilities. Northern Water owns and operates Horsetooth Reservoir, which stores C-BT water for Utilities and others. The City's water supply is comprised of roughly 50% C-BT water and 50% CLPR water.

The C-BT system is a product of the Colorado River. The Colorado River system is experiencing a 20+ year megadrought that is challenging the upper and lower states of the Colorado River Compact. With potentially less Colorado River Basin water available overall, communities that rely on C-BT water as their primary water supply should diversify their portfolio to maintain resiliency.

Our commitment to provide safe, reliable, cost-effective water is aligned with many City strategic objectives, including Economic Health, Environmental Health, and Safe Community. Utilities also has the desire to collaborate with our regional partners. Partnership amongst Northern Colorado water providers is well-established in the areas of water supply and water rights management, emergency response, water conservation, and community planning and development.

The Halligan Water Supply Project will enlarge Halligan Reservoir by approximately 8,200 acre-feet to provide water storage to serve Utilities water customers. This project is currently estimated to cost approximately \$308 million, which equates to \$38,000 per acre-foot of water storage. The Halligan Project remains the most cost-effective option for the City. The most significant benefit is the ability to store more CLPR water to increase our water supply resiliency and utilize more of the City owned water rights which helps ensure customers have access to water despite future Colorado River challenges. Expanding Halligan Reservoir also provides the opportunity to improve environmental conditions on the North Fork of CLPR.

Expanding Halligan Reservoir will result in 14,500 acre-feet of water. Horsetooth Reservoir holds 157,000 acre-feet. NISP includes building Glade Reservoir, which will hold approximately 170,000 acre-feet of water. NISP provides water storage off the CLPR system to 15 participants, including Fort Collins-Loveland and the Town of Windsor. NISP will provide greater water security for participants by adding more storage for CLPR water rights, thus reducing their reliance on the C-BT system. As an example, Fort Collins-Loveland Water District (serves ~24,000 City residents) currently relies on the C-BT system for about 90% of its water supply.

Staff have engaged with Northern Water to develop a sustainable and long-term approach that avoids, manages, and mitigates NISP's impacts. Previous Councilmembers have opposed NISP based on negative impacts to the CLPR and City Natural Areas. However, staff have stayed engaged with Northern Water in a collaborative way to achieve the best outcomes possible. NISP has now received the U.S. Army Corps of Engineers Clean Water Act Section 404 Record of Decision which reflects the lead federal agency's approval of the project. NISP has also received Larimer County's 1041 Land Use permit. With these major milestones met, NISP is on its way to construction and operation.

Staff remain in communication with Northern Water and continue to pursue opportunities that avoid, manage, and mitigate potential NISP impacts to the Fort Collins community. However, these conversations have shifted with the permit approvals NISP has received and thus staff are requesting direction on the level of expected engagement going forward.

Option 1: Do Councilmembers agree with City staff further engaging with Northern Water on NISP and its mitigation projects to continue alignment with City environmental and river goals?

- Northern Water continues to work through the required components of NISP. The City has been invited to participate on such efforts as the Adaptive Management Plan and Stream Channel and Habitat Improvement Plan.
- Northern Water will proceed with these required components with other regional stakeholders whether the City is part of the effort or not.

Option 2: Do Councilmembers agree with City staff negotiating with Northern Water on potential collaborative agreements related to NISP, the City's water storage issues, and the City's environmental and river goals?

- Option 2 includes the identified items in Option 1 and also provides staff with an opportunity to further negotiate on behalf of the City in areas that may increase water storage options, reduce impacts to Natural Areas, and improve the CLPR watershed and flows.
 - An item that may be worth further discussion is the possibility for the City to have the ability to store water in Glade when storage space is available.
 - Another item that may be worth further discussion is possible decisions related to existing infrastructure along the CLPR that may reduce impacts to Natural Areas.

NEXT STEPS

Not applicable.

ATTACHMENTS

1. Water Storage Presentation

5-9-2023

Fort Collins Water Storage Overview

Kendall Minor – Utilities
Executive Director

Jason Graham – Utilities Water
Director

1. Provide information and facilitate a discussion on current and future water storage challenges for the Fort Collins community.
2. Seeking feedback on the level of engagement with Northern Water on the Northern Integrated Water Supply Project (NISP).
 - We will present two options detailing next steps and how to proceed.
 - Looking for feedback, guidance and discussion from Council.



3.1 Collaborate with local and regional partners to achieve economic resilience in Northern Colorado.

3.5 Invest in and maintain utility infrastructure and services while ensuring predictable utility rates.



4.4 Provide a resilient, reliable and high-quality water supply

4.6 Sustain and improve the health of the Cache la Poudre River and all watersheds within Fort Collins



5.5 Provide and maintain reliable utility services and infrastructure that directly preserve and improve public health and community safety

- Fort Collins Water System Overview
- Water Supply and Challenges
- Regional Partnerships
- Water Storage Projects
- Discussion and Questions



Cache la Poudre River

Water System Overview

Cache la Poudre River

Michigan Ditch

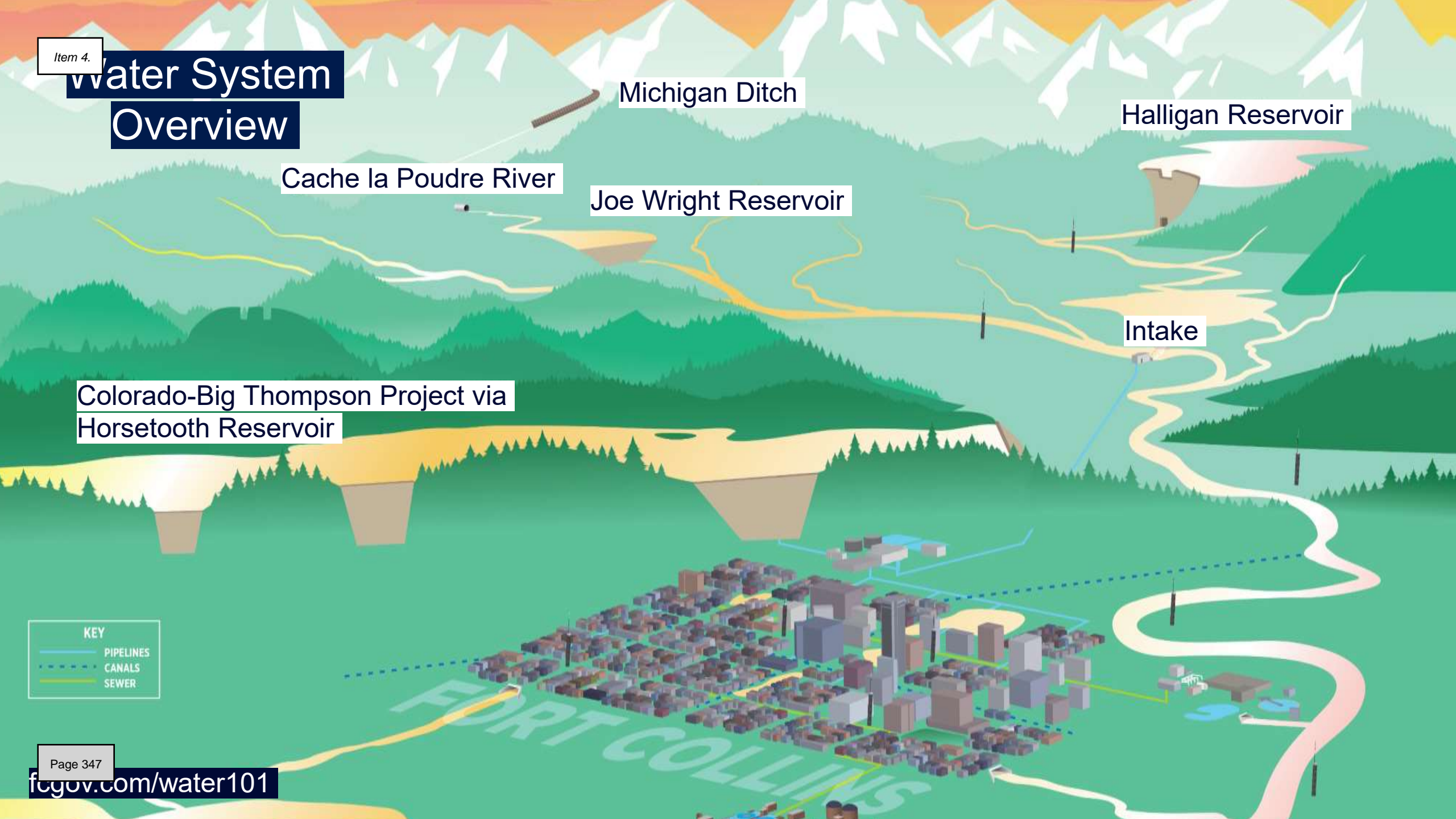
Halligan Reservoir

Joe Wright Reservoir

Intake

Colorado-Big Thompson Project via
Horsetooth Reservoir

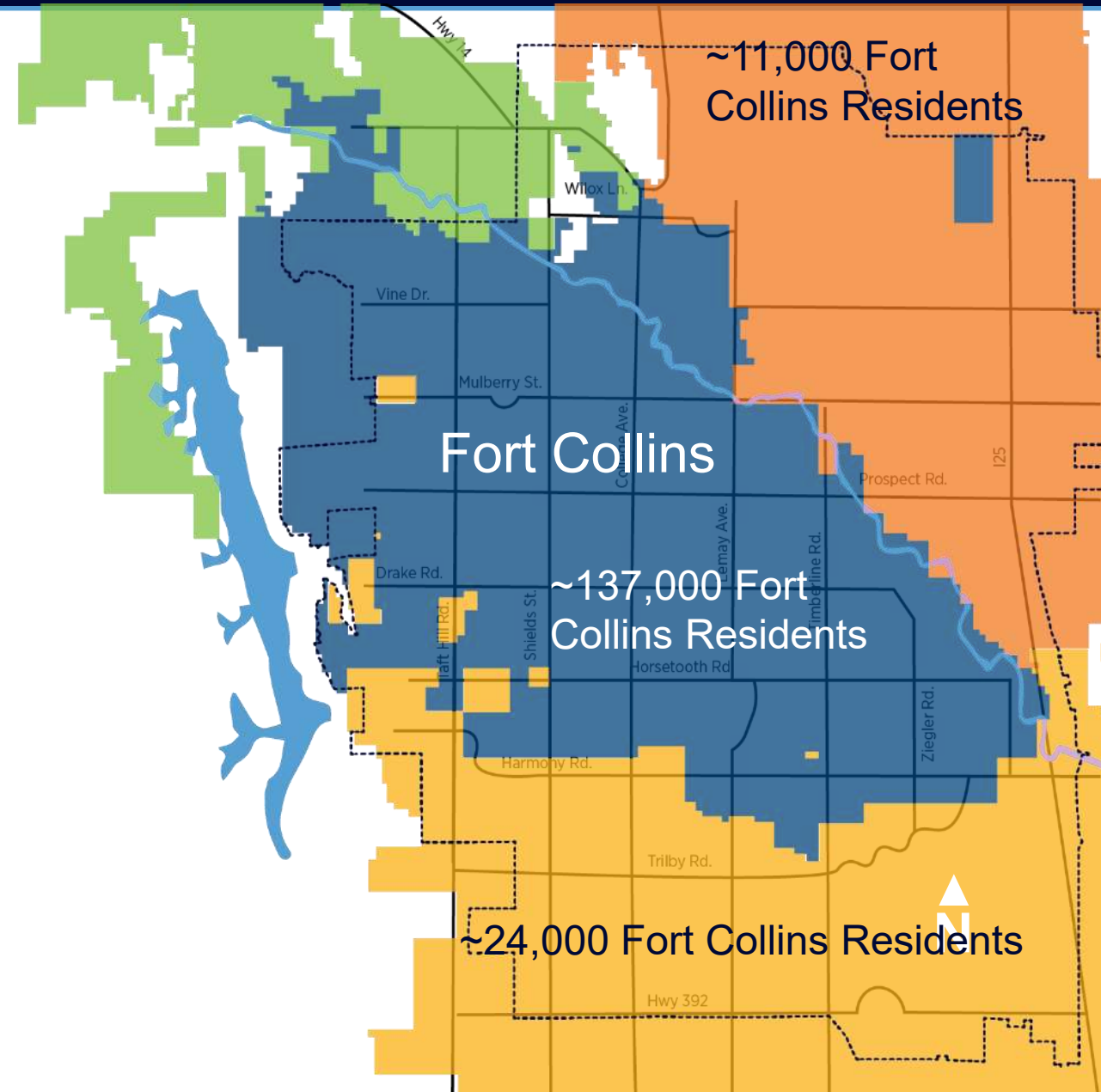
KEY
— PIPELINES
- - - CANALS
— SEWER

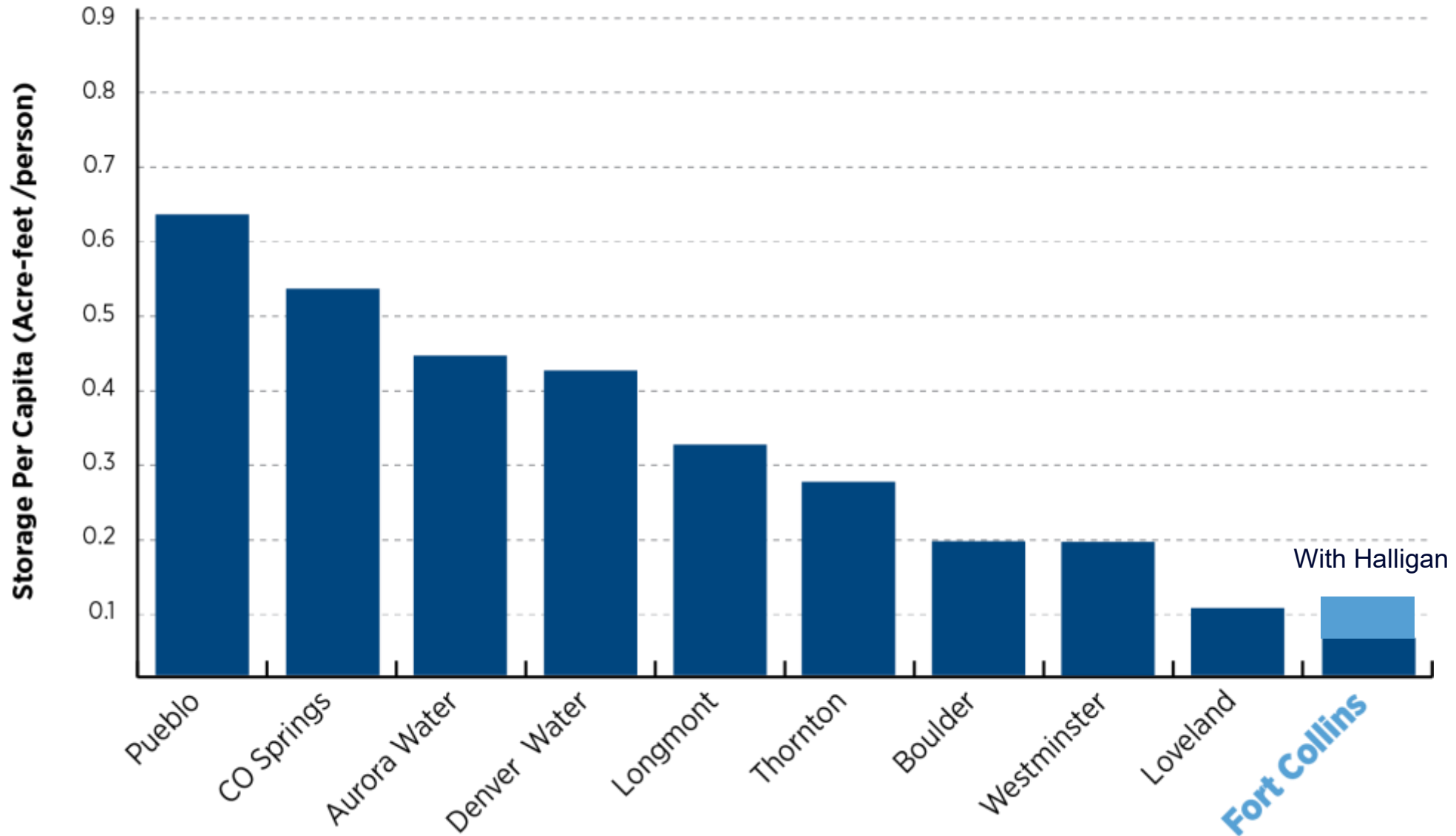


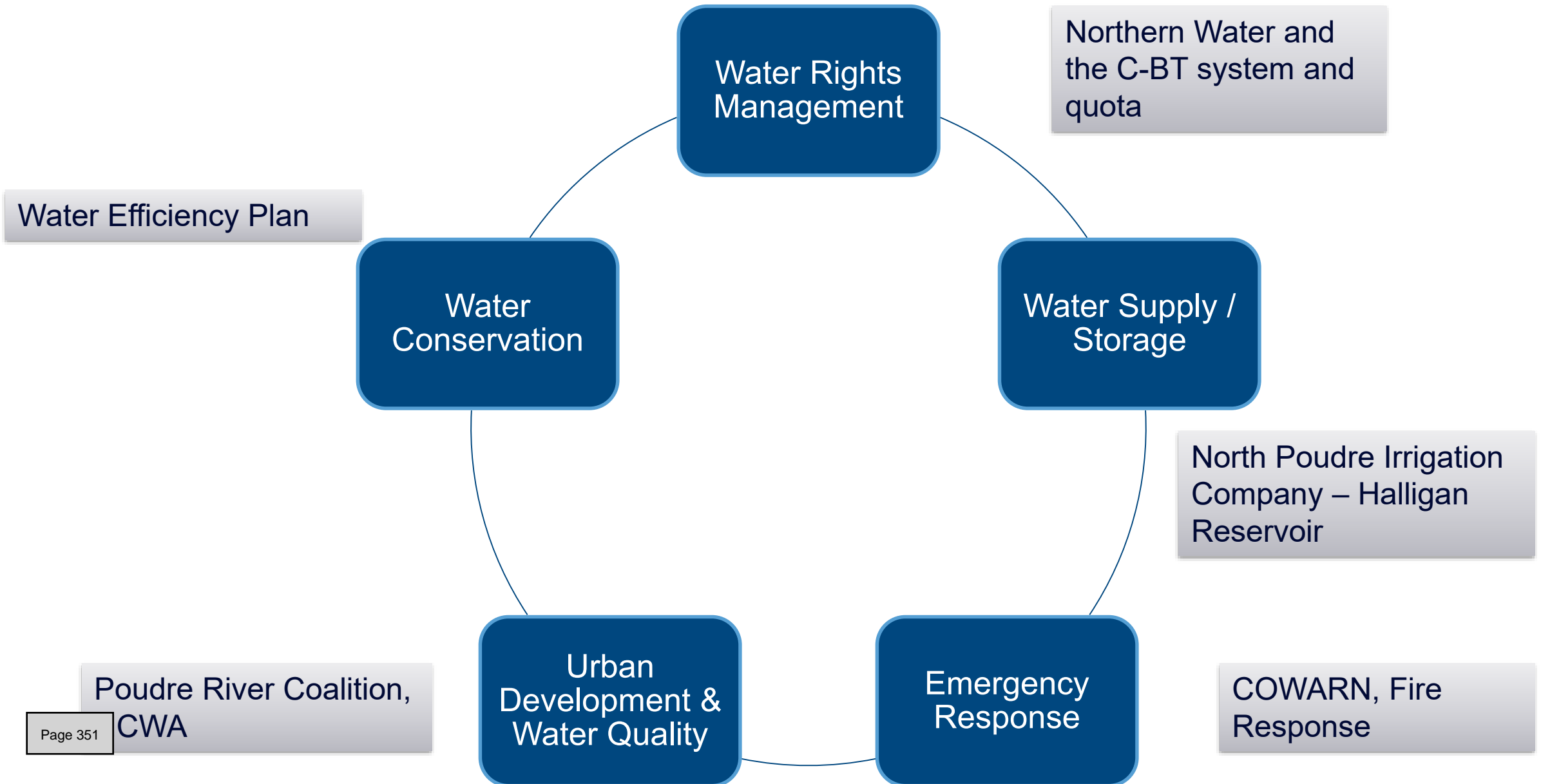
- Growth of Fort Collins and the Front Range
 - Fort Collins population is expected to grow by 24% by 2065.
 - Annual storage needs to increase ~7400 acre-feet to meet growth projections.
- Colorado River Compact
 - CO River divided between 7 states and Mexico
 - 15 million acre-feet split between upper and lower states – far exceeds water in the system
 - Impacts the amount and management of water in the C-BT system (Horsetooth)



- Growth Management Area (GMA)
- Fort Collins Utilities – Cache la Poudre and C-BT water
~50/50
- ELCO Water District – Cache la Poudre and
C-BT water
~30/70
- Fort Collins-Loveland Water District –
Cache la Poudre and C-BT
~10/90
- West Fort Collins Water District – C-BT
Unknown ratios







- Northern Colorado Water Alliance
 - Northern Colorado water service providers
 - Collaboration team started in 2014, Alliance formalized in 2019-2020
 - Regional leadership (City Manager's office and Water Executives)
 - Build relationships, understand challenges, collaboratively identify solutions
 - Provides the opportunity to advocate regionally and preserve water rights in Northern Colorado
- Draft Mission: Collaborating and education for the protection of resilient communities and water systems for the future of Northern Colorado.



Halligan Water Supply Project

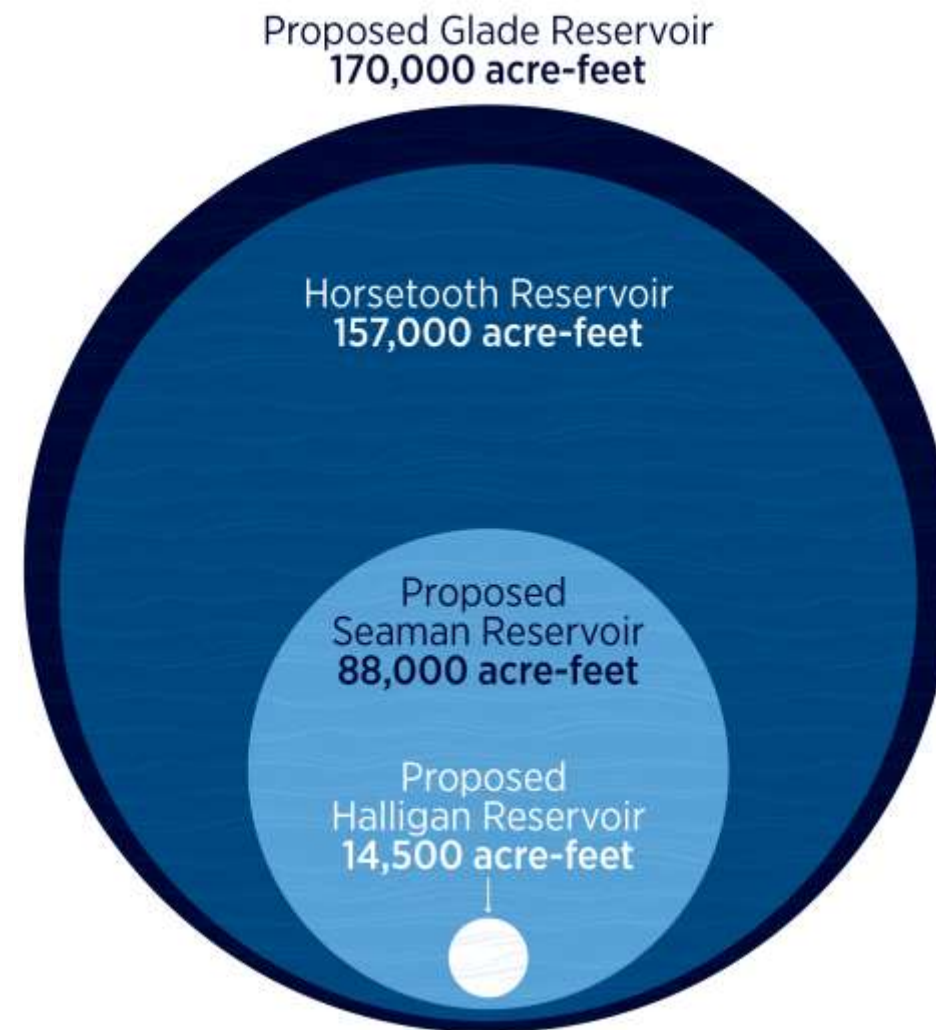
Halligan

8,200
acre-feet

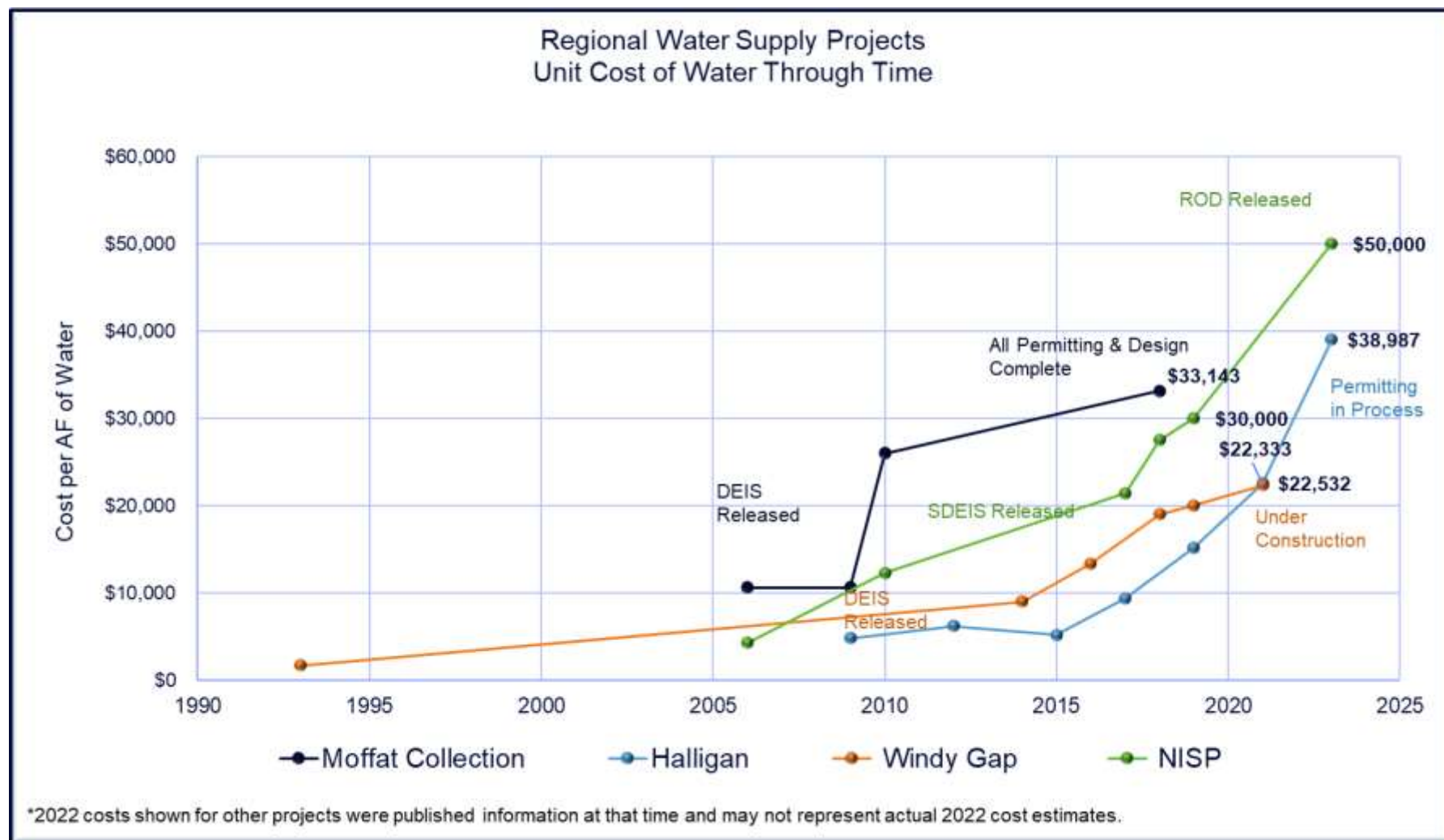
Halligan Water Supply Project would enlarge Halligan Reservoir by approximately 8,200 acre-feet to provide storage for City of Fort Collins-owned water to **serve City water customers.**

Need

- 1) Growth
- 2) Resiliency / Drought
- 3) Water Rights



The Halligan Project remains the most environmentally responsible and cost-effective solution for our water customers.



Northern Integrated Water Supply Project

- Northern Colorado Water Conservancy District (Northern Water) is pursuing NISP.
- It will serve various northern Front Range communities, including many in the Northern Colorado Water Alliance such as Fort Collins – Loveland Water District (FCLWD), which serves south Fort Collins and the GMA.
- NISP received all required federal, state, and county approvals and will be moving forward.
- NISP provides greater water security for water providers with Cache la Poudre River water rights, like FCLWD. Critical resiliency for those who rely on C-BT water due to future uncertainty of the Colorado River.



Aerial view of proposed Glade Reservoir location (courtesy of Northern Water)



Option 1

Do Councilmembers agree with City staff further engaging with Northern Water on NISP and its mitigation projects to continue alignment with City environmental and river goals?

Option 1

Engagement with Northern in the necessary elements of NISP going forward.
City of Fort Collins has been invited to be part of the process. The process will proceed with or without the City of Fort Collins.

- NISP Adaptive Management Plan –
 - Scope - Diversion to South Platte confluence
 - Stream Channel and Habitat Improvement Plan / Process – SCHIPP
 - CPW, Riverwide Master Plan
 - Water Quality Aspects – E.Coli and Nutrient mitigation
 - CDPHE
 - Potentially CPW, Windsor, Greeley and others



Option 2

Do Councilmembers agree with City staff negotiating with Northern Water on potential collaborative agreement related to NISP, the City's water storage issues, and the City's environmental and river goals?

Option 2

(includes everything in Option 1 and potentially the following):

- Pursue if-and-when available water storage options to store water in Glade Reservoir.
 - If storage is available in Glade after the participants – the City would be permitted to store CLPR water rights in Glade.
 - Better utilization of all CLPR water rights, providing more resiliency.
- Explore additional ideas to mitigate NISP impacts to Natural Areas including evaluating the long-term operations of the Mulberry Water Reclamation Facility (MWRF).
 - Explore opportunities to run water further down the CLPR.
 - MWRF is a key variable in this conversation.
- Continue to develop watershed and flow improvements in addition to what is required through the NISP Adaptive Management Plan.

1. Do Councilmembers have any questions or comments on the City's water storage situation?
2. What level of staff engagement is expected as NISP progresses?
 - Option 1 – Do Councilmembers agree with City staff further engaging with Northern Water on NISP and its mitigation projects to continue alignment on City river and environmental goals?
 - Option 2 – Do Councilmembers agree with City staff negotiation with Northern on potential collaborative agreement related to NISP, the City's water storage issues, and the City river and environmental goals?

THANK YOU!

