



MEMORANDUM

P.O. Box 4100, FRISCO, COLORADO 80443

**TO: MAYOR AND TOWN COUNCIL**  
**FROM: KATIE KENT, COMMUNITY DEVELOPMENT DIRECTOR**  
**RE: WORK SESSION: SUMMIT COMBINED HOUSING AUTHORITY PRESENTATION**  
**DATE: MAY 13, 2025**

**Summary:**

At the May 13<sup>th</sup> work session, Corrie Burr, Executive Director, of the Summit Combined Housing Authority (SCHA) will provide information to the Town Council on a variety of housing topics. The goal of the presentation is to educate the Council on Countywide workforce housing topics including funding, covenants (lottery resales, asset testing, resale calculations, and capital improvement caps), mobility in homeownership, and to provide recommendations moving forward. Attachment A contains the presentation that will be provided by Mrs. Burr at the May 13<sup>th</sup> work session. This presentation will include SCHA's recommendations on best practices to the Town Council; specifically:

- What is workforce housing?
  - SCHA will provide the reasoning behind workforce housing and why it is provided. This will include a brief overview of the Intergovernmental Agreement and use of 5A funds. The First Amendment to the Third Amended and Restated Intergovernmental Agreement is included as Attachment B. Please note that for 2024, the Town of Frisco contributed \$13,500 to SCHA.

Ballot language presented, and approved, by the community in 2006 stated:

AUTHORIZING A TEMPORARY SALES AND USE TAX OF ONE EIGHTH OF ONE PERCENT (.125%) AND A DEVELOPMENT IMPACT FEE OF TWO DOLLARS OR LESS PER SQUARE FOOT OF NEW CONSTRUCTION TO BE USED FOR AFFORDABLE HOUSING PURPOSES

SHALL THE SUMMIT COMBINED HOUSING AUTHORITY'S TAXES BE INCREASED \$1,400,000 ANNUALLY COMMENCING IN 2007, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER FOR A PERIOD OF TEN YEARS, FROM A ONE EIGHTH OF ONE PERCENT (0.125%) SALES AND USE TAX WITHIN SUMMIT COUNTY TO BE USED FOR AFFORDABLE HOUSING PURPOSES, AND SHALL THE HOUSING AUTHORITY ALSO BE AUTHORIZED TO

ESTABLISH A DEVELOPMENT IMPACT FEE OF TWO DOLLARS OR LESS PER SQUARE FOOT OF NEW CONSTRUCTION FOR AFFORDABLE HOUSING UNITS, AND SHALL THE LEVY AND FEE BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

Ballot language presented, and approved, by the community in 2021 stated:

*WITHOUT RAISING ANY ADDITIONAL TAXES, AUTHORIZING A 20-YEAR EXTENSION OF THE EXISTING SIX-TENTHS OF 1% WORKFORCE AND AFFORDABLE HOUSING SALES TAX AND LIMITING VENDOR FEES WITHOUT RAISING ANY ADDITIONAL TAXES. SHALL THE EXISTING SUMMIT COMBINED HOUSING AUTHORITY LEVY BE EXTENDED FOR 20 YEARS FOR AFFORDABLE HOUSING PURPOSES INCLUDING THE CONSTRUCTION OF WORKFORCE RENTAL AND OWNER-OCCUPIED HOUSING UNITS THROUGH AN EXTENSION OF THE EXISTING SIX-TENTHS OF 1% (0.6%) SALES TAX COMMENCING IN 2027, AND SHALL SECTION 6(F) OF THE SALES TAX RESOLUTION NO. 2016-02 BE AMENDED TO LIMIT THE MAXIMUM VENDOR FEE COLLECTED BY VENDORS TO A REASONABLE AMOUNT TO BE ESTABLISHED BY THE AUTHORITY, AND SHALL THE LEVY BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?*

Ballot language presented, and approved, by the community in 2016 stated:

*SHALL THE SUMMIT COMBINED HOUSING AUTHORITY'S TAXES BE INCREASED \$ 7,800,000.00 ANNUALLY COMMENCING IN 2017, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER FOR A PERIOD OF TEN YEARS, FROM A SIX TENTHS OF ONE PERCENT (0.6%) SALES TAX WITHIN SUMMIT COUNTY TO BE USED FOR AFFORDABLE HOUSING PURPOSES TO HELP LOCAL WORKERS AND THEIR FAMILIES CONTINUE TO LIVE IN OUR COMMUNITY, INCLUDING BUT NOT LIMITED TO CONSTRUCTING AFFORDABLE WORKFORCE RENTAL AND OWNER-OCCUPIED HOUSING UNITS, AND SHALL THE LEVY BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?*

- Covenants:
  - Lottery:
    - SCHA will provide factual information regarding how other local communities in the County handle extra tickets/priorities including

- tickets/priorities for residence and/or employment within defined geographic areas.
- SCHA will review their software capabilities for reviewing lottery entries and statistical analysis of how extra tickets have increased the odds for an entry being drawn.
- Resale Calculations:
  - Summit County AMI Table is included as Attachment C.
  - SCHA will answer questions that the Council may have on the Summit County AMI Table and provide information on how other local communities in the County state resale calculations.
- Capital Improvement Cap
  - SCHA will provide clarification on qualifying capital improvement caps (QCI's), and the impacts of allowing unlimited QCIs.
- Assets
  - SCHA will provide examples of how and when other jurisdictions perform asset testing.
- Mobility in Homeownership. Mrs. Burr will review maintaining vs. mobility with home ownership.
- SCHA Recommendations. Mrs. Burr will review SCHA best practices and recommendations.
  - Lottery for resales are recommended with use of priority entries to match Town of Frisco goals for workforce housing.
  - Resale calculations should not utilize the AMI table and should be a set appreciation amount.
  - Asset testing is not the best determining factor for affordability. If the Town chooses to have, it is recommended to be the value of the property, as that amount will change with resales. Asset testing can be difficult to manage.
  - Capital improvements are recommended to be limited to 10% of the initial purchase price every ten years with a depreciation schedule.
  - Real estate commission should be capped at 2%.
  - Income buffer is recommended at 20% to 40% to allow for fluctuations in interest rates and an ability to save and cover added expenses like college loans or medical bills.
  - Allow covenant changes to match a property or project goal/need.
  - Deed of Trust and Promissory Note should be added to appreciation capped properties. This is standard in other communities but the Town has not done before.
  - Use AMI for income, rental prices and for sale proformas only.
  - Add a right to inspect clause to covenant to ensure that a property, including appliances within the unit, are in good working condition for a resale.

As a reminder, the goal of the presentation is to educate the Council on Countywide workforce housing topics including funding, covenants (lottery resales, asset testing, resale calculations, and capital improvement caps), mobility in homeownership, and to provide recommendations moving forward. Additional work sessions specific to Frisco housing covenants are scheduled with Council and staff throughout the months of May through July, as most appropriate.

**Reviews and Approvals:** This report has been reviewed and approved by:

- Diane McBride, Assistant Town Manager
- Tom Fisher, Town Manager

**Attachments:**

- Attachment A – SCHA Presentation
- Attachment B - First Amendment to the Third Amended and Restated Intergovernmental Agreement
- Attachment C – **2025** Summit County Area Median Income (AMI)