

ARCHULETA COUNTY HOUSING AUTHORITY

RESOLUTION NO. 2017-1

POLICY FOR THE AUTHORITY  
ADDRESSING THE ISSUE OF AFFORDABLE HOUSING  
IN ARCHULETA COUNTY AND THE TOWN OF PAGOSA SPRINGS,  
AND ACTIONS TO BE TAKEN

WHEREAS the Legislature of the State of Colorado, declared in Colorado Revised Statutes §29-4-501, that it was in the public interest to authorize the organization of county housing authorities to provide decent, safe and sanitary housing facilities for low income workers and their families;

WHEREAS, the Archuleta County Housing Authority (hereinafter ACHA) was established pursuant to Colorado Revised Statutes, §29-4-503, by Resolution No. 78-22 of the Board of the County of Archuleta, Colorado, entitled “A Resolution Declaring the Need for a Housing Authority to Function in the County of Archuleta, Colorado;”

WHEREAS the duly appointed Commissioners of the ACHA caused to be filed thereafter a certificate of their appointment with the Colorado Department of Local Affairs, Division of Local Government, and said certificate remains of record with such Division, and pursuant to Colorado Revised Statutes §29-4-503 the ACHA thereby was and is constituted as a body corporate and politic in the State of Colorado;

WHEREAS the ACHA is invested by law, to wit, Colorado Revised Statutes §§ 29-4-505 and 29-4-209, with all the powers necessary and convenient (except powers to levy and collect taxes or special assessments) to carry out and effectuate the foregoing purposes to provide low income housing approved by the Legislature in conformity with the public interest, including among others, powers to:

- Investigate living, dwelling and housing conditions and the means and methods of improving such conditions, and as necessary in the conduct of such investigations, to secure testimony under oath;
- Purchase, lease, obtain options upon, or acquire by eminent domain, gift, grant bequest, devise or otherwise any property, real or personal, or any interest therein from any person, firm, corporation or government, and then to own, hold, clear, improve and insure such property;
- Make and execute contracts and other instruments necessary or convenient to the exercise of its powers;
- Prepare, carry out and operate projects and to provide for the construction, reconstruction, improvement, alteration, or repair of any project or any part thereof;
- Arrange with a government for the furnishing, planning, replanning, opening, or closing of streets, roads, roadways, alleys or other places or facilities in connection with a project;

- Sell, exchange, transfer, assign or pledge any property, real or personal, or any interest therein to any person, firm, corporation or government;
- Lease or rent any of the dwellings or other accommodations, or any of the lands, buildings, structures, or facilities embraced in any project, and to establish and revise the rents or charges therefor;
- Act as agent for the federal government in connection with the acquisition, construction, operation, or management of a project or any part thereof;
- Borrow money from the federal government to finance the construction of any project; and
- Borrow money upon its bonds, notes, debentures, or other evidences of indebtedness, and to secure the same by pledges of its revenues, and by mortgages held or to be held by it, or in any other manner

WHEREAS, the ACHA is mandated by Colorado Revised Statutes §29-4-506 to:

- Manage and operate its projects in an efficient manner so as to enable it to fix the rentals or payments for dwelling accommodations at low rates consistent with providing adequate dwelling accommodations for persons of low income, and
- Fix the rentals or payments for dwellings in its projects at no higher rates than it finds to be necessary in order to produce revenues which, together with all other available moneys, revenues, income and receipts from whatever sources, will be sufficient to cover costs of operations as therein specified;

WHEREAS the County of Archuleta by its Board, and the Town of Pagosa Springs by Town Council, have both determined that currently there is a critical shortage of affordable housing in the County and Town, especially for persