

# **AGENDA**

## **JOINT WORK SESSION CITY OF ASPEN PLANNING AND ZONING COMMISSIONS & PITKIN COUNTY PLANNING AND ZONING COMMISSION**

**Sister Cities  
Aspen, Colorado**

**August 31, 2010**

### **4:30AM WORKSESSION**

1. Review of the Aspen Area Community Plan update
  - a. Review of Housing Chapter

### **7:30PM ADJOURN WORKSESSION**

## MEMORANDUM

**TO:** City of Aspen Planning and Zoning Commission  
Pitkin County Planning and Zoning Commission

**FROM:** Jessica Garrow, City Long Range Planner

**DATE OF MEMO:** August 26, 2010

**MEETING DATE:** August 31, 2010, Sister Cities, 4:30pm – 7:30pm

**RE:** Housing Chapter

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**SUMMARY:** The Housing Frontiers Group and APCHA have worked together to provide comments and updated language on the draft Housing chapter. This work resulted in a draft, which is attached as Exhibit C. The original draft completed by the P&Zs in January is attached as Exhibit B.

Staff has attempted to combine these documents to reflect the direction from both the P&Zs and the Housing Frontiers Group and APCHA. This is attached as Exhibit D. In the draft, Staff has identified the policies and action items where there is a divergence of opinion with comment boxes. For the most part, the two versions are fairly consistent. However, there are two main areas of divergence between the P&Z draft and the Housing Frontiers Group and APCHA draft. These are regarding buy-downs and mitigation. The Housing Frontiers Group and APCHA have provided a memo (attached as Exhibit A) outlining the reasons why they did not include these items in their draft. Since the 2007 Housing Summit, APCHA has generally taken the stance that 100% mitigation is a preference, so there may be some different perspectives on that issue.

Staff recommends the P&Z read the drafts in the order they are attached to help understand the evolution of the chapter. Members of the APCHA Board, Housing Staff, and the Housing Frontiers Group will attend the meeting and be available to answer any questions the P&Zs may have.

**SCHEDULE:** The following is the schedule for P&Zs remaining meetings on the AACP:

Tuesday, Aug 31, 4:30 – 7:30 in Sister Cities: Review Housing Chapter with Housing Frontiers Group and Housing Board.

Thursday, Sept 2, 8:30am – noon in Council Chambers: Review UGB, intro/summary.

Thursday, Sept 9, 8:30am – noon in Council Chambers: Complete review of draft plan.

**Attachments:**

Exhibit A: Memo from the Housing Frontiers Group and APCHA

Exhibit B: Original P&Z draft Housing Chapter

Exhibit C: Housing Frontiers and APCHA draft Housing Chapter

Exhibit D: Combined draft Housing Chapter

Exhibit A

**MEMORANDUM**

TO: Aspen Planning and Zoning Commission  
Pitkin County Planning and Zoning Commission

FROM Aspen Pitkin County Housing Authority Board and Staff  
Housing Frontiers Group

THRU: Tom McCabe

DATE OF MEMO: August 24, 2010

MEETING DATE: August 31, 2010

RE: Aspen Area Community Plan Housing Chapter

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**SUMMARY:** The Aspen Pitkin County Housing Authority Board and Staff (APCHA) and the Housing Frontiers Group (HFG) have reviewed the draft Housing chapter (Chapter 9) of the Aspen Area Community Plan (AACP) and prepared a revised chapter. This chapter is jointly recommended by APCHA Board and staff and the HFG.

**BACKGROUND:** Community Workforce Housing (CWH) is a critical community asset and has been a major component of the two previous AACP's. It is important that the next update to the AACP recognize the evolution of our workforce housing program and establish goals and priorities to place appropriate focus on our aging housing program. Since inception of the program there have been modifications and 'tweaks;' APCHA and HFG believe now is the opportune time for a comprehensive review.

To facilitate the process of providing comments and input to the AACP, specifically Chapter 9 – Housing, APCHA and HFG have been working together to create a single, consolidated version of the document. We have engaged in a thorough review process with the goal of identifying key areas of our housing program that need focus. Our review involved a number of steps, including having APCHA identify areas of the housing program administration and policy that are working and, more importantly, are not working.

The HFG revised the document including our recommendations for simplification of the Vision and Philosophy sections. We also proposed adding Definition, Benefits, Background, and On the Horizon sections to provide more context to readers of the chapter.

We support the inclusion of "Policies and Action Items" in the individual chapters of the AACP. It is an excellent way to identify projects and work streams that will help accomplish the identified policies and goals. As you know, hundreds of action items have been identified in the

## Exhibit A

current draft of the AACCP, with over 60 included in the February 2010 P&Z draft. It is important that the list of action items be manageable for the different City and County departments expected to complete them. We recommend renaming the section “Objectives and Action Items” to more accurately reflect the section’s purpose. In addition, we expanded the numbering throughout the document to simplify referencing.

The HFG did not identify responsible parties for the action items at this time as it was felt this should not be completed until the items are adopted. The APCHA Board reviewed the HFG document at their regular meeting on August 18, 2010 and unanimously recommended approval and advancement for consideration.

To follow the process employed for other sections of the AACCP, the document was then reviewed by Cindy Houben, Pitkin County Community Development Director and Jessica Garrow, City of Aspen Long Range Planner. Phylis Mattice, HFG member, met with Cindy and Jessica and further edits were made to the draft to add clarity to some items, identify priority action items, and revise the sections to match the format established in the AACCP. The key changes were: 1) the recommended headings of Benefits, Background and On the Horizon were rolled under the Philosophy heading and 2) individuals responsible for action items were added.

**DISCUSSION:** The action items identified in the February 2010 P&Z document were reviewed and regrouped by the HFG under the following five categories:

- Sustainability and Maintenance
- Development and Program Needs
- Development and Funding
- Land Use and Zoning
- Legal

Although the document the HFG is proposing is reorganized and streamlined from the original, the content remains very consistent with the exception of two areas, the exclusion of the 100% mitigation target and the elimination of buy-downs as a mechanism to advance CWH.

**Buy-downs:** Buy-downs were excluded by APCHA and the HFG because the practice has not proved to live up to the original expectations when it was put into practice. A large impediment to a buy-down program for existing building is a large percentage of Condominium Declarations have been amended in recent years to specifically restrict any affordable housing deed restrictions. The only option that the Housing Program has to that unfortunate turn of events is a long drawn out court battle with most of the Condominium Associations in the valley as the defendants. A recent situation where a deed restricted unit in a free market complex received a special assessment for building renovations that was greater than the allowable price of the deed-restricted unit illustrates the problem. The Aspen City Council bought the unit back from the deed-restricted owner, released the deed restriction and placed it back in the free market inventory. The City Council now has a policy that does not allow the buy-down of single deed-restricted units in existing buildings and they are buying back other units that are in that situation.

## Exhibit A

A buy-out option is one that has worked out well. In that scenario a developer or the Government buy and deed restricted an entire building and then sells the units to the individual owners with revised Condominium Declarations to protect them all. In new developments several units may be deed restricted, but the Condominium Declarations are required to have a provision that improvements and assessments must be allocated based on the assessor's value of each unit not the square footage.

### **100% Mitigation:**

The February 2010 P&Z "Vision" and "Philosophy" sections both referenced that new development should provide housing to offset job generation by 100% with exceptions made for evaluated community benefits. We understand that CWH built since 2000 has been offset by free-market local working resident units being converted to second homes causing a goal of 100% mitigation to be advanced.

