



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: DON REIMER, COMMUNITY DEVELOPMENT DIRECTOR
RE: RESOLUTION 22-07 - HOUSING HELPS – AMENDMENT TO ADD OPTION OF PARTNERSHIP WITH COUNTY
DATE: MARCH 8, 2022

Summary and Background: On August 27, 2019, the Town Council adopted Resolution 19-31 to establish Frisco’s “Housing Helps” program. This program was based upon the Vail InDeed program and similar Housing Helps programs being initiated by Summit County and the Town of Breckenridge at that time. The Frisco Housing Helps program was initially set up to provide financial assistance in exchange for a live/work occupancy deed restriction, including income and appreciation caps.

In June of 2021, Town Council approved a modification to the Housing Helps program, deemed “Housing Helps 2.0”, which modified the program to remove the income and appreciation caps from the program. Since that modification was approved, the Housing Helps program has been used to acquire deed restrictions on two properties.

In addition to the two completed transactions, Town staff has worked with two different current owners of two properties that have indicated interest in adding a deed restriction for local employees to their property. In each case, the long-term tenants of each property was employed outside of the Ten Mile basin, so the transactions did not proceed. Staff reached out to Summit County, which indicated the County would be willing to partner with the Town and split the costs of the deed restriction purchase, using the County covenant which would allow the tenant to be employed anywhere in Summit County.

Analysis: The Summit County covenant is similar to the Town’s covenant being used for the Housing Helps program in that there is no cap on tenant income, no cap on appreciation of the property, and prohibits use of the property for short-term rentals. Utilizing the County covenant on a limited basis would support Town Council’s goals of maintaining existing long-term rental housing for full-time residents, rather than the property potentially being sold and turned into a second home or short-term rental. Additionally, sharing these costs with Summit County will allow further flexibility in the Town housing budget to pursue Town Council’s housing goals. Summit County and Breckenridge have partnered in a similar fashion for several Housing Helps deed restriction purchases in the Breckenridge area.

As further outlined in Resolution 22-07, Staff recommends amending the Housing Helps program options to include a new Option 5:

- 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.

Financial Impact: The 2022 Budget includes \$1,545,000 for the Housing Helps program. There is no proposed change to the current Housing Helps budget.

Alignment with Strategic Plan: The Frisco Housing Helps Program enhances the inclusive community priority through providing options for a variety of housing options for its residents. The proposed modifications are consistent with the Strategic Plan and the Town Council's priorities.

Staff Recommendation: Staff recommends that the Town Council approve Resolution 22-07.

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

Diane McBride, Interim Town Manager
Leslie Edwards, Finance Director

Attachments:

Attachment 1 – Resolution 22-07