

City Council Meeting Minutes

**May 14, 2024
Library Meeting Room
951 Spruce Street
6:00 PM**

Call to Order – Mayor Leh called the meeting to order at 6:00 p.m. **Roll Call** was taken and the following members were present:

City Council: *Mayor Chris Leh
Mayor Pro Tem Caleb Dickinson
Councilmember Tim Bierman
Councilmember Deborah Fahey
Councilmember Barbara Hamlington
Councilmember Dietrich Hoefner
Councilmember Judi Kern*

Staff Present: *Jeff Durbin, City Manager
Samma Fox, Deputy City Manager
Rob Zuccaro, Community Development Director
Meredyth Muth, City Clerk*

FISCAL IMPACT MODEL OVERVIEW

Director Zuccaro gave an overview of the fiscal impact model the Planning Department uses for land use applications. This tool is a way to estimate how land use changes affects one-time and ongoing revenue for the City as well as the cost to the City to serve those developments. Different land uses have different costs to the City. It is a high level estimate of what different land use mixes bring to the City.

Fiscal models can help ensure new developments have sustainable funding for City capital needs and services and evaluate the fiscal impact of different land use scenarios and changes. Fiscal models do not evaluate market conditions needed to support desired land use; secondary economic or fiscal benefits from allowing certain land uses; or align land use policies with other City policies. It is a balance for the Council to determine what other policy considerations need to be considered.

The City developed fiscal models in 2014. The Development Impact Model has marginal/average cost hybrids for individual development proposals. The Area Planning Model is a marginal cost model for City-wide or area land use scenarios, but this model doesn't align with the current program budget structure so staff does not don't use it.

City of Louisville

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The City has developed policies to keep the models consistent but staff looks at each development individually. Director Zuccaro reviewed the types of assumptions used in the models as well as inputs and outputs. Generally, staff runs both a high and low model on the assumptions.

Director Zuccaro stated combining market information and the fiscal impacts gives us a good idea of what best land uses might be, but it is complex and there are competing needs that have to be taken into consideration. He sampled the backend inputs to show how the model works.

Councilmember Dickinson noted this is one data point that the Council can use in decision making, but it is not the only data point to consider.

Councilmember Leh noted it is quantitative information that then needs to be considered along with other qualitative information.

Public Comments

Sherry Sommer, Louisville, asked how much water developers are required to bring, how traffic is considered, and how walkability is considered. She asked about how nonprofits are considered if they don't pay taxes. She stated it is wrong to assume places won't develop on their own.

Josh Cooperman Louisville, asked what triggers the use of the fiscal model for policy decisions. He stated he understands the fiscal model is not the only thing informing decisions but is concerned it is the only place where there are numbers put to impacts and that can create a bias. He suggested other models be used as well such as for sustainability goals; there are other models out there we can use.

STATE LEGISLATION IMPACTING LOCAL ZONING AUTHORITY

Director Zuccaro noted that these bills passed just last week so staff is still evaluating the implications.

Residential Occupancy Limits The law prohibits municipalities from limiting occupancy in a dwelling based on familial relationship but may limit occupancy based on health and safety standards. Louisville's municipal code limits occupancy to no more than two unrelated individuals and staff anticipates that this will need to be amended to comply with the new State law. Staff will bring forward a code change to comply with this.

Minimum Parking Requirements the bill prohibits municipalities from enforcing minimum parking requirements for certain types of residential developments, including multifamily residential development, adaptive reuse for residential purposes and mixed use with at least fifty percent residential use.

Accessory Dwelling Units The bill requires municipalities to allow an accessory dwelling unit (ADU) as an accessory use on any property zoned for single-family detached dwellings. The bill includes limits on design standards for ADUs that would restrict the construction or conversion of ADUs. The bill also sets up a grant program to offset fees and costs for ADUs. This is scheduled for discussion at the June 4 Council meeting.

Housing in Transit-Oriented Communities The bill requires minimum residential zoning density requirements within a radius of certain transit stops and corridors. Louisville will need to confirm which transit stops and corridors would apply to the bill and take actions to create a *Housing Opportunity Goal* in these areas. The City would then need to create zoning and other policies that align with the *Housing Opportunity Goal* and provide infrastructure to support the development. The bill requires interim compliance steps starting in July of this year and full compliance by December 31, 2026

Members discussed some of the possible impacts of these new regulations. There will be more to come on these.

Public Comments

Cindy Bedell, Louisville, asked how building code requirements can still be met for ADUs.

Sherry Sommer, Louisville, stated her concerns that ADUs will be used to monetize properties and may impact affordability.

ADJOURN

Members adjourned at 7:48 pm.

Christopher M. Leh, Mayor

Meredyth Muth, City Clerk