The HFG acknowledges job generation by development should require mitigation but feel a target of 100% would be a deterrent to developers and community acceptance. Mitigation adds cost to the final product that is passed to the end user creating more expensive free-market development. The community has been very vocal in the lack of "Affordable Aspen" and the current mitigation rules (as part of the overall land use codes) raises the bar on the minimum a business can charge and stay in business. During the boom times, new development probably treated these as 'rounding errors' in their business model. Now that we are in a totally different economic reality, these costs can make or break a new project.

The action item for Private Sector Mitigation in the February 2010 P&Z document listed the goal "All new development should provide 100% employee mitigation on site, while allowing for partial exemptions..." 100% mitigation on-site creates more bulk and mass and may not be acceptable to the community. Before any target number is established for solely on-site mitigation, all approaches should be considered. Housing fees for payment-in-lieu of development should be updated to reflect market development rates, utilization of the "banked" workforce housing built in advance of need must be considered, and re-development of existing structures as CWH should also be considered.

Rules written in one economic time might not be the best way forward for the community when the times change. We do feel strongly, given these times and having a few years of the current policy under the community's belt, it would be wise to at least reevaluate this issue to make sure it is still the best thing for the community.

**CONCLUSION:** APCHA and the HFG recommend advancing the proposed AACP Housing Chapter.

**ATTACHMENT:** APCHA/HFG revised and recommended AACP - Housing Chapter.

## **DRAFT AACP HOUSING CHAPTER**

Add a definition of Affordable Housing – “Community Workforce Housing: Housing that is created to support a healthy year-round community and a healthy workforce.”

### VISION

Community Workforce Housing is the cornerstone for our strong year-round community and a healthy economy. We must stem the loss of free-market workforce housing that has occurred over the years and we should look to convert free-market housing to Community Workforce Housing through a buy-down program. New development should provide housing to offset job generation by 100%. Government and the private sector should collaborate to create new Community Workforce Housing within the UGB. All new Community Workforce Housing should be compatible and integrated with our existing neighborhoods – we do not want isolated projects.

### PHILOSOPHY

We know what our strong and thriving year-round community is: It means the “lights are on” in neighborhoods, that we have a reasonable chance of living here for the long-term, that we form lasting friendships and become part of local groups and institutions. Our visitors on the street experience and appreciate our authentic local identity, in favorite gathering places, on the lifts. Community is communal; it goes both ways. People give their time to volunteer and receive appreciation and a sense of community in return.

Having Community Workforce Housing located in our community is necessary to ensure there is a reliable local workforce located in the Aspen area, to encourage environmental sustainability by enabling people to live where they work, and to reduce adverse transportation impacts and growth pressures throughout the Roaring Fork Valley.

Past community plans have used the phrase “critical mass” to describe the number of year-round residents needed for a strong and sustainable year-round community. The 1993 AACP established a goal of housing 60% of our workforce in the Aspen Area. By the 2000 AACP update, we recognized that the 60% goal was practically unachievable due to limited land and funding. Instead, the 2000 AACP established a goal of creating 800 – 1,300 new housing units. While we have built more than 800 units since 2000, during the same time period more than 500 free-market units were converted from housing local working residents to second homes.

## Exhibit B

Continuing economic pressures in the form of high real estate prices, shifts in the national economy, limited public funds, and limited available land in the geographical “bowl” at the top of the Roaring Fork Valley are all critical factors in our ongoing effort to maintain a healthy housing program. We cannot solely build our way out of this problem -- we should also be using our existing buildings and housing stock more effectively.

Community Workforce Housing is not a right or a guarantee, but a privilege: It creates more vested members of the community. We need to focus our efforts on growth policies that limit or reduce the need for more housing. These policies could include expanding our ability to limit annual growth (e.g. residential redevelopment), maximizing our ability to require housing mitigation, and limiting the types of uses that result in excessive job generation. Unless new development clearly results in important *community benefits*, the developer must provide housing to offset the job generation by 100%, and our top priority is for such housing to be built on site.

We continue to believe, as was stated in the 2000 AACP, that, “Our housing inventory should bolster our economic and social diversity, reinforce variety, and enhance our sense of community by integrating affordable housing into the fabric of our town. A healthy social balance includes all income ranges and types of people. Each project should endeavor to further that mix and to avoid segregation of economic and social classes ... Housing should emphasize quality construction and design even if that emphasis increases costs and lessens production.”

Creating housing is the community’s responsibility, not just the responsibility of government.

### POLICIES AND ACTION ITEMS

The following policies and action items are adopted to address the following critical issues: 1) sustainable housing inventory, 2) workforce & community diversity, 3) public sector, 4) ADU & CDU programs 5) private sector mitigation, 6) new construction.

The action items are arranged alongside the policies, so the purpose of the action item is understood. Each Policy is numbered, while the associated Action Items are lettered. For instance, Action Item “1.a” is associated with Policy “1.” Because this is a ten year plan, the action items are prioritized in terms of “immediate” (I) and “longer term” (LT), so that there is immediate progress made to implement the immediately necessary policies of this section, while still allowing for development of ideas and legislation that may further the broader policies of the plan in the long-term. The government department or agency responsible for any given action item is indicated as follows: Aspen/Pitkin County Housing Authority (APCHA); Planning (P); Building (B); Environmental Health (EH); Canary Initiative (CI); Capital Asset Department (“CA”); Attorney’s Office (AO).

I. SUSTAINABLE HOUSING INVENTORY POLICIES	I. SUSTAINABLE HOUSING INVENTORY ACTION ITEMS
<p>1. Ensure all existing deed-restricted housing units are utilized and maintained for the longest possible term regarding functionality, with an emphasis on the use of durable and environmentally responsible materials, while recognizing the realistic lifecycle of the buildings.</p> <p>2. Demonstrate fairness and equal treatment by ensuring that residents are complying with APCHA rules and regulations.</p>	<p>1.a Create incentives for Community Workforce Housing residents to improve the energy efficiency and safety of their units. (I – APCHA, CI/EH, B)</p> <p>1.b Conduct an inventory study of publically owned inventory that sets priorities for maintenance of existing housing stock (LT – APCHA, City, County)</p> <p>1.c Conduct a study of housing inventory to determine the cost-benefit of maintaining vs. rebuilding existing housing stock. (I – APCHA)</p> <p>1.d Require professional home inspections when housing units are sold. (I – APCHA)</p> <p>1.e Work with HOAs to ensure adequate assessments for maintenance and adequate reserves for significant capital projects. (I – APCHA)</p> <p>1.f Educate buyers and existing owners about their responsibility to update and maintain units, including financial ramifications. (I – APCHA)</p> <p>2.a Ensure APCHA has the staff and monetary resources needed to enforce rules and regulations (I – APCHA)</p> <p>2.b Identify steps necessary to improve APCHA’s ability to enforce its rules and regulations. (I -- APCHA)</p> <p>2.c Continue to update and unify deed restrictions as practically</p>

**Comment [J1]:** Barry Comment: All inventory or just city/county owned?

**Comment [J2]:** Barry Comment: Who is paying for this? APCHA or buyer/owner?

Exhibit B

	<p>possible. (LT – APCHA)</p> <p>2.d Create and implement a comprehensive education program for buyers of Community Workforce Housing that explains the overall goal of the housing program, how the program is funded, what community trade-offs have occurred to create housing, what the buyer’s rights and obligations are, and describes maintenance responsibilities. (LT – APCHA)</p>
<p><b>II. WORKFORCE &amp; COMMUNITY DIVERSITY POLICIES</b></p> <p>1. Ensure that our housing inventory bolsters our economic and social diversity and enhances our community.</p>	<p><b>II. WORKFORCE &amp; COMMUNITY DIVERSITY ACTION ITEMS</b></p> <p>1.a Conduct a study determining the profile of existing Community Workforce Housing residents, including age, income, family status etc., relying on existing survey information and other information sources if necessary. (I - APCHA)</p> <p>1.b Maintain a database to illustrate the demand profile of those who are bidding on Community Workforce Housing (sale and rental), using same measures as above. (I - APCHA)</p> <p>1.c Establish standardized waiting list for all rental housing facilities to contribute to the database described in 1.b. (I - APCHA)</p> <p>1.d Rely on Action Items 1.a-c to determine profile of new housing product or buy-down acquisitions, including unit type, category, rental v. sale, seasonal – based on the need for a healthy workforce and social diversity in the Aspen Area. Use this profile when approving any new Community Workforce Housing. (LT - APCHA)</p>

Exhibit B

<p>2. Ensure the community is prepared for the growing phenomenon of employees retiring in Community Workforce Housing by exploring the adverse impacts and productive opportunities related to this issue.</p> <p>3. Ensure the provision of Community Workforce Housing opportunities for a broad spectrum of workers that make the community function.</p> <p>4. The City, County, and APCHA should not be the primary housing developer in the Aspen Area.</p>	<p>1.e Investigate options to provide greater flexibility for movement of existing residents within APCHA inventory to accommodate shifts in household/family needs. (LT - APCHA)</p> <p>2.a Establish reliable data on the trend of employees retiring in Community Workforce Housing. (I- APCHA)</p> <p>2.b Explore the opportunity for a new senior housing development that ranges from independent living to assisted living. (LT – Housing Frontiers Committee)</p> <p><b>2.c Establish an “Active Retiree Database” that includes a list of retirees and their talents/skills, along with a list of volunteer and part-time/full-time “help wanted” opportunities to match people with activities/jobs. (LT – ACRA, private sector) <u>move to lifelong aspenite chapter; make less techie</u></b></p> <p>3.a Study the potential for replicating the model used by Aspen Volunteer Fire Department for lease of units, with partial return to renter for down payment program. Staff: Look at Aspen Alps, ACSD examples</p> <p>4.a Broaden the responsibility of providing new housing through the creation of a new working group that includes representatives from local governments, all Aspen Area taxing districts and large to small employers. This working group could be modeled on the organizations that collaborated to produce the 2007 Housing Summit. The mission of this group should be to share responsibility and accountability for creating new housing. (I – City Manager, County Manager, APCHA, ACRA, Taxing Districts, SkiCo, etc)</p>
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Exhibit B

<p>5. Adequate seasonal rental housing should be provided by and managed by the employers who use it.</p>	<p>5.a Incentivize Aspen Area businesses and non-profits to partner in the creation of new seasonal rental housing, rather than relying on the public sector providing seasonal housing. (I – City Manager, County Manager, APCHA)</p> <p>5.b Place greater responsibility on employers for the management and use of existing seasonal housing. (I – City Manager, County Manager, APCHA)</p>
<p><b>III. PUBLIC SECTOR POLICIES</b></p> <p>1. Ensure our existing housing stock is used as effectively as possible by striking a community-supported balance between buy-down programs and building new housing.</p>	<p><b>III. PUBLIC SECTOR ACTION ITEMS</b></p> <p>1.a Establish a housing strategy that includes buy-downs and building new housing, according to community priorities and fiscal responsibility. (I – City Manager, County Manager, APCHA)</p> <p>1.a.i Identify community expectations for future affordable housing, such as cost, location, durability, energy efficiency, pride of ownership, etc. (I – City Manager, County Manager, APCHA)</p> <p>1.a.ii Convert community expectations into a set of standards &amp; criteria that can be used to evaluate future housing options. (I – City Manager, County Manager, APCHA)</p> <p>1.a.iii Use standards &amp; criteria to establish buy-down and new development priorities. (I – City Manager, County Manager, APCHA)</p> <p>1.b Use the housing strategy to identify partnership opportunities for a range of large to small entities, including local government, non-profits and the private sector. (I – City Manager, County</p>

Exhibit B

<p>2. Evaluate all deed-restricted housing income streams and their sustainability and evaluate if new income streams should be explored.</p>	<p>Manager, APCHA)</p> <p>1.c Work with the real estate community to make bi-annual recommendations to the buy-down or redevelopment program list, based on developed criteria. (LT – APCHA)</p> <p>1.d Create a private sector equity-sharing model to allow for employer and employee shared ownership stakes. (This may be applicable to new construction as well.) (LT – City Manager, County Manager, APCHA)</p> <p>1.e Explore purchasing historic properties that can also meet buy-down program goals. (I – P, APCHA)</p> <p>1.f Explore creating a program where the city/county would provide a tax benefit, payment or life estate planning or other financial incentive to a free-market homeowner to include their property in the city/county’s land banking of future Community Workforce Housing. (I – City Manager, County Manager)</p> <p>1.g Explore creating a program for short-term deed restrictions. (I – APCHA)</p> <p>2.a Evaluate the sustainability of existing and prospective deed-restricted housing revenue streams to determine if they are sufficient to accommodate demand for Community Workforce Housing. (I – City Manager, County Manager, AHPCA)</p> <p>2.b Explore using APCHA’s ability to tax as a way to raise additional money for Community Workforce Housing. (I – APCHA)</p>
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**Comment [j3]:** Barry Review: Clarify what we mean by this. Is this free-market or affordable housing? Are we partnering with private sector?...

Exhibit B

<p>3. Existing deed-restricted housing development that carries an expiration on its deed-restrictions should be converted to apply in perpetuity.</p>	<p>3.a Identify all deed-restricted housing development that carries an expiration on its deed-restrictions, such as Centennial, Castle Ridge, and conduct negotiations to convert the deed restrictions to apply in perpetuity to the greatest extent possible. (LT - APCHA)</p>
<p>4. Improve our ability to develop and maintain Community Workforce Housing by learning from our past experiences.</p>	<p>4.a Establish an annual evaluation of what worked well and what didn't work well so that "lessons learned" can be incorporated into the housing development and review process. The evaluation should examine a few projects of various ages and should include owner/renter participation. (I - City Manager, County Manager, APCHA)</p>
<p>5. Improve our ability to provide Community Workforce Housing by working with state leaders on legislative opportunities.</p>	<p>5.a Monitor and analyze obstacles created through state law and lobby the state legislature to make it easier to develop and finance Community Workforce Housing. Lobbying topics should include allowing operating costs and future maintenance to be included in a cash-in-lieu payment; requiring mitigation for past development and eliminating "existing development" credits; allow mandatory occupancy of ADUs. (I – APCHA)</p>
<p>6. Track trends in housing inventory and job generation to better inform public policy discussions.</p>	<p>6.a Develop and implement a system to reliably track the gain and loss in free-market workforce housing. (I – P, City Manager, County Manager, APCHA)</p>
	<p>6.b Develop and implement a system to reliably track the number of jobs in the Aspen Area (I – P, City Manager, County Manager, APCHA)</p>
	<p>6.c Review recent build-out studies within the UGB and complete as necessary. When job generation studies are completed (see Managing Growth Section VII 1.b), combine these with build-out</p>

Exhibit B

	<p>reports, Census tracking and State Demographer’s Office reports to improve our ability to project demand for Community Workforce Housing. (LT – P)</p>
<p><b>IV. ACCESSORY DWELLING UNIT &amp; CARETAKER DWELLING UNIT POLICIES</b></p> <p>1. Increase the rate of occupancy for existing ADUs &amp; CDUs.</p> <p>2. For new ADUs and CDUs, ensure the units result in housing for local workforce.</p>	<p><b>IV. ACCESSORY DWELLING UNIT &amp; CARETAKER DWELLING UNIT ACTION ITEMS</b></p> <p>1.a Establish and maintain a current database of inventory including current rate of rental, and establish system to match willing owners with housing applicants. (I – APCA, P)</p> <p>1.b Contact ADU owners to explore effective incentives for higher rate of rental. (LT – APCA, P)</p> <p>1.c Determine the relative value of the City’s ADU and County CDU programs versus other mitigation methods. If the programs are determined to be ineffective, then discontinue the programs. (I – APCA, P)</p> <p>1.d Determine whether new incentives or occupancy requirements are effective in generating a substantially higher rate of rental, or discontinue ADU and/or CDU program. (LT – APCA, P)</p> <p>2.a Amend the city and county land use code to ensure that new ADUs and CDUs are occupied by local workers, rather than remaining vacant. (LT – P, AO)</p> <p>2.b Investigate opportunities for requiring deed restricting and transferring to qualified owners new ADUs &amp; CDUs. (LT – P, AO)</p>

<b>V. PRIVATE SECTOR MITIGATION POLICIES</b>	<b>V. PRIVATE SECTOR MITIGATION ACTION ITEMS</b>
<p>1. All new development should provide 100% employee mitigation on site, while allowing for partial exemptions for projects with <i>community benefits</i> as defined in the Growth Management Quota System.</p>	<p>1.a City and County shall conduct updated study on job generation impacts that include all types of development, including part-time and full-time residential development and redevelopment. The study should include consideration of different property types and neighborhoods, and should be updated as needed. (I-P, APCHA)</p> <p>1.b Establish and codify a ranked list of <i>community benefits</i> that will be used to objectively evaluate development proposals. Development that offers <i>community benefits</i> may be partially exempt from full mitigation. (I – P)</p> <p>1.c Develop and codify review standards that allows the mix of on-site versus off-site community housing to be evaluated objectively based on the <i>community benefits</i> list. (I – P)</p> <p>1.d Amend the city and county codes to incorporate the 100% mitigation policy and job generation study (see1.a), while allowing for exemptions for projects with <i>community benefits</i>. (I-P)</p> <p>1.e Establish and adopt an objective “points” system in growth management and/or a pacing system for all development that encourages <i>community benefits</i>.. (I – P)</p> <p>1.f Amend the APCHA Guidelines and Land Use Code to require that the Category of housing mitigation matches the income level of the jobs created by the development. (I – APCHA. P)</p> <p>1.g Amend APCHA Housing Guidelines to establish an increased rate for payment-in-lieu of housing that reflects the total cost of development.(LT - APCHA)</p>

Exhibit B

	<p>1.h Amend city and county code to require housing mitigation to be built prior to or concurrent with the development that generates it. (I – P)</p> <p>1.i Review city and county land use codes to ensure that public sector projects are subject to housing mitigation requirements. (I – P)</p>
<p><b>VI. NEW CONSTRUCTION POLICIES</b></p> <p>1. Ensure that new Community Workforce Housing optimizes density and is compatible with the massing, scale and character of the neighborhood.</p> <p>2. Enhance our community by integrating Community Workforce Housing into the fabric of our town.</p>	<p><b>VI. NEW CONSTRUCTION ACTION ITEMS</b></p> <p>1.a Amend the city and county land use codes to establish policies 1 and 2 as standards of review for new Community Workforce Housing development. (I – P)</p> <p>1.b Amend city Residential Design Standards to ensure that all new development (both free-market and Community Workforce Housing) is compatible with the massing, scale and character of the neighborhood. (I – P)</p> <p>1.c Amend the city and county land use codes to ensure that residential development in mixed-use projects is compatible with the massing, scale and character of the neighborhood. (I – P)</p> <p>2.a Examine city and county land use codes to ensure they enable housing to be distributed throughout existing and new neighborhoods. (I – P)</p> <p>2.b Create a prioritized list of location attributes for Community Workforce Housing.</p>

Exhibit B

<p>3. Community Workforce Housing should be located within the UGB. (I – P)</p> <p>4. Housing should emphasize quality construction and design even if that emphasis increases costs and lessens production.</p> <p>5. Ensure that residents of Community Workforce Housing and free-market housing in the same neighborhood are treated fairly, equally, and consistently regarding quality of life issues.</p>	<p>2.c Add the location of Community Workforce Housing to the list of <i>community benefits</i> (see Action Item VIII.1.a in Managing Growth)</p> <p>3.a Amend the city and county land use codes to require all projects within the UGB provides mitigation to be located within the UGB. (I – P)</p> <p>3.b Establish criteria or attributes that help identify and rank desirable housing locations. (See Section III, Action Item 1.a) (I – P)</p> <p>4.a Amend the Housing Guidelines to establish standards for materials, equipment and utility systems that emphasize durability, environmental stewardship, and winter safety. Allow for amendments to keep pace with technological improvements. (I – APCHA, P, B, EH)</p> <p>4.b Amend Housing Guidelines to establish livability standards that promote a pride of living in Community Workforce Housing. These should include sound proofing, and storage that meets the needs of a community that enjoys an active, outdoor lifestyle. (I – APCHA)</p> <p>5.a. During the review of a new Community Workforce Housing development, the prohibitions, constraints, and permissions generally found in the neighborhood (i.e. parking, pets, etc) should be consistently applied to the proposal. New Community Workforce Housing development must not be the subject of discrimination. (I – P)</p>
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Exhibit B

Staff Note: include list of “community benefits” in the final layout.

Community Benefits list from Managing Growth:

Pace construction activity to ensure that it does not degrade the quality of life based on the following principles:

- Regulate the pace of residential demolition and replacement (“scrape and replace” development)
- Place higher community value on older properties that have not undergone significant changes
- Respect quiet enjoyment of our neighborhoods
- Create an objective, fair growth management and pacing systems
- Discourage increases in home size
- Encourage deed restricted housing
- Encourage net zero emissions
- Encourage “Essential Commercial”
- Encourage diverse lodging inventory

## **DRAFT AACP HOUSING CHAPTER**

### **DEFINITION**

Affordable Housing – “Community Workforce Housing: Housing that is created to support a healthy year-round community and a healthy workforce.”

### **VISION**

Community Workforce Housing is the cornerstone for our strong year-round community and a healthy economy.

### **PHILOSOPHY**

Community Workforce Housing ensures there is a reliable workforce in the Aspen area, encouraging environmental and economic sustainability. The creation of Community Workforce Housing is the responsibility of government and the private sector. Community Workforce Housing is a privilege and carries with it responsibility such as long-term maintenance and regulatory compliance.

### **BENEFITS**

Community Workforce Housing provides:

- Opportunities for people to live where they work, therefore, reducing adverse transportation impacts and growth pressures throughout the Roaring Fork Valley.
- A vested and stable community.
- Lights-on neighborhoods.
- Increased citizen participation.
- Better visitor experience, resulting in an appreciation of our local identity.
- A more diverse community, including singles, families and seniors.

## BACKGROUND

Separate City and County housing programs were in place and operating in 1974.

In the early 1980's a citizen panel recommended the two entities join and work under combined auspices of the city and county.

The joint city and county housing program became the Housing Authority in 1988, and as such enjoyed the rights and responsibilities of a typical Housing Authority. The primary funding was through a small Aspen sales tax and, more importantly an Aspen Real Estate Transfer Tax.

Later, as a reaction to the growing use of Real Estate Transfer Taxes throughout the state, a new amendment to the state constitution prohibited the implementation of any further such taxes. Aspen was "grandfathered" for RETT's and continues to use them to raise the bulk of the revenue for the generation of workforce housing by the city (a second RETT exists in the city for the Wheeler Opera House). Pitkin County had no such RETT when the prohibition took effect, and only generated small sums of revenue for workforce housing mitigation through a modest "Payment in Lieu" fee. Recently Pitkin County has implemented an impact fee for housing that is generating more substantial revenue for housing.

In 2001 the State enacted a new statute (29-1-204.5) which granted the ability to form Multi-Jurisdictional Housing Authorities with specific powers to raise revenue variously through sales tax, use tax, or both. Additionally ad valorem (property) tax and/or a development impact fee are permitted revenue sources.

The Aspen/Pitkin County Housing Authority (APCHA) was already Multi Jurisdictional prior to the state legislation, and because of its RETT has, thus far, never asked the county voters to approve the use of any of the other of the funding sources provided to it by the 2001 legislation.

APCHA operates under the 4<sup>th</sup> Amended Intergovernmental Agreement between Aspen and Pitkin County. In 2002, APCHA was restructured following the completion of the Housing Master Plan and a new IGA was adopted by CC and BOCC. This restructure removed the housing development function from APCHA and placed it under the City of Aspen Asset Management Department.

## Exhibit C

APCHA no longer has the development staff needed to plan and build workforce housing nor to provide that service for the county as it did in the past.

Currently, APCHA is principally involved in the qualification, sales, and enforcement of the workforce housing program and is involved to one degree or another in the oversight of over 2,800 units of deed restricted, workforce housing. Through its Board of Directors, alone, or in concert with other housing entities, APCHA suggests new policy, programmatic changes, legislation, or makes housing recommendations, to the city, county or state.

### **ON THE HORIZON**

- Lending practices are changing, resulting in new and, at times, difficult financing practices.
- Frequently, the Colorado State and Housing pass compliance legislation for the Colorado Common Interest Ownership Act (CCIOA).
- In addition to the capital reserve policy and member compliant policy requirements, there may be legislation requiring levels of funding an concerning association members' rights.
- APCHA should vigorously pursue requiring all associations to adopt CCIOA.
- A legal special will be needed to review documents and policies.

OBJECTIVES & ACTION ITEMS

**Objectives**

**Action Items**

I. SUSTAINABILITY AND MAINTENANCE	I. SUSTAINABILITY AND MAINTENANCE
<p><b>I.1 <u>Capital Reserves:</u> All Community Workforce Housing (CWH) under APCA complete a current Capital Reserve Study and do subsequent updates in a timely manner as established in that study.</b></p>	<p><b>I.1a Create a requirement of HOAs having a Capital Reserve Study, plan and adequate assessments for maintenance and reserves for significant capital projects.</b></p> <p><b>I.1b City and County conduct Capital Reserve Studies of publically owned rental inventory that sets priorities for maintenance of existing housing stock.</b></p>
<p><b>I.2 <u>Utilization:</u> Ensure all deed-restricted housing units are utilized to the maximum degree.</b></p>	<p><b>I.2a Update and unify deed restrictions as practically possible upon new sales.</b></p> <p><b>I.2b Review seasonal and rental usage of CWH.</b></p>
<p><b>I.3 <u>Materials:</u> Emphasize the use of durable and environmentally responsible materials, while recognizing the realistic lifecycle of the buildings.</b></p>	<p><b>I.3a Create incentives for Community Workforce Housing residents to improve the energy efficiency and safety of their units.</b></p>
<p><b>I.4 <u>Lifecycle:</u> Generate longest possible use with regard to functionality and obsolescence.</b></p>	<p><b>I.4a Conduct a cost/benefit study of housing inventory to determine maintaining vs. rebuilding existing housing stock.</b></p>

<p><b>I.5 <u>Education</u>: Educate homeowners prior to purchase of CWH</b></p>	<p><b>I.5a</b> Require professional home inspections by CWH home buyers when housing units are bought.</p> <p><b>I.5b</b> Create and implement an education program for buyers and existing owners of CWH that includes the goals of the program, funding, historic community trade-offs, buyer’s rights and obligations, and homeowner’s responsibility to maintain units, including financial ramifications.</p>
<p><b>II. DEVELOPMENT &amp; PROGRAM NEEDS</b></p> <p>II.1 <u>Qualification criteria</u>: Ensure applicants understand “all” costs and ongoing expenses related to living in CWH.</p> <p>II.2 <u>Categories</u>: Ensure the housing inventory bolsters our economic and social diversity.</p> <p>II.3 <u>Retirees</u>: Ensure Community Workforce Housing is prepared for the growing number of retirees.</p> <p><b>II.4 <u>Public v Private Development</u>: The City and the County should look to create new formats to initiate</b></p>	<p><b>II. DEVELOPMENT &amp; PROGRAM NEEDS</b></p> <p>II.1a Revise APCHA guidelines to promote applicants purchase within their means.</p> <p>II.2a Review and revise APCHA guidelines to reflect current and future (3-5 year projections) needs for specific categories.</p> <p>II.2b Create options to provide greater flexibility for movement of existing residents within APCHA inventory to accommodate shifts in housing needs.</p> <p>II.3a Gather data on the current and future trend of retiring Aspenites in CWH.</p> <p>II.3b Explore the opportunity for a new senior housing development that ranges from independent living to assisted living.</p> <p><b>II.4a</b> Create a “<u>small</u>” task force of people who possess the skill set needed to complete the task while representing the City,</p>

<p><b>private involvement in housing development.</b></p> <p>II.5 <u>Rental v ownership</u>: Ensure there is a variety of housing options.</p> <p>II.6 <u>Accessory Dwelling Unit &amp; Caretaker Dwelling Unit (ADU/CDU)</u>: Review existing program and determine future.</p> <p>II.7 <u>Seasonal Housing</u>: Adequate seasonal rental housing should be provided by and managed by the employers who use it.</p>	<p><b>County and the private sector in the development of CWH.</b></p> <p>II.5a Reinvestigate current mix, categories, and incentives for each program to ensure opportunities for a broad spectrum of workers.</p> <p>II.5b Study the model used by Aspen Volunteer Fire Department for possible implementation.</p> <p>II.6a Discontinue ADU and/or CDU program (OR) establish new incentives or occupancy requirements to generate increased utilization of units.</p> <p>II.7a Create a “small” task force of interested parties to explore the creation of new seasonal rental housing.</p> <p>II.7b Place greater responsibility on employers for the management and use of existing seasonal housing.</p>
<p><b>III. DEVELOPMENT &amp; FUNDING</b></p> <p>III.1 <u>Public</u>: Ensure maximum return on investment for publically funded housing.</p>	<p><b>III. DEVELOPMENT &amp; FUNDING</b></p> <p>III.1a Develop a list of potential funding options.</p> <p>III.1b Prioritize potential building site locations within the Aspen UGB.</p> <p>III.1c Explore taxing through APCHA as an option to fund CWH.</p> <p>III.1d Identify all housing that carries expiration on its deed-restrictions, such as Centennial, Castle Ridge.</p>

<p><b>III.2 <u>Private:</u> Entice private development to incorporate public housing</b></p>          <p><b>III.3 <u>Public/Private Partnerships:</u> Create Win-Win development scenarios.</b></p>	<p><b>III.1e</b> Review potential negotiation options to convert the deed restrictions to apply in perpetuity to the greatest extent possible.</p> <p><b>III.1f</b> Actively review state law, and lobby when appropriate to affect decisions related to developing and funding CWH.</p> <p><b>III.2a</b> Continue to promote private development, and strategy for facilitation, to ensure attendance by engaging developers.</p> <p><b>III.2b</b> Develop short and long term strategies.</p> <p><b>III.2c</b> Investigate potential to expedite specific projects through the development and construction phase.</p> <p><b>III.3a</b> Continue to promote Public/Private Partnerships, and strategy for facilitation, to ensure attendance by engaging public and private development opportunities.</p> <p><b>III.3b</b> Develop short and long term strategies.</p>
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<p>III.4 <u>Grants/FHA Approvals</u>: Create opportunities for grants or FHA approval for loans.</p> <p><b>IV. LAND USE &amp; ZONING</b></p> <p>IV.1 <u>Mitigation</u>: To determine on-site (vs.) off-site mitigation benefits and cost, and level of mitigation appropriate to the project.</p> <p>IV.2 <u>Design</u>: Ensure new Community Workforce Housing optimizes density and is compatible with the massing, scale and character of the neighborhood.</p>	<p>III.4a Research potential to obtain grants, FHA compliance, and other entitites, i.e., CORE.</p> <p><b>IV. LAND USE &amp; ZONING ACTION ITEMS</b></p> <p>IV.1a Continue to promote versus off-site community housing to be evaluated objectively.</p> <p>IV.1b Amend the city and county codes:              IV.1b.1 - to accommodate the Categories of housing mitigation to match the income level of the jobs created within a 3-5 year period by development, or revise payment-in-lieu rates.              IV.1b.2 - to require housing mitigation to be built prior to or concurrent with the development that generates it.              IV.1b.3 - to ensure that public sector projects are subject to housing mitigation requirements.</p> <p>IV.1d Amend the city and county land use code to ensure that new ADUs and CDUs are occupied by local workers, rather than remaining vacant.</p> <p>IV.2a Discuss the merits of Community Workforce Housing located within the UGB v expanding the development boundaries.</p> <p>IV.2b Amend City and County design standards to ensure new CWH development and mixed-use projects (free-market and CWH) are compatible with the massing, scale and character of the neighborhood.</p>
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<p>IV.3 <u>New Construction</u>: Community Workforce Housing will be designed for green efficiencies to achieve the highest LEADS rating.</p>	<p>IV.3a Amend Guidelines to establish standards for materials, equipment and utility systems that emphasize durability, environmental stewardship, and keep pace with technological improvements.</p>
<p>V. LEGAL</p> <p>V.1 <u>Compliance</u>: To ensure the rules, regulations and penalties of CWH are clear, understood and enforceable.</p> <p>V.2 <u>Intergovernmental Agreement (IGA)</u>: The City and County clarify the role and authority of APCHA in a revised IGA.</p> <p><b>V.3 <u>Governance</u>: Create a system between APCHA and Individual Homeowner’s Associates to ensure effective management of CWH assets.</b></p>	<p>V. LEGAL</p> <p>V.1a Guidelines (APCHA rules, regulations, and penalties) are rewritten in a clear and concise format</p> <p>V.1b Guidelines are made available on the APCHA website and available in hard copy on request.</p> <p>V.1c Enforcement methods are reviewed and revised with specific placement of authority, recognizing monitory resources needed to implement.</p> <p>V.2a A facilitated meeting by an independent party to review objectives, and determine how the IGA should operate.</p> <p><b>V.3a Develop documentation that outlines how APCHA and Associations will operate to protect community assets at the point of sale of a unit.</b></p> <p><b>V.3b Review local, state, and federal guidelines and laws related to Housing Association to ensure compliance.</b></p> <p><b>V.3c Develop and/or adopt a system to operate, such as CCIOA.</b></p>



## **DRAFT AACP HOUSING CHAPTER**

### **DEFINITION**

Affordable Housing – “Community Workforce Housing: Housing that is created to support a healthy year-round community and a healthy workforce.” (call out box)

### **VISION**

Community Workforce Housing is the cornerstone for our strong year-round community and a healthy economy.

### **PHILOSOPHY**

Community Workforce Housing ensures there is a reliable workforce in the Aspen area, encouraging environmental and economic sustainability. The creation of Community Workforce Housing is the responsibility of the entire community, not just the government. Community Workforce Housing is a privilege and carries with it responsibility such as long-term maintenance and regulatory compliance.

It is important to continue to provide Community Workforce Housing because it creates:

- Opportunities for people to live where they work, therefore, reducing adverse transportation impacts and growth pressures throughout the Roaring Fork Valley.
- A stable community that is invested in the future of the Aspen Area.
- Lights-on neighborhoods.
- Increased citizen participation.
- A better visitor experience, resulting in an appreciation of our local identity.
- A more diverse community, including singles, families and seniors.

As the community continues to provide Community Workforce Housing, it is important to recognize and understand the challenges on the horizon. Frequently, our state government passes compliance legislation for the [Colorado Common Interest Ownership Act](#)

Exhibit D

(CCIOA). We must continue to track these changes and update our housing policies on a timely basis. APCA should vigorously pursue promote adoption by existing associations, and require new associations to adopt CCIOA. In addition to the capital reserve policy and member compliance policy requirements, there may be legislation requiring levels of funding and association members' rights. Because of the changing legal framework, special legal counsel may be needed to review documents and policies. In addition, lending practices are changing, resulting in new and potentially difficult financing practices.

Continuing economic pressures in the form of high real estate prices, shifts in the national economy, limited public funds, and limited available land in the geographical "bowl" at the top of the Roaring Fork Valley are all critical factors in our ongoing effort to maintain a healthy housing program. We cannot solely build our way out of this problem -- we should also be using our existing buildings and housing stock more effectively.

We need to focus our efforts on growth policies that limit or reduce the need for more housing. These policies could include expanding our ability to limit annual growth, maximizing our ability to require housing mitigation, and limiting the types of uses that result in excessive job generation. Unless new development clearly results in important community benefits, the developer must provide housing to offset the job generation by 100%, and our top priority is for such housing to be built on site.

We continue to believe, as was stated in the 2000 AACP, that, "Our housing inventory should bolster our economic and social diversity, reinforce variety, and enhance our sense of community by integrating affordable housing into the fabric of our town. A healthy social balance includes all income ranges and types of people. Each project should endeavor to further that mix and to avoid segregation of economic and social classes ... Housing should emphasize quality construction and design even if that emphasis increases costs and lessens production."

**BACKGROUND – use as a call-out box**

Separate City and County housing programs were in place and operating in 1974.

In the early 1980's a citizen panel recommended the two entities join and work under combined auspices of the city and county.

The joint city and county housing program became the Housing Authority in 1988, and as such enjoyed the rights and responsibilities of a typical Housing Authority. The primary funding was through a small Aspen sales tax and, more importantly an Aspen Real Estate Transfer Tax.

**Comment [j1]:** Define in a call-out box: The Colorado Common Interest Ownership Act (CCIOA) was created by the Colorado State Legislature and became effective on July 1, 1992. All HOA's created after July 1, 1992 are bound by this Act. It was created to promote the availability of funds for financing the development of such homeowner associations by enabling lenders to extend the financial services to a greater market on a safer, more predictable basis because of standardized practices and prudent insurance and risk management obligations. The Act helps to protect the rights of each homeowner.

**Comment [j2]:** Added from the original P&Z draft

Exhibit D

Later, as a reaction to the growing use of Real Estate Transfer Taxes throughout the state, a new amendment to the state constitution prohibited the implementation of any further such taxes. Aspen was “grandfathered” for RETT’s and continues to use them to raise the bulk of the revenue for the generation of workforce housing by the city (a second RETT exists in the city for the Wheeler Opera House). Pitkin County had no such RETT when the prohibition took effect, and only generated small sums of revenue for workforce housing mitigation through a modest “Payment in Lieu” fee. Recently Pitkin County has implemented an impact fee for housing that is generating more substantial revenue for housing.

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APCHA operates under the 4<sup>th</sup> Amended Intergovernmental Agreement between Aspen and Pitkin County. In 2002, APCHA was restructured following the completion of the Housing Master Plan and a new IGA was adopted by CC and BOCC. This restructure removed the housing development function from APCHA and placed it under the City of Aspen Asset Management Department.

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POLICIES& ACTION ITEMS

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Exhibit D

I. SUSTAINABILITY AND MAINTENANCE POLICIES	I. SUSTAINABILITY AND MAINTENANCE ACTION ITEMS
<p><b>1. Require All Community Workforce Housing (CWH) under APCHA to complete a current Capital Reserve Study and provide subsequent updates in a timely manner as established in that study.</b></p> <p>2. Ensure all deed-restricted housing units are utilized to the maximum degree possible.</p> <p>3. Emphasize the use of durable and environmentally responsible materials, while recognizing the realistic lifecycle of the buildings.</p> <p>4. Ensure all deed-restricted housing units are used and maintained for as long as possible, while regarding functionality and obsolescence.</p> <p><b>5. Provide educational opportunities to potential and current homeowners regarding the rights, obligations, and</b></p>	<p><b>1.a Create a requirement of HOAs having a Capital Reserve Study, plan and adequate assessments for maintenance and reserves for significant capital projects. (I – APCHA)</b></p> <p><b>1.b Conduct Capital Reserve Studies of publically owned rental inventory that sets priorities for maintenance of existing housing stock. (I – APCHA, City and County Managers)</b></p> <p>2.a Update and unify deed restrictions as practically possible upon new sales. (I – APCHA)</p> <p>2.b Review seasonal and rental usage of CWH. (I – APCHA)</p> <p>3.a Create incentives for Community Workforce Housing residents to improve the energy efficiency and safety of their units. (I – APCHA, EH, Canary, B)</p> <p>3.b Amend the Housing Guidelines to establish standards for materials, equipment and utility systems that emphasize durability, environmental stewardship, and winter safety. Allow for amendments to keep pace with technological improvements. (I – APCHA, P, B, EH)</p> <p>4.a Conduct a cost/benefit study of housing inventory to determine maintaining vs. rebuilding existing housing stock. (I – APCHA)</p> <p><b>5.a Require professional home inspections by CWH home buyers when housing units are purchased. (I – APCHA)</b></p>

<p><b>responsibilities of homeownership.</b></p>	<p><b>5.b Create and implement an education program for buyers and existing owners of CWH that includes the goals of the program, funding, historic community trade-offs, buyer’s rights and obligations, and homeowner’s responsibility to maintain units, including financial ramifications. (I – APCHA)</b></p>
<p><b>II. DEVELOPMENT &amp; PROGRAM NEEDS POLICIES</b></p> <p>1. Ensure applicants understand all costs and ongoing expenses related to living in CWH, including taxes, heating and water rates, snow removal, special assessments, etc.</p> <p>2. Ensure the housing inventory bolsters our economic and social diversity.</p> <p>3. Ensure Community Workforce Housing is prepared for the growing number of retirees.</p> <p><b>4. Create new formats to initiate private involvement in housing development.</b></p>	<p><b>II. DEVELOPMENT &amp; PROGRAM NEEDS ACTION ITEMS</b></p> <p>1.a Revise APCHA guidelines to ensure applicants can only purchase the category that is within their financial means. (I – APCHA)</p> <p>2.a Review and revise APCHA guidelines to reflect current and future (3-5 year projections) needs for specific categories. (I – APCHA)</p> <p>2.b Create options to provide greater flexibility for movement of existing residents within APCHA inventory to accommodate shifts in housing needs. (I – APCHA)</p> <p>3.a Gather data on the current and future trend of retiring Aspenites and analyze the potential impacts on CWH. (LT – APCHA)</p> <p><b>4.a Establish a “small” task force of people who possess the skill set needed to complete the task while representing the City, County and the private sector in the development of CWH. (I – APCHA, Housing Frontiers, City and County Managers, private sector, taxing districts)</b></p>

Exhibit D

<p>5. Ensure there are a variety of housing options.</p> <p>6. Review existing Accessory Dwelling Unit &amp; Caretaker Dwelling Unit (ADU/CDU) programs and determine their future.</p> <p>7. Ensure adequate seasonal rental housing is provided by and managed by the employers who use it.</p>	<p>4.b Explore the creation of a program where the city or county would provide a tax benefit, payment or life estate planning or other financial incentive to a free-market homeowner to include their property in the city/county’s land banking of future Community Workforce Housing. (I – City Manager, County Manager)</p> <p>4.c Explore creating a program for short-term deed restrictions. (I – APCHA)</p> <p>5.a Reinvestigate current mix, categories, and incentives for each program to ensure opportunities for a broad spectrum of workers. (I – APCHA)</p> <p>5.b Study the model used by Aspen Volunteer Fire Department for possible implementation. (I – APCHA)</p> <p>6.a Determine the relative value of the City’s ADU and County CDU programs versus other mitigation methods. If the programs are determined to be ineffective, then discontinue the programs or establish new incentives or occupancy requirements to generate increased utilization of units. (I – APCHA, P)</p> <p>7.a Create a “small” task force of interested parties to explore the creation of new seasonal rental housing. (I – APCHA, Housing Frontiers, City and County Managers, private sector)</p> <p>7.b Place greater responsibility on employers for the management and use of existing seasonal housing. (I – APCHA, City and County Managers, private sector)</p>
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Exhibit D

<p>8. Re-evaluate buy-down units as a form of mitigation.</p>	<p>8.a Amend the city and county land use codes to clarify the parameters of buying down a unit. (I – P, APCHA)</p> <p>8.b Conduct a study to determine the financial feasibility of the public sector engaging in the buy-down of free-market units compared to constructing new free-market units. (LT – P, APCHA)</p>
<p><b>III. DEVELOPMENT &amp; FUNDING POLICIES</b></p> <p>1. Ensure maximum return on investment for publically funded housing.</p> <p><b>2. Encourage private developers to incorporate public housing in their developments</b></p>	<p><b>III. DEVELOPMENT &amp; FUNDING ACTION ITEMS</b></p> <p>1.a Evaluate current funding sources for sustainability and develop a list of potential funding options. (I – APCHA, City and County Managers)</p> <p>1.b Prioritize potential building site locations within the Aspen UGB. (I – APCHA, City and County Managers)</p> <p>1.c Explore APCHA’s taxing authority as an option to fund CWH. (I – APCHA)</p> <p>1.d Update housing cash-in-lieu fees to reflect market development rates. (I – APCHA)</p> <p>1.e Identify all housing that carries expiration on its deed-restrictions, such as Centennial, Castle Ridge, and evaluate the feasibility of keeping them in the inventory. (I – APCHA, City and County Managers)</p> <p>1.f Review potential negotiation options to convert the deed restrictions to apply in perpetuity to the greatest extent possible.</p>

**Comment [J3]:** Note this is a re-worked version of the buy-down section that was in the original P&Z draft.

Exhibit D

<p>3. Establish public-private partnerships to create Win-Win development scenarios.</p> <p>4. Create opportunities for grants or FHA approval for loans.</p>	<p><b>2.a Continue to promote private development, and strategy for facilitation, to ensure attendance by engaging developers. (I – APCHA, Housing Frontiers, City and County Managers, private sector)</b></p> <p><b>2.b Develop short and long term strategies to support the policy. (LT – APCHA, Housing Frontiers, City and County Managers, private sector)</b></p> <p><b>2.c Investigate the potential of expediting specific projects through the development and construction phase. (I – P, B, APCHA)</b></p> <p><b>3.a Continue to promote Public/Private Partnerships and a strategy for facilitation to ensure attendance by engaging public and private development opportunities. (I – APCHA, Housing Frontiers, City and County Managers, private sector)</b></p> <p><b>3.b Develop short and long term strategies to support the policy. (LT – APCHA, Housing Frontiers, City and County Managers, private sector)</b></p> <p>4.a Research the potential to obtain grants from FHA and other entities and if FHA compliance is required. (I – APCHA)</p>
<p><b>IV. LAND USE &amp; ZONING POLICIES</b></p> <p>1. Determine the costs and benefits of on-site (vs.) off-site mitigation, and level of mitigation appropriate to the project.</p>	<p><b>IV. LAND USE &amp; ZONING ACTION ITEMS ACTION ITEMS</b></p> <p>1.a Continue to promote on-site versus off-site community housing to be evaluated objectively. (I – P, APCHA)</p>

**Comment [J4]:** Note that this is different than the original mitigation policy in the P&Z draft (pasted below as Section VI, Mitigation)

Exhibit D

<p>2. Ensure the design of new Community Workforce Housing optimizes density and is compatible with the massing, scale and character of the neighborhood.</p> <p>3. Ensure all Community Workforce Housing is designed for the highest energy efficiency and livability.</p>	<p>1.b Amend the city and county codes:            1b.1 - to accommodate the Categories of housing mitigation to match the income level of the jobs created within a 3-5 year period by development, or revise payment-in-lieu rates.            1b.2 - to require housing mitigation to be built prior to or concurrent with the development that generates it.            1b.3 - to ensure that public sector projects are subject to housing mitigation requirements.            (I – APCA, P)</p> <p>1.d Amend the city and county land use code to ensure that new ADUs and CDUs are occupied by local workers, rather than remaining vacant. (I – P, AO)</p> <p>2a Discuss the merits of locating Community Workforce Housing outside the Aspen Area UGB. (I – APCA, housing Frontiers, City &amp; County Manager)</p> <p>2b Amend City and County codes to ensure that all new development (free-market housing and CWH) is compatible with the massing, scale and character of the neighborhood. (I – P)</p> <p>3a Amend the Housing Guidelines to establish standards for materials, equipment and utility systems that emphasize durability, environmental stewardship, and keep pace with technological improvements. (I – APCA)</p> <p>3.b Amend the Housing Guidelines to establish livability standards that promote a pride of living in Community Workforce Housing. These should include sound proofing, and storage that meets the needs of a community that enjoys an active, outdoor lifestyle. (I –</p>
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**Comment [J8]:** Note that this is different than the policy added below as # 4 (from the original P&Z draft)

Exhibit D

<p>4. Community Workforce Housing should be located within the UGB.</p>	<p>APCHA)</p> <p>4.a Amend the city and county land use codes to require all projects within the UGB provides mitigation to be located within the UGB. (I – P)</p>
<p>5. Ensure that residents of Community Workforce Housing and free-market housing in the same neighborhood are treated fairly, equally, and consistently regarding quality of life issues.</p>	<p>4.b Establish criteria or attributes that help identify and rank desirable housing locations. (See Section III, Action Item 1.a) (I – P)</p> <p>5.a. During the review of a new Community Workforce Housing development, the prohibitions, constraints, and permissions generally found in the neighborhood (i.e. parking, pets, etc) should be consistently applied to the proposal. New Community Workforce Housing development must not be the subject of discrimination. (I – P)</p>
<p>6. Track trends in housing inventory and job generation to better inform public policy discussions.</p>	<p>6.a Develop and implement a system to reliably track the gain and loss in free-market workforce housing. (I – P, City Manager, County Manager, APCHA)</p> <p>6.b Develop and implement a system to reliably track the number of jobs in the Aspen Area (I – P, City Manager, County Manager, APCHA)</p> <p>6.c Review recent build-out studies within the UGB and complete as necessary. When job generation studies are completed (see Managing Growth Section VII 1.b), combine these with build-out reports, Census tracking and State Demographer’s Office reports to improve our ability to project demand for Community Workforce Housing. (LT – P)</p>

Comment [J5]: Added from original P&Z draft

Comment [J6]: Added from original P&Z draft

Comment [J7]: Added from original P&Z draft

VI. MITIGATION POLICIES	VI. MITIGATION ACTION ITEMS
<p>1. All new development should provide 100% employee mitigation on site, while allowing for partial exemptions for projects with <i>community benefits</i> as defined in the Growth Management Quota System.</p>	<p>1.a The City and County shall conduct updated study on job generation impacts that include all types of development, including part-time and full-time residential development and redevelopment. The study should include consideration of different property types and neighborhoods, and should be updated as needed. (I-P, APCHA)</p> <p>1.b Establish and codify a ranked list of <i>community benefits</i> that will be used to objectively evaluate development proposals. Development that offers <i>community benefits</i> may be partially exempt from full mitigation. (I – P)</p> <p>1.c Develop and codify review standards that allows the mix of on-site versus off-site community housing to be evaluated objectively based on the <i>community benefits</i> list. (I – P)</p> <p>1.d Amend the city and county codes to incorporate the 100% mitigation policy and job generation study (see 1.a), while allowing for exemptions for projects with <i>community benefits</i>. (I-P)</p> <p>1.e Establish and adopt an objective “points” system in growth management and/or a pacing system for all development that encourages <i>community benefits</i>. (I – P)</p> <p>1.f Amend the APCHA Guidelines and Land Use Code to require that the Category of housing mitigation matches the income level of the jobs created by the development. (I – APCHA. P)</p> <p>1.g Amend APCHA Housing Guidelines to establish an increased</p>

Comment [J9]: Added from original P&Z draft

Exhibit D

	<p>rate for payment-in-lieu of housing that reflects the total cost of development.(LT - APCHA)</p> <p>1.h Amend city and county code to require housing mitigation to be built prior to or concurrent with the development that generates it. (I – P)</p> <p>1.i Review city and county land use codes to ensure that public sector projects are subject to housing mitigation requirements. (I – P)</p>
<p><b>V. LEGAL POLICIES</b></p> <p>1. Encourage compliance in Community Workforce Housing by ensuring the rules, regulations and penalties of CWH are clear, understood and enforceable.</p> <p>2. Clarify the roles and authority of APCHA in a revised City-County Inter-governmental Agreement (IGA)</p>	<p><b>V. LEGAL ACTION ITEMS</b></p> <p>1.a Rewrite the Housing Guidelines (APCHA rules, regulations, and penalties) in a clear and concise format. (LT – APCHA)</p> <p>1.b Ensure the Housing Guidelines are made available on the APCHA website and available in hard copy on request. (I – APCHA)</p> <p>1.c Review and revise enforcement methods with specific placement of authority, recognizing monitory resources needed to implement. (I – APCHA)</p> <p>1.d Hire special legal counsel, as necessary, to review documents and policies (LT – APCHA)</p> <p>2.a Review the objectives of the IGA and determine how the IGA should operate. This should be a meeting that is facilitated by an independent party.</p>

Exhibit D

<p><b>3. Create a formal governance/management system between APCA and Individual Homeowner’s Associates to ensure effective management of CWH assets.</b></p>	<p><b>3.a Develop documentation that outlines how APCA and Associations will operate to protect community assets at the point of sale of a unit. (I – APCA)</b></p> <p><b>3.b Review local, state, and federal guidelines and laws related to Housing Association to ensure compliance. (I – APCA)</b></p> <p><b>3.c APCA should vigorously pursue requiring all associations to adopt CCIOA. Develop and/or adopt a system to operate, such as CCIOA. (I – APCA)</b></p> <p>3.d Actively review state law, and lobby when appropriate to affect decisions related to developing and funding CWH. (LT – APCA, City &amp; County Managers)</p>
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