



City of Arvada

City Council Agenda

MAY 26, 2026

Councilmembers:

Lauren Simpson, Mayor
Randy Moorman, Mayor Pro-Tem
Shawna Ambrose, District 2
Sharon Davis, At large
Bob Fifer, District 4
Michael P. Griffith, At large
Rebecka Lovison, District 3

Staff Members Usually Present:

Don Wick, City Manager
Linda Haley, Deputy City Manager
Allison Scheck, Deputy City Manager
Rachel Morris, City Attorney
Jacqueline Rhoades, Director of Infrastructure
Jessica Garner, Director of Community & Econ. Dev.
Bryan Archer, Chief Financial Officer
Gabriella Bommer, Director of Human Resources
Ryan Stevenson, Director of Vibrant Community & Neighborhoods
Rachael Kuroiwa, Director of Communications & Engagement
Ed Brady, Chief of Police
Kristen Rush, City Clerk

Info: 720-898-7550

THIRD FLOOR CONFERENCE ROOM

The study session can only be watched via Zoom

<https://arvadaco-gov.zoom.us/j/89475850775?pwd=84m1LiQXxLFnKPPpF9bJ4fWRKglTxN.1>

4:00 PM

STUDY SESSION

1. Call to Order/Roll Call of Councilmembers
2. Study Session Topics
 - A. Proposition 123 Background, Update, and Code Changes Necessary for Compliance
3. Adjournment



REPORT TO CITY COUNCIL STUDY SESSION

AGENDA ITEM
2.A.

TO: THE HONORABLE CITY COUNCIL

DATE: May 26, 2026

SUBJECT: Proposition 123 Background, Update, and Code Changes Necessary for Compliance

Report in Brief

The Community and Economic Development team will provide the City Council with a briefing regarding the background of Proposition 123, the City's past commitments regarding affordable housing unit approvals, and Land Development Code changes necessary by December 2026 for continued compliance with the expedited review requirements of the law.

Background

Colorado voters approved Proposition (Prop) 123 in November of 2022. Proposition 123 created the State Affordable Housing Fund, a sustainable funding source to address affordable housing needs. The Fund allocates 40% of its funds to the Colorado Department of Local Affairs (DOLA) and 60% of its funds are allocated to the Colorado Office of Economic Development and Trade (OEDIT) and managed by the Colorado Housing and Finance Authority (CHFA) on OEDIT's behalf. Affordable housing projects seeking Prop 123 financial support from CHFA must be located in a jurisdiction that made a Prop 123 Affordable Housing Commitment.

The Arvada City Council approved a Prop 123 Affordable Housing Commitment via resolution on July 10, 2023, and in doing so, accepted two commitments to be fulfilled by December 31, 2026. First, the City agreed to adopt a 90-day expedited review process for permitting affordable housing developments. Second, the City agreed to increase its affordable housing stock by 3% per year for three years, or 9% in aggregate. The City used the Baseline Calculator provided by the Department of Local Affairs (DOLA) to find the number of affordable units the City would be responsible for producing or preserving. This number was 417 units. Affordable housing units that are newly constructed or rehabilitated qualify for the commitment. Arvada's rich pipeline of affordable housing projects positioned the City to meet this commitment. The Housing team is pleased to share that Arvada has met its commitment to increase affordable housing, with 431 units approved by DOLA.

In order to meet the commitment for a 90-day expedited review process, a change is required to the Land Development Code (LDC) to eliminate the Conditional Use process for Prop 123 projects within three of the Mixed-Use zone districts: MX-T (Transit), MX-U (Urban) and MX-S (Suburban). All the other residential and the MX-N (Neighborhood) zoning districts already allow multi-unit residential projects to be approved through the administrative review process.

The Conditional Use process needs to be eliminated for these specific projects because the public hearing schedule would take much of the 90-day review requirement, as Conditional Uses require action by both the Planning Commission and City Council. With the required notices for public hearings, and the fact that Conditional Use approvals must be through an ordinance that also requires a first reading, the total public hearing time can be more than 60 days. This would leave the staff review team only 30 days to adequately review a project for compliance with LDC and engineering requirements.

Although Proposition 123 allows the City to meter a project (stop the 90-day clock) between submissions to the City, the City can not meter the time required for any public hearing process.

Strategic Alignment

The proposed change to the Conditional Use requirement for Proposition 123 projects would implement several goals outlined in the Housing Strategic Result in the City Council's Strategic Plan.

Next Steps

The City team will draft a Land Development Code revision for review by the Planning Commission and City Council as described above.

Prepared by:
Heidi Van Gieson, Administrative Specialist

Reviewed by:

Approved by:

Rozalynne Thompson, Principal Planner	05/06/2026
Rob Smetana, Planning Manager	05/06/2026
Carrie Espinosa, Manager of Housing Preservation and Resources	05/06/2026
Josie Suk, Development Systems and Administrative Manager	05/06/2026
Jessica Garner, Director of Community and Economic Development	05/06/2026
Kelsy Sargent, Assistant City Attorney	05/06/2026
Rachel Morris, City Attorney	05/11/2026
Allison Scheck, Deputy City Manager	05/11/2026
Don Wick, City Manager	05/11/2026

Enclosure, exhibits & attachments required to support the report

Proposition (Prop) 123

City Council Study Session
May 26, 2026

Agenda

- Prop 123 Background and Timeline
- Housing Commitment
- Expedited Review
- Next Steps
- Questions and Discussion

Background/Timeline

Approved by Colorado voters in November 2022

State Legislature approved enabling statutes in June 2023

Consultant
Team

Arvada approved a Prop 123 Affordable Housing Commitment via resolution in July 2023

Council approved resolution regarding expedited review by December 31, 2026

Housing Commitment

**Arvada Prop 123
housing unit
commitment = 515**

**Marshall Street Landing (Family Tree)
85 Units (New Construction)**

**Legacy Senior Housing
72 units (New Construction)**

**Marshall Pointe
260 units (221 count towards total)
(New Construction)**

**Parkview Village
96 units (Rehab)**

**BeyondHome
10 units (Rehab)**

**Brothers Redevelopment
31 units (Essential Home Repair)**

**Arvada Prop 123
housing unit
development = 515**

Expedited Review

Legislative Requirement:

The Fast Track Review Process must render a final decision on a permit or approval required for an Affordable Housing application within 90 calendar days after receipt of a completed application.

The Fast-Track Review Process must apply to all applications in which 50% or more of the dwelling units are affordable:

- **For rental housing units, Affordable means that monthly rent is less than or equal to 30% of the monthly income of a household earning at or below 60% Area Median Income (AMI).**
- **For for-sale housing units, Affordable means that monthly payments are less than or equal to 30% of the monthly income of a household at or below 100% Area Median Income (AMI).**

Expedited Review

90-day review clock applies to:

- **Conditional Use Review**
- **Site Plan Review**
- **Building Permit Review**

Each review type is granted the 90 day review timeframe.

Review clock metering:

The 90 day clock is paused during the time an application response is required by the applicant. The clock can also be paused at the request of the applicant.

However, the clock can't be paused for any public hearing process.

Expedited Review

Arvada Conditional Use Review:

- Required for residential uses in the MX-S, MX-U, and MX-T zoning districts
- Planning Commission recommendation
- City Council action by ordinance (two readings)

Residential uses are administrative in all other residential districts and MX-N

Conditional Use Review Timeline:

- Publication (21 days prior to Planning Commission hearing, can overlap for City Council hearing)
- 15 day public notice prior to each public hearing (Can have some overlap)
- Time between City Council first reading and public hearing (14 days minimum)

Minimum number of days: 60

Expedited Review

Site Plan and Building Permit Review:

- No specific timelines in the Land Development Code.
- Administrative processes
- By policy, the City team could review applications within the 90 days.

Failure to Comply:

Failure to render a decision on an application within 90 days would result in the loss of funding opportunities for a minimum of one year for the City and development partners.

Proposed Next Step

Land Development Code revision to exempt projects meeting the definition of affordable housing from the Conditional Use review process.

Table 3-1-2-2: Residential Land Use by Zoning District

Land Use	Open Space and Residential						Mixed-Use				Olde Town					Commercial and Industrial				Reference			
	OS	RA	RN	R6	R13	R24	MIX-N	MIX-S	MIX-U	MIX-T	OT-E	OT-EY	OT-GV	OT-OW	OT-RN	OT-RR	OT-W	CN	CG		IL	IG	
Single-Family Detached		A	A	A	A	A	L	C ²	C ²				A	A	A								3-1-3-2
Duplex			L ¹	L	L	L	L	C ²	C ²						A								3-1-3-2
Townhome				L	L	L	L	C ²	C ²	C ²	A	A				A	A						3-1-3-2
Multiplex				A	A	A	A	C ²	C ²	C ²			A	A	A	A	A						-
Multifamily					A	A	A	C ²	C ²	C ²	A	A	A	A		A	A						-
Cottages, Micro-Homes, or Co-Housing				A	A	A	A	C ²	C ²														-
TABLE NOTES:																							
¹ Duplex units are only allowed in the RN-D subdistrict.																							
² Projects that will have 50 percent or more of the dwelling units meeting the affordable housing definition per C.R.S. 29-32-101(2), as amended from time, and be deed restricted to that definition shall be exempt from the Conditional Use process and are subject to an administrative process only.																							

Land Development Code revision and adoption of resolution by November.

Proposed Next Step

Proposed Footnote 3:

Projects that will have 50 percent or more of the dwelling units meeting the affordable housing definition per C.R.S 29-32-101(2), as amended from time to time, and be deed restricted to that definition shall be exempt from the Conditional Use process and are subject to an administrative process only.

Questions & Discussion