TOWN OF FRISCO
COLORADO

MEMORANDUM

P.O. BOX 4100 ◆ FRISCO, COLORADO 80443

TO: Planning Commission

FROM: Katie Kent, Community Development Director

RE: Planning File No. UDC-26-0003: A public hearing to consider proposed amendments, and make a recommendation, to Chapter 180 of the Code of Ordinances of the Town of Frisco, Colorado, by amending Subsection 180-3.10.1, concerning the purpose of the Light Industrial District; Table 180-5.1.5, concerning allowed uses; Subsection 180-5.2.8, concerning residential units in certain zone districts and Section 180-9.3, concerning definitions of terms, all to permit residential uses in the Light Industrial District and permit up to two dwelling units in Mixed-Use buildings.

DATE: November 5, 2026

Summary & Background:

Before the Planning Commission on November 5th is a recommendation of Ordinance 26-13 (Attachment 1), proposed amendments to Chapter 180 of the Code of Ordinances of the Town of Frisco, Colorado, to permit residential uses in the Light Industrial District and permit up to two dwelling units in Mixed-Use buildings.

On May 21, 2026, the Planning Commission reviewed the proposed amendments presented at that time and noted that as written, there was confusion over if one or two residential units were allowed, or if they had to be provided in a multifamily development. After staff further reviewed, it was found that the way the current Town Code is written, one and two dwelling units are not currently permitted in any district unless they are proposed as a detached dwelling, duplex, or townhome units. Since the Town supports the addition of residential units in mixed-use buildings in certain zone districts, Staff has made three new changes to the proposed code changes:

1. Modify the purpose state of the Light Industrial ("LI") District to include workforce housing
2. Add a line Table 5-1, Table of Allowed Uses referencing "up to two dwelling units in Mixed-Use Building"
3. Add a definition for a "Building, Mixed-Use" in general definitions, 180-9.3.

Further modifications to 180-5.2.8.C were also made which reflect:

- At the May 21st meeting, the Commission recommended that the term “submitted” should be changed to the sentence stating “the standard Town covenant shall be required and recorded”. Staff has inserted “submitted” into this statement in the proposed code language.
- Staff have clarified that when the unit is rented to applicants who are not employed on the property, the rent shall be at a maximum of 100% AMI but the income of the occupant can be a maximum of 120% AMI.
- Staff have clarified that the combined size of residential unit(s) shall be no greater than the non-residential gross floor area of the ground floor.

These additional modifications have been added to the drafted Ordinance.

Commissioner Discussion on May 21st included:

Commissioners discussed the topics and provided the following overall feedback:

- *Commissioners asked for clarification of whether Council wanted an income cap. Kent replied yes, they wanted a cap; however, a number was not discussed.*
- *Commissioners asked if priority for employee would be given every time a tenant moves out and if an employee was not interested it would then be noticed with the AMI and work restrictions. Kent replied yes.*
- *Commissioners asked if there was a timeline of how long a tenant could occupy the unit. Kent responded, not currently but this detail would be figured out after Commissioner’s recommendation and Council’s approval.*
- *Commissioners asked what would happen if a tenant that was employed by that business took a job elsewhere in Summit County. Kent said the unit would have to be offered to another employee and if an employee was not interested it would be opened to persons employed within the County.*
- *Commissioners discussed if people that were employed in the county would have to requalify with proof of employment and AMI every 12 months. Kent confirmed the SCHA would do the monitoring.*
- *Commissioners ask if the units could ever be sold. Kent said no.*
- *Commissioners asked about parking. Kent said they would need to meet affordable housing regulations.*
- *Commissioners asked if the Mixed-Use Parking Credit could be used. Kent said yes, it is allowed in Light Industrial as well.*
- *Commissioners asked if the covenant would be attached to a business. Kent said it would be identified by the address unit that would be given by Summit County GIS. The covenant would be recorded in the clerks office on the property.*
- *Commissioners asked if the units are owned by the business or leased. Kent said it depends on which unit you are looking at; some buildings rent spaces and some buildings are condominiumized with different owners.*
- *Commissioners recommended the term “submitted” should be changed to “the standard Town covenant shall be required and recorded” in the process.*
- *Commissioners agreed with Staff recommendation that employees should get first right of refusal.*

- *Commissioners asked for clarification on whether the AMI is the income level or the rental rate. Kent explained that all the Town covenants match the rental rate with income and there is no buffer currently.*
- *Commissioners discussed the proposed 100% AMI and supported a 20% buffer in income to adjust for the high rental rates.*
- *Commissioners had mixed feelings about whether the employer or owner of the business could be allowed to live in the unit.*
- *Commissioners questioned whether one unit would be allowed under the multi-unit dwelling use type, which is defined as three or more dwelling units. Commissioners instructed Staff to ensure future language allows for one or two units to be built.*
- *Commissioners inquired if there could be a restriction on how long someone could lease these units. Kent mentioned that a new housing law was adopted last year that limits the reasons a landlord could terminate or not renew a lease but will look into it more.*

Staff researched the question regarding how long someone could lease the units and Colorado legislation, through HB24-1098, outlines this information that is required to be followed. Staff recommends that the termination of leases is handled directly through landlord and tenant following state laws and is not regulated through Town Code.

The drafted language is in response to direction provided by the Town Council at their February 24, 2026 meeting and suggestions/feedback provided by the Planning Commission May 21st. Ordinance 26-13 as provided in Attachment 1 has been reviewed and supported by the Town Attorney.

If the Ordinance is adopted, there will be a new covenant that will be applicable to any housing unit constructed in the Light Industrial ("LI") District. This covenant will elaborate on the code language proposed including but not limited to:

- Defining a person employed for a business within Summit County
- Clarifying how a property owner shall document that occupancy of a vacant unit was given priority to persons employed for a business located on the premise prior to allowing rental applicants from persons employed for a business within Summit County

Analysis:

Attachment 2 contains the staff report from the May 21st meeting that provides the in-depth analysis of the Light-Industrial zone district.

Proposed amendments are shown in Attachment 1, Ordinance 26-13, and include:

Section 1. Subsection 180-3.10.1, concerning the purpose of the Light Industrial (LI) District, is amended to read as follows:

Purpose. To promote the development of professional trade, industrial, general services, storage, and contractor services in Frisco, and to allow for other associated uses complementary to contractor trades and light manufacturing, **including workforce housing**.

Section 2. Section 180-5.1.5 of the Frisco Town Code, concerning the Table of Allowed Uses, is amended to read as follows through the addition of a new row identifying "One and two dwelling units in Mixed-Use building":

TABLE 5-1 TABLE OF ALLOWED USES															
● = Permitted ◑ = Conditional Use Blank cell = Not allowed		Residential					Commercial/ Mixed-Use					Other			Use-specific Standards
Use Category	Use Type	RS	RN	RL	RM	RH	GW	CO	LI	CC	MU	OS	PR	PF	
RESIDENTIAL USES															
Group Living	Group care facility					◑	◑				◑				
	Senior housing					◑	◑				◑				
Household Living	Cabin housing		●	●	●	●				◑	◑				180-5.2.1 *on Granite & Galena Streets only
	Duplex and two-unit townhomes		●	●	●	●				●	● ◑				180-5.2.8
	Fractional ownership unit					◑	●			◑	◑				
	Multi-Unit dwellings				●	●	◑		●	●	● ◑				180-5.2.8
	Up to two dwelling units in Mixed-Use building					◑			●						180-5.2.8
	Single-household detached dwelling	●	●	●	●	●				●	● ◑				180-5.2.8
	Townhomes, attached or standalone			●	●	●				●	● ◑				180-5.2.8
PUBLIC, INSTITUTIONAL, AND CIVIC USES															

Section 3. Section 180-5.2.8 of the Frisco Town Code, concerning residential uses in the Central Core and Mixed Use Districts, is hereby amended to read as follows:

180-5.2.8. *Residential Uses in Central Core**, Light Industrial,** and Mixed-Use Districts.*

A. *Central Core District.* For properties located between Main Street and Galena Alley and properties located between Main Street and Granite Alley, residential uses and uses accessory to residential uses, **with the exception of parking**, are prohibited on the ground floor.

B. *Mixed Use District.* For properties fronting along Main Street, residential uses on the ground floor are a conditional use.

C. *Light Industrial District*. For properties located within the Light Industrial (LI) District, residential units shall be permitted if:

1. Residential uses, and uses accessory to residential uses with the exception of parking, are located above the ground floor; and

2. **The combined size of the residential unit(s) shall be no greater than the gross floor area of the ground floor, excluding ground floor area used for residential parking; and**
3. **Residential unit(s) rented to persons who are not employed on the property, shall be deed-restricted for rent at a maximum of 100 percent Area Median Income to persons earning a maximum of 120 percent of the area median income, at a rate established by the Summit Combined Housing Authority for that income level, and pursuant to other criteria as established from time to time by the Town or the Summit Combined Housing Authority; and**
4. **Residential unit(s) shall not be subdivided as individual unit(s); and**
5. **Prior to issuance of any building permit for a residential unit, a covenant restricting the unit in accordance with this Section shall be submitted to the Town for review and recordation.**

Section 4. Section 180-9.3. of the Frisco Town Code, concerning General Definitions, is hereby amended by the addition of a new term as follows:

Building, Mixed-Use. **A building that houses residential uses in combination with non-residential uses within the same structure.**

2025 Comprehensive Plan

This suggested code amendment was discussed during the development of the 2025 Comprehensive Plan and is specifically addressed through:

AN INCLUSIVE AND ACCESSIBLE COMMUNITY (B)
Goal B.1*: Continue creating safe, attractive, and sustainable neighborhoods where residents can thrive.*

1. *Review zoning and design standards. Implement community character requirements that are in alignment with the Future Land Use Classifications. Potential amendments include implementing design guidelines in Section 180-6 .21 based on character areas to ensure specific standards are identified for each of the Town's different subareas, updating zone district uses and dimensions to integrate considerations for housing typologies that fit in the specific area, and updating parking and access standards to ensure a focus on pedestrian safety.*

3. *Review current standards for development review. Consider updates to remove barriers to development of affordable housing and affordable commercial. Allow for more administrative review in small development projects.*

A DIVERSE AND THRIVING ECONOMY (D)

***Goal D.1**: Support local businesses, expand local industries and services, and encourage long-term investment to strengthen and diversify the local economy.*

3. *Develop the business environment. Focus on retaining existing businesses while attracting new ones that diversify current offerings that align with the distinct character and community needs within the Town of Frisco.*

***Goal D.4**: Support existing light industrial and synergistic uses, and incorporate makerspaces.*

2. *Consider a "Frisco Works" campaign. Support and attract employment opportunities and new investment in industries with identified potential for growth. This initiative would aim to promote Frisco as a hub for innovative businesses, enhance job creation, and foster economic diversification by focusing on sectors with strong growth potential and alignment with the Town's workforce capabilities.*

3. *Incentivize reinvestment in light industrial zones. Encourage existing light industrial businesses to upgrade facilities and continue operating in the Town of Frisco. Consider offering tax breaks or grants.*

HOUSING AFFORDABILITY (H)

***Goal H.1**: Provide diverse and equitable housing through a full spectrum of housing that is abundant, adaptable, and equitably distributed.*

***Goal H.3**: Prioritize Improvements for Housing Infrastructure: Recognizing housing as critical infrastructure, locate housing near existing community services, facilities, and amenities, and prioritize improvements that support local housing needs.*

2. *Promote transit-oriented development. Facilitate affordable housing development and preservation in areas with existing transit services and/or high multi-modal connectivity, and support transportation improvements near affordable housing and special needs housing.*

***Goal H.4**: Preserve and Utilize Existing Housing: Preserve existing housing stock and promote its efficient and effective utilization through adaptive reuse and rehabilitation.*

2. *Increase utilization of existing development. Promote the utilization of existing development, including residential and non-residential structures, for affordable housing to reduce construction costs and preserve land.*

***Goal H.5**: Maintain Community while Supporting Regional Needs: Collaborate with partner agencies to maintain the Town of Frisco as a welcoming Summit County "neighborhood" while embracing its role in addressing regional housing needs.*

1. *Facilitate infill housing. Facilitate infill housing development in older neighborhoods, along commercial corridors, and near employment centers that helps revitalize these areas and increases housing availability and variety.*

Additionally, the Future Land Use Map references this area as "Office and Industrial Innovation District" (Attachment 3). Within this district, it is noted that residential units could be permitted:

> *Residential units such as apartments, condominiums and live/work units ranging from 12-30 DU/acre. Buildings should not exceed 4 stories.*

Required Action

Planning Commission: A recommendation to the Town Council of approval or disapproval, either in whole or in part.

