Regional Housing Authority Workbook

Using state enabling legislation to finance, develop and manage affordable housing in Colorado

Revised October 2004

Prepared by
Healthy Mountain Communities
for the City of Glenwood Springs
and the Department of Local Affairs,
Colorado Heritage Planning Grant Program

Background

This workbook was prepared at part of a Colorado Heritage Planning Grant from the Department of Local Affairs in 2002.

As part of the grant, the governments of the Lower Roaring Fork Valley created the Roaring Fork Community Housing Trust Fund. The purpose of the Roaring Fork Community Housing Fund is to increase the financial resources (grant, loans, and financing packages) available to address the housing needs of low and middle-income households in the Lower Roaring Fork Valley (Basalt to Glenwood Springs). The Fund will create a strong foundation of local funding for affordable housing by:

- Leveraging state and federal funds for local affordable housing projects as well as arranging favorable construction and financing for such developments;
- Supporting housing projects through grants and loans that would ensure permanent affordability;
- Creating a mechanism to hold land for future affordable housing development (land banking);
- Increasing non-dedicated and dedicated local revenue sources for affordable housing;
- Facilitating housing solutions to address local housing needs and potential projects; and
- Complimenting and enhancing current inclusionary zoning requirements at the local level.

For more information on the Roaring Fork Community Housing Fund contact Colin Laird, Healthy Mountain Communities, at 970.963.5503 / claird@hmccolorado.org or visit www.hmccolorado.org.

Healthy Mountain Communities is a 501(c)3 not-for-profit, public benefit corporation working on quality of life issues in the Roaring Fork and Colorado River Valleys since 1994. HMC organizes ongoing forums for regional dialogue, collaboration and networking and provides a package of data, research and decision support tools to help community leaders better understand issues and implement solutions at the local and regional level.

Cover photo credits: Colin Laird, Novy Architects, and Office of Smart Growth Model Land Use Code

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Acknowledgements

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This effort would not have happened without the support of the local governments who jointly applied for a Colorado Heritage Planning Grant from the Department of Local Affairs and committed resources and time to participate in the process to create a regional housing authority. Local governments collaborating in this effort include:

- City of Glenwood Springs (applicant)
- Town of Basalt
- Town of Carbondale
- Eagle County
- Garfield County

Thanks also to Pitkin County, which also provided funding for this process.

Significant thanks goes to the elected official representatives to the project steering committee. They included: Russ Criswell and Scott Chaplin (Carbondale), Tresi Houpt (Garfield County), Jean Martensen (Glenwood Springs), and Tom Stone (Eagle County). Their involvement, thoughtful ideas, and ongoing discussion, were not only crucial to the creation of the Roaring Fork Community Housing Fund, shaped how to present the Regional Housing Authority Law to communities in Colorado.

This workbook is also better for the involvement of the Susan Shirley and Kay Phillip of Mountain Regional Housing Corporation and Geneva Powell of the Garfield County Housing Authority. Their efforts ensured that local governments used state enabling legislation to greatest effect resulted in a more innovative use of the Regional Housing Authority Law than was originally conceived at the beginning of this process.

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Finally, special thanks to the staff of the Governor's Office of Smart Growth for their flexibility with this project.

Introduction

> "Regardless of the economic conditions, the need for affordable housing in Colorado will not go away."
>
> -- COLORADO HOUSING: The Challenge for a Growing State, DOLA Report, 2002

The challenge of affordable housing

Every region of Colorado has an affordable housing challenge (See Graph 1). Whether it is high land costs, rapid in-migration, or a stagnant economy, the growing deficit of affordable housing exacerbates commute length, traffic congestion, and family stress.

This workbook offers some guidance in using a new tool in the effort to create more affordable housing in Colorado communities – the multi-jurisdictional (or regional) housing authority law.

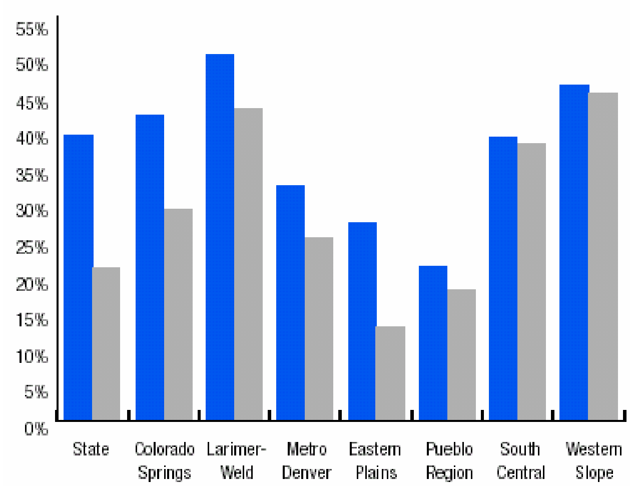
The potential of regional action

Few communities or counties have the resources to tackle the challenge of affordable housing by themselves. Consequently, a growing number of jurisdictions are looking at regional strategies to meet their housing needs.

Although only a few areas have adopted regional approaches, the trends in this direction are both timely and necessary. As William Dodge writes in his book *Regional Excellence*, "… the tough challenges are not respecting jurisdictional boundaries. They are primarily emerging at the neighborhood, regional, and global levels."[1]

The regional housing authority law provides a flexible framework for cooperative action on affordable housing at a level the makes increasing sense geographically, politically, and financially.

■ **Graph 1: Growth In Households and Housing Units**



Comparison of the Growth in Households and Housing Units in Colorado Regions from 1990-2001
Source: Department of Local Affairs Demography Section
Households
Housing Units

[1] William Dodge, 1996. Regional Excellence: Governing Together to Compete Globally and Flourish Locally. National League of Cities, Washington, DC.

How this workbook is organized

This workbook is designed to help citizens, housing advocates, planners, and local officials understand how the regional housing authority law can be a tool to address affordable housing issues in their community and region. The sections of the workbook offer several steps to help you use the regional housing authority law to your community's advantage.

Section I focuses on determining the extent of the affordable housing issue in your community or region. Determining the scale of the problem will help determine the scale of the approach and the resources necessary to create affordable housing.

Section II explores the mechanisms within the Regional Housing Authority Law and how it could fill gaps in your current efforts. The enabling legislation is not a silver bullet to the affordable housing needs of Colorado communities, but it does offer a flexible framework to meet local needs to finance and build more affordable housing. **Section III** offers a framework for evaluating the potential usefulness of the regional housing authority law and reach agreement on how you would like to use it.

Section IV contains sample intergovernmental agreements for creating a regional housing authority from a few jurisdictions that have created or attempted to create a regional housing authority, while **Section V** contains an appendix with a number of affordable housing resources, including how to create a housing trust fund.

A final note

Community problem solving is rarely, if ever, a linear process. Consequently, the suggestions in this workbook need to be tested and tempered by local political realities, community history with the issue of affordable housing, and common sense. If a step or suggestion in the workbook doesn't make sense in your area of Colorado, do what makes the most sense to you instead. The solution to affordable housing is not a 'one-size-fits-all" proposition. Although the tools may be similar, how they are employed from community to community and region to region will, thankfully, vary. The regional housing authority law creates a framework in which a variety of solutions can fit. See what works best for you. If you find the enabling legislation limiting – innovate! Affordable housing is a dynamic problem that requires innovative solutions. The Regional Housing Authority Law is one place to start.

Good Luck!

"Dynamic places have dynamic problems. The West has plenty. Resolving these problems will require dynamic, healthy conversation in Western Communities."
- Frank Allen

Regional Housing Authority Preliminary Assessment

If you answer yes to any of these questions, your region may benefit from using the regional housing authority enabling legislation.

1. Has the topic of affordable housing grown as a community concern over the last several years?

2. Have local governments recognized the importance of affordable housing (by hiring staff to work on the issue or by adopting policies to support affordable housing), but it has been difficult to actually create affordable housing projects?

3. Are there organizations working to create affordable housing (such as an existing county housing authority) but limited resources constrain their efforts?

4. Is the lack of affordable housing limiting your community's economic opportunities?

5. Is there more than one jurisdiction in your area concerned about the lack of affordable housing?

Section I –
Assess your housing needs

Most people know if their community has an affordable housing problem, but it is often unclear how big the problem is and who is most affected by the problem. Assessing your region's housing needs is not only away to understand if creating a regional housing authority will have value, an assessment is a way to get the different players in your community on the same page of understanding and identifying where to focus your resources and energy.

Here are a number of ways to think about assessing your community housing needs:

Visit the Division of Housing website

www.dola.state.co.us/doh/index.htm
The Division of Housing of the Department of Local Affairs is a wealth of resources on housing issues in Colorado and a good place to start your housing needs assessment. DOH also has a number of publications to help you better understand housing affordability issues in your area of the state.

DOH's *What is "Affordable Housing" in Your Area?* is of particular use since it is an annual report showing the affordable rent and purchase price for households in each Colorado county by income range. (See Figure 1)

Figure 1

COUNTY	3-Person *AMI	*Affordable Payment	*Average Rent-02/02	*Affordable Sales Price	*Median Sales Price	*Benchmark Home Value	* # Units Available <80% AMI	* # Units Available <60% AMI
Adams	Median $62,900 < 80% $48,950 < 60% $37,740 < 50% $31,450 < 30% $18,850	$1,573 $1,224 $944 $786 $471	$777	$212,186 $165,128 $127,312 $106,093 $63,588	$174,990 sf $128,595 co	$194,406	240 sf 247 co	22 sf 123 co
Alamosa	Median $41,400 < 80% $33,100 < 60% $24,840 < 50% $20,700 < 30% $12,400	$1,035 $828 $621 $518 $310	$290	$139,658 $111,659 $83,795 $69,829 $41,830	$90,000 sf *N/A co San Luis Valley	$70,223	42 sf 0 co	21 sf 0 co

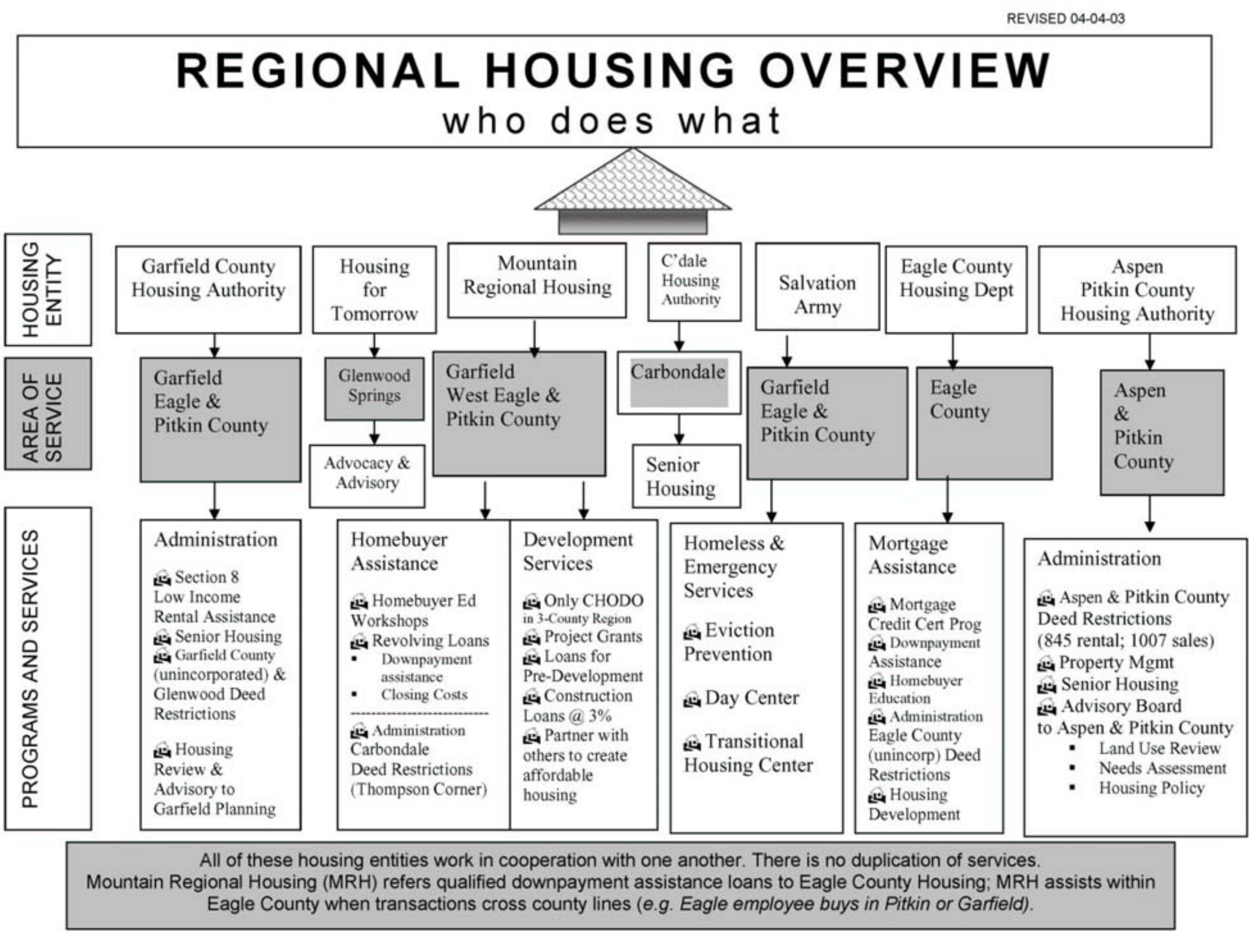
Excerpt from *What is "Affordable Housing" in Your Area? 2002 Division of Housing*

Create an affordable housing organizational map

Many communities are fortunate to have existing organizations working to create affordable housing opportunities. Understanding who is doing what in affordable housing in your area will help you determine is a critical way toward what additional work needs to occur to meet your region's affordable housing needs. You can probably complete this task off the top off your head, but it is a good idea to also check with the various groups about their goals, programs, and what they think are the biggest challenges to creating affordable housing.

As you create the organizational map, be sure to ask for recent housing studies and descriptions of any affordable housing policies or goals. By creating the map and cataloging available information and policies, you will have a good idea of whether you need to conduct a housing needs assessment study, which usually involves surveying the community. Figures 2 & 3 illustrate an organizational map and policy chart for Roaring Fork Valley communities.

Figure 2: Regional Housing Overview



Courtesy: Mountain Regional Housing Corporation

Figure 3: Affordable Housing Policies & Reports in the Roaring Fork Valley

Local Government	**Current Policies**	**Recent Studies and Reports**
Garfield County	▪ 10% Inclusionary Zoning Ordinance on PUD upzoning ▪ Density Bonus	Garfield County Housing Needs Assessment, 2001 Regional Affordable Housing Initiative, Final Report, 2001
Glenwood Springs	▪ 15% Inclusionary Zoning Ordinance	Regional Affordable Housing Initiative, Final Report, 2000
Carbondale	▪ 15% Inclusionary Zoning Ordinance	Regional Affordable Housing Initiative, Final Report, 2000
Eagle County	▪ Mortgage assistance program.	Regional Affordable Housing Initiative, Final Report, 2000
Basalt	▪ 20% Residential Linkage ▪ 20% Commercial Linkage and $.50/sq.ft.	Regional Affordable Housing Initiative, Final Report, 2000
Pitkin County	▪ 60% Inclusionary Zoning Ordinance ▪ 60% Commercial Linkage ▪ Accessory Dwelling Units ▪ Density Bonus ▪ 1% Real Estate Transfer Tax	NWCCOG 2003 Resort Homeowners Survey
Aspen	▪ 60% Inclusionary Zoning Ordinance ▪ 60% Commercial Linkage ▪ Accessory Dwelling Units ▪ Density Bonus ▪ 1% Real Estate Transfer Tax	Aspen Affordable Housing Strategic Plan, 2002
Snowmass Village	▪ 60% Inclusionary Zoning Ordinance ▪ 60% Commercial Linkage ▪ Accessory Dwelling Units ▪ Density Bonus ▪ Excise Tax	

Conduct a housing needs assessment survey

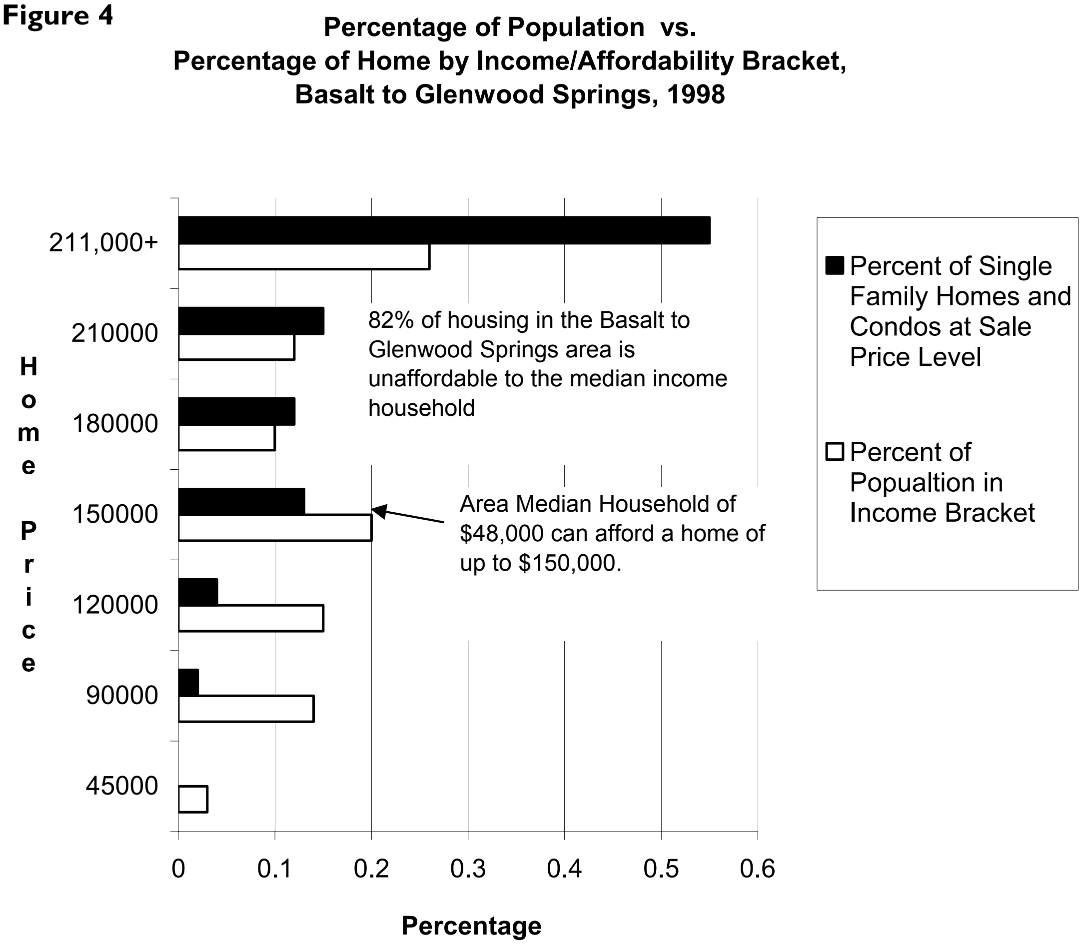
If after creating your organizational map and cataloging the available information on housing need in your region, you cannot answer questions about cost and mix of your housing inventory you probably need to conduct a housing needs assessment survey.

Some of the information that your survey should tell you includes:

What is the housing market in your area?

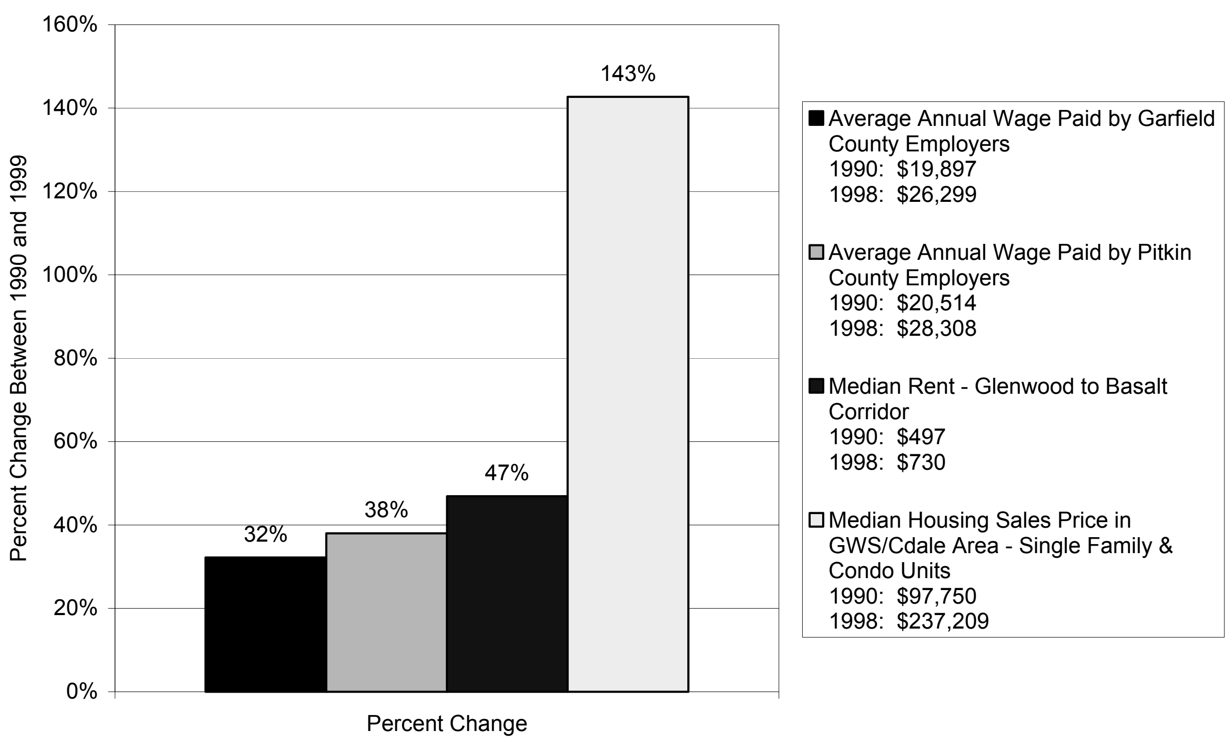
Housing markets in Colorado very greatly. A needs assessment survey will create a detailed picture of what is on the market and who in your community can afford these homes. As Figure 4 illustrates, the market in the lower Roaring Fork Valley is focused on households making over $210,000, many of whom do not live locally. Consequently, there is a significant need for housing for the below $150,000.

