

**TOWN OF FRISCO
COUNTY OF SUMMIT
STATE OF COLORADO
ORDINANCE 24-03**

AN ORDINANCE AMENDING CHAPTER 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING THE UNIFIED DEVELOPMENT CODE, BY AMENDING SECTION 180-5.5.1, CONCERNING AFFORDABLE HOUSING.

WHEREAS, the Town of Frisco, Colorado ("Town") is a home rule municipality, duly organized and existing under Article XX of the Colorado Constitution; and

WHEREAS, the Town has identified development of affordable housing in the community as a high priority; and

WHEREAS, the Town Council desires to amend the Unified Development Code in order to continue to provide code-based incentives to developers of affordable and workforce housing while retaining consistency with other types of development within the Town; and

WHEREAS, The Town Council held Public Hearings on February 13, 2024, and February 27, 2024, to receive public comment, evidence and testimony relative to the proposed amendments to the Frisco Town Code.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FRISCO THAT:

Section 1. Subsections 180-5.5.1.B and 5.5.1.C.3.a of the Frisco Town Code, concerning Affordable Housing Incentives, is hereby amended to read as follows:

180-5.5.1. INCENTIVES

B. *Density Bonuses.*

1. *Central Core, Gateway, Mixed-Use and Residential High Density Districts.* In the CC, GW, MU, and RH Districts, a density bonus over the maximum allowable density is available if approved by Planning Commission, provided that:
 - a. For projects that contain residential units being developed that are not restricted to affordable and/or workforce housing, A a minimum of 50 percent of the total number of bonus units is provided as affordable housing deed-restricted for occupancy for purchase to households earning up to a maximum 140 percent Area Median Income (AMI), or maximum 120 percent AMI for rental, with an average AMI not to exceed 100 percent at a rate established by the Summit Combined Housing Authority for that income level, and pursuant to the other criteria as established from time to time by the Town or the Summit Combined Housing Authority; or
 - b. For projects that are being developed with all residential units restricted to affordable and/or workforce housing, bonus units shall be provided as affordable deed-restricted housing being available for purchase or rent to households earning, on average, an income up to 120 percent of the Area Median Income (AMI), at a rate established by the Summit Combined Housing Authority for that income level, and pursuant to the other criteria as established from time to time by the Town or the Summit Combined Housing Authority; or

- ~~bc.~~ For each bonus dwelling unit allowed, at least two affordable housing units are provided on property outside of the subject property, but within the Town of Frisco or within one mile of any corporate limit of the Town of Frisco; or
- ~~ed.~~ A minimum of 50 percent of the total number of bonus units is provided as affordable housing restricted for rent in accordance with the Low-Income Housing Tax Credits (LIHTC) program requirements, with such units being nonetheless deed-restricted under the Town's standard covenant, to be effective only upon termination of the LIHTC restrictions.

2. *Density Bonus Requirements.*

- a. In order to qualify for the density bonus incentive of additional dwelling units in multifamily and/or mixed-use projects, each deed restricted affordable unit shall be no more than 15 percent smaller in gross floor area than the corresponding bonus market rate unit. Provided, however, that if the affordable housing units provided under any density bonus provision of this Chapter are located off the site of the subject property, then the foregoing requirement shall not apply and, instead, for every two off-site affordable units provided, the total combined floor area of such units shall, at a minimum, be equal to the floor area of the associated one on-site density bonus unit. Further provided, however, that in no instance shall an off-site affordable housing unit provided under any density bonus provision of this Chapter be less than 600 square feet in gross floor area.
- b. Every owner of an affordable housing unit shall ensure that each potential buyer of the unit is qualified for the purchase through the Summit Combined Housing Authority; ~~and any affordable housing unit established pursuant to any density bonus provision of this Chapter shall be marketed and offered solely through the Summit Combined Housing Authority.~~
- c. For each affordable housing unit that is provided under any density bonus provision of this Chapter and that is to be located on or off the site of the subject property, the required deed or covenant restriction for such unit shall be established and legally enforceable prior to the Town's issuance of a certificate of completion or a certificate of occupancy for the corresponding bonus market rate dwelling unit in the development project.

- 3. *Criteria for Approval.* Bonus units may be approved by the Planning Commission upon finding that the additional units, because of the structure's design, height, mass, and scale, do not detract from the character of the vicinity and small mountain town character.

C. *Affordable Housing Development Incentive Program.* The Affordable Housing Development Incentive Program encourages the voluntary preservation or development of new housing units, or preservation of existing dwelling units, for the local workforce through residential development incentives, in exchange for deed restriction of all of the housing units in the property. Designation of properties as an Affordable Housing Development will enhance the quantity and quality of affordable housing in the Town of Frisco through the use of incentives that allow increased flexibility in design in exchange for deed restricting all of the dwelling units as affordable housing.

- 1. *Applicability.* An owner of a property within the Town of Frisco may apply for an Affordable Housing Development designation. This designation is available in the GW, CC, MU, RH, RM and RL zone districts, and the underlying zone district will remain in effect. In order to qualify for the Affordable Housing Development designation, a property must meet the criteria in Section 180-5.5.1.C.3. Any

designation shall be in compliance with the purposes and criteria of this section. The entire property included in any Affordable Housing Development designation shall be subject to the controls and standards of this section. Any incentives described in this section may be requested and, if granted, applied to the entire development site; any incentives or designation not granted may be appealed as prescribed in the Unified Development Code.

2. *Application.* An application for designation as an Affordable Housing Development may be made by the owner or the development applicant with the owner's written consent. The request for designation shall be included with a Site Plan application submitted in accordance with Section 180-2.5. The Community Development Department shall review the application for conformance with the criteria in Section 180-5.5.1.C. A proposed development application qualifies for an Affordable Housing Development designation and is eligible for the incentives described in this section if it meets the requirements of this section.
3. *Criteria.* The criteria for designating properties as an Affordable Housing Development are as follows:
 - a. Each of the dwelling units within the development is restricted as permanently affordable through the Town of Frisco standard covenant. ~~The units shall be restricted for occupancy for purchase to households earning up to a maximum 140 percent Area Median Income (AMI), or maximum 120 percent AMI for rental, with an average AMI not to exceed 100 percent.~~ The units shall be restricted for occupancy by households earning, on average, an income that does not exceed the Area Median Income (AMI) by more than 120 percent (120% AMI). The draft deed restriction will be reviewed and approved as part of the Site Plan review; and
 - b. Except where allowances are permitted as described in the incentives section below, all zoning requirements and other development standards have been met.

INTRODUCED, PASSED ON FIRST READING AND PUBLICATION AND POSTING ORDERED THE 13TH DAY OF FEBRUARY 2024.

PASSED ON SECOND READING AND PUBLICATION AND POSTING ORDERED THIS 27TH DAY OF FEBRUARY 2024.

TOWN OF FRISCO, COLORADO:

Hunter Mortensen, Mayor

ATTEST:

Stacey Nell, Town Clerk