



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL

FROM: DON REIMER, COMMUNITY DEVELOPMENT DIRECTOR
LESLIE EDWARDS, FINANCE DIRECTOR

RE: WORKFORCE HOUSING DEVELOPMENT BUDGET RELATIVE TO 5-YEAR HOUSING PLAN

DATE: JANUARY 24, 2023

Summary and Background: Increasing access to homes that full-time residents can afford is a top priority of the Frisco Town Council. The current market conditions do not provide enough rentals or opportunities for ownership to meet current or future housing needs. Since November 2021, staff has been focused on doubling the number of deed restricted properties within the Town by the end of 2027, to 306 total deed restricted properties.

The purpose of this work session is to provide an update on the continued evolution of the housing proforma, with a particular focus on the next five years as we pursue the goal of doubling the amount of deed-restricted housing available to the local workforce. The goal is to ensure continued momentum to move our community to a better balance of local workforce housing units to vacation units. A better balance is critical to ensuring housing is available for the local workforce and for the local families who sustain our economy and our community.

Analysis: Over the past two years, Staff has met with Town Council regularly to review the housing program goals, projects, funding, and opportunities. At the March 8, 2022 Town Council meeting, staff first presented a 10-year financial plan on how to achieve this goal. An updated pro-forma was presented at the July 26, 2022 meeting to include changes that occurred between March and July 2022, such as the short-term rental excise tax, awarded grant funds, continued construction cost escalation, recent property acquisitions, and new potential projects. The overall housing development proforma was discussed again at the November 8, 2022 meeting, as Town Council was considering the potential of financing the construction of the Granite Park project.

This financial plan is intended to be a fluid document that will become part of a more comprehensive action plan and will evolve as conditions change, new practices, challenges, or opportunities emerge. The version that is presented as an attachment is intended to be in very draft form, to simply provide a glimpse into what this financial plan could look like for the Town. Staff will review this draft, along with a short presentation to solicit Town Council's feedback in a high-level discussion about the development of a housing action plan. The pro-forma is intended to be a living document that will be continuously updated by Staff and future Councils.

Financial Impact: This plan is not requesting any additional appropriations for the 2023 budget. Rather, it simply projects dedicated revenue sources and related housing expenditures over the next 5 and 10 years and will help guide future budget decisions.

Alignment with Strategic Plan: A housing action plan that guides future decisions will assist the Town in meeting the Inclusive Community goal of increasing full-time residents to 50%, as well as the creation of a 5-year housing capital plan. Additionally, adding workforce housing to the community supports the goal of Thriving Economy: ensuring housing for our workforce is the greatest economic driver for the Town.

Staff Recommendation: This memo is intended to inform Town Council regarding the impacts of the Granite Park CMGC and COP legislative items that appear as separate topics on the January 24th agenda. Staff requests that Council review the attached financial pro-forma and provide feedback to Staff on next steps.

Approved By:

Tom Fisher, Town Manager
Leslie Edwards, Finance Director

Attachments:

Attachment 1 – 10-Year Housing Pro-forma