Figure 4



How housing prices and wages have changed over time?
Housing has always been a major expense for households. Families in the 1960's and 1970's saw a significant amount of their paycheck go towards rent or a mortgage payment. The rapid increase in housing costs in Colorado, and much of the rest of the U.S., during the 1990's combined with modest wage increases has made it more difficult than ever for families to achieve stable housing.

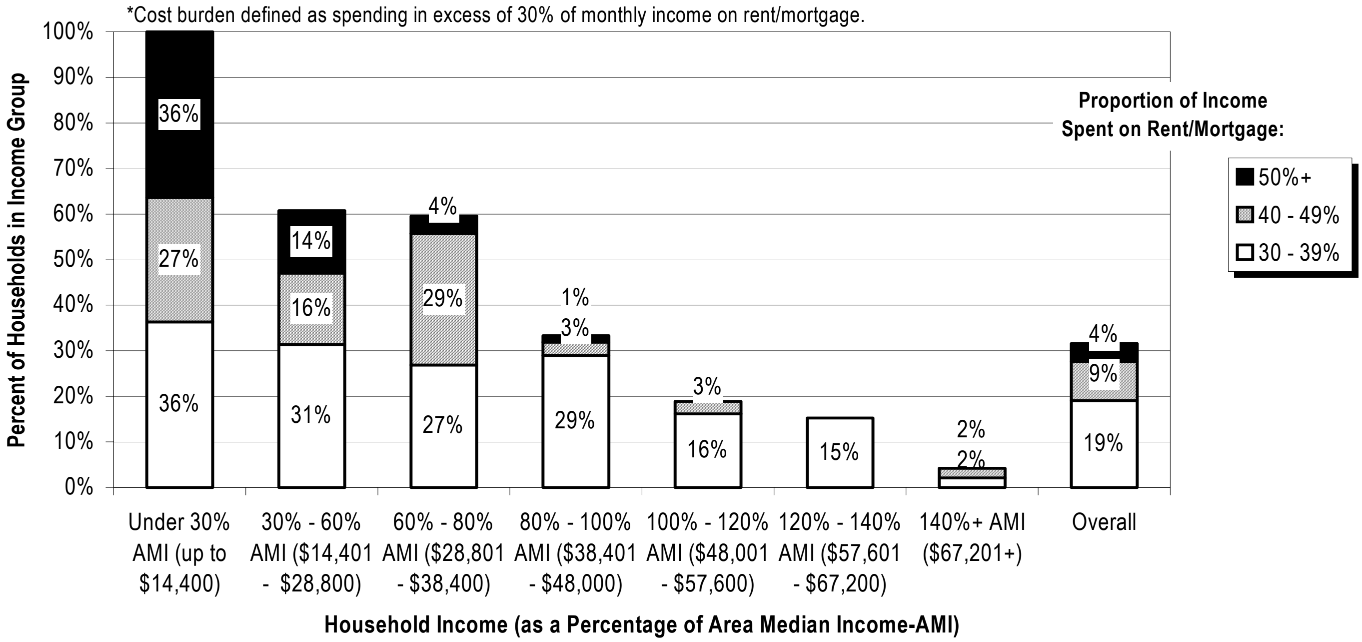
Figure 5 **Percentage Change in Wages and Housing Prices in the Glenwood - Basalt Corridor 1990 to 1998**



What is the scale of the problem?
Getting a sense of the scale of the affordable housing problem is an important piece of information that will help confirm perceptions and determine the scale of the response. In the Lower Roaring Fork Valley, information that over 30% of the population was paying 30-50% of their household income for housing refuted the notion that the lack of affordable housing was only an Upper Roaring Fork Valley (Aspen and Snowmass Village) problem. Figure 6 also illustrates that affordable housing is not just an issue for households below the Area Median Income (AMI).

Figure 6

Proportion of Households Which Are Experiencing a Housing Cost Burden* by Income Bracket in the Glenwood - Basalt Corridor, 1998



Source: 1998 HMC/AVIA surveys. AMI=Area Median Income (median household income of Glenwood – Basalt residents), as determined from HMC/AVIA surveys.

Topic areas a Housing Needs Assessment Survey should cover:

1. *Population and Demographics* – Items covered include household and individual population estimates, age, marital status, household size, household composition, income and length of residency;

2. *Employment* – Information is provided on the number of jobs in Garfield County, job growth in the past five years, type of job held by residents and work patterns;

3. *Housing Demand* – Covers general information about housing type preferences, desired amenities and location preferences;

4. *Rental Demand* - information such as the number of renter households in the area; household type, size of household, income, interest in moving, location of employment, place of residence and factors that are important when looking for a place to live;

5. *For-Sale Housing Demand* – Provides estimates of the number and types of households seeking to purchase a home in the area. This includes the amount available for down-payment, location preferences, unit and amenity preferences and estimates of prices that would be affordable;

6. *Rental Inventory* – A description of the number of rental units by community, size of units, rent structure, bedroom mix, amenities and age of the property;

7. *Housing Problems* – A quantitative estimate of the housing problems encountered by area residents includes a description of the number of households that are burdened by high housing costs, living in overcrowded units, living in homes in poor condition and levels of satisfaction with current housing.

Excerpt from Garfield County Housing Needs Assessment, 2001
Garfield County Housing Authority

Section II – What does the Multi-Jurisdictional Housing Authority enable?

Overview

In 2001, the State of Colorado enacted legislation that allows for multi-jurisdictional housing authorities. The law allows any combination of home rule or statutory cities, towns, counties and cities and counties of the state, through a contract with each other, to establish a separate governmental entity known as a "multi-jurisdictional housing authority". These authorities may be used by the contracting member governments to affect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management and operation of housing projects or programs with a multi-jurisdictional plan. The powers of these authorities appear to be quite broad and the following functions and duties of an authority do not constitute a complete list. The number and types of functions an authority may undertake would depend upon the contractual agreements among the participating jurisdictions, the direction of the Housing Authority board and the capacity of the authority to undertake the work. Some of the functions of an authority may include:

1. Providing homeownership and rental assistance programs;
2. Provide information for community-based programs, including maintaining information on housing inventory and housing needs;
3. Administer Section 8 Rent Subsidy Programs, and if qualified, CDBG and HOME Programs;
4. Plan and finance the acquisition, construction, reconstruction and operation of housing projects or programs for low to moderate-income families. These authorities may incur debt, issue bonds and generate revenues; and,
5. Administer programs of the jurisdictions for the benefit of low to moderate-income households.

One of the major advantages of using this legislation is that, unlike a County housing authority, a regional housing authority may levy taxes or development impact fees, if so stipulated in the agreement among the participating jurisdictions of the housing authority. The parameters for such revenue sources include:

- A sales or use tax or both, not to exceed one percent;
- A property tax not to exceed five mills;
- A development impact fee of two dollars per square foot or less.

All proposed tax measures must be submitted to the voters and fees can only be used by the Authority if it also implements and sales and/or use tax. Affordable housing is exempt from paying these fees.

Fees and/or taxes may be used to accomplish the above mentioned functions, as well as to:

- Make and enter into contracts with others involved in providing housing projects or programs;
- Employ agents and employees;
- Cooperate with state and federal governments in financing housing projects and programs;
- Acquire, hold, lease, sell or otherwise dispose of real or personal property; and,
- Condemn property for public use.

(*See the copy of the legislation, State Statute 29-1-204.5 – Establishment of multi-jurisdictional housing authorities in the Appendices*.)

How have local governments used the enabling legislation?

The regional housing authority legislation is very flexible and adaptable to the needs and preferences of local communities. Here are a few examples of how local communities have used the enabling legislation.

Jurisdictions involved	Goals	Funding	Outcome
Summit County, Silverthorne	The primary purpose of using the enabling legislation if to fund the existing Summit Housing Authority through dedicated revenue. SHA is currently funded by general fund contributions for local governments in Summit County.	A .05 of 1 percent sales tax. The tax will raise about $400,000 a year, enough to cover the annual operating costs of the SHA.	IGA signed by Summit County and Silverthorne only. Ballot question failed in November 2002

Douglas County, Castle Rock, Parker and Lone Tree	The primary purpose of the authority is to produce affordable housing. Douglas County, Castle Rock, Parker and Lone Tree are allowing three years for start-up. At the end of the three-year period, participating government expect sufficient revenues generated through development and other cash flow sources to underwrite the operations of the housing authority.	Douglas County is contributing $100,000 year for start up, with Castle Rock, Parker and Lone Tree each contributing $33,333 per year for three years.	Created through intergovernmental agreement in 2003.
Lower Roaring Fork Valley ▪ Garfield County, Eagle County, Basalt, Carbondale and Glenwood Springs	Originally conceived as an effort to create a regional housing authority in the Lower Roaring Fork Valley (Basalt to Glenwood Springs), the effort evolved to use the enabling legislation to create a housing trust fund (Roaring Fork Community Housing Fund) as a way to fund and finance the affordable housing.	Seed funding ($110,000) is provided by local government partners with a board of town and county managers. The Fund will be initially capitalized with the help of Alpine Bank. No tax question considered at this time.	Garfield County, Basalt, Carbondale and Glenwood Springs have signed the IGA and have committed funding for 2004.

Section III –
Design & implement
a decision-making framework

Once you have a better understanding of community housing needs and have examined how the multi-jurisdictional housing authority enabling legislation could potentially support your efforts, it is helpful to design the process through which local governments can come to agreement and develop the intergovernmental agreement necessary to create a regional housing authority.

A simple decision-making framework has three components. They include:
1. Setting up Steering Committee; 2. Addressing Key Questions; and 3. Finalizing the Proposal.

1. Setting up a Steering Committee

- **Get a formal commitment from local governments and establish a steering committee**
  The process of creating a regional housing authority can take several months to a couple of years. Be sure that your potential partners understand the timeframe involved. Depending on the circumstances, you might want to ask potential partners to formally adopt a letter of commitment or a memorandum of understanding to fully participate in the process.

  You will want to have a core group of people to help you evaluate and build the proposal to create a housing authority. Who you can get on the steering committee is one initial indication if the potential support for using the enabling legislation, so try to get elected officials involved early. There are also probably a number of people active in affordable housing in your area. Invite them to participate in the steering committee your effort will be the better for it. It is also better to keep the process open.

- **Create steering committee working agreements**
  You group will be making a number of decisions over the course of the process so make sure your committee members are clear about how they will interact and make decisions (i.e., majority rule, consensus, etc.) We suggest that you create some general working agreements that you can use when decisions get difficult. You can strive for consensus since you want to have as many of the original partners supporting the final product of your effort as possible. However, you might want to consider using super majority (2/3 majority) as a fallback decision-making procedure in case consensus doesn't work. As much as you want to reach complete agreement, you don't want the search for the perfect solution to kill a good solution.

Other working agreements you might consider include:
- Be hard on the issues, but easy on each other.
- Strive for consensus.
- One person talks at a time.

- **Consider the value of outside facilitation**
  One way to build trust between the various partners involved in the effort is to have outside facilitation and coordination of the effort. This is not required to succeed (and it will take additional resources), but a neutral facilitator or a nonprofit organization not involved in affordable housing could help move the project forward in ways that a local government cannot.

Creating a Strong Steering Committee

Your steering committee members are not only you the connection to local elected boards and affordable housing organizations in your region; they are the foundation of your effort. You will need several elements to ensure you have a strong steering committee, such as:

- Elected official representatives from each participating governments. They are busy, but without their participation, the committee will be continually guessing what each board is thinking.
- Differing perspectives. Avoiding the diversity of opinions on affordable housing that exist in the general public can create surprises for you later.
- Ongoing doses of community and political reality. Few people like taxes or another layer of government bureaucracy. Make sure you are on task and target with the purpose and funding for the authority.
- Advocacy for the proposal. You can always use support from the steering committee when you present the proposal to the elected boards

2. Addressing Key Questions

- **Create a list of decision areas and key questions to be answered**
  The bulk of your effort will concern questions about the what, why, and how of the housing authority. The following list offers some example questions you will need to answer as you consider creating a regional housing authority.

Purpose
- What is the purpose of the authority?
- Does the regional authority encompass the full range of goals outlined in the legislation, or is the purpose more specific?

Relationship to existing organizations
- What is the relationship of the authority to existing housing authorities at the county and local level?
- Does the regional authority overlap with the missions of current housing authorities or other affordable housing organizations?

Boundaries

- Does the regional housing authority include all or parts of the participating jurisdictions?

Governance

- Who is on the authority board?
- Who appoints them?
- How are decision made?
- Are Board members elected officials or staff or appointed community members?

Organizational structure

- How is the authority organized? Based on the purpose of the authority, what are the staffing needs?
- Estimate start-up costs and five year funding plan.

Funding

- What are the funding needs of the authority? What is the package of funding measures that is most attractive to local governments?
- What is the revenue capacity options based on sources detailed by statute?
- Are the potential taxes and fees fairly distributed or do they impose an unfair burden to a particular group?

Evaluating organizational structure

Your organizational map will give you a good start on what functions you want a regional housing authority to perform for you, which will affect how it is structured. Local governments have used the enabling legislation in a number of ways, each responding to local and regional needs and existing organizations.

- ***Organizational Framework***

Douglas County did not have a housing authority when they first considered using the enabling legislation. One of there main goals was to create an organizational structure for affordable housing to be built within the county and share the costs and benefits with municipalities in the county.

- ***Operating Framework***

Summit County already had a county housing authority when they consider using the enabling legislation. Consequently, there proposal focused on the revenue generating powers within the regional housing authority legislation. They proposal would have the regional housing authority act as a pas through funding entity to fund the existing Summit Housing Authority.

- ***Financing Framework***

The governments of the Lower Roaring Fork Valley already had the services of the Garfield County Housing Authority and Mountain Regional Housing Corporation (a nonprofit community housing development corporation or CHDO). Consequently, local partners focused on creating a housing trust fund to help financing affordable housing in the region.

Creating and evaluating funding scenarios

Based on the organizational scenarios you have developed, you can begin to create and evaluate funding scenarios based on the enabling legislation. You can approach the funding scenarios in a couple of ways. Perhaps the easiest is to simply generate the revenue amounts for each of the prescribed revenue options in the enabling legislation.

Calculations based on revenue generation

For instance, within the general boundaries of the conceptual regional housing authority calculate the revenue from:

- 1% sales tax
- 5 mil property tax
- $2 per square foot impact fee

Or, you can calculate revenues based on your sense of what might be politically viable (recognizing that taxes face an uphill battle is almost every part of the state) in your region

Tables 7 & 8 shows the revenue generating a capacity of a mil levy, a sales tax, and impact fees in the Lower Roaring Fork Valley (Basalt to Glenwood Springs)

Table 7

Potential Property Tax and Sales Tax Revenues

	Rate (Mills or Sales Tax)	Assessed Value or Taxable Sales	Annual Revenue
Potential Property Tax Revenue			
Eagle County portion of Roaring Fork [1]	1.000	144,395,450	$144,395
Garfield County Area One [2]	1.000	383,057,456	$383,057
Subtotal			**$527,453**
Potential Sales Tax Revenue			
Basalt [3]	0.05%	$65,670,643	$32,835
Carbondale	0.05%	$80,058,214	$40,029
Glenwood Springs	0.05%	$411,339,286	$205,670
Subtotal		**$557,068,143**	**$278,534**

[1] Geographic area reflects RE - 1 boundaries within Eagle County

[2] Geographic area reflects RE - 1 boundaries from western Glenwood Springs to eastern Garfield County

[3] Geographic area only includes the portion of Basalt located in Eagle County.

Source: Colorado Department of Revenue, Economic & Planning Systems, Inc.

Table 8
Potential Impact Fee Revenues

	Factor	Residential [1] Single Fam	Multi Fam	Commercial [2]	Total
Development Potential					
Dwelling Units		776	366	n/a	
Less 15% inclusionary zoning	15%	116	55	n/a	
Net D.U. Production		659	311	n/a	
Square Foot per Dwelling Unit		1,400	800	n/a	
Ten-Year Development Potential		923,034	249,187	766,850	1,939,071
Annual Development Potential		92,303	24,919	76,685	193,907
Annual Impact Fee Revenue					
$1.00		$92,303	$24,919	$76,685	**$193,907**
$2.00		$184,607	$49,837	$153,370	**$387,814**

Calculations based on Affordable Housing Goals

Another way to evaluate revenue needs is to calculate revenue based on affordable housing goals. For instance, the Lower Roaring Fork Valley is expected to have 17,310 housing units by 2003. This figure reflects the portions of Garfield and Eagle Counties, extending from Basalt to Glenwood Springs. It is based on 2000 Census data, factored up by an annual growth rate of 2.7 percent. The growth rate is derived from the Colorado State Demographer's estimates for Garfield County over the next decade. Based on these assumptions you can then create revenue scenarios to help you understand the revenue needs behind certain goals.

Table 9 below identifies three alternative affordable housing goals, ranging from 5 percent to 15 percent of the total housing stock for the Lower Roaring Fork Valley. These goals are based on the concept that Lower Roaring Fork communities desire to have a certain percentage of the housing inventory set aside as permanently affordable units. These affordable housing goals are a combination of need and political reality. Analysis of the housing cost burden in the Lower Roaring Fork Valley showed that over 30% of the residents were spending between 30-50% of their household income on rent or a mortgage. A 30% goal for affordable housing in the region is an ambitious goal that would take significant resources, so this analysis scaled back the goals.

These figures are derived by multiplying the goal against the number of units in the 2003 housing inventory and subtracting the existing number of affordable units. A goal of 5 percent translates to 525 units; a 10 percent goal would be 1,391 units; and a 15 percent goal would require 2,256 units. These figures all account for the 340 existing affordable units in the valley.

Table 9

Goal		5%		10%		15%	
Existing Units	10,941						
Production							
Total Unit Production		547		1,094		1,641	
Less Existing Units		(340)		(340)		(340)	
Less Inclusionary Zoning		(168)		(168)		(168)	
Net Goal		39		586		1,133	
Subsidy							
Per Unit		$16,000	$40,000	$16,000	$40,000	$16,000	$40,000
Total Subsidy Costs		$625,177	$1,562,941	$9,378,353	$23,445,883	$18,131,530	$45,328,824
Annual Need over Ten Years		$62,518	$156,294	$937,835	$2,344,588	$1,813,153	$4,532,882
Annual Production		4	4	59	59	113	113
Administration Costs		$120,000	$120,000	$120,000	$120,000	$120,000	$120,000
Total Annual Costs		$182,518	$276,294	$1,057,835	$2,464,588	$1,933,153	$4,652,882
Revenue							
Aggregate Sales Tax Base		$557,068,143	$557,068,143	$557,068,143	$557,068,143	$557,068,143	$557,068,143
Sales Tax Rate		0.03%	0.05%	0.19%	0.45%	0.35%	0.85%
Revenue Potential		$167,120	$278,534	$1,058,429	$2,506,807	$1,949,739	$4,735,079

Source: Economic & Planning Systems, Inc.

3. Finalizing the proposal

- **Draft Authority Concept**

  Ideally, your steering committee members have provided a healthy dose of political reality into your efforts. Now you can begin to pull the answers to you key questions and scenarios together into a coherent description of the proposed regional housing authority.

  Your description need not be in the format of an intergovernmental agreement. In fact, it is often good to leave the legal language out of the draft concept until the local elected boards reach agreement on the concept. Although the IGA framework is straightforward, most elected boards will have an easier time offering feedback on the authority concept before it becomes legal language.

- **Make the rounds**

  This is where the rubber meets the road. Take the time to share with the elected board members the history of the effort and offer some background on how the steering committee members came to the agreements they did. Your presentation need not be long (in fact, brevity and clarity will probably give you some bonus points), but the elected board members will not have had the benefit of the steering committee discussions, so they will need a little time to reach similar conclusions

Can't reach agreement?

Reaching agreement among various jurisdictions is never easy. If you reach an impasse you might have to take a few steps back before you can go forward. The issues that will potentially create the most challenges involve control/ oversight, cost/equity, but sometimes trying to do too much under one umbrella can also create challenges such as duplicating the work of existing organizations or trending onto turf issues

Sometimes, for whatever reason your impasse cannot be addressed and a partner local government may drop out of the effort. In such a case, check with the remaining partners to gauge how many partners are necessary to move forward. If half the original participants have concerns, you are probably going back to the drawing board.

- **Craft Intergovernmental Agreement and Ballot Language**
  After you have comments and agreement for the elected boards involved in your effort, you can begin to craft the intergovernmental agreement as a legal document, which you will present again to the elected boards for final approval and adoption.

  A good first step is to have a joint meeting of legal council from each of the participating jurisdictions to answer any questions about the regional housing authority concept. This approach also allows for legal council to ask questions of each other and makes for a more productive introduction to the regional housing authority law than just receiving a draft intergovernmental agreement as part of a memorandum.

Some tips for round making

- Have steering committee members at the presentation and encourage then to share their thoughts on the process and the authority proposal.
- Consider meeting individually with the elected board members. This approach is less formal than a public meeting and makes asking and answering questions about the proposed authority easier.

Timing issues for your Intergovernmental Agreement and Ballot Question

Local governments can execute the intergovernmental agreement at any point, but a tax / impact fee question can only go on the ballot in a November general election. Consequently, you need to be aware of the ballot deadlines within the county(ies) that will be within the authority boundaries. It is useful to give citizens significant advance warning about a ballot question, but the best resource on the specific timing requirements for a ballot question in a general election will be your County Clerk. Generally, ballot question language must be certified by early September for a November election. (See page 55 for the ballot language from the Summit County 2002 General Election.)

Section IV – Appendices

State Statute 29-1-204.5 – Establishment of multi-jurisdictional housing authorities

http://64.78.178.12/stat01/index.htm

(1) Any combination of home rule or statutory cities, towns, counties, and cities and counties of this state may, by contract with each other, establish a separate governmental entity to be known as a multijurisdictional housing authority, referred to in this section as an "authority". Such an authority may be used by such contracting member governments to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan:

(a) To provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income; and

(b) To provide affordable housing projects or programs for employees of employers located within the jurisdiction of the authority.

(2) Any contract establishing any such authority shall specify:

(a) The name and purpose of such authority and the functions or services to be provided by such authority;

(a.5) The boundaries of the authority, which boundaries may include less than the entire area of the separate governmental entities and may be modified after the establishment of the authority as provided in the contract;

(b) The establishment and organization of a governing body of the authority, which shall be a board of directors, referred to in this section as the "board", in which all legislative power of the authority is vested, including:

(I) The number of directors, their manner of appointment, their terms of office, their compensation, if any, and the procedure for filling vacancies on the board;

(II) The officers of the authority, the manner of their selection, and their duties;

(III) The voting requirements for action by the board; except that, unless specifically provided otherwise, a majority of directors shall constitute a quorum, and a majority of the quorum shall be necessary for any action taken by the board;

(IV) The duties of the board, which shall include the obligation to comply with the provisions of parts 1, 5, and 6 of this article;

(c) Provisions for the disposition, division, or distribution of any property or assets of the authority;

(d) The term of the contract, which may be continued for a definite term or until rescinded or terminated, and the method, if any, by which it may be rescinded or terminated; except that such contract may not be rescinded or terminated so long as the authority has bonds, notes, or other obligations outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations.

(e) The expected sources of revenue of the authority and any requirements that contracting member governments consent to the levying of any taxes or development impact fees within the jurisdiction of such member. If the authority levies any taxes or development impact fees, the contract shall further include requirements that:

(I) Prior to and as a condition of levying any such taxes or fees, the board shall adopt a resolution determining that the levying of such taxes or fees will fairly distribute the costs of the authority's activities among the persons and businesses benefited thereby and will not impose an undue burden on any particular group of persons or businesses;

(II) Each such tax or fee shall conform with any requirements specified in subsection (3) of this section; and

(III) The authority shall designate a financial officer who shall coordinate with the department of revenue regarding the collection of a sales and use tax authorized pursuant to paragraph (f.1) of subsection (3) of this section. This coordination shall include but not be limited to the financial officer identifying those businesses eligible to collect the sales and use tax and any other administrative details identified by the department.

(3) The general powers of such authority shall include the following powers:

(a) To plan, finance, acquire, construct, reconstruct or repair, maintain, manage, and operate housing projects and programs pursuant to a multijurisdictional plan within the means of families of low or moderate income;

(a.5) To plan, finance, acquire, construct, reconstruct or repair, maintain, manage, and operate affordable housing projects or programs for employees of employers located within the jurisdiction of the authority;

(b) To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations also involved in providing such housing projects or programs or the financing for such housing projects or programs, irrespective of whether such agencies are parties to the contract establishing the authority;

(c) To employ agents and employees;

(d) To cooperate with state and federal governments in all respects concerning the financing of such housing projects and programs;

(e) To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service;

(f) To condemn property for public use, if such property is not owned by any governmental entity or any public utility and devoted to public use pursuant to state authority;

(f.1) (I) Subject to the provisions of subsection (7.5) of this section, to levy, in all of the area within the boundaries of the authority, a sales or use tax, or both, at a rate not to exceed one percent, upon every transaction or other incident with respect to which a sales or use tax is levied by the state. The tax imposed pursuant to this paragraph (f.1) is in addition to any other sales or use tax imposed pursuant to law and is exempt from the limitation imposed by section 29-2-108. The executive director of the department of revenue shall collect, administer, and enforce the sales or use tax, to the extent feasible, in the manner provided in section 29-2-106. However, the executive director shall not begin the collection, administration, and enforcement of a sales and use tax until such time as the financial officer of the authority and the executive director have agreed on all necessary matters pursuant to subparagraph (III) of paragraph (e) of subsection (2) of this section. The executive director shall begin the collection, administration, and enforcement of a sales and use tax on a date mutually agreeable to the department of revenue and the authority.

(II) The executive director shall make monthly distributions of the tax collections to the authority, which shall apply the proceeds solely to the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs within the means of families of low or moderate income.

(III) The department of revenue shall retain an amount not to exceed the cost of the collection, administration, and enforcement and shall transmit the amount retained to the state treasurer, who shall credit the same amount to the multijurisdictional housing authority sales tax fund, which fund is hereby created in the state treasury. The amounts so retained are hereby appropriated annually from the fund to the department to the extent necessary for the department's collection, administration, and enforcement of the provisions of this section. Any moneys remaining in the fund attributable to taxes collected in the prior fiscal year shall be transmitted to the authority; except that, prior to the transmission to the authority of such moneys, any moneys appropriated from the general fund to the department for the collection, administration, and enforcement of the tax for the prior fiscal year shall be repaid.

(f.2) Subject to the provisions of subsection (7.5) of this section, to levy, in all of the area within the boundaries of the authority, an ad valorem tax at a rate not to exceed five mills on each dollar of valuation for assessment of the taxable property within such area. The tax imposed pursuant to this paragraph (f.2) shall be in addition to any other ad valorem tax imposed pursuant to law. In accordance with the schedule prescribed by section 39-5-128, C.R.S., the board shall certify to the board of county commissioners of each county within the authority, or having a portion of its territory within the district, the levy of ad valorem property taxes in order that, at the time and in the manner required by law for the levying of taxes, such board of county commissioners shall levy such tax upon the valuation for assessment of all taxable property within the designated portion of the area within the boundaries of the authority. It is the duty of the body having authority to levy taxes within each county to levy the taxes provided by this subsection (3). It is the duty of all officials charged with the duty of collecting taxes to collect such taxes at the time and in the form and manner and with like interest and penalties as other taxes are collected and when collected to pay the same to the authority ordering the levy and collection. The payment of such collections shall be made monthly to the authority or paid into the depository thereof to the credit of the authority. All taxes levied under this paragraph (f.2), together with interest thereon and penalties for default in payment thereof, and all costs of collecting the same shall constitute, until paid, a perpetual lien on and against the property taxed, and such lien shall be on a parity with the tax lien of other general taxes.

(f.5) (I) To establish, and from time to time increase or decrease, a development impact fee and collect such fee from persons who own property located within the boundaries of the authority who apply for approval for new residential, commercial, or industrial construction in accordance with applicable ordinances, resolutions, or regulations of any county or municipality.

(II) Notwithstanding the provisions of subparagraph (I) of this paragraph (f.5), an impact fee may only be imposed by an authority if all of the following conditions have been satisfied:

(A) No portion of the authority is located in a county with a population of more than one hundred thousand;

(B) The fee is not levied upon the development, construction, permitting, or otherwise in connection with low or moderate income housing or affordable employee housing;

(C) The rate of the fee is two dollars per square foot or less; and

(D) The authority also imposes a sales and use tax pursuant to paragraph (f.1) of this subsection (3), an ad valorem tax pursuant to paragraph (f.2) of this subsection (3), or both.

(g) To incur debts, liabilities, or obligations;

(h) To sue and be sued in its own name;

(i) To have and use a corporate seal;

(j) To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the authority;

(k) To adopt, by resolution, regulations respecting the exercise of its powers and the carrying out of its purposes;

(l) To exercise any other powers that are essential to the provision of functions, services, or facilities by the authority and that are specified in the contract;

(m) To do and perform any acts and things authorized by this section under, through, or by means of an agent or by contracts with any person, firm, or corporation;

(n) To establish enterprises for the ownership, planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, or operation, or any combination of the foregoing, of housing projects or programs authorized by this section on the same terms as and subject to the same conditions provided in section 43-4-605, C.R.S.

(4) The authority established by such contracting member governments shall be a political subdivision and a public corporation of the state, separate from the parties to the contract, and shall be a validly created and existing political subdivision and public corporation of the state, irrespective of whether a contracting member government withdraws (whether voluntarily, by operation of law, or otherwise) from such authority subsequent to its creation under circumstances not resulting in the rescission or termination of the contract establishing such authority pursuant to its terms. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The authority may deposit and invest its moneys in the manner provided in section 43-4-616, C.R.S.

(5) The bonds, notes, and other obligations of such authority shall not be the debts, liabilities, or obligations of the contracting member governments.

(6) The contracting member governments may provide in the contract for payment to the authority of funds from proprietary revenues for services rendered or facilities provided by the authority, from proprietary revenues or other public funds as contributions to defray the cost of any purpose set forth in the contract, and from proprietary revenues or other public funds as advances for any purpose subject to repayment by the authority.

(7) (Deleted by amendment, L. 2001, p. 966, § 1, effective August 8, 2001.)

(7.1) The authority may issue revenue or general obligation bonds, as the term bond is defined in section 43-4-602 (3), C.R.S., and may pledge its revenues and revenue-raising powers for the payment of such bonds. Such bonds shall be issued on the terms and subject to the conditions set forth in section 43-4-609, C.R.S.

(7.3) The income or other revenues of the authority, all properties at any time owned by an authority, any bonds issued by an authority, and the transfer of and the income from any bonds issued by the authority are exempt from all taxation and assessments in the state.

(7.5) (a) No action by an authority to establish or increase any tax or development impact fee authorized by this section shall take effect unless first submitted to a vote of the registered electors of the authority in which the tax or development impact fee is proposed to be collected.

(b) No action by an authority creating a multiple-fiscal year debt or other financial obligation that is subject to section 20 (4) (b) of article X of the state constitution shall take effect unless first submitted to a vote of the registered electors residing within the boundaries of the authority; except that no such vote is required for obligations of enterprises established under paragraph (n) of subsection (3) of this section or for obligations of any other enterprise under section 20 (4) of article X of the state constitution.

(c) The questions proposed to the registered electors under paragraphs (a) and (b) of this subsection (7.5) shall be submitted at a general election or any election to be held on the first Tuesday in November of an odd-numbered year. The action shall not take effect unless a majority of the registered electors voting thereon at the election vote in favor thereof. The election shall be conducted in substantially the same manner as county elections and the county clerk and recorder of each county in which the election is conducted shall assist the authority in conducting the election. The authority shall pay the costs incurred by each county in conducting such an election. No moneys of the authority may be used to urge or oppose passage of an election required under this section.

(7.7) (a) For the purpose of determining any authority's fiscal year spending limit under section 20 (7) (b) of article X of the state constitution, the initial spending base of the authority shall be the amount of revenues collected by the authority from sources not excluded from fiscal year spending pursuant to section 20 (2) (e) of article X of the state constitution during the first full fiscal year for which the authority collected revenues.

(b) For purposes of this subsection (7.7), "fiscal year" means any year-long period used by an authority for fiscal accounting purposes.

(8) An authority established by contracting member governments shall, if the contract so provides, be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting member governments to provide the same function, service, or facility, and such authority shall be entitled to all the rights and privileges and shall assume all the obligations and liabilities of such other entity under existing contracts to which such other entity is a party.

(9) The authority granted pursuant to this section shall in no manner limit the powers of governments to enter into intergovernmental cooperation or contracts or to establish separate legal entities pursuant to the provisions of section 29-1-203 or any other applicable law or otherwise to carry out their individual powers under applicable statutory or charter provisions, nor shall such authority limit the powers reserved to cities and towns by section 2 of article XI of the state constitution. Nothing in this part 2 constitutes a legislative declaration of preference for housing projects owned by authorities over housing projects owned by other or different entities.

Source: L. 77: Entire section added, p. 1393, § 1, effective July 7. **L. 2001:** Entire section amended, p. 966, § 1, effective August 8. **Editor's note:** (1) This section was originally numbered as § 29-1-203.5 in Senate Bill 77-488 but has been renumbered on revision for ease of location.

(2) This section was contained in a 2001 act that was passed without a safety clause. For further explanation concerning the effective date, see page vii of this volume.

Affordable Housing Resources

State

Colorado Division of Housing - www.dola.state.co.us/Doh
• *Housing Colorado: The Challenge for a Growing Stat*e, Colorado Division of Housing, Department of Local Affairs, November 2002.

Colorado Housing Finance Authority - www.chfa.org

Colorado Affordable Housing Partnership - www.coloradoaffordablehousing.org

Fannie Mae in Colorado- www.fanniemae.com/partnershipoffices/colorado

Colorado Housing Now! - www.cohsgnow.com/

Mile High Housing Fund - www.mhhf.org

Funding Partners - www.fundingpartners.org

National

Fannie Mae Foundation - www.fanniemae.org

The National Association of Housing and Redevelopment Officials (NAHRO) - www.nahro.org

Rural Community Assistance Corporation - www.rcac.org

U.S. Department of Housing and Urban Development - www.hud.gov

Tools & Strategies

Resource Efficient Housing / Green building
Homes that use fewer resources are less expensive to operate over their lifetime and increasingly cost effective in the short term as well.

Green Affordable Housing Coalition - www.greenaffordablehousing.org
Community Office for Resource Efficiency - www.aspencore.org
Rocky Mountain Institute - www.rmi.org

Inclusionary Zoning
The mandatory inclusion of affordable or local housing units, or financial setaside, as a quid quo pro for development approval.
www.policylink.org/EquitableDevelopment

Residential / Commercial Linkage
Zoning provisions that require new residential or commercial development to provide funds or housing to mitigate some portion of identifiable housing needs created by the new development. www.hmccolorado.org/housing.htm

Community Housing Development Corporations
A program where a housing authority or non-profit assumes an active role as developer of affordable housing and becomes a community resource.
www.communitychange.org/home.htm

Community Land Trusts
A community land trust (CLT) is a non-profit housing organization that owns the land in perpetuity. Through the land lease there is a requirement that requires that the improvements are sold and/or leased to households that meet defined income requirements.
www.ruralhome.org/pubs/clt/contents.htm

Housing Trust Funds
Housing trust funds are distinct funds established by legislation, ordinance or resolution to receive public or private revenues, which can only be spent on affordable housing.
www.communitychange.org/htf.html

Colorado multi-jurisdictional housing authority law
(C.R.S. 29-1-204.5)
This law, enacted in 2001, allows any combination of home rule or statutory cities, towns, and counties to establish a separate governmental entity known as a "multijurisdictional housing authority". One of the major advantages of this legislation is that, unlike a County housing authority, a regional housing authority may levy taxes or development impact fees, if stipulated in the agreement among the participating jurisdictions of the housing authority. All proposed tax measures must be approved by voters. www.colorado.gov/government.htm

IGA Examples

Douglas County

ESTABLISHING INTERGOVERNMENTAL AGREEMENT
FOR THE
DOUGLAS COUNTY MULTIJURISDICTIONAL HOUSING AUTHORITY

WHEREAS, Douglas County has experienced rapid growth over the last decade and, consequently, the demand for attainable housing has grown to exceed the available supply; and

WHEREAS, there has been a concern expressed by the business community, public officials, and others that there is insufficient workforce housing for workers in Douglas County, for example teachers, firefighters, retail, and daycare workers; and

WHEREAS, the majority of counties and many cities within Colorado have addressed such housing issues through the creation of housing authorities, whose purpose it is to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan; and

WHEREAS, Colorado Revised Statute 29-1-204.5 provides for the establishment of a separate governmental entity to be known as a multijurisdictional Housing Authority;

NOW THEREFORE, the undersigned local government members, the City of Lone Tree, the Town of Castle Rock, the Town of Parker, and Douglas County ("Member"), desiring to create the Douglas County Housing Partnership, a Multijurisdictional Housing Authority, a body corporate and politic and a separate governmental entity of the State of Colorado, pursuant to C.R.S. §29-1-204.5, by this Establishing Contract, by and among the parties hereto, each of which is a political subdivision of the State of Colorado authorized by law to establish a multijurisdictional Housing Authority by contract, hereby agree:

ARTICLE I
Name

The name of the entity hereby established shall be the Douglas County Housing Partnership, a Multijurisdictional Housing Authority (the "Authority").

ARTICLE II
Purpose

It is the purpose of the Authority to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan in order to provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income, and to provide affordable housing projects or programs for employees of employers located within the jurisdiction of the Authority.

ARTICLE III
Boundaries

The boundaries of the Authority shall be coterminous with the boundaries of the separate governmental entities that comprise the Authority, unless said boundaries are modified by the Authority.

ARTICLE IV
Coordination of Fees and Application Processing

The members of the Authority shall, and shall encourage other political subdivisions within the County to as well, establish their own incentives for the development of affordable housing projects that qualify under criteria established by the Board of Directors pursuant to Article V(b)3. These incentives shall be established within 180 days of adoption of the IGA and reviewed no less than annually thereafter. These incentives may include, but are not limited to, reductions in applicable fees, expedited approval and permitting, and alternative development regulations.

ARTICLE V
Establishment and Organization of Governance

(a) Governance. The Authority shall be governed by a Board of Directors ("Board") and a Management Committee appointed by the Board. Power is vested in the Board and Management Committee as described below.

(b) Board of Directors. The inaugural Board of Directors shall be comprised of eight members. The governing body of each Member of the Authority shall appoint two representatives to the Board, each representative of whom shall be an elected official of the Member or other designated representative. Two persons shall equally represent each Member Jurisdiction. If new members join the Authority in the future, they shall be represented on the Board of Directors two persons for each Member Jurisdiction, and if a Member Jurisdiction withdraws from the Authority, then said jurisdiction will lose its representation, such that the total number of Board members shall correspondingly increase or decrease upon the addition or deletion of Member Jurisdictions. The Board of Directors shall be responsible for the following:

- appointment of the Management Committee;
- overall policy for the Housing Authority;
- establishing Bylaws for the duties and conduct of the Board and Management Committee;
- annual budget;
- annual audit to be presented to each Member;
- annual work program; and
- project/program threshold.

The Board of Directors will meet quarterly to receive formal updates from the Housing Authority staff and Management Committee. One of these meetings will be for review and approval of the annual budget and work program prior to the start of the fiscal year.

Each Member Jurisdiction shall be responsible for identifying its representative(s) to the Board of Directors and deciding if it shall be an elected official or designated representative. Additionally, the Board of Directors shall allow for alternates in the event a regular representative is unable to attend a meeting.

The Board of Directors shall be led by a chairperson, who shall be replaced at the same time every year, and will serve a one-year term. The chair of the Board of Directors shall rotate yearly.

1. Eligibility, Term of Office, and Filling Vacancies. The following eligibility criteria apply to both the inaugural and subsequent Directors.

   Directors shall serve for a maximum of three, two-year terms, except that, on the inaugural Board, one Director nominated from each Member shall serve an initial term of one year, and the other Director shall serve an initial term of two years, after which these Directors shall remain eligible for their remaining two, two-year terms.

   Directors shall receive no compensation for their services; however, reasonable expenses related to the exercise of Board functions shall be reimbursed.

   Vacancies on the Board shall be filled by the jurisdiction from which the vacancy arises.

2. Voting. The Board of Directors shall act only upon a duly executed vote of the Board Members. Each Director shall cast one vote. A vote of the Board shall be deemed duly executed if made by a majority of a quorum of the Directors. A quorum shall consist of both a majority of Board members and at least one representative from each Member Jurisdiction. Proxy voting shall be allowed by alternate representatives designated by a Board member.

3. Duties of the Board. It shall be the duty of the Board to govern the affairs of the Authority and to establish policies of the Authority, to comply with Parts 1, 5, and 6 of C.R.S. 29-1-204.5, and to exercise with due diligence and prudence the purpose and powers set forth herein, including, but not limited to:

   - Electing a Chair, Vice Chair, Secretary, and Treasurer;
   - Adopting an annual budget by unanimous approval of all Directors;
   - Establishing a method of assessment, during the first three years, of each Member to finance the day-to-day operations of the Authority, subject to unanimous approval of all Directors;
   - Establish criteria for project eligibility for Housing Authority programs and assistance consistent with Federal and State guidelines; and
   - Hold regular meetings at such time and such place as the Board shall, by resolution, from time to time establish.

4. Officers. The Board of Directors shall include four officers, namely Chair, Vice-Chair, Secretary, and Treasurer.

   - The Chair shall preside at all meetings and execute all legal instruments on behalf of the Authority.

- The Vice-Chair shall serve as Chair in the event the Chair is absent or unable to fulfill the duties of the Chair.
- The Secretary shall be responsible for the minutes of the Board meetings and fulfill other duties as may be established by the Board.
- The Treasurer shall oversee the preparation of the Authority budget and oversee financial transactions and fulfill other duties as may be established by the Board.

The Board shall elect these officers by a two-thirds vote. Any Director may nominate himself or herself or any other Director as a candidate for an office. Officers shall be elected every year and may serve a maximum of three, one-year terms.

5. New Members. New member organizations and agencies must be admitted by unanimous approval by the Board of Directors. The Board of Directors may establish criteria for new members including fees for joining the Authority. New members shall be granted the same number of representatives on the Board of Directors as the original members, as described above in V(b).

(c) Management Committee. The Management Committee shall be comprised of 8 to 12 voting members. The members of the Management Committee shall be selected based upon skills identified as necessary to the Housing Authority. The intention for the Management Committee is that it oversee the general functions of the Housing Authority and provide skills and expertise that would otherwise require substantial staff or outside consultants. The Management Committee shall be responsible for the following:

- oversee administration;
- provide specific operational and management input;
- provide specific project/program input and guidance;
- identify projects; and
- deal with personnel matters.

The Management Committee shall meet on a monthly basis, with subcommittees possibly meeting more frequently or between board meetings. In addition, the members must be willing to work outside of Committee meetings on the Housing Authority.

1. Committee Skills. The Committee shall be made up of people with the following skills and expertise.

   i. Attorney
   ii. Representative from low/mod income service providers (senior center, YWCA, shelter director, etc.)
   iii. Accountant/financial management professional
   iv. Banking/lending/mortgage representative
   v. Business community representative
   vi. Real estate representative (broker, agent, appraiser, etc.)
   vii. Residential general contractor/builder
   viii. Low/mod income housing advocate (policy, politics, industry awareness, etc.)
   ix. Real Estate Developer (preferably one that works in affordable housing)
   x. Residential property manager
   xi. Public Relations professional
   xii. Representative who lives in affordable housing

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xiii. Representative from the fields of community development or economic development
xiv. Ex-officio members (see below)

The foregoing list of skills is to be used as a guide or general framework and is not intended to be a formula or specific model.

In addition to the voting members of the Management Committee, the Board of Directors shall request that the Colorado Division of Housing (DOH) and the Southeast Business Partnership (SEBP) appoint non-voting, ex-officio representatives to attend and participate in the discussions of the Management Committee on a regular basis.

2. Eligibility, Term of Office, and Filling Vacancies. The following eligibility criteria apply to both the inaugural and subsequent Committee Members:

Members shall serve for a maximum of three, four-year terms, except that, on the inaugural Committee, the Members shall be appointed for staggered terms in order to incorporate institutional consistency; after which these Members shall remain eligible for their remaining two, four-year terms.

The Board of Directors shall select and appoint the Management Committee. There shall be public advertisements/notices for the Management Committee positions, as well as nominations from each jurisdiction.

The Management Committee shall be selected based upon the following parameters:

- Attention to filling the skills identified above as necessary for the Management Committee;
- At no time shall more than two individual Committee members be employed by the same organization;
- There must always be at least one representative of the low/moderate-income community in Douglas County on the Committee;
- All Committee Members will be at least 18 years of age;
- The Management Committee will be comprised of 8 to 12 voting members; and
- The Committee will retain regional representation from all sections of the County.

