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MEMORANDUM

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P.O. Box 4100 ♦ FRISCO, COLORADO 80443

**TO: MAYOR AND TOWN COUNCIL**  
**FROM: LESLIE EDWARDS, FINANCE DIRECTOR**  
**SUSAN LEE, INTERIM COMMUNITY DEVELOPMENT DIRECTOR**  
**RE: CREATION OF THE TOWN OF FRISCO HOUSING AUTHORITY**  
**DATE: APRIL 25, 2023**

**Summary and Background:** For the past few months, Staff has been considering multiple affordable rental housing projects, part of which includes an application for low-income housing tax credits (LIHTC). In order to be eligible for a LIHTC project, it has been necessary to form a limited liability limited partnership between a general partner and a limited partner. Traditionally on these types of projects, it is best to have a partner be an established municipal housing authority. One major advantage to having a housing authority as a partner is the statutorily allowed property tax and sales tax exemptions for the project, which are a critical component for investors. In this particular scenario, Staff feels it is a cleaner process to establish our own Housing Authority for this purpose rather than utilize the existing Summit Combined Housing Authority, which would require several additional side agreements. In addition, the Town will potentially be pursuing other housing projects in the future where this new housing authority can be used again.

The Town of Frisco has engaged Jon Peterson of Winthrop & Weinstine, an attorney specializing in real estate and tax credit financing. Mr. Peterson will be available at the April 25 worksession to provide additional details on housing authorities.

**Analysis:** In order to create a municipal housing authority, State statute requires the following steps:

- 1.) A petition is signed by 25 residents requesting a public hearing to consider the need for the housing authority.
- 2.) Public notice of the hearing must be published by the Town Clerk
- 3.) One of two basic requirements must be found, either that “unsanitary or unsafe dwelling accommodations currently exist in the Town”, or, “there is a lack of safe or sanitary dwelling accommodations in the Town.” Staff believes the second criteria is the one that is applicable to the Town.

- 4.) Adoption by Town Council of a resolution that will create the housing authority based on the finding that “there is a lack of safe or sanitary dwelling accommodations in the Town.”
- 5.) The appointment of the governing body of the Housing Authority. Although this could be a separate body, the statute allows for the Town Council to serve as the appointed board of the new Housing Authority. Accordingly, the proposed resolution appoints the Town Council as the governing body of the new Housing Authority.
- 6.) Lastly, certified copies of the paperwork creating the new Housing Authority is filed with the state Department of Local Affairs. One item that must be filed is a certificate signed by the Town Council members in their capacity as the governing board of the new Frisco Housing Authority.

**Financial Impact:** While future decisions related to a Town of Frisco Housing Authority may have a financial impact on the Town, the creation of an authority will not have a direct financial impact on the Town of Frisco.

**Alignment with Strategic Plan:** Adoption of a resolution to create a Town of Frisco Housing Authority aligns with the Inclusive Community goal to increase full-time residents to 50% and creating a 5-year housing capital plan. Additionally, planning for future workforce housing aligns with the strategic priority for a Thriving Economy.

**Staff Recommendation:** Staff recommends Town Council provide direction to circulate a petition to request a public hearing, as well as present a Resolution and Certificate by Commissioners of the Frisco Housing Authority to the Town Council at the June 13 meeting for consideration.

**Approved By:**

Tom Fisher, Town Manager  
Diane McBride, Assistant Town Manager