Town Council: Approval or disapproval, either in whole or in part.

Code Text Amendments, Town Code 180-2.4.3

Pursuant to sub-section §180-2.4.3.D, an amendment to the text of the Unified Development Code is a legislative decision by the Town Council. Prior to the Town Council's consideration of an Ordinance to amend the text of the UDC, the Planning Commission must first review the proposed amendment and forward a recommendation to the Town Council. Prior to recommending approval or disapproval, either in whole or in part, of a proposed code text amendment, the Planning Commission must consider whether and to what extent a proposed amendment:

1. *Is consistent with the Master Plan and other Town policies;*
2. *Conflicts with other provisions of this Chapter or other provisions in the Frisco Town Code;*
3. *Is necessary to address a demonstrated community need;*
4. *Is necessary to respond to substantial changes in conditions and/or policy; and*
5. *Is consistent with the general purpose and intent of this Chapter.*

The proposed modifications to Frisco Town Code, Chapter 180, are in alignment with the 2025 Comprehensive Plan through the guiding principles, goals, policies, and actions, including B.1.1, B.1.3, D.1.3, D.4.2, D.4.3, H.1, H.3.2, H.4.2, H.5.1 and the Future Land Use Map references this area as "Office and Industrial Innovation District".

The proposed modifications do not conflict with any provisions of this Chapter or other provisions in the Frisco Town Code, have undergone a Town Attorney review, are necessary to respond to a community need for workforce housing as recognized in the 2025 Comprehensive Plan which is reflective of continuous increases in housing costs, and are consistent with the general purpose and intent of this Chapter.

Staff anticipates receiving a Planning Commission recommendation on November 5, 2026, and then bringing a first reading to the Town Council at the December 8, 2026 meeting at which time the Council will review the proposed modifications to the UDC. Discussion from the Planning Commissioners, along with their motion and vote, will be distributed to Council for their discussion and consideration.

Staff Recommendation:

Recommended Findings

The Community Development Department recommends the following findings pertaining to the proposed code text amendments:

Based upon the review of the Staff Report dated November 5, 2026, and the evidence and testimony presented, the Planning Commission finds:

1. The proposed code text amendments are consistent with the Comprehensive Plan and other Town policies, because the proposed amendments clarify the standards of the code that are used to implement the guiding principles, goals, policies, and actions of the Frisco Comprehensive Plan, including B.1.1, B.1.3, D.1.3, D.4.2, D.4.3, H.1, H.3.2, H.4.2, H.5.1 and also as recommended within the Future Land Use Map.

2. The proposed code text amendments do not conflict with other provisions of the Unified Development Code or other provisions in the Frisco Town Code and have been reviewed and supported by the Town Attorney.

3. The proposed code text amendments are necessary to address an ongoing community need of workforce housing units.

4. The proposed code text amendments are necessary to respond to substantial changes in conditions and/or policy, due to the continuous increase in housing costs within the community as outlined in the Town's Strategic Housing Plan and Comprehensive Plan.

5. The proposed code text amendments are consistent with the general purpose and intent of this Chapter, because the proposed text amendments protect the public health, safety, and general welfare and implement the policies of the Comprehensive Plan including B.1.1, B.1.3, D.1.3, D.4.2, D.4.3, H.1, H.3.2, H.4.2, H.5.1 and also as recommended within the Future Land Use Map.

Recommended Motion

Should the Planning Commission choose to RECOMMEND APPROVAL of the proposed text amendments, the Community Development Department recommends the following motion:

With respect to Planning File No. UDC-26-0003, I move that the recommended findings set forth in the November 5, 2026 Staff Report be made and that the Planning Commission RECOMMENDS APPROVAL to Town Council of code text amendments to Chapter 180 of the Code of Ordinances of the Town of Frisco, Colorado, concerning the Unified Development Code, by amending Subsection 180-3.10.1, concerning the purpose of the Light Industrial District; Table 180-5.1.5, concerning allowed uses; Subsection 180-5.2.8, concerning residential units in certain zone districts and Section 180-9.3, concerning definitions of terms, all to permit residential uses in the Light Industrial District and permit up to two dwelling units in Mixed-Use buildings.

Attachments:
Attachment 1: Draft Ordinance 26-13
Attachment 2: May 21, 2026 Staff Memo
Attachment 3: Future Land Uses Map