Committee Members shall receive no compensation for their services; however, reasonable expenses related to the exercise of Committee functions shall be reimbursed.

Vacancies on the Committee shall be filled by the same means as originally selected.

3. Voting. The Committee shall act only upon a duly executed vote of the Committee Members. Each Member shall cast one vote. A vote of the Committee shall be deemed duly executed if made by a majority of a quorum of the Committee Members. A quorum shall be a simple majority of the Management Committee.

4. Duties of the Committee. It shall be the duty of the Management Committee to implement the policies of the Authority, as established by the Board of Directors, and to oversee the day-to-day operations of the Authority including staff, and to exercise

with due diligence and prudence the purpose and powers set forth herein, including, but not limited to:

- Electing a Chair, Vice Chair, Secretary, and Treasurer;
- Duties as established in the Bylaws; and
- Hold regular meetings at such time and such place as the Committee shall, by resolution, from time to time establish.

5. Officers. The Committee shall include four officers, namely Chair, Vice-Chair, Secretary, and Treasurer.

- The Chair shall preside at all meetings and execute such legal instruments on behalf of the Authority as may be delegated by the Board of Directors.
- The Vice-Chair shall serve as Chair in the event the Chair is absent or unable to fulfill the duties of the Chair.
- The Secretary shall be responsible for the minutes of Committee meetings and fulfill other duties as may be established by the Committee.
- The Treasurer shall oversee day-to-day financial transactions and fulfill other duties as may be established by the Committee.

Officers of the Management Committee shall be elected at the same time every year, and will serve a one-year term, with a maximum of three, one-year terms.

Terms for Committee Officers shall be determined by the Management Committee and approved by the Board of Directors. Officers will be nominated by slate; therefore, the Management Committee must present a slate of officers every year. Committee members may nominate themselves for officer positions. The slate must be approved by two thirds of the full Management Committee.

ARTICLE VI
Revenues

During the first three years, the Authority's primary source of revenue will be the general funds of the Member Jurisdictions. The budget is proposed to be two hundred thousand dollars ($200,000.00) per year. The funding during the first three years shall be provided as follows:

Member	Percentage of Total Annual Budget
Douglas County Government	50.00
Town of Castle Rock	16.666
Town of Parker	16.666
City of Lone Tree	16.666

Funding from each Member Jurisdiction shall be subject to annual availability and appropriation by the governing body of each Member Jurisdiction. In the event that additional Member Jurisdictions join the Authority, said new Member Jurisdiction shall provide 16.666% of the Total Annual Budget. The 16.666% paid by the new Member Jurisdiction shall be deducted from the percentage to be paid by Douglas County, and the percentage provided by the remaining Member Jurisdictions shall remain at 16.666%, such that 100% of the Total Annual Budget is maintained.

The proposed budget is shown in Exhibit A. The Board of Directors may amend the budget in order to account for operational and programmatic changes unforeseen at the time the IGA is executed. Increases in the budget for the first three years shall be subject to approval of the Member Jurisdictions.

The Housing Authority's fiscal year shall begin in January and coincide with the calendar year.

During the first three years of operation, the Authority will apply for, and anticipates receiving, Federal funds sufficient to support the activities of the Authority in the future. In addition, the Authority expects to derive revenues from management fees and similar service charges related to programs and projects.

ARTICLE VII
Powers and Functions

(a) Powers. The general powers of the Authority include the following:

The use of any power and responsibility listed below shall be at the discretion of the Board of Directors and as delegated to the Management Committee.

1. To plan, finance, acquire, construct, manage, and operate housing for families of low or moderate income;

2. To plan, finance, acquire, construct, manage, and operate housing programs for employees of employers located within the jurisdiction of the Authority;

3. To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations;

4. To employ agents and employees;

5. To cooperate with state and federal governments concerning the financing of housing projects and programs;

6. To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service;

7. To condemn property for public use, if such property is not owned by any governmental entity or any public utility and devoted to public use pursuant to state authority; provided, however, that the use of condemnation by the Housing Authority

shall occur only with the concurrence of the participating local government jurisdiction where the proposed condemnation action is located;

8. Levy, in all of the area within the boundaries of the Authority, a sales or use tax, according to state law; provided, however, that the use of taxing authority by the Housing Authority shall occur only with the concurrence of all of the participating local government jurisdictions prior to submission for voter approval;

9. Levy, in all of the area within the boundaries of the Authority, an ad valorem tax; provided, however, that the use of taxing authority by the Housing Authority shall occur only with the concurrence of all of the participating local government jurisdictions prior to submission for voter approval;

10. To incur debts, liabilities, or obligations;

11. To sue and be sued in its own name;

12. To have and use a corporate seal;

13. To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the Authority;

14. To adopt, by resolution, regulations respecting the exercise of its powers and the carrying out of its purposes;

15. To exercise any other powers that are essential to the provision of functions, services, or facilities by the Authority and that are specified in the contract;

16. To perform any acts and things authorized by C.R.S. 29-1-204.5 under, through, or by means of an agent or by contracts with any person, firm, or corporation;

17. To issue revenue or general obligation bonds according to state law;

18. No action by the Housing Authority to establish or increase any tax or development impact fee shall take effect unless first submitted to a vote of the registered electors of the authority in which the tax or development impact fee is proposed to be collected; provided, however, that the use of taxing authority or the imposition of development impact fees by the Housing Authority shall occur only with the concurrence of all of the participating local government jurisdictions prior to submission for voter approval; and

19. To establish enterprises for the ownership, planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, or operation, or any combination of the foregoing, of housing projects or programs authorized by this section on the same terms as and subject to the same conditions provided in C.R.S. §43-4-605.

(b) Functions. The functions, duties, and emphasis for the Housing Authority as listed below do not necessarily constitute a complete list; the Board of Directors and Management Committee may choose to work in other functional areas supportive of attainable housing. Likewise, the list is not intended to suggest that all the functions should be a part of the initial work program for the Housing Authority; the type and number of functions will depend upon the direction of the Board of Directors and Management Committee, and the capacity of the Housing Authority to engage in particular areas of work.

1. Permanent Staff / Services with some functions to be contracted
2. Provide homeownership and rental assistance programs
3. Act as a Conduit for Private Community Non-Profit programs
4. Administer Section 8 programs
5. Administer Community Development Block Grant (CDBG) and HOME Funding (State funds currently and direct funds when the County is qualified)
6. Identify properties that can be developed or redeveloped for attainable housing
7. Issue double tax-exempt bonds for affordable housing
8. Create public/private partnerships: Help private developers and non-profits package deals and group funding from a variety of resources
9. Housing Inspection for habitability for new homeowners
10. Development Coordinator / Expediter (either Housing Authority staff or public agency staff)
11. Leadership
12. Advocacy
13. Public Affairs
14. Housing Laws and Regulations

ARTICLE VIII
Status as Political Subdivision

The Authority shall be a political subdivision and a public corporation of the State, separate from the parties to the contract, and shall be a validly created and existing political subdivision and public corporation of the State, irrespective of whether a contracting member government withdraws (whether voluntarily, by operation of law, or otherwise) from such Authority subsequent to its creation under circumstances not resulting in the rescission or termination of the contract establishing such Authority pursuant to its terms. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The Authority may deposit and invest its moneys in the manner provided in C.R.S. §43-4-616.

ARTICLE IX
Obligations of Authority

The bonds, notes, and other obligations of such Authority shall not be the debts, liabilities, or obligations of the contracting member governments.

ARTICLE X
Insurance

The Authority shall procure and maintain with insurers with an A- or better rating as determined by Best's Key Rating Guide, at its own expense, the following policies of insurance:

(a) In the event the Authority hires employees, the Authority shall procure Workers' Compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of work under this contract, and Employers' Liability insurance with the following limits:

Workers' Compensation:	Statutory
Employers' Liability:	$1,000,000

(b) Commercial General Liability insurance with minimum combined single limits of ONE MILLION DOLLARS ($1,000,000.00) each occurrence and ONE MILLION DOLLARS ($1,000,000.00) aggregate. The policy will be applicable to all premises and operations. The policy will include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy will contain a severability of interests provision.

(c) Hired and Non-owned Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than ONE MILLION DOLLARS ($1,000,000.00) each occurrence with respect to hired and non-owned vehicles assigned to or used in performance of the Authority services. The policy will contain a severability of interests provision. In the event the Authority acquires automobiles, the Authority will procure Commercial Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than ONE MILLION DOLLARS ($1,000,000.00) each occurrence with respect to each owned, hired, and non-owned vehicle assigned to or used in performance of the Authority services. The policy will contain a severability of interests provision.

(d) Professional Liability Insurance in an amount not less than ONE MILLION DOLLARS ($1,000,000.00) including coverage for errors and omissions.

ARTICLE XI
Treasurer's Bond

The Treasurer for both the Board of Directors and the Management Committee shall execute to the People of Colorado a bond, in such penal sum to be determined by the Board of Directors based on commonly practiced criteria, the condition of which shall be in substance as follows: "Whereas, the above bounden _____ was elected to the office of Treasurer of the Douglas County Housing Partnership on the ____ day of ________, ____; Now, the condition of this obligation is such that if the said Treasurer, during his continuance in office by virtue of said election without fraud, deceit, or oppression, shall pay over all moneys that may come into his hands as Treasurer, and shall deliver to his successor all writs, papers, and other things pertaining to his office, which may be so required by law, then the above obligations shall be void, otherwise to remain in full force and effect."

ARTICLE XII
Provisions

(a) Term. This Contract shall continue in full force and effect until terminated in accordance with the provisions of subparagraph (c), below.

(b) Amendment. This Contract may be modified or amended only by action of the respective governing bodies of all Member Jurisdictions.

(c) Termination. This Contract may be rescinded or terminated by action of the governing bodies of all the Members. In the event of the rescission or termination of this Contract and the dissolution of the Authority, all right, title, and interest of the Authority in General Assets (as hereinafter defined) of the Authority shall be conveyed to the Members, who are such at the time of rescission or termination, as tenants-in-common subject to any outstanding liens, mortgages, or other pledges of such General Assets. The interest in the General Assets of the Authority conveyed to each Member shall be that proportion which the total dollar amount paid or contributed by such Member to the Authority for all purposes during the life of the Authority bears to the total dollar amount of all such payments and contributions made to the Authority by all such Members during the life of the Authority. The term "General Asset" as used herein shall include all legal and equitable interests in real or personal property, tangible or intangible, of the Authority.

(d) Withdrawal. Any Member may withdraw from the Authority as of the end of any calendar year by giving written notice to the Authority at least 90 days prior to the end of such calendar year, provided that such withdrawing Member shall pay all of its obligations hereunder to the effective date of its withdrawal.

(e) Funding Appropriated. Notwithstanding any other term or condition of this Agreement, it is expressly understood and agreed that the obligation of any party for all or any part of the payment obligations herein, whether direct or contingent, shall only extend to payment of monies duly and lawfully appropriated for the purpose of this contract by each party's respective governing body. Each party hereby represents to the other that all monies necessary to pay that party's obligations set out herein for the project as of the date of execution of this contract have been legally appropriated for the purpose of this Agreement.

(f) Applicable Law. This Agreement shall be interpreted pursuant to the laws of the State of Colorado. The parties agree to comply with all applicable federal, state and local statutes, charter provisions, ordinances, rules, regulations and standards as are in effect at the time this agreement is executed.

(g) Severability. Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective; provided, however, the parties shall forthwith enter into good faith negotiations and proceed with due diligence to draft a term that will achieve the original intent of the parties hereunder.

(h) Venue. Venue for any litigation arising out of any dispute hereunder shall be in the Douglas County District Court, State of Colorado.

(i) Headings for Convenience. Headings and titles contained herein are intended for the convenience and reference of the parties only and are not intended to combine, limit, or describe the scope or intent of any provision of this Agreement.

(j) No Waiver Of Governmental Immunity Act. The parties hereto understand and agree that all parties, their commissioners, mayors, city councils, agents and employees, are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101 to 120, C.R.S., or otherwise available to that party.

(k) Entire Agreement. This Agreement constitutes the entire Agreement of the parties hereto. The parties agree there have been no representations made other than those contained herein; that this Agreement constitutes their entire Agreement; and further agree that the various promises and covenants contained herein are mutually agreed upon and are in consideration for one another.

THEREFORE, IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

DOUGLAS COUNTY, STATE OF COLORADO

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO,

BY:________________________________
WALTER M. MAXWELL, Chair

ATTEST:

____
MARY A. NIBLACK
Deputy Clerk

APPROVED AS TO CONTENT:

____
Douglas J. DeBord, County Administrator

Date:__________________________

APPROVED AS TO LEGAL FORM:

____
Kelly Dunnaway,
Deputy County Attorney

Date:__________________________

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Summit County

INTERGOVERNMENTAL AGREEMENT

by and between

SUMMIT COUNTY, COLORADO

And

THE TOWN OF SILVERTHORNE, COLORADO

providing for the establishment of
the "Summit Combined Housing Authority" as a multijurisdictional housing authority pursuant to Section 29-1-204.5, Colorado Revised Statutes, as amended

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made and entered into this ___ day of September, 2002, by and between **SUMMIT COUNTY, COLORADO** (the "County"), a body corporate and politic and political subdivision of the State of Colorado (the "State"), and **THE TOWN OF SILVERTHORNE, COLORADO** (the "Town"), a home rule municipality and political subdivision of the State. The County and the Town are referred to collectively herein as "the Initial Members" or individually as "an Initial Member" and, together with any parties to this Agreement added by amendment of this Agreement pursuant to the terms hereof, are referred to collectively herein as "the Members" or individually as "a Member."

WHEREAS, Section 29-1-204.5, Colorado Revised Statutes, as amended (the "Act"), authorizes any combination of home rule or statutory cities, towns, counties, and cities and counties of the State to, by contract with each other, establish a separate governmental entity to be known as a multijurisdictional housing authority to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan in order to provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income and to provide affordable housing projects or programs for employees of employers located within the jurisdiction of the authority; and

WHEREAS, pursuant to title 29, article 1, part 2, Colorado Revised Statutes, as amended (the "Intergovernmental Relations Statute"), and article XIV, section 18 of the State Constitution, governments may contract with one another to provide any function, service or facility lawfully authorized to each of the contracting units and any such contract may provide for the joint exercise of the function, service or facility, including the establishment of a separate legal entity to do so; and

WHEREAS, affordable housing services in the County have historically been provided by the County through its existing housing authority;

WHEREAS, the County and the Town desire to establish a multijurisdictional housing authority to be known as the "Summit Combined Housing Authority" (the "Authority") pursuant to and in accordance with the Act and this Intergovernmental Agreement (this "Agreement");

NOW, THEREFORE, be it covenanted and agreed as follows:

Section 1. Creation and Initial Members. The County and the Town hereby establish the Authority as a separate governmental entity and a political subdivision and public corporation of the State pursuant to the Act, the Intergovernmental Relations Statute and the terms of this Agreement. The County and the Town shall be the Initial Members of the Authority.

Section 2. Name. The name of the Authority shall be the "Summit Combined Housing Authority."

Section 3. Purpose. The purpose and function of the Authority shall be to: plan, finance, acquire, construct, reconstruct or repair, maintain, manage, and operate housing projects and programs pursuant to a multijurisdictional plan within the means of families of low or moderate income and to plan, finance, acquire, construct, reconstruct or repair, maintain, manage, and operate affordable housing projects or programs for employees of employers located within the jurisdiction of the Authority, as will be further set forth in the multijurisdictional plan to be adopted by the Authority pursuant to the Act and Section 8 hereof.

Section 4. Boundaries. The initial boundaries of the Authority shall be coterminous with the boundaries of the County.

Section 5. Powers and Duties. The Authority shall have all power, privileges and duties vested in or imposed on it by the Act, by the Intergovernmental Relations Statute and by any other applicable law, subject to the provisions of the Act, the Intergovernmental Relations Statute and any other applicable law.

Section 6. Board of Directors.

(a) **Powers and Duties.** The Authority shall be governed by a Board of Directors (the "Board") as described in this Section. The Board shall exercise and perform all powers, privileges and duties vested in or imposed on the Authority, including, without limitation, any duties imposed on the Authority by title 29, article 1, parts 1, 5 and 6, Colorado Revised Statutes, as amended. Subject to the provisions of the Act and this Agreement, the Board may delegate any of its powers to any director, officer, employee or agent of the Authority.

(b) **Directors**. The Board shall be composed of one director for each Member. The governing body of each Member shall select and appoint the director for such Member.

(c) **Terms of Office**. The term of office of each director shall commence with his or her appointment and shall continue until the date on which a successor is duly appointed.

(d) **Resignation, Removal and Vacancies**. Any director may resign at any time, effective upon receipt by the Secretary (described in Section 7 hereof) or the Chair (described in Section 7 hereof) of written notice signed by the person who is resigning; and may be removed at any time by the governing body of the Member that appointed him or her, in its sole and exclusive discretion, effective upon receipt by the Secretary or the Chair of written notice signed by a duly authorized representative the governing body of the appointing Member. Vacancies in the office of any director shall be filled in the same manner in which the vacant office was originally filled pursuant to subsection (b) of this Section.

(e) **Compensation**. Directors shall serve without compensation, but may be reimbursed for expenses incurred in serving in such capacities upon such terms and pursuant to such procedures as may be established by the Board.

(f) **Resolutions and Voting**. All actions of the Board shall be by resolution, which may be written or oral. Resolutions of the Board shall be adopted upon the

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affirmative vote of at least a majority of a quorum of the directors eligible to vote thereon. A quorum shall consist of a majority of the directors then in office.

(g) **Bylaws and Rules**. The Board, acting by resolution adopted as provided in subsection (f) of this Section, may adopt bylaws or rules governing the activities of the Authority and the Board, including, but not limited to, bylaws or rules governing the conduct of Board meetings, voting procedures, and the type of resolutions that must be in writing.

Section 7. Officers.

(a) **Generally**. The Board shall select and appoint a Chair, a Vice Chair, a Secretary, a Treasurer and an Executive Director. The Board also may appoint one or more subordinate officers and agents, each of whom shall hold his or her office or agency for such term and shall have such authority, powers and duties as shall be determined from time to time by the Board. The Chair and the Vice Chair shall be directors. Other officers may, but need not, be directors. Any two or more of such offices may be held by the same person, except that the offices of Chair and Secretary may not be held by the same person and the person serving as Executive Director may not hold any other of such offices. All officers of the Authority shall be persons of the age of 18 years or older and shall meet the other qualifications, if any, stated for his or her office elsewhere in this Section.

(b) **Chair**. The Chair shall have the power to call meetings of the Board; the power to execute, deliver, acknowledge, file and record on behalf of the Authority such documents as may be required by this Agreement, the Act or other applicable law; and such other powers as may be prescribed from time to time by the Board. The Chair may execute and deliver contracts, deeds and other instruments and agreements on behalf of the Authority as are necessary or appropriate in the ordinary course of its activities or as are duly authorized or approved by the Board. The Chair shall have such additional authority, powers and duties as are appropriate and customary for the office of the Chair of the Board of Directors of entities such as the Authority, and as the Board may otherwise prescribe.

(c) **Vice Chair**. The Vice Chair shall be the officer next in seniority after the Chair and, upon the death, absence or disability of the Chair, shall have the authority, powers and duties of the Chair. The Vice Chair shall have such additional authority, powers and duties as are prescribed by the Board.

(d) **Secretary**. The Secretary shall give, or cause to be given, notice of all meetings (including special meetings) of the Board, keep written minutes of such meetings, have charge of the Authority's seal, be responsible for the maintenance of all records and files and the preparation and filing of reports to governmental agencies (other than tax returns), have authority to impress or affix the Authority's seal to any instrument requiring it (and, when so impressed or affixed, it may be attested by his or her signature), and have such other authority, powers and duties as are appropriate and customary for the office of Secretary of entities such as the Authority, and as the Board

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may otherwise prescribe. If a Treasurer has not been appointed, the Secretary shall also serve as Treasurer and may use the title of Treasurer in performing the functions of Treasurer.

(e) **Treasurer**. The Treasurer shall, subject to rules and procedures established by the Board, be responsible for the custody of the funds and all stocks, bonds and other securities owned by the Authority and shall be responsible for the preparation and filing of all tax returns, if any, required to be filed by the Authority. The Treasurer shall receive all moneys paid to the Authority and, subject to any limits imposed by the Board or the Chair, shall have authority to give receipts and vouchers, to sign and endorse checks and warrants in the Authority's name and on the Authority's behalf, and to give full discharge for the same. The Treasurer shall also have charge of disbursement of the funds of the Authority, shall keep full and accurate records of the receipts and disbursements, and shall deposit all moneys and other valuables in such depositories as shall be designated by the Board. The Treasurer shall deposit and invest all funds of the Authority in accordance with this Agreement and laws of the State applying to the deposit and investment of funds of multijurisdictional housing authorities formed under the Act. The Treasurer shall have such additional authority, powers and duties as are appropriate and customary for the office of Treasurer of entities such as the Authority, and as the Board may otherwise prescribe. If a Treasurer has not been appointed, the Secretary shall also serve as Treasurer and may use the title of Treasurer in performing the functions of Treasurer.

(f) **Executive Director**. The Executive Director shall be the chief executive officer of the Authority, shall supervise the activities of the Authority, shall see that all policies, directions and orders of the Board are carried out and shall, under the supervision of the Board, have such other authority, powers or duties as may be prescribed by the Board.

(g) **Resignation and Removal**. Any officer may resign at any time effective upon receipt by the Secretary or the Chair of written notice signed by the person who is resigning, and may be removed at any time by the Board.

(h) **Changes to Authority, Powers and Duties**. Notwithstanding any other provision of this Article, the Board at any time may expand, limit or modify the authority, powers and duties of any officer.

(i) **Vacancies.** Vacancies in the office of any officer shall be filled in the same manner in which such office was originally filled.

(j) **Compensation**. The Authority may compensate officers who are not directors for services performed, and may reimburse them for expenses incurred, in serving in such capacities upon such terms and pursuant to such procedures as may be established by the Board.

Section 8. Multijurisdictional Plan. Pursuant to the Act, the Authority, by resolution of the Board, shall adopt a multijurisdictional plan (the "Plan") for the accomplishment of its purpose (as described in Section 3 hereof). The Plan shall include provision for the succession of the Authority to the rights, privileges, assets, liabilities, obligations and operations of the existing housing authority of the County.

Section 9. Sources of Revenue.

(a) **Expected Sources of Revenue**. Subject to the requirements of Article X, Section 20 of the State Constitution, the voting requirements and other provisions of the Act and the requirements hereof, the Members hereby declare the present expectation of the Authority to derive revenues from a sales and/or use tax of .05% imposed throughout the boundaries of the Authority pursuant to and in accordance with subsection (3)(f.1) of the Act; provided, that such declaration of expectation shall not be construed to obligate the Authority in any way.

(b) **Consent for Additional Fees, Taxes.** No additional tax or fee shall be imposed by the Authority in excess of the tax or fee described in subsection (a) of this Section without the express written consent of the Members' governing bodies.

(c) **Fair Distribution of Revenues.** Prior to and as a condition of levying any tax or fee described in subsection (a) of this Section, the Board shall adopt a resolution determining that the levying of such tax or fee will fairly distribute the costs of the Authority's activities among the persons and businesses benefited thereby and will not impose an undue burden on any particular group of persons or businesses.

(d) **Coordination of Sales and Use Tax Collection with Department of Revenue.** The Authority shall designate a financial officer who shall coordinate with the State Department of Revenue regarding the collection of a sales and use tax described in subsection (a)(i) of this Section. Such coordination shall include but not be limited to the financial officer identifying those businesses eligible to collect the sales and use tax and any other administrative details identified by the Department of Revenue.

Section 10. Amendment of Agreement; Additional Members.

(a) **Generally**. Except as otherwise provided in this Section, this Agreement may be modified or amended by resolution of the Board adopted as provided herein.

(b) **Amendment to Provide for Additional Members**. This Agreement may be amended to add one or more additional Members upon: (i) resolution of the Board providing for such amendment adopted as provided herein and (ii) approval of such amendment by the governing body of the prospective additional Member and each then-existing Member.

Section 11. Term of Agreement and Distribution of Assets Upon Termination of Agreement.

(a) **Effective Date**. The term of this Agreement shall begin when all of the Initial Members shall have executed this Agreement.

(b) **Termination**. The term of this Agreement shall end when less than two Members are willing to remain as parties to this Agreement; provided, however, that this Agreement may not be terminated so long as the Authority has any bonds, notes or other obligations outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations.

(c) **Distribution of Assets Upon Termination**. Upon termination of this Agreement pursuant to subsection (b) of this Section, after payment of all bonds, notes and other obligations of the Authority, the net assets of the Authority shall be distributed to the parties who are Members at such time in such proportion as shall be agreed to by such Members at such time.

Section 12. Adoption and Execution of Agreement in Accordance with Law. Each Initial Member hereby represents to each other Initial Member that it has adopted and executed this Agreement in accordance with applicable law.

Section 13. Parties in Interest. Nothing expressed or implied herein is intended or shall be construed to confer upon any person other than the Members any right, remedy or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the Members.

Section 14. No Personal Liability. No covenant or agreement contained in this Agreement or any resolution or bylaw adopted by the Board shall be deemed to by the covenant or agreement of an elected or appointed official, officer, agent, servant or employee of any Member in his or her individual capacity.

Section 15. Notices. Except as otherwise provided in this Agreement, all notices, certificates, requests, requisitions or other communications by the Authority, any Member, any Director or any Officer shall be in writing; shall be sufficiently given and shall be deemed given when actually received, in the case of the Authority and officers of the Authority, at the last address designated by the Authority for such purpose and, in the case of such other persons, at the last address specified by them in writing to the Secretary of the Authority; and, unless a certain number of days is specified, shall be given within a reasonable period of time.

Section 16. Assignment. None of the rights or benefits of any Member may be assigned, nor may any of the duties or obligations of any Member be delegated, without the express written consent of all the Members.

Section 17. Severability. If any clause, provision, subsection, or Section of this Agreement shall be held to be invalid, illegal or unenforceable for any reason, the invalidity, illegality or enforceability of such clause, provision, subsection, or Section shall not affect any of the remaining provisions of this Agreement.

Section 18. Interpretation. Subject only to the express limitations set forth herein, this Agreement shall be liberally construed (a) to permit the Authority and the Members to exercise all powers that may be exercised by a multijurisdictional housing authority pursuant to the Act and by a separate legal entity created by a contract among the Members pursuant to the Intergovernmental Relations Statute; (b) to permit the Members to exercise all powers that may

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be exercised by them with respect to the subject matter of this Agreement pursuant to the Act, the Intergovernmental Relations Statute and other applicable law; and (c) to permit the Board to exercise all powers that may be exercised by the board of directors of a multijurisdictional housing authority pursuant to the Act and by the governing body of a separate legal entity created by a contract among the Members pursuant to the Intergovernmental Relations Statute. In the event of any conflict between the Act, the Intergovernmental Relations Statute or any other law with respect to the exercise of any such power, the provision that permits the broadest exercise of the power consistent with the limitations set forth in this Agreement shall control.

Section 19. Contract with Summit County Housing Authority. The Authority may enter into an agreement with the existing Summit County Housing Authority to allow the Summit County Housing Authority to perform or provide any of the duties, functions, facilities or services of the Authority.

Section 20. Governing Law. The laws of the State shall govern the construction and enforcement of this Agreement.

Section 21. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the Initial Members effective the effective date set forth above.

SUMMIT COUNTY, COLORADO

By ______________________________
Thomas A. Long
Chairman

Attest:

____

TOWN OF SILVERTHORNE, COLORADO

By ______________________________
Lou Del Piccolo
Mayor

TOWN OF SILVERTHORNE
SEAL
STATE OF COLORADO

Attest:

____

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Summit County 2002 Ballot Questions

SUMMIT COMBINED HOUSING AUTHORITY REFERRED MEASURE 5A

Authorizing a .05 percent sales tax for the summit combined housing authority for the operation of an affordable housing program.
(Vote YES or NO)
“SHALL THE SUMMIT COMBINED HOUSING AUTHORITY’S TAXES BE INCREASED $400,000 ANNUALLY COMMENCING IN 2003, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER, FROM A .05% SALES TAX FOR ALL NECESSARY OPERATING EXPENSES OF THE SUMMIT COMBINED HOUSING AUTHORITY AND FOR SUCH OTHER AFFORDABLE HOUSING PURPOSES AS MAY BE AUTHORIZED BY LAW, AND SHALL THE LEVY AND ANY EARNINGS THEREON BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?”

YES_____ NO_____

SUMMIT COMBINED HOUSING AUTHORITY REFERRED MEASURE 5B

Revenue retention authorization for grants, fundraising and other revenue.
(Vote YES or NO)
WITHOUT IMPOSING ANY NEW TAX OR INCREASE IN TAX RATES, SHALL THE SUMMIT COMBINED HOUSING AUTHORITY BE AUTHORIZED TO COLLECT, RETAIN AND EXPEND ALL REVENUES AND OTHER FUNDS FROM ANY SOURCE, INCLUDING GRANTS AND FUNDRAISING DURING 2003 AND EACH SUBSEQUENT YEAR AS A VOTER-APPROVED REVENUE CHANGE WITHOUT LIMITATION OR CONDITION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

YES_____ NO_____

Roaring Fork Community Housing Fund
Final draft of 10/08/04

INTERGOVERNMENTAL AGREEMENT

by and among

TOWN OF BASALT, COLORADO

TOWN OF CARBONDALE, COLORADO

GARFIELD COUNTY, COLORADO

AND

CITY OF GLENWOOD SPRINGS, COLORADO

providing for the establishment of
the "Roaring Fork Community Housing Fund" as a multijurisdictional housing authority pursuant to Section 29-1-204.5, Colorado Revised Statutes, as amended

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THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made and entered into this ____ day of ______________, 2004, by and among the Town of Basalt, Colorado, the Town of Carbondale, Colorado, Colorado, Garfield County, Colorado, and the City of Glenwood Springs, Colorado (collectively, the "Initial Members" and each individually, an "Initial Member" and, together with any parties to this Agreement added by amendment of this Agreement pursuant to the terms hereof, the "Members" and each individually, a "Member").

WHEREAS, Section 29-1-204.5, Colorado Revised Statutes, as amended (the "Act"), authorizes any combination of home rule or statutory cities, towns, counties, and cities and counties of the State to, by contract with each other, establish a separate governmental entity to be known as a multijurisdictional housing authority to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan in order to provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income and to provide affordable housing projects or programs for employees of employers located within the jurisdiction of the authority; and

WHEREAS, the Initial Members desire to establish a multijurisdictional housing authority to be known as the "Roaring Fork Community Housing Fund" (the "Housing Fund") pursuant to and in accordance with the Act and this Intergovernmental Agreement (this "Agreement");

NOW, THEREFORE, be it covenanted and agreed as follows:

Section 1. Creation and Initial Members. Notwithstanding any provision hereof, this Agreement shall take effect only upon the approval and execution hereof by each of the Initial Members. Upon the effectiveness of this Agreement, the Housing Fund shall be established without further action as a multijurisdictional housing authority, a separate governmental entity and a political subdivision and public corporation of the State, pursuant to the Act and the terms of this Agreement. The entities named in the first paragraph of this Agreement shall be the Initial Members of the Housing Fund.

Section 2. Name. The name of the Housing Fund shall be the "Roaring Fork Community Housing Fund."

Section 3. Purpose.

(a) The purpose and function of the Housing Fund shall be to plan, finance, and cooperate with Members in the planning and financing of, the acquisition, construction, reconstruction or repair of (i) housing projects and programs within the means of families of low or moderate income and (ii) affordable housing projects or programs for employees of employers located within the jurisdiction of the Housing Fund (such projects and programs described in clause (i) or (ii) of this subsection (a) being referred to herein collectively as "Projects" and each individually as a "Project"); provided that any such Project shall be located within the boundaries of the Housing Fund and approved by the Member in which the project is located. Subject to the limitations of the Act, the purposes of the Housing Fund may be modified from time to time by amendment of this Agreement adopted in accordance with Section 9(c) hereof.

(b) The Housing Fund shall, in accordance with the Act, undertake such purpose and function pursuant to and as further set forth in the multijurisdictional plan attached as Exhibit A to this Agreement, as the same may be amended from time to time by resolution of the Board of Directors of the Housing Fund adopted in accordance with the provisions of this Agreement (as the same may be so amended, the "Plan"). It is hereby acknowledged by the Initial Members that the Housing Fund intends and expects that the initial Plan attached as Exhibit A hereto will be amended by the Board within 180 days of the effective date of this Agreement to further detail and clarify its provisions; provided that such statement of expectation and intent shall not be considered to bind the Housing Fund to adopt such amendment within such period of time.

(c) For purposes of this Section 3 and all purposes of the Housing Fund, the terms "low and moderate income" and "affordable housing projects or programs" shall, with respect to any Project, have the meanings ascribed to each, respectively, by the Member within whose boundaries such Project is located.

Section 4. Boundaries. The initial boundaries of the Housing Fund shall be coterminous with the current boundaries of the Roaring Fork School District No. RE-1, except for the portions thereof lying within unincorporated Pitkin and Eagle County, Colorado. If any county or city and county other than the counties constituting Initial Members or any home rule or statutory city or town having boundaries not entirely contained within the initial boundaries of the Housing Fund shall become a Member pursuant to Section 9(b) hereof, the area of the

Housing Fund shall, unless otherwise provided herein or in any amendment hereof, be expanded to include all areas included within the boundaries of such new Member not then included within the boundaries of the Housing Fund. Additionally, the Members may, by amendment hereof pursuant to Section 9(a) hereof, but subject to the requirements of Article X, Section 20 of the State Constitution, the voting requirements and other provisions of the Act and the requirements hereof and of any resolution of the Housing Fund relating to the imposition of any tax or fee by the Housing Fund or the issuance of any bonds, notes or other obligations of the Housing Fund, modify the boundaries of the Housing Fund to exclude any area then included within the boundaries of the Housing Fund or to include any area then included within the boundaries of any Member but not then included within the boundaries of the Housing Fund.

Section 5. Powers and Duties. The Housing Fund shall have all powers, privileges and duties vested in or imposed on it by the Act, by title 29, article 1, part 2, Colorado Revised Statutes, as amended (the "Intergovernmental Relations Statute") and by any other applicable law, subject to the provisions of the Act, the Intergovernmental Relations Statute, any other applicable law, and limited, with respect to powers and privileges, to the purposes and functions of the Housing Fund set forth in Section 3 hereof; provided that the Housing Fund shall not be empowered to condemn any property lying within the boundaries of any Member without the prior written approval of the governing body of such Member.

Section 6. Board of Directors.

(a) **Powers and Duties.** The Housing Fund shall be governed by the Board as described in this Section. The Board shall exercise and perform all powers, privileges and duties vested in or imposed on the Housing Fund by Section 5 hereof. Subject to the provisions of the Act and this Agreement, the Board may delegate any of its powers to any director, officer, employee or agent of the Housing Fund. Without limiting the generality of the foregoing, but subject to the limitations of Section 5 hereof, the Board shall:

(i) develop, adopt and, as necessary from time to time, amend, the Plan for the purpose of accomplishing the purposes of the Housing Fund set forth herein;

(ii) review and make recommendations for approval of grants and loans for developments seeking funds where such projects result in housing that is affordable to low and moderate income households within the boundaries of the Housing Fund in compliance with guidelines adopted by the Board for allocation of funds and/or other forms of financing;

(iii) employ an Executive Director (as described in Section 7 hereof), who shall act as described in Section 7 hereof, and determine the qualifications, duties and compensation of such Executive Director;

(iv) promote cooperation among Members and other local governments within and without the boundaries of the Housing Fund and non-profit agencies and other groups endeavoring to increase the supply of housing that is affordable to low and moderate income households within the boundaries of the Housing Fund;

(v) review and approve an annual budget and working plan prepared by the Executive Director consistent with the purposes of the Housing Fund set forth herein and with the Plan, which budget and working plan shall outline the primary goals and objectives to be accomplished by the Housing Fund for the next succeeding fiscal year of the Housing Fund; and submit such budget and working plan to the governing body of each Member, and to the Board of Commissioners of the Garfield County Housing Authority (the "Authority") for review and comment;

(vi) require the Executive Director to meet monthly with local housing entities to coordinate efforts in the area of the Housing Fund and receive a report from the Executive Director regarding local affordable housing opportunities and constraints that have been discussed as part of such meetings;

(vii) host a meeting no less frequently than semi-annually whereby individuals and entities involved in affordable housing efforts within the boundaries of the Housing Fund may present information regarding pending developments, current projects, policy concerns and other matters related to the development and ongoing support of affordable housing within the boundaries of the Housing Fund, and consider such information in its review of the annual budget and working plan;

(viii) support efforts to increase funding and other financial means that will enhance the creation of affordable housing within the boundaries of the Housing Fund; and

(ix) seek opportunities to cooperate in the planning and financing of the acquisition, construction, reconstruction or repair, maintenance, management, and operation of Projects by Members.

(b) **Directors**. The Board shall initially be composed of seven directors; provided that the number of directors shall be increased by one for each Member added to the Housing Fund subsequent to the execution of this Agreement pursuant to Section 9(b) hereof. Each Member shall select and appoint one director. Additionally, one director shall be selected and appointed by the Board of Commissioners of the Authority and two directors shall be community representatives selected and appointed by the remainder of the Board. Any director may be an employee or elected official of any Member, but when acting in his or her capacity as director of the Housing Fund, he or she should represent the interests of the Housing Fund and not any individual Member, except as the interests of such Member shall coincide with those of the Housing Fund.

(c) **Terms of Office**. The term of office of each director shall commence with his or her appointment and shall continue until the date on which a successor is duly appointed.

(d) **Resignation, Removal and Vacancies**. Any director may resign at any time. Such resignation shall be effective upon receipt by the Secretary (as described in Section 7 hereof) or the Chair (as described in Section 7 hereof) of written notice signed by the person who is resigning. Any director may be removed at any time by the governing body of the Member that appointed him or her, or with respect to any director appointed by the Authority, may be removed at any time by the Board of Commissioners of the Authority. Such removal shall be effective upon receipt by the Secretary or the Chair of written notice signed by a duly authorized representative of such body, as applicable. Vacancies in the office of any director shall be filled in the same manner in which the vacant office was originally filled pursuant to subsection (b) of this Section.

(e) **Compensation**. No director shall receive compensation for serving as director, but any director may be reimbursed for expenses incurred by such director in serving in such office upon such terms and pursuant to such procedures as may be established by the Board.

(f) **Resolutions and Voting**. All actions of the Board shall be by resolution, which may be written or oral. Resolutions of the Board shall be adopted upon the affirmative vote of at least a majority of a quorum of the directors eligible to vote thereon. A quorum shall consist of a majority of the directors then in office.

(g) **Bylaws and Rules**. The Board, acting by resolution adopted as provided in subsection (f) of this Section, may adopt bylaws or rules governing the activities of the Housing Fund and the Board, including, but not limited to, bylaws or rules governing the conduct of Board meetings, voting procedures, and the type of resolutions that must be in writing.

Section 7. Officers.

(a) **Generally**. The Board shall select and appoint a Chair of the Board, a Vice Chair of the Board and an Executive Director of the Housing Fund. If no Secretary is selected by the Board, the Executive Director shall be the ex officio Secretary of the Board. The Board also may appoint one or more subordinate officers and agents, each of whom shall hold his or her office or agency for such term and shall have such authority, powers and duties as shall be determined from time to time by the Board. The Chair and the Vice Chair shall be directors. The Executive Director shall not be a director. Other officers (except the Secretary if the Executive Director is serving as ex officio Secretary) may, but need not, be directors. Any two or more of such offices may be held by the same person, except that the offices of Chair and Secretary may not be held by the same person and the person serving as Executive Director may not serve as Chair or Vice Chair. All officers of the Housing Fund shall be persons of the age of 18 years or older and shall meet the other qualifications, if any, stated for his or her office elsewhere in this Section.

(b) **Chair**. The Chair shall have the power to call meetings of the Board; the power to execute, deliver, acknowledge, file and record on behalf of the Housing Fund such documents as may be required by this Agreement, the Act or other applicable law; and such other powers as may be prescribed from time to time by the Board. The Chair may execute and deliver contracts, deeds and other instruments and agreements on behalf of the Housing Fund as are necessary or appropriate in the ordinary course of its activities or as are duly authorized or approved by the Board. The Chair shall have such additional authority, powers and duties as are appropriate and customary for the office of the chair of the board of directors of entities such as the Housing Fund, and as the Board may otherwise prescribe.

(c) **Vice Chair**. The Vice Chair shall be the officer next in seniority after the Chair and, upon the death, absence or disability of the Chair, shall have the authority, powers and duties of the Chair. The Vice Chair shall have such additional authority, powers and duties as are prescribed by the Board.

(d) **Secretary**. The Secretary shall give, or cause to be given, notice of all meetings (including special meetings) of the Board, keep written minutes of such meetings, have charge of the Housing Fund's seal, be responsible for the maintenance of all records and files and the preparation and filing of reports to governmental agencies (other than tax returns), have authority to impress or affix the Housing Fund's seal to any instrument requiring it (and, when so impressed or affixed, it may be attested by his or her signature), and have such other authority, powers and duties as are appropriate and customary for the office of Secretary of entities such as the Housing Fund, and as the Board may otherwise prescribe.

(e) **Executive Director**. The Executive Director shall be the chief executive officer of the Housing Fund, shall supervise the activities of the Housing Fund, shall see that all policies, directions and orders of the Board are carried out and shall, under the supervision of the Board, have such other authority, powers or duties as may be prescribed by the Board. The Executive Director shall be engaged by the Board pursuant to a contract between the Housing Fund and the Executive Director setting forth such authority, powers and duties and providing, among other items, that the Executive Director may be an employee or elected official of any Member, but that when acting in his or her capacity as Executive Director, he or she shall represent the interests of the Housing Fund and not any individual Member, except as the interests of such Member shall coincide with those of the Housing Fund.

(f) **Resignation and Removal**. Any officer may resign at any time effective upon receipt by the Secretary or the Chair of written notice signed by the person who is resigning, and may be removed at any time by the Board.

(g) **Changes to Powers and Duties**. Notwithstanding any other provision of this Article, the Board at any time may by resolution expand, limit or modify the authority, powers and duties of any officer.

(h) **Vacancies**. Vacancies in the office of any officer shall be filled in the same manner in which such office was originally filled.

(i) **Compensation**. The Housing Fund may compensate any officer who is not a director for services performed, and may reimburse such an officer for expenses incurred in serving in such office upon such terms and pursuant to such procedures as may be established by the Board.

Section 8. Sources of Revenue.

(a) **Initial Sources of Revenue**. For the fiscal year of the Housing Fund during which this Agreement shall become effective, the Housing Fund shall be funded as described Exhibit B hereto, as the same may be amended by the Board pursuant to Section 9(a) hereof. For all future fiscal years, the Housing Fund shall be funded as described in the budget for such fiscal year prepared by the Executive Director and approved by each Member as set forth in Section 6(a)(v) hereof, as the same may be amended by the Board with the approval of the Members. If the budget for any fiscal year includes a cost sharing scenario requiring a contribution from any Member in such fiscal year and such Member decides not to contribute the amount so budgeted to be contributed, the Board may choose not to review new Projects proposed within the boundaries of such Member during that fiscal year, while continuing to work toward planning and financing Projects within the boundaries of other Members.

(b) **Reservation of Right to Future Sources of Revenue**. Subject to the requirements of Article X, Section 20 of the State Constitution, the voting requirements and other provisions of the Act and the requirements hereof, and provided that no tax or fee described below shall be levied until this Agreement shall have been amended in accordance with Section 9(d) hereof to comply with subsection (2)(e) of the Act, the Members hereby reserve for the Housing Fund the right to derive future revenues from:

(i) a sales and use tax of not more than 1% imposed throughout the boundaries of the Housing Fund pursuant to and in accordance with subsection (3)(f.1) of the Act;

(ii) an ad valorem property tax of not more than five mills imposed throughout the boundaries of the Housing Fund pursuant to and in accordance with subsection (3)(f.2) of the Act; and

(iii) a development impact fee of not more than $2 per square foot imposed throughout the boundaries of the Housing Fund pursuant to and in accordance with subsection (3)(f.5) of the Act.

Section 9. Amendment of Agreement.

(a) **Generally**. Except as otherwise provided in subsections (b), (c) and (d) of this Section, this Agreement may be modified or amended by resolution of the Board adopted as provided herein.

(b) **Amendment to Provide for Additional Members**. This Agreement may be amended to add one or more additional Members only upon: (i) the adoption by the Board of a resolution providing for such amendment which is unanimously approved by all directors then on the Board and otherwise adopted as provided herein; (ii) approval of such amendment by the governing body of the prospective additional Member and each then-existing Member; and (iii) execution of such amendment by the prospective additional Member and each then-existing Member.

(c) **Amendment to Provide for Modification of Purposes of Housing Fund**. This Agreement may be amended to modify the purposes of the Housing Fund set forth in Section 3 hereof only upon: (i) the adoption by the Board of a resolution providing for such amendment which is unanimously approved by all directors then on the Board and otherwise adopted as provided herein; (ii) approval of such amendment by the governing body of each Member; and (iii) execution of such amendment by each Member.

(d) **Amendment to Provide for Levying of Tax or Impact Fee**. This Agreement may be amended to provide for the power to levy any tax or fee set forth in Section 8(b) hereof only upon: (i) the satisfaction of Article X, Section 20 of the State Constitution and the voting requirements and other provisions of the Act, including, without limitation, the fulfillment by such amendment of the requirements of section (2)(e) of the Act; (ii) adoption by the Board of a resolution providing for such amendment which is unanimously approved by all directors then on the Board and otherwise adopted as provided herein; (iii) approval of such amendment by the governing body of each Member; and (iv) execution of such amendment by each Member.

Section 10. Withdrawal of Members.

(a) At any time during which (i) no tax or fee is then being imposed by the Housing Fund, (ii) no bonds, notes or other obligations of the Housing Fund are then outstanding, and (iii) there are then at least three Members of the Housing Fund, any Member may withdraw from this Agreement and the Housing Fund upon approval of such withdrawal by the governing body of such Member, and upon such withdrawal, the provisions hereof shall no longer be binding upon or inure to the benefit of such Member; provided that such withdrawal shall not become effective hereunder until the Board shall have determined that, during such Member's membership in the Housing Fund, the benefits received by such Member due to such membership are not proportionately greater than the contributions made by such Member to the Housing Fund, or, if the Board determines that such benefits received by such Member are proportionately greater than such Member's contributions to the Housing Fund, such Member shall have taken such steps to correct such disproportionate benefit as may be determined by the Board to be necessary before such Member shall be allowed to withdraw.

(b) At any time during which (i) any tax or fee is then being imposed by the Housing Fund, (ii) any bonds, notes or other obligations of the Housing Fund are then outstanding or (iii) the Housing Fund has only two Members, no Member may withdraw from this Agreement or from the Housing Fund except pursuant to a termination of this Agreement pursuant to Section 11 hereof.

Section 11. Term of Agreement and Distribution of Assets Upon Termination of Agreement.

(a) **Effective Date**. The term of this Agreement shall begin when all of the Initial Members shall have approved and executed this Agreement.

(b) **Termination**. The term of this Agreement shall end and the Housing Fund shall be dissolved when all then-Members agree in writing to terminate this Agreement; provided, however, that this Agreement may not be terminated nor the Housing Fund dissolved so long as there are any bonds, notes or other obligations of the Housing Fund then outstanding, unless provision for full payment of such obligations, by escrow or otherwise, has been made pursuant to the terms of such obligations.

(c) **Distribution of Assets Upon Termination**. Upon termination of this Agreement and dissolution of the Housing Fund pursuant to subsection (b) of this Section, after payment of all bonds, notes and other obligations of the Housing Fund, the net assets of the Housing Fund shall be distributed to the parties who are Members at such time in such proportion as shall be agreed to by such Members at such time.

Section 12. Adoption and Execution of Agreement in Accordance with Law. Each Initial Member hereby represents to each other Initial Member that it has adopted and executed this Agreement in accordance with applicable law.

Section 13. Parties in Interest. Nothing expressed or implied herein is intended or shall be construed to confer upon any Person other than the Members any right, remedy or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the Members.

Section 14. No Personal Liability. No covenant or agreement contained in this Agreement or any resolution or bylaw adopted by the Board shall be deemed to by the covenant or agreement of an elected or appointed official, officer, agent, servant or employee of any Member in his or her individual capacity.

Section 15. Notices. Except as otherwise provided in this Agreement, all notices, certificates, requests, requisitions or other communications by the Housing Fund, any Member, any Director or any Officer shall be in writing; shall be sufficiently given and shall be deemed given when actually received, in the case of the Housing Fund and officers of the Housing Fund, at the last address designated by the Housing Fund for such purpose and, in the case of such other persons, at the last address specified by them in writing to the Secretary of the Housing Fund; and, unless a certain number of days is specified, shall be given within a reasonable period of time.

Section 16. Assignment. None of the rights or benefits of any Member may be assigned, nor may any of the duties or obligations of any Member be delegated, without the express written consent of all the Members.

Section 17. Severability. If any clause, provision, subsection, or Section of this Agreement shall be held to be invalid, illegal or unenforceable for any reason, the invalidity, illegality or enforceability of such clause, provision, subsection, or Section shall not affect any of the remaining provisions of this Agreement.

Section 18. Interpretation. Subject only to the express limitations set forth herein, this Agreement shall be liberally construed (a) to permit the Housing Fund and the Members to exercise all powers that may be exercised by a multijurisdictional housing authority and its members pursuant to the Act and by a separate legal entity created by a contract among the Members pursuant to the Intergovernmental Relations Statute, subject to the express limitations set forth in this Agreement; and (b) to permit the Board to exercise all powers that may be exercised by the board of directors of a multijurisdictional housing authority pursuant to the Act and by the governing body of a separate legal entity created by a contract among the Members pursuant to the Intergovernmental Relations Statute, subject to the express limitations set forth in this Agreement. In the event of any conflict between the Act, the Intergovernmental Relations Statute or any other law with respect to the exercise of any such power, the provision that permits the broadest exercise of the power consistent with the express limitations set forth in this Agreement shall control.

Section 19. Governing Law. The laws of the State shall govern the construction and enforcement of this Agreement.

Section 20. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed by the Initial Members effective the effective date set forth above.

TOWN OF BASALT, COLORADO

By ___________________________________

Name _________________________________

Title __________________________________

Attest:

____

TOWN OF CARBONDALE, COLORADO

By ___________________________________

Name _________________________________

Title __________________________________

Attest:

____

GARFIELD COUNTY, COLORADO

By ______________________________
Name ____________________________
Title _____________________________

Attest:

____

CITY OF GLENWOOD SPRINGS,
COLORADO

By ______________________________
Name ____________________________
Title _____________________________

Attest:

____

EXHIBIT A

ROARING FORK COMMUNITY HOUSING FUND MULTIJURISDICTIONAL PLAN

I. GENERALLY

The Roaring Fork Community Housing Fund is being formed as a multijurisdictional housing authority pursuant to Section 29-1-204.5, Colorado Revised Statutes, as amended, to increase the financial resources (grant, loans, and financing packages) available to address the housing needs of low and middle-income households in the Lower Roaring Fork Valley (Basalt to Glenwood Springs). As conceived, the Fund will create a strong foundation of local funding for affordable housing by:

- Leveraging state and federal funds for local affordable housing projects as well as arranging favorable construction and long-term financing for such developments;
- Supporting housing projects through grants and loans that would ensure permanent affordability;
- Creating a mechanism to hold land for future affordable housing development (land banking);
- Increasing non-dedicated and dedicated local revenue sources for affordable housing;
- Facilitating housing solutions to address local housing needs and potential projects; and
- Complimenting and enhancing current inclusionary zoning requirements at the local level.

II. 2004-2005 WORK PROGRAM

The following work program for the Roaring Fork Community Housing Fund outlines steps to achieve the above objectives for the balance of 2004 and into 2005 to implement this Multijurisdictional Plan. This work program is in outline form and will be adjusted once staff is hired and the board become active and can provide input into a work program.

1. *Recruit and hire an Executive Director*. Once a director has been selected, there will need to be time devoted to introducing the person to the community,

spending time on the history of this effort and desired results for the next two years;

2. *Finalize Board Recruitment and conduct training sessions for the board*. Given that this is a new board, a few training sessions will be needed to define board responsibilities, decision-making process, goals for the fund, how they will work together, share information, direct staff and conduct the meetings.

3. *Continue Fund Raising Efforts.* To include a continued evaluation of the pros/cons of organizing as a CDFI and work with local lenders, Realtors, developers and mortgage lenders on possible financial support for this effort. This will also involve identifying additional foundations that may support the work of the fund as well as continued work with governments and government agencies at the local, state, and federal level.

4. *Establish Underwriting and Grant Parameters.* As conceived, the fund will provide the "first dollar" into housing projects in the Roaring Fork Valley. Currently, affordable housing developments in the valley need funds that can be used early in the development process. These dollars could be used to secure land for future development, initial acquisition funds, site evaluation, market assessments, preliminary design and costs associated with the entitlement process. Because it is anticipated that these funds will be allocated as loans, guidelines will need to be developed to help the loan committee, board, staff and applicants to understand the conditions under which the funds will be lent. The same is true for any funds allocated as grants. In this instance, the fund will also have guidelines about when funds are made as grants instead of loans and for what purpose(s) they may be used. (We have example guidelines from the Mile High Housing Fund.)

5. *Evaluate potential products.* As mentioned previously, the fund will primarily provide loans for initial development. We know this is needed in the area. It is likely that other products are also needed to support additional housing production. The product type(s) will need to be identified and evaluated as to suitability for the Roaring Fork Community Housing Fund.

6. *Develop Collateral Materials.* These are essentially marketing materials that describe how the fund works, who is eligible for loans/grants, the history of the fund, what types of projects are eligible and where funds may be used.

7. *Facilitate Housing Options.* During the course of this effort, several potential housing opportunities were identified. These included working with the school district and other area employers. Staff and board members would continue seeking out housing opportunities and facilitating discussions among key groups so that housing production can be pursued (e.g., hosting a regional housing roundtable).

8. *Develop housing goals with each participating jurisdiction and monitor progress toward achieving them.* To ensure the Community Housing Fund supports the affordable housing need of each partner community, the Fund will help communities develop specific affordable housing goals. These goals will also serve to evaluate the Fund's performance.

9. *Further Develop and Refine Multijurisdictional Plan.* A lot of work has been done in this arena; however, by the end of this year (2004), the Roaring Fork Community Housing Plan will be in a better position to further develop and refine this Multijurisdictional Plan to concretely identify projects, future funding sources and future operating strategies that the Board and staff can use to increase the amount of affordable housing in the Basalt to Glenwood Springs area.

EXHIBIT B

INITIAL FUNDING PLAN

2004

Revised Cost Sharing Scenario

Local Jurisdiction	Share
Carbondale	$23,000
Glenwood Springs	$48,000
Garfield County	$27,000
Basalt	$13,000
Total	**$111,000**

Community Housing Fund Budget

Categories	**2004**
Operating Expenses	
Salaries	
Director	60,000
Benefits	13,800
Sub-total Salaries & Benefits	***$73,800***
Legal	2,500
Travel	2,500
Training	2,400
Telephone	1,000
Supplies	1,200
Printing	600
Postage	600
Organizational setup	10,000
Miscellaneous/Contracts	15,000
Total Estimated Operating	***$35,800***
Total Budget Estimate	***$109,600***

INTERGOVERNMENTAL AGREEMENT ESTABLISHING THE YAMPA VALLEY HOUSING AUTHORITY

This Intergovernmental Agreement Establishing the Yampa Valley Housing Authority (the "Agreement") dated as of November 18, 2003, is between the City of Steamboat Springs, Colorado, a municipality chartered pursuant to the laws of the State of Colorado ("City") and Routt County, Colorado ("County") acting by and through its Board of County Commissioners. The City, the County and any other county or municipality that may subsequently become a party to this Agreement by amendment to it are sometimes collectively referred to herein as the "Member Jurisdictions."

<u>Recitals:</u>

A. City and County have experienced rapid growth over the last decade and, consequently, the demand for attainable housing has grown to exceed the available supply.

B. There has been a concern expressed by the business community, public officials, and others that there is insufficient housing for workers in the County and particularly in the City, for example teachers, firefighters, retail, and daycare workers.

C. Counties and cities within Colorado have the opportunity to address such housing issues through the creation of housing authorities, whose purpose it is to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan.

D. Colorado Revised Statutes Section 29-1-204.5 provides for the establishment of a separate governmental entity to be known as a multijurisdictional housing authority.

E. City and County intend, by this Agreement, to establish the Yampa Valley Housing Authority as a multijurisdictional housing authority.

Terms and Conditions

Section One: Housing Authority Established.

The Yampa Valley Housing Authority, a multijurisdictional housing authority (the "Authority"), is hereby established pursuant to Colorado Revised Statutes Section 29-1-204.5. The Authority shall be a political subdivision and a public corporation of the State, separate from the parties to this Agreement, and shall be a validly created and existing political subdivision and public corporation of the State, irrespective of whether a Member Jurisdiction withdraws (whether voluntarily, by operation of law, or otherwise) from such Authority subsequent to its creation under circumstances not resulting in the recission or termination of the contract establishing such Authority pursuant to its terms and so long as there are at least two continuing Member Jurisdictions. It shall have the duties, privileges, immunities, rights, liabilities, and disabilities of a public body politic and corporate. The Authority may deposit and invest its money in the manner provided in C.R.S. Section 43-4-616.

Section Two: Purpose.

It is the purpose of the Authority to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan in order to provide dwelling accommodations at rental prices or purchase prices within the means of families of low or moderate income living within the jurisdiction of the Authority, and to provide affordable housing projects or programs for employees of employers located within the jurisdiction of the Authority.

Section Three: Boundaries.

The area included within the Authority shall be all of the area within the City's municipal limits and the area within the current boundaries of the Steamboat Springs Rural Fire Protection District as described in the attached Exhibit A east of the line between Range 85 West and Range 86 West as shown on the map attached as Exhibit B. City and County reserve the right to alter the boundaries of the Authority by amending this Agreement.

Section Four: Establishment and Organization of Governance.

4.1 Governance. The Authority shall be governed by a Board of Directors ("Board") in which all legislative power of the Board is vested by C.R.S. Section 29-1-204.5 (2)(b). Power and authority is vested in the Board as described below.

4.2 Board of Directors. The Board of Directors shall be composed of at least seven directors and not more than fifteen directors. One of the directors shall be a member of the Steamboat Springs City Council (the "City Council") as selected by the City Council. One of the directors shall be a member of the Routt County Board of County Commissioners (the "BCC") as selected by the BCC. These two directors shall be *ex officio,* voting members of the Board, and each may be replaced at any time by the body appointing them. It is the intent of City and County that if this Agreement is amended to add other municipalities as parties to this Agreement, this section shall be amended to provide for the addition of more *ex officio* voting directors as representatives of those municipalities. The remaining directors are to be appointed jointly by the governing bodies of the Member Jurisdictions based upon nominations of the Appointments Committee established pursuant to Section 5 below. All appointments must be approved by action of the governing bodies of all of the Member Jurisdictions. It is the intent of City and County that the remaining directors represent a diverse mix of interests, demographics and technical expertise including, if possible, and by way of example and not by way of limitation, one or more members of the local Habitat for Humanity board of directors, one or more representatives of employers employing 100 or more local residents, low or middle income residents of the area included within the Authority boundaries, individuals working in the areas of banking, finance, the law, real estate development, construction, health care, human services and the resort and tourism industry. In connection with the appointment of the initial directors, the members of the Regional Affordable Living Foundation board of directors are encouraged to apply. All directors, other than the *ex officio* director appointed by the BCC must, at all times during their term, reside or work within the Authority boundaries. Directors shall serve without compensation for their services in such capacity but shall be entitled to reimbursement for actual expenses reasonably incurred in connection with their service as director.

4.3 Director Terms. The terms of the directors, other than any *ex officio* directors, shall be for three years except that, in order to stagger the director terms, the terms of the initially appointed directors shall be established in the motion, resolution or ordinance appointing those directors so that the terms of approximately one-third of those directors shall be one year terms and the terms of approximately one-third of those directors shall be two year terms. There shall be no limit to the number of terms a director may serve. All directors' terms shall extend until a replacement director has been appointed and accepted such appointment. All directors, other than the *ex officio* directors (who may be removed by the body that appointed them), may be removed at any time during their term by joint action of the City Council and the BCC with or without cause. The Board shall have the right to make recommendations to the Appointments Committee for the removal of individual members of the Board for failure to properly discharge their responsibilities as directors. The Appointments Committee shall act upon any such recommendation by forwarding its recommendation on the issue to the City Council and the BCC.

4.4 Officers of the Authority Board. The officers of the Board shall consist of a President, a Vice-President and a Secretary/Treasurer. The Authority's "Financial Officer," as required by C.R.S. Section 29-1-204.5 (2)(e)(III), shall be appointed and may be removed at will and without cause by the voting directors. Unless the Financial Officer is already a member of the Board, the Financial Officer shall be a non-voting member of the Board but, for the purposes of determining the number of sitting directors, shall not be counted. The officers of the Board, other than the Financial Officer, shall be elected and removed in accordance with the by-laws for the Authority adopted by the Board. The terms of the officers of the Board shall be for one year except as otherwise provided in the Authority's by-laws. In addition to those duties of the officers of the Authority contained in the by-laws for the Authority, the duties of the officers shall include: (a) President: shall preside at all meetings of the Board and execute all legal documents on behalf of the Authority; (b) Vice-President: shall act as President when President is unable to act; (c) Secretary/Treasurer: shall ensure the maintenance of the official records of the Authority including its by-laws, meeting notices, agenda and minutes, shall oversee any Authority bank accounts, cause the preparation of the annual budgets for the Authority, ensure the maintenance of the financial records of the Authority, and cause the preparation of the periodic financial statements for the Authority; (d) Financial Officer: shall ensure compliance with Colorado Constitution Article X, Section 20 ("TABOR") and the applicable Colorado budget, accounting and audit laws and act as the Authority's "financial officer" as required by C.R.S. Section 29-1-204.5 (2)(e)(III).

4.5 Voting Requirement and Related Provisions. The Board shall comply with all requirements of the Open Public Meetings Act, (C.R.S. Section 24-6-401 et seq.) applicable to "local public bodies" as defined in that Act. The Board shall meet at least six times each year. The Board shall act only upon a duly executed vote of the Directors. Each Director shall cast one vote. A vote of the Board shall be deemed duly executed if made by a majority of a quorum of the Directors except with respect to those actions listed below. A quorum shall consist of a majority of Directors except with respect to those actions listed below.

4.5.1 Any decision regarding the exercise of the power of eminent domain shall be made only upon the affirmative vote of two-thirds of the then-sitting Directors having the right to vote whether such Directors are present or not, which number shall be the required quorum for any meeting at which action is to be considered. In addition, no such action shall be taken unless voted for in the affirmative by the *ex officio* Director or Directors representing the contracting party, e.g. City or County, or parties in whose jurisdictions the property subject to the exercise is located. That is to say, if the property to be acquired is located within the city limits of the City, the affirmative vote of the Director representing the City *ex officio* shall be required. If the property to be acquired is located within the unincorporated area of the County, then the affirmative vote of the Director representing the County *ex officio* shall be required. The Board shall exercise the power of eminent domain only with respect to land within the boundaries of the Authority.

4.5.2 All decisions authorizing single expenditures of $500,000 or more shall be made only upon the affirmative vote of two-thirds of the then-sitting Directors having the right to vote whether such directors are present or not, which number shall be the required quorum for any meeting at which such action is to be considered.

4.6 Duties, Powers and Authority of the Board.

4.6.1 Duties of the Board. It shall be the duty of the Board to govern the affairs of the Authority, to comply with Parts 1, 5, and 6 of C.R.S. § 29-1-204.5, and to exercise with due diligence and prudence the purpose and powers set forth herein, including, but not limited to:

a. develop and adopt by-laws and, if deemed appropriate, operating policies and procedures for the Authority;

b. develop, periodically review and update and implement a multijurisdictional plan that outlines the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management and operation of housing projects and programs to be undertaken by the Authority;

c. develop and fund an annual operating budget that includes provisions for staff and professional assistance as deemed appropriate. The fiscal year of the Authority shall be the calendar year;

d. hire such employees as are necessary to implement the programs and projects of the Authority as identified and directed by the Board; and

e. by August 1 of each year commencing in 2004, prepare, provide and present in one or more public hearings to the governing bodies of the Member Jurisdictions, a written report of the Authority's activities during the prior calendar year. Such report shall include annual financial statements for the Authority, descriptions of projects and programs undertaken or contemplated, and such other information as the Board may deem of interest to the residents living within the boundaries of the Authority.

4.6.2 Powers. The general powers of the Authority include those listed below. The use of any power and responsibility listed below shall be at the discretion of the Board. All powers granted hereby are subject to the restrictions, conditions and limitations on those powers set forth in C.R.S. Section 29-1-204.5.

a. To plan, finance, acquire, construct, manage, and operate housing for families of low or moderate income;

b. To plan, finance, acquire, construct, manage, and operate housing programs for employees of employers located within the jurisdiction of the Authority;

c. To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations;

d. To employ agents and employees;

e. To cooperate with state and federal governments concerning the financing of housing projects and programs;

f. To acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service;

g. Subject to the limitations set forth in Section 4.5 and its subsections, to condemn property for public use, if such property is not owned by any governmental entity or any public utility and devoted to public use pursuant to state authority;

h. Subject to the provisions of C.R.S. Section 29-1-204.5 (7.5), to levy, in all of the area within the boundaries of the Authority, a sales or use tax, or both, at a rate not to exceed one percent, upon every transaction or incident with respect to which a sales or use tax is levied by the state;

i. Subject to the provisions of C.R.S. Section 29-1-204.5 (7.5), to levy, in all of the area within the boundaries of the Authority, an *ad valorem* property tax at a rate not to exceed 5 mills on each dollar of valuation for assessment of the taxable property within such area;

j. Subject to the provisions of C.R.S. Section 29-1-204.5, subsection 3 (f.5) and subsection 7.5, to establish, and from time to time increase or decrease, a development impact fee and collect such fee from persons who own property located within the boundaries of the Authority who apply for approval for new residential, commercial, or industrial construction in accordance with applicable ordinances, resolutions, or regulations of any county or municipality;

No action by the Authority to establish or increase any tax or development impact fee shall take effect unless first submitted to a vote of the registered electors of the area in which the tax or development impact fee is proposed to be collected.

k. To incur debts, liabilities, or obligations;

l. To sue and be sued in its own name;

m. To have and use a corporate seal;

n. To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the Authority;

o. To adopt, by resolution, regulations respecting the exercise of its powers and the carrying out of its purposes;

p. To exercise any other powers that are essential to provision of functions, services, or facilities by the Authority and that are specified in the contract;

q. To perform any acts and things authorized by C.R.S. Section 29-1-204.5 under, through, or by means of an agent or by contracts with any person, firm, or corporation;

r. To issue revenue or general obligation bonds according to state law;

s. To establish enterprises for the ownership, planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, or operation, or any combination of the foregoing, of housing projects or programs authorized by this section on the same terms as and subject to the same conditions provided in C.R.S. Section 43-4-605; and

t. To accept from the Regional Affordable Living Foundation ("RALF") such assets as the Board of Directors of RALF offers for transfer and, to the extent permitted by TABOR and other applicable law, assume all of the obligations and liabilities of RALF under existing contracts related to such assets to which RALF is a party.

4.6.3 Limitations and Related Provisions.

a. When involved in major new construction, the Authority shall not act as the construction contractor if a private contractor is available and willing to perform those duties for a reasonable fee. This shall not prohibit the Authority's use of its staff or other professionals for repairs related to Authority-owned projects or acting as the construction contractor for reconstruction or renovation related to projects owned by the Authority.

The Authority is encouraged to establish separate enterprises within its organizational structure for some of its programs and projects in order to allow for efficient operation of those programs and projects. The Board shall have the power to appoint a subcommittee of its members and authorize them to approve basic contracts and agreements and make operational decisions related to those programs.

b. RALF has been awarded a United States Department of Agriculture ("USDA") two-year grant for a self-help housing program. Concerns have been raised that when there is a transition from RALF to the Authority, the self-help housing program will not proceed with the dedicated focus outlined in the USDA grant application submitted by RALF. Therefore, the City and County make the following commitments:

i. The Authority shall establish an enterprise within its organizational structure to house the self-help housing program, and appoint a subcommittee of five Directors that is authorized to approve contracts and agreements and make operational decisions related to the self-help housing program.

ii. Any RALF employees who have been hired to implement the self-help housing program will become employees of the Authority to work exclusively on that program for the two-year grant period. This provision shall not be construed as a guarantee of employment for such employees who shall be at-will employees of the Authority, subject to discharge with or without cause.

iii. If the USDA grant received by RALF does not fund the operational budget for this program as submitted with the grant application, cash assets transferred from RALF to the Authority equal to the operational budget shortfall for the remainder of the two-year period will be set aside by the Authority to ensure that adequate monies are available to operate the program for the two-year grant period.

iv. After the self-help program has been in existence for the first year of the grant term, the Board shall evaluate the success and cost/benefit of the program to determine whether or not to apply for another USDA two-year grant.

<u>Section Five:</u> Appointments Committee.

The Appointments Committee is hereby established to make nominations to the City Council and the BCC of individuals to be included on the Board. The Appointments Committee shall consist of three members of City Council as appointed by the City

Council at the beginning of each calendar year and the three members of the BCC. The Appointments Committee shall be responsible for seeking letters of interest from those desiring to be appointed as a director by advertising in local newspapers, public notices and other means as the Committee deems appropriate and for conducting interviews of such candidates submitting letters of interest as the Committee deems appropriate. In making its recommendations to the City Council and the BCC, the Appointments Committee is to consider the intent of the City Council and the BCC that all directors must have a desire to work actively to identify community housing issues and develop and implement solutions for those issues. If additional municipalities or counties become signatories to this Agreement through amendment of it, it is the intent of the City and the County that the membership of the Appointments Committee will be restructured to provide appropriate representation of such municipalities or counties on the Committee.

Section Six: Revenues.

The expected sources of revenue of the Authority include:

a. City and County may provide for the payment of proprietary revenues to the Authority as permitted in C.R.S. Section 29-1-204.5 (6);

b. Fees for services provided and rental income;

c. Contributions from other entities that benefit from the work of the Authority;

d. Project and program revenues;

e. Cash and in-kind donations;

f. Grants;

g. Tax exempt bonds and government loans; and

h. Property, sales and use taxes and impact fees.

Section Seven: Obligations of Authority.

The bonds, notes, and other obligations of such Authority shall not be the debts, liabilities, or obligations of the Member Jurisdictions.

Section Eight: Insurance.

The Authority shall procure and maintain with insurers with an A- or better rating as determined by Best's Key Rating Guide, at its own expense, the following policies of insurance:

a. In the event the Authority hires employees, the Authority shall procure Workers' Compensation insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of work under this contract, and Employers' Liability insurance with the following limits:

Workers' Compensation:	Statutory
Employers' Liability:	$1,000,000.00

b. Commercial General Liability insurance with minimum combined single limits of one million dollars ($1,000,000.00) each occurrence and one million dollars ($1,000,000.00) aggregate. The policy will be applicable to all premises and operations. The policy will include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy will contain a severability of interests provision.

c. Hired and Non-owned Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than one million dollars ($1,000,000.00) each occurrence with respect to hired and non-owned vehicles assigned to or used in performance of the Authority services. The policy will contain a severability of interests provision. In the event the Authority acquires automobiles, the Authority will procure Commercial Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than one million dollars ($1,000,000.00) each occurrence with respect to each owned, hired, and non-owned vehicle assigned to or used in performance of the Authority services. The policy will contain a severability of interests provision.

d. Directors and Officers Liability Insurance in an amount not less than one million dollars ($1,000,000.00).

e. Officers and employees fraud, dishonesty and forgery coverage in an amount not less than one million dollars ($1,000,000.00).

Section Nine: Notice.

Any notice required under this Agreement may be personally delivered or mailed in the United States mails, first class postage prepaid to the party to be served at the following addresses:

City: City Manager
P.O. Box 775088
Steamboat Springs, Colorado 80477

County: Routt County Board of Commissioners
P.O. Box 773598
Steamboat Springs, Colorado 80477

With courtesy copies to:

Yampa Valley Housing Authority
Attn: Board of Directors President
At address to be determined

and to:

Executive Director
Yampa Valley Housing Authority
At address to be determined

Notices personally served shall be deemed served on the date of delivery. Notices mailed shall be deemed served the next business day following the date of mailing if mailed in Steamboat Springs, Colorado.

Section Ten: Entire Agreement; Amendments.

This Agreement constitutes the entire agreement of the parties hereto concerning the establishment and operation of the Authority. This Agreement may not be amended, otherwise modified, revoked or rescinded except by a written document executed by the Member Jurisdictions.

Section Eleven: Term and Termination of Agreement.

Subject to due execution of this Agreement by the parties, this Agreement shall be effective as of January 1, 2004, or the later date on which this Agreement has been fully executed by all of the parties to it; provided, however, that if this Agreement has been fully executed by all of the parties to it before January 1, 2004, this Agreement shall become effective at such time to the extent that advertisement for and selection of the initial directors may then be undertaken. The initial term of this Agreement shall be from January 1, 2004, or such later date upon which this Agreement becomes effective, through December 31, 2004. Thereafter, its term shall automatically be extended annually for the following year unless any party to this Agreement gives written notice of termination to the other parties no later than January 1 of the year prior to the year in which the termination is to be effective.

This Agreement may not be terminated if the Authority has bonds, notes or other obligations outstanding until and unless provision has been made to fully satisfy and meet such obligations.

Upon termination, the obligations of the parties hereunder shall terminate. Upon termination, all cash assets of the Authority shall be conveyed and delivered to the Fund Holder of the Routt County-Steamboat Springs Affordable Housing Fund created pursuant an intergovernmental agreement between City and County. All other assets shall be distributed to such one or more legal entities as determined by the Member Jurisdictions.

Section Twelve: Governing Law; Venue; and Attorney Fees.

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without reference to choice of laws rules. In the event that legal action is brought by any party to this Agreement to enforce or interpret it, the prevailing party shall be entitled to recover from the other parties its attorney fees and other costs incurred in connection with such legal action. Venue for any such action shall be in the District Court for the 14th Judicial District of Colorado.

Section Thirteen: Savings Clause.

In the event that a Court of competent jurisdiction determines that any provision of this Agreement is contrary to law and therefore, unenforceable or invalid, the balance of this Agreement shall remain in full force and effect unless, as a result of such decision, the essential purposes of the parties in making this Agreement cannot be achieved.

Attest: ROUTT COUNTY, COLORADO

____________________	By:____________________
Kay Weinland	Douglas B. Monger, Chairman
Routt County Clerk	Routt County Board of County
Commissioners	
Attest:	CITY STEAMBOAT SPRINGS,
COLORADO	
____________________	By:____________________
Julie Jordan	Paul Strong, President
City Clerk	Steamboat Springs City Council

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Setting up a Housing Trust Fund

Step One: Determine where the trust fund should be housed.
There are at least three types of entities that could administer the housing trust fund:

Have an existing government agency administer and operate the fund. Ask:
• Who currently administers housing programs for your target population?
• Do they work well with those who produce this housing?
• Would they be interested in administering a housing trust fund?
• Are they capable of administering such a fund?
• Are they accountable?

Establish a new, independent authority or board that would administer and operate the fund. Ask:
• Is a new entity needed, in spite of the increased bureaucracy it would bring?
• Is there any precedent for establishing such an entity?
• Who would create this authority or board?
• How would it be accountable?

Identify an existing nonprofit organization that could administer the housing trust fund.
Ask:
• Does it have the capability to handle the administration?
• Can it work well with those who produce such housing?
• How would it be accountable?

Step Two: Outline this administrative body's key responsibilities.
The responsibilities of the oversight body and its administrative staff might include:
• Establish and maintain an independent, fiscally accountable fund.
• Evaluate housing needs and priorities to set trust fund policy.
• Establish policies and procedures for disbursing funds.
• Establish procedures for monitoring and evaluating the fund's activities.
• Develop responsibilities for reporting to the public and to elected officials.
• Coordinate the trust fund with other available funds.
• Seek additional funds to support trust fund activities.

Step Three: Determine how administration will be paid for.
Dedicate a portion (%) or establish a cap ($) of annual revenues that can be used to administer the fund.

Identify other sources of money that could be committed to the fund for administrative
purposes: other government programs, interest from the fund, fees charged for applications, etc.

Revenue Sources Dedicated by

Property transactions

- Taxes on real estate transfers, real estate conveyances or document stamp taxes on transfers
- Fees on the recording of deed and mortgage documents
- Taxes on mortgage transfers
- Interest from pooled real estate escrow accounts
- Interest from pooled title escrow accounts
- Penalties against the failure to pay the real estate transfer tax

Development charges

- Fees, taxes or proffers on new development
- Fees-in-lieu from inclusionary zoning
- Payments for density bonuses or transfers of density
- Tax on conversion of rental units to condos and other uses
- Proceeds from the sale of inclusionary units

Municipal taxes

- Taxes on restaurant meals
- Sales taxes
- Property taxes
- Tax on hotel/motel rooms
- Tax increments from redevelopment districts

Government Activities

- Proceeds from the sale of publicly-owned land
- Repayments from government loan programs
- Proceeds from settlements for housing code violations
- Fees from landfill activities
- Fees on mobile home park owners
- Funds from the Securities Act cash fund
- Interest or funds from unnamed, unclaimed property funds
- Interest from rainy day funds

Bond Programs

- Funds from government bonds

- Surplus from bond reserve programs
- Surplus from bond refinancing
- Fees from bond-financed programs
- Fees on mortgage revenue bond and mortgage credit certification programs
- Fees on applications for bond revenues

Others

- Lottery earnings or unclaimed lottery earnings
- Contributions from employers
- Interest from tenant security deposits

Step Four: Establish a board or commission to oversee the fund's operations.
Determine who will be represented on the board and how they will be appointed or selected.
Outline the board's responsibilities.

Excerpt from: **A WORKBOOK for CREATING A HOUSING TRUST FUND** Mary E. Brooks, Housing Trust Fund Project, Center for Community Change 1999. www.communitychange.org

Housing Trust Fund Models

This document summarizes three housing trust fund models (one without dedicated revenue, one with dedicated revenue, and one capitalized by the private sector).

Model #1 - No Dedicated Revenue

ARCH – A Regional Coalition for Housing www.archhousing.org
ARCH is a unique collaboration between several local municipal and county governments in the Bellevue Washington area. ARCH's mission is to preserve and increase the supply of housing for low and moderate-income households in East King County. It is created through inter-local government agreement. A key premise behind the creation of ARCH is to create the expertise and resources to help local governments respond to the challenge of affordable housing. By working regionally, smaller local governments have access to tools, resources, and expertise usually only available in larger cities

(Note: Inclusionary zoning is not allowed as part of the state of Washington's Growth Management Law, which was adopted in 1991. This law, however, does require local governments to set affordable housing targets/goals within their community. ARCH is a regional effort to help local governments achieve their goals.)

Organizational Structure
An executive board made up of city and county managers from participating jurisdictions oversees ARCH operations. A 12-15 member Citizen Advisory board is responsible for recommending the use of local government resources and to maintain and understanding of affordable housing issues throughout the community.

Funding
Administrative /Operational funding – this allocation is for staff, office, materials, etc. The total amount is shared by participating jurisdictions based on population.

Housing Trust fund - Each participating jurisdiction contributes funds to ARCH on the basis of a parity program. The parity program identifies funding goals for each jurisdiction using a formula that establishes a range of ideal funding amounts. Accomplishments are measured over a five-year period, allowing for fluctuations within any given year. Local governments are encouraged to meet their funding goals in a variety of ways, including: direct monetary assistance, indirect monetary assistance; and in-kind contributions such as donated land (staff time or office space is not included in this category). Actual revenue source contributions include general funds, CDBG funds, payments by developers, loan repayments, interest earnings, fee waivers, infrastructure improvements, and land. Funding to the Trust Fund is *not* contractual and *not* mandated. Community budgets face many challenges annually and housing is only one. This approach to funding offers local governments flexibility in their contributions to the Trust Fund. The parity program was designed with this flexibility in mind. (See below)

Services

ARCH provides several services to local governments:

1. Assist households looking for affordable rental and ownership housing.

- ARCH helps qualify applicants for a variety of publicly and privately managed rental housing (King County Housing Authority (KCHA) Managed - HUD Assisted Housing; Privately Managed - HUD Assisted Housing; Privately Managed Non-HUD Assisted Housing; and, Senior Rental Housing)
- ARCH has several below market rate duplexes, condominiums and town homes located in various developments in East King County.

2. Provide financial support to groups creating housing affordable to low and moderate income households;

The ARCH Housing Trust Fund (HTF) was created by ARCH member cities in 1993 as a way to directly assist the development and preservation of affordable housing in East King County. The trust fund is capitalized by both local general funds and locally controlled, federal Community Development Block Grant (CDBG) funds. The trust fund process allows ARCH members to *jointly* administer their housing funds, and assist the best available housing opportunities that meet the housing needs of the community.

Since 1993, member cities have made over $13 million available to fund over 1650 units of housing located in East King County. These funds have been made available as both grants and low interest contingent loans, with almost 60% of funds being loans. This housing had total costs in excess of $100 million, with other funding coming from a myriad of other public (King County, State of Washington, Federal) and private sources. In some cases cities have also made surplus land available, and/or reduced building permit fees.

Trust Fund Review Process

Step 1. An initial screening is conducted by ARCH staff in cooperation with City staff to determine the completeness of each application.

Step 2. ARCH will evaluate the remaining applications and develop a recommendation to the respective City Councils as to which projects should be selected for funding. ARCH's recommendation will be made by its Citizen Advisory Board and approved by its Executive Board. (The Executive Board is made up of city managers from the area.)

Step 3. The City Councils *will confirm* the recommendation submitted by ARCH, or will return the recommendation, with comments, for further investigation before a final decision is made.

ARCH has no final authority over funding decisions and is not a party to the contracts for Housing Trust Funds; only the Cities and the selected applicants will enter the funding agreements. ARCH, however, at the Cities' request, will make recommendations regarding conditions to be incorporated into the contracts, and may provide some administrative oversight for the contracts.

Housing Trust Fund Resources/Parity Program

The ARCH housing trust a model for how a trust fund can successfully operate *without dedicated revenue*. Local governments have found a variety of local, state, and federal dollars for the housing trust fund. ARCH's parity program is a flexible way for local governments to discuss and provide funding to the trust fund using the premise that there is no right way to measure a community's fair share; rather there are many ways. The tables below offer an example of how the parity program works.

Table 1 illustrates how different formulas create different funding goals for each local government. The results of the three formulas are averaged to create an annual average contribution. Local governments try to meet that average annual contribution over a 5 year period.

TABLE 1

PARITY FORMULAS: Summary Tables

City	Population	HsgDemand Planned	NewHsgTar. Projections	Average	Low	High
Bellevue	$603,420	$524,430	$395,116	$507,655	$395,116	$603,420
Kirkland	$251,732	$159,202	$268,311	$226,415	$159,202	$268,311
Redmond	**$243,153**	**$552,525**	**$453,924**	**$416,534**	**$243,153**	**$552,525**
Bothell	$151,719	$104,942	$78,104	$111,588	$78,104	$151,719
Mercer Is.	**$124,081**	**$31,840**	**$74,429**	**$76,783**	**$31,840**	**$124,081**
Issaquah	$55,333	$80,538	$135,074	$90,315	$55,333	$135,074
Woodinville	$57,463	$36,523	$82,699	$58,895	$36,523	$82,699
Newcastle	$49,546	$75,574	$75,348	$66,823	$49,546	$75,574
Medina	$16,928	$0	$2,711	$6,546	$0	$16,928
Clyde Hill	$16,600	$0	$0	$5,533	$0	$16,600
Yarrow Point	$5,643	$0	$0	$1,881	$0	$5,643
Hunts Point	$2,718	$0	$0	$906	$0	$2,718
Beaux Arts	$1,664	$0	$0	$555	$0	$1,664
Total	**$1,580,000**	**$1,490,000**	**$1,490,000**		**$1,048,817**	**$2,036,956**

Table 2 shows how much local governments actually contributed in 1999 and where the funds came from (general fund, CDBG, waivers, etc.). Note how Mercer Island contributed $225,000 in 1999 although their suggested average is only $76,000 through the parity program. On the other hand, Redmond put in $290,000 when the parity program suggests their contribution should be $416,000. Although communities may contribute more or less that the average annual contribution based on the parity program in any given year, contributions in subsequent years usually make up the difference. For example, Redmond's annualized average between 1999-2002 turned out to be $600,000, while Mercer Island's was $131,000. Both amounts were above the expected contributions as developed through the parity program.

TABLE 2

	SOURCE OF 1999 COMMITMENTS			
CITY	**CDBG**	**General Fund**	**Other**	**TOTAL**
Bellevue	$128,900	$412,000	$620,200	**$1,161,100**
Kirkland	$137,628	$77,000		**$214,628**
Redmond	**$90,000**	**$200,000**		**$290,000**
Bothell	$106,977			**$106,977**
Mercer Is.	**$60,165**	**$165,000**		**$225,165**
Issaquah	$20,000			**$20,000**
Woodinville	$1,722			**$1,722**
Newcastle	$698	$47,000		**$47,698**
Sammamish				
Kenmore				
Medina	$218			
Clyde Hill	$167			
Yarrow Point	$51			
Hunts Point	$41			
Beaux Arts Village	$21			
Total	**$546,587**	**$901,000**	**$620,200**	**$2,067,290**

3. *Assist member governments in developing housing policies*
ARCH provides ongoing staff assistance to local government members for affordable housing policy development. ARCH staff de facto local planning staff on housing issues. This service often arises out of the project funding approval process. As part of the process, local governments often realize the restrictions or lack of incentives within their code restricts or provides no incentives for affordable housing. To make it easier to attract affordable housing development, local governments often work with ARCH to revise their codes and land use policies.

Model #2 - Dedicated Revenue

Montgomery County, Ohio

Background

This trust fund was established in 1990 and is supported with a special $1 million appropriation from the County government for this trust fund. The funds are from a one-half cent sales tax collected for affordable housing, economic development and arts and cultural programs. In 1999, the Montgomery County Commission extended its commitment for another 10 years. In addition, the management and day-to-day administration of the Housing Trust Fund has been assigned, via a contract, to the County Corporation. This is a development corporation created by the county that focuses on housing and economic development.

Because the administration of the Housing Trust Fund is part of a larger organization, the administrative costs are quite low – approximately 15% of the fund ($150,000). Two staff positions provide administration for the fund, with accounting, legal services and other administrative support provided by the County Corporation. A seven member Housing Advisory Board (HAB) provides oversight and direction to the staff. These are persons who are knowledgeable about housing, finance and development.

Program Priorities

Program priorities were initially established through an extensive public process, that included surveys and key informant interviews. Following this process, the County Corporation established funding priorities for the next two years. They are in the process of re-evaluating these priorities and looking to make them consistent with the Housing Action Plan/Consolidated plan of the various jurisdictions. At this time, the three priorities are rehabilitation of owner occupied housing, rehabilitation of rental housing and acquisition of existing rental housing. The establishment of program priorities has been very important to guide the fund allocation process.

Fund Allocation

Twice a year the County Corporation accepts applications for funding. Each time, $500,000 is made available. This fund is considered "gap" financing and is usually the last source of funds that are made available for projects. They require a 50% match, which can include grants, loans and owner equity or other contributions.

Step 1:

A Technical Review Committee that includes representatives from the Housing Advisory Board, county staff and the President and Vice President of the County Corporation reviews proposals. This group thoroughly reviews proposals for financial feasibility, market acceptance, organizational capacity and past performance on similar projects and decides how much funding to recommend.

Step Two:

The Housing Advisory Board also reviews the proposals, including hearing a presentation from applicants. The usually support the funding recommendations of the Technical Review Committee.

Step Three:
The Housing Agency Committee of the County Corporation makes the final award. The County Corporation is responsible for negotiating agreements and assuring that the funds are used as intended. Decisions do not have to be confirmed by the County Commission; however, monthly progress and status reports are required.

MODEL #3 – Private Sector Capitalization

Housing Trust of Santa Clara County, California

The Housing Trust is a public/private partnership that has established a revolving loan fund and grants that will complement and leverage other housing resources throughout Silicon Valley. The trust fund has raised more than $20 million to date, in five-year pledges. This fund has largely been supported through contributions from area employers to address the gap between rapid new job creation and affordable, available housing within Santa Clara County. As an example, three area homebuilders contributed $400,000 in 2000 to support the fund and Intel launched a $1.25 million fund to help public school teachers buy housing by paying a portion of the mortgage. Local governments also contribute to the fund, although there is not a "parity formula" that is used. Local government revenue generally comes from the Redevelopment Authority funds or general revenues of each municipality. They do not contribute CDBG funds or federal dollars. They are currently engaged in a fund raising campaign this year and hope to raise $2 million from local businesses.

Initially the trust fund expected to be financed through a ballot initiative. They completed a poll that found that people thought affordable housing was a critical and important issue, but would not vote for a tax. The employer supported fund was an outgrowth of this work.

Board Structure:
The Housing Trust Fund of Santa Clara County has a 23-member board. Local governments, employers and non-profit entities make up one-third (each) of the board. This was initially done to assure equal representation and because each of the three primary interest areas were not certain what the interests of each member was with regard to the trust. While it is important to have broad representation on the board, for fund raising and policy decisions, there has been some divisiveness as the group grapples with agreements regarding priorities for the fund. Board members are appointed through a nominating committee of other board members and fill

vacancies left in one of the three primary interest areas with another member who represents that area.

Funding:
The Santa Clara trust fund provides loans, and in a few instances, grants. A loan program was selected because it "revolves" the funds, which was an important selling point to employers contributing to the fund. Deed-restrictions limiting appreciation on future sales to income qualified households is not part of the program or philosophy. The three primary products they offer include:

1. Predevelopment Loans for non-profit organizations. These loans range from $50,000 to $150,000 and cover costs associated with planning, design, market analysis and preparation of projects for development review. The loans are deferred until completion of the project, at which time they are repaid. Loans for special needs projects, including the homeless and seniors, are often forgiven. The Santa Clara Trust Fund found that predevelopment loans were critical to supporting development efforts of non-profit organizations.
2. Gap financing for special projects is also provided. These tend to be loans on projects for homeless. The length of the loan may vary depending upon the development, but carries a 3% interest rate.
3. Buyer assistance is the largest product they offer. In Santa Clara County the average priced home is over $550,000 and the median income is $115,000. Two types of assistance are provided. These can be provided together and are often "layered" with other programs available in the area. Households must contribute at least 1% of the purchase price. The two primary programs include:
4. Households earning up to 120% of the Area Median Income can receive a loan that is up to 6% of the purchase price to buy a home that does not cost more than $550,000. This is a second mortgage that carries a 3% interest rate and is deferred until the home is refinanced or sold. Owners who refinance to lower their total monthly payment and who do not take out any equity are not required to repay the loan at that time.

They work with lenders who provide 97% mortgages. Of the 6% down payment assistance, 3% is used to fund the difference between the mortgage and down payment and the balance is used to pay the private mortgage insurance required on these types of loans.

a. $6,500 in closing cost assistance to purchase a home that does not exceed the average sales price. This loan is repaid at the time of sale or refinance and does not have an interest rate for repayment.

Santa Clara chose these types of programs to fund because the amount of funding needed was low enough to prove success early on and they generated high numbers. For example, in the 1.5 years they have been using these programs, 25 owners have used down payment assistance and 460 have used closing cost loans. In addition, the average income of buyers is $70,000 compared to the area median of $115,000, so they are clearly addressing a need in the area.

Funding Decisions
A loan committee that is separate from the Board of Directors makes funding decisions. The board focuses on policy, staff oversight and fund raising.

Staffing:
The trust fund has three staff:

- An executive director – her expertise is in non-profit organization management and fund raising. She noted that local governments often consult with the group about housing policy in the area.
- Finance manager – who manages the fund assets, including booking loans, administrative budgeting and similar duties.
- Administrative Support – general office and support duties.

Colorado Housing Trust Funds

MILE HIGH HOUSING FUND (www.mhhf.org)

Introduction
The Mile High Fund was created in May 2000 to increase affordable housing production being undertaken by area non-profit developers. The City of Denver began exploring the creation of such a fund because non-profit developers were unable to locate a source of inexpensive financing that would allow them to compete with private sector developers for acquisition of existing housing and/or affordable housing development.

History
The idea for starting the fund had been discussed for several years, with work beginning in earnest in late 2000. The former director of the Fannie Mae Foundation was from Denver and was very interested in getting something started for non-profit housing developers. He worked closely with the City of Denver. The City of Denver contributed $3,275,000 from its Skyline fund. This seed money was sufficient to

attract $1million in loan funds and $250,000 in grant dollars from the Fannie Mae Foundation and another $1million in loan funds and $500,000 from the Enterprise Foundation.

Enterprise became involved because they had been in Denver for a while and operated a loan fund. One obstacle to creating the fund was how the dollars would flow, particularly for making and collecting loans. Enterprise agreed that initially dollars lent from Fannie Mae would go through Enterprise and this was important for Fannie Mae to become comfortable with the project. Another obstacle to overcome was within Enterprise itself. It had not wholesaled money before and had also done its own lending. There was some uncertainty about how the underwriting would occur and the obligations Enterprise might incur if there was a problem with a loan. Eventually, these issues were addressed and Enterprise hired and paid the salaries for the first and current staff, provided office space and related support. After the first year, other sources of funds were found to pay operating expenses.

The Mile High Fund also became certified as a Community Development Financial Institution (CDFI) within five months of starting and received a technical assistance grant award of $25,000 that in 2000. Last year, it received a $1 million dollar grant from the U.S. Treasury Department of Community Development Financial Institutions to use for making additional loans. Request for Proposals are issued by the Treasury annually and are very competitive. Funds are made available as grants, loans and for technical assistance. An RFP was not issued this year because of a change in administration.

Colorado Housing Finance Authority (CHFA) also awarded the Mile High Fund $500,000 for predevelopment in 2002. In addition, the fund instituted a "pay to play" strategy, where local governments could contribute to the fund and therefore allow non-profit developers in their areas to have access to the loan. This option was more easily accomplished because many of the local governments received a "rebate" when the bonds on the Rockies stadium were retired early.

Lastly, local lenders became involved, notably US Bank and Key Bank. Both lend money to the fund for a very low cost (1% to 4%). Loans made from these sources are relent at 5% to 6%, with the interest above the cost of the money being used to pay for operating expenses, reserves and other related costs.

Eligible Projects

- Only non-profit developers may apply and funding is targeted toward those earning less than 80% of the AMI. For-profit developers are considered if they are partners with a non-profit;
- Only projects located in communities that have contributed funds are eligible to apply. These communities contributed some of the proceeds they received back

from the early repayment of the bonds for Coors Field. Contributions range from $50,000 to $75,000 and no minimum contribution is required, nor is there a limit as to how much money could be lent in these communities if a good project applies for a loan. The communities include:

- City of Denver
- City of Arvada
- City of Boulder
- City of Glendale
- City of Englewood
- City of Lakewood

Key Success Factors

- Denver has taken a leadership role in the fund. Because it contributed a substantial amount of funding, it has been easier to solicit funds from other sources. Denver continues to contribute money in the form of a grant to the fund. Denver has also been very supportive of using its money outside of its boundaries for projects located in communities that have also contributed funds;
- Investors are very committed. Enterprise staffed the fund at no cost for one year and the City of Denver provided staff support;
- An operating reserve was included as part of the budget since the beginning of the fund.
- Staff is very knowledgeable about housing finance and knows how to evaluate projects seeking funds.
- They fund is focused on supporting non-profits and only provides loans to help offset the costs of pre-development, acquisition and new construction. They do provide "mini-perm" loans to provide gap financing that is often needed in tax credit projects. In other words, they don't also try to provide down payment assistance, homeownership counseling, technical assistance to other agencies, etc.
- Loans are from 1% to 4% above the cost of money, with the interest rates set at 5%. Terms vary according to the type of loan (predevelopment, construction or bridge loans).
- Important to have a good organizational infrastructure, including a clear set of lending policies, risk analysis policies and on-going reporting. For example, the loan committee meets quarterly to review a risk analysis of the portfolio that is prepared by the staff.
- The board is active in fund raising efforts and takes a leadership role in the area. It is also a diverse board and has representatives from Enterprise, non-profit organizations, lenders and CHFA.
- The Mile High Fund is often the first source of dollars committed to projects, making it easier for to leverage other financing.

Cautionary Notes

- Interest rates are at an all time low, yet the Mile High Fund must be sure and maintain certain margins to cover operating expenses. Rates reaching this very low level were not foreseen by anyone. Many banks are lending at rates that are competitive with the Mile High Fund.
- The Denver market is soft right now, which has resulted in a slowing of applications for development loans.

Informational Resources

- The National Community Capital Association is the trade association for CDFI's. They exist to help CDFI's or those interested in starting a CDFI and offer peer-to-peer analysis and discussions.
- RCAC is a CDFI that works in the rural areas, as is Funding Partners, which works statewide.

Roaring Fork Community Housing Fund

Why a Housing Trust Fund (HTF)?
A Housing Trust Fund is a dedicated source of revenue that is used exclusively to promote and preserve housing for low to moderate-income households. A variety of funding sources may be used for a trust, including general funds, in-lieu fees, local taxes, foundation dollars, contributions from employers etc. The most successful trusts have a dedicated public revenue source that is committed through legislation or ordinance.

Why a regional housing trust for the Lower Roaring Fork Valley?
A regional housing trust fund would fill in the "missing piece" in the affordable housing puzzle. The communities of the Lower Roaring Fork Valley have several tools to foster the development of housing for working families. Local governments have adopted inclusionary zoning ordinances, there is a regional nonprofit community development organization, and a county housing authority that administers Section 8 rent subsidy, as well as deed restrictions, qualifying buyers and conducting lotteries for both Garfield County's and Glenwood Springs inclusionary zoning programs.

The key elements are in place to support more affordable housing – sound policy, zoning requirements, administrative support and a willing non-profit developer. What is missing is a source of revenue that is devoted to housing production for the Lower Roaring Fork Valley. The costs of housing development in our area are substantial and we have consistently heard about housing options that could be pursued if only there were financial resources available to support the development of these projects.

A regional housing trust fund would provide a dedicated source of funds that would increase the funding needed to support the development of more permanently affordable housing (such housing would be above and beyond that which will be made available through local regulations). It would also help increase the capacity of existing local private, public (such as the Garfield County Housing Authority and Carbondale Housing Authority), and nonprofit affordable housing developers (such as Mountain Regional Housing Corporation) by structuring partnerships, providing predevelopment funding, leveraging local dollars with state and federal funding sources for affordable housing, and funding the gap for worthwhile housing projects. In other communities where a trust fund exists, financial resources are leverage on an average of $7 to every $1 from the trust fund.

How is a Housing Trust different from a Regional Housing Authority?
A regional housing trust and a regional housing authority differ in name and scope. They would be created using the same state enabling legislation (CRS – 29-1-204.5). While a regional housing authority could have a number of broad functions (like county housing authorities) and number of potential local revenue sources (unlike county housing authorities), a regional housing trust has a more focused work program - raising and leveraging local, state, and federal money for affordable housing. Since both organizations are created under the same enabling legislation, a regional housing trust can be thought of as a regional housing authority with a different name to reflect its more focused function, although it would maintain the region's ability to use the tools made possible through the state enabling legislation (such as sales tax or bonding authority).

Why a trust and not an authority?
Our area doesn't need another housing authority. We already have organizations filling critical roles in the affordable housing puzzle (such as Garfield County Housing Authority and Mountain Regional Housing Corporation); we don't need to replicate the services they offer. Creating a regional housing trust can increase the resources, capacities, and opportunities to existing public, nonprofit, and private organizations to increase the number of permanently affordable housing units in the region without duplicating services. In other words, existing housing organizations would have more resources *to expand* their current services and develop new services as appropriate.

Why a new organization?
The elected official steering committee is recommending the creation of the Regional Housing Trust as a new organization (rather than fitting the Trust within an existing organization) for the following reasons:

- While municipalities in the Roaring Fork Valley portion of the county have adopted their own inclusionary zoning requirements in recognition of the need for affordable housing, municipalities in the Colorado River Valley/I-70 corridor have not. It is unlikely Colorado River Valley/I-70 corridor citizens would support a tax initiative for something they do not see as a problem in their communities. Furthermore, Garfield County's inclusionary zoning requirements do not apply to the entire county. They apply only to Study Area 1, which includes the Roaring Fork Valley from Glenwood Springs to the Eagle County line.

- The service boundaries of both the Garfield County Housing Authority and the Mountain Regional Housing Corporation extend well beyond the Basalt to Glenwood Springs area. Both organizations would have to go through significant bylaw changes to enable them to use the funding mechanisms in the multi-jurisdictional housing authority law. Such changes would likely complicate and potentially harm their current efforts and contracts. Since there is no guarantee that a tax question would pass in the Basalt to Glenwood Springs area, the risks of such changes to existing organizations outweigh the rewards to either organization.

- Creating a fund for affordable housing as a new organization makes it clearer that existing affordable housing organizations such as the Garfield County Housing Authority and Mountain Regional Housing Corporation can be applicants to the new funding entity without conflicts of interest over how the fund is managed.

Who benefits from the creation of a regional housing trust?
Ideally, residents, local governments, and businesses all benefit from the creation of the trust. Private, public, and nonprofit entities interested in building affordable housing will benefit from the creation of a regional housing trust -- in the form of grants or predevelopment money for their affordable housing projects, while others will benefit from the increased affordable housing stock and the management and resale of the deed restrictions. (Note: All affordable housing units developed with resources from the Regional Housing Trust would be deed restricted and managed through agreement with the Garfield County Housing Authority.) Local governments and school districts will benefit from a potential funding source to create housing for police and fire personnel, teachers, and local government staff. The private sector will benefit from a source of money to "fund the gap" to make their projects permanently affordable. Finally, all employers in the Lower Roaring Fork Valley will benefit from a more stable and locally housed workforce.

What if a tax initiative does not pass?
There are several examples of Housing Trust Funds that do not have dedicated revenue sources or public dollars. For example, Polk County Iowa has a fund that was established in 1995 by a consortium of six non-profit organizations. It uses HUD Funds, state dollars and private sector funding from more than 25 foundations, corporations and individuals. Another trust was created in Santa Clara County California with funding from area employers, county funds, local governments, private foundations and other organizations. A third example, in Bellevue Washington - ARCH (A Regional Coalition for Housing) - uses general fund, community development block grants, fee waivers, and fees-in-lieu to support a $1.2 million trust fund that has built $100 million in affordable housing units over the last 10 years.

These examples illustrate that dedicated tax revenue is not a requirement for a housing trust to be successful. Consequently, creating a regional housing trust in the

Lower Roaring Fork Valley makes sense with or without a successful sales tax question.

Why create a regional housing trust now?
Although there is a slow-down in the economy and increases in the cost of housing have slowed somewhat, a lull in the market is where we can make our greatest gains in housing affordability. This is true for several reasons:

- There are currently better opportunities to acquire modestly priced existing housing in the area than when the market is hot;
- Housing markets are cyclical and will eventually improve. We will be in a better position to take advantage of changing conditions (and increasing costs) with a Housing Trust Fund in place that has clear goals
- New developments can take two to three years to receive all necessary approvals and arrange financing. These projects can be planned during this lull and take advantage of lower costs today that will translate into housing that is more affordably priced in the future; and,
- Several groups, including the Roaring Fork Valley School District, Mountain Regional Housing Development Corporation and private sector developers are exploring ways to add more affordably priced housing to the area now, and could use the support of a Trust.

How do local governments set up a regional housing trust?
Through an Intergovernmental Agreement (IGA) that details the purpose, board structure, and powers of the trust (the components of the IGA are detailed in the state enabling legislation). The IGA will also detail the funding agreements between participating jurisdictions.

Local, State, & Federal Housing Funding Sources

There is a smorgasbord of potential funding for affordable housing at the local, state, and local level. Housing Trust staff would continually work to leverage local dollars to attract state and federal dollars. Some funding sources include:

LOCAL HOUSING FUNDING

Downpayment Assistance
A consortium of local realtors, lenders, and mortgage brokers has established a program that generates approximately $30,000 to $40,000 per year. Approximately 80 percent of the funding is generated through fundraisers and 20 percent is provided from interest on escrow accounts. The group uses the funds to help first-time home buyers with grants used to cover closing costs. Up to $2,500 is available per person and the group receives about 10 to 15 requests per month. There is a high level of professional encouragement by realtors and mortgage brokers to contribute to the fund. For example, grant recipients are typically clients of participating agents and brokers. The fund relies heavily on community participation at its annual fund raisers, such as the Balloon Extravaganza and the annual golf tournament.

Business License Fees (potential)
There are a total of 1,932 business establishments in the Lower Roaring Fork Valley. These businesses range in size from one employee up to 499 employees, and the data is grouped by size and location in **Table 10** below. The locations reflect the zip codes boundaries of the area, and those in 81621 are shown as Basalt businesses, 81623 are shown as Carbondale, and 81601 and 81602 are shown as Glenwood Springs.

If local communities adopted a business license fee, or increased the existing fee as shown below, there is the potential to generate over $53,000 annually. The business license fee is reasonable as housing need is directly related of employment levels. Additionally, if the Trust is successful, local businesses will benefit as there will be a larger employee pool from which to hire.

In the example shown below, the fee is based on a simple graduated scale. Businesses with one to 19 employees would pay $25 per year. The next level would include businesses with 20 to 99 employees and would pay $50 per year. The highest level, those with 100 employees or more would pay $100 per year. In total, more than $53,000 could be generated with this tool.

Table 10
Potential Business License Fee Revenue
Lower Roaring Fork Affordable Housing Task Force

	Basalt	Carbondale	Glenwood Springs	Total	Potential Fee Per Bus.	Potential Fee Revenue
Employees in Establishment						
1 to 4	227	418	560	1,205	$25	$30,125
5 to 9	73	99	172	344	$25	$8,600
10 to 19	40	59	122	221	$25	$5,525
20 to 49	22	28	78	128	$50	$6,400
50 to 99	3	5	10	18	$50	$900
100 to 149	0	6	9	15	$100	$1,500
150 to 499	0	0	1	1	$100	$100
Total	**365**	**615**	**952**	**1,932**		**$53,150**

Source: US Census 2000, NAICS by Zip Code;
Economic & Planning Systems

STATE AND FEDERAL HOUSING FUNDS

Tax Credits
The Tax Credit program was established in 1986 and is intended to increase the supply of low-income rental housing. Each state is allocated annual supply of credits based on its population, which are then allocated to developers, typically in a competitive process. The Colorado Housing and Finance Authority (CHFA) distributes the credits in Colorado based on criteria it has established over time. In general, CHFA looks for projects with long-term affordability restrictions and targeted populations that include representation of lower income levels, often ranging from 60 percent to as low as 40 percent of AMI. After receiving an allocation, developers typically sell the credits to private investors. Generally, investors are recruited by syndicates and ownership rights are controlled by limited partnership agreements. The money private investors pay for the credits is paid into the project as equity financing. This equity financing is used to fill the gap between the development costs and the traditional financing sources that could be expected to be repaid from rental income. Investors who purchase tax credits provide equity to an affordable housing project that can range from 70 to 80 percent of construction costs, depending on the circumstances of each development.

HOME Funds
HOME funds are federal housing subsidies that made available to state and local agencies. The program was created by Congress in 1990 and is designed to increase the level of affordable housing for low income households. The program has stringent requirements related to income eligibility and affordability. No funds can be used to assist households earning more than 80 percent of AMI. Unlike, Block Grants, HOME funds must be used exclusively for housing projects. The following activities are eligible for funding: Rehabilitation, conversion, new construction, acquisition, relocation costs, CHDO "soft costs," and some administrative costs.

HOME funds are made available to entitlement communities that have the minimum population threshold and meet other requirements of the program. In Colorado for Fiscal Year 2000, seven cities and four counties received HOME funds directly from the federal government. The balance of the state's funding, nearly $7.0 million, was provided to the State's Division of Housing, which makes it available to specific projects throughout the year. The State's criteria for funding is based on several factors, including level of need, targeted population, geographic distribution, extent of local matching funds, etc. An average grant can range from $10,000 to $12,000 per unit.

Block Grants
The community Development Block Grand program (CDBG) is a federal program that began operation in 1975. It is run by HUD. The primary objective of block grant funds is to improve communities by providing "decent housing, a suitable living environment, and expanded economic opportunities" all "principally for persons of low and moderate income." Each state is allocated funds annually, based on its population. The entitlement communities in each state receive funds directly from HUD (jurisdictions are those municipalities with more than 50,000 people or counties with more than 200,000), while the balance of funding is directed toward the state.

While the intended purpose of the Block Grant program is to direct these funds to low and moderate income households, the broad definition of eligible uses often dilutes the impact to this portion of the population. Eligible services include housing rehabilitation and construction, services (such as child care, health care, transportation, police, etc.), public works (streets, sidewalks, sewers, etc.), construction or rehabilitation of parks and recreation facilities, economic development activities (job training, business loans, commercial building rehabilitation), and administration costs.

HUD requires communities to document that the use of funds is consistent with the parameters of the program. As part of the documentation, HUD requires communities to develop five-year consolidated plans for the use of block grant and other federal funds. In many cases, the consolidated plans specify uses of funds and make changes to the plan difficult. The most effective efforts to steer block grant funds to a specific use in a specific area is to modify the consolidated plans, when they are up for renewal.

Rural Development

The staff of the regional Rural Development office in Grand Junction report that few of its funding sources have been used in the Lower Roaring Fork area, although there is potential for use of the funds here. Rural Development has a variety of programs intended to assist households in non-urbanized areas. Its most effective programs are in the form of loans instead of grants. Loans for repair are available at one percent for up to $20,000 for households earning less than 50 percent of AMI. Grants up to $7,500 are available to seniors, 62 or older, also at or below the 50 percent level. There are also programs to help renters become homeowners. These include loan programs that offer very low interest rates for household earning up to 80 percent of AMI or loan guarantees that enable purchasers to secure conventional loans at reasonable rates for households earning up to 125 percent of AMI. The most significant aspect of both programs is that purchasers are able to secure 100 percent financing, are not required to provide down payments, and can sometimes get financing at one to two percent. Finally, Rural Development offers a "self-help" program, where a local housing agency is provided funding to supervise and assist selected families in constructing their own homes.

HUD

In some cases, HUD makes direct grants to specific communities. These are difficult to achieve; however, based on the recent efforts of the Rural Communities Assistance Corporation (RCAC) and representatives from five counties (including the Mountain Regional Housing Corporation), an allocation has been made that can be used locally for limited purposes. Representatives from Grand, Summit, Eagle, Garfield, and Pitkin Counties are in the initial phases of forming the organization to administer the fund, which was capitalized by HUD in 2002 with $1.0 million. In general, use of the fund is limited to down payment assistance loans and predevelopment loans, with a maximum of 20 percent available for each of the five counties involved. The criteria for making loans to organizations within each county has not been determined and no loans have been made at this time. It will be important for the Trust to work closely with the MRHC and the five-county organization to learn what the criteria will be for its loans and if funds can be directed to local down payment assistance programs.