

**Town of Frisco
County of Summit
State of Colorado
RESOLUTION 23-20**

A RESOLUTION AMENDING THE “FRISCO HOUSING HELPS PROGRAM”

WHEREAS, in its 2020-2021 Strategic Plan, the Town Council has identified the goal “Increase Full-Time Residents to 50%” as a high priority under the guiding principle of “Creating an Inclusive Community”. Such goal is the foundation for developing and implementing housing initiatives to address workforce housing; and

WHEREAS, needs assessments of workforce housing conducted by the Summit Combined Housing Authority in 2013 and updated in 2016 and 2019 document a deficit of sufficient housing for locals, most specifically people who are employed in the Frisco community, significantly impacting the ability of businesses to recruit and retain employees who provide the goods and services that support a sustainable economy; and

WHEREAS, a recorded restrictive covenant limiting the use of real property for working people is commonly known as a “deed restriction;” and deed restrictions have successfully been used in Frisco to ensure that housing will be accessible and attainable to working people; and

WHEREAS, a deed restriction requiring that real property only be used to provide workforce housing is one tool that can be used to further the Town Council’s goal of providing more housing for the residents of the Town; and

WHEREAS, the Town Council finds and determines that the public interest will be furthered by the adoption and implementation of a program to acquire suitable deed restrictions on housing located within the Town of Frisco; and

WHEREAS, the Town Council passed Resolution 19-31 on August 27, 2019 to establish the “Frisco Housing Helps Program” and there is now a desire to clarify the parameters of that program; and

WHEREAS, the Town Council passed Resolution 21-17 on June 8, 2021 to amend the “Frisco Housing Helps Program” to allow purchase of deed restrictions from current property owners with no cap on household income or appreciation in home value; and

WHEREAS, the Town Council passed Resolution 22-07 on March 8, 2022 to allow collaboration with Summit County on the Housing Helps program; and

WHEREAS, the Frisco Housing Helps Program may take several forms, including, without limitation, the following:

- Option 1: Town purchases a deed restriction from a home buyer as a down-payment assistance program (buyers may include businesses) that limits occupancy to local workforce community members with no income cap, price appreciation cap, or household size requirement.

- Option 2: Town purchases a deed restriction from a current property owner (including businesses and developers) that limits occupancy to local workforce community members with no income cap, price appreciation cap, or household size requirement.
- Option 3: Town purchases a market rate or existing deed restricted housing unit and resells the property with a deed restriction limiting occupancy to local workforce community members. Income caps, price appreciation caps, and/or household size limits may be imposed at the discretion of the Town.
- Option 4: Town provides financial assistance to a current property owner to construct an accessory dwelling unit that is deed restricted under the terms of the affordable housing incentives of Section 180-5.5 of the Frisco Unified Development Code.
- Option 5: Town partners with Summit County to purchase a deed restriction from a current property owner (including businesses and developers) that limits occupancy to local workforce community members with no income cap, price appreciation cap, or household size requirement.
- Option 6: The Town purchases a deed restriction from a current property owner who has resided in the property as a principal residence for at least the previous seven (7) years, which restriction limits occupancy to local workforce community members with no income cap, price appreciation cap, or household size requirement, but which restriction does not apply to the current property owner with respect to work requirements, and will only apply those requirements to the next subsequent owner.

Within options 1 through 4, the deed restriction will generally parallel the Town's standard deed restriction covenant as it relates to an occupancy provision requiring the property be used as a primary residence by persons (and families) who are employed full time within one mile of the Ten Mile Basin of Summit County (30 hours/week average/year); and

With Option 5, the deed restriction will generally parallel the County's standard deed restriction covenant as it relates to an occupancy provision requiring the property be used as a primary residence by persons (and families) who are employed full time within Summit County (30 hours/week average/year); and

With Option 6, the deed restriction will be in substantially the form attached hereto. It is expected that the amount that will be paid for a deed restriction under option 6 will vary significantly from one owner to another based upon an estimate of the amount of time that will likely pass before the restriction will impose working requirements on the next subsequent owner. The greater the time period that will likely pass before the restriction imposes working requirements, the lesser the amount anticipated to be paid.

Deed restrictions associated with the Housing Helps Program shall prohibit short-term rental of the subject dwelling unit regardless of the Program Option; and

The amount to be paid in exchange for a deed restriction under this program will be evaluated on a case-by-case basis. Amounts paid shall not exceed the difference between the current valuation of the property and the valuation of the property upon execution of the deed restriction.

The applicant is responsible for any costs associated with application to the Housing Helps Program including, without limitation, payment for administrative services performed by the Town, appraisals, surveys, title reports, recording fees, documentary fees, legal services, and other customary costs incurred in connection with the application. Upon execution of a Housing Helps Program deed restriction, the Town shall waive and/or reimburse the applicant for said costs.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF FRISCO, COLORADO:

Section 1. The Town Manager, after consultation with and acceptance of the specific terms of each transaction by the Mayor and Finance Director, and review by the Town Attorney, is authorized, empowered, and directed to begin immediate implementation of the Frisco Housing Helps Program outlined above. Without limiting the generality of the preceding sentence, the Town Manager is authorized, empowered, and directed to take the following action:

- A. Implement the Frisco Housing Helps Program through negotiation and purchase of suitable deed restrictions involving real property located in Frisco.
- B. Make, enter into, and execute purchase and sale agreements, deed restrictions, instruments, papers, and other documents necessary or appropriate for the purchase of suitable deed restrictions in accordance the Frisco Housing Helps Program;
- C. Expend funds that have been budgeted and appropriated in the Town's 5A Housing Fund for costs associated with the acquisition of deed restrictions pursuant to the Frisco Housing Helps Program, including, without limitation, costs for purchases, appraisals, due diligence, legal fees, filing fees, closing costs and title insurance.
- D. Perform all other things necessary or appropriate for the purchase of deed restrictions pursuant to the Housing Helps Program.
- E. Procure a home energy assessment for dwelling units being deed restricted through the Housing Helps Program to protect the investment of the Town and inform the property owner of existing conditions.

Section 2. The following criteria shall be used by the Town Manager in determining whether to acquire a particular deed restriction for the Town:

- A. Whether the particular deed restriction would further the housing goals as established from time to time by the Town Council.
- B. Whether the particular deed restriction would support and help to grow and maintain a permanent population within the Town of Frisco that grows a diverse community where a wide range of demographics, economics, occupations, and family household sizes are served.
- C. Whether is the particular deed restriction addresses a demonstrated housing need within Frisco for a defined segment (i.e., for rent, for sale, owner occupied, etc.) of the residential property market.
- D. Whether the market value of the deed restriction is comparable in value to other existing

deed restrictions within the Ten Mile River Basin as demonstrated by a licensed real estate appraiser or other person qualified to make such determination in the opinion of the Town Manager.

- E. Whether the particular deed restriction would be a cost effective and efficient use of the Town's limited supply of financial resources.
- F. Whether fair market value is paid for the deed restriction relative to the current market conditions (i.e., supply and demand and other relevant factors).

Section 3. This resolution is effective upon adoption.

PASSED AND APPROVED THIS 8th DAY OF AUGUST, 2023.

By: _____
Hunter Mortensen, Mayor

ATTEST:

Stacey Nell, Town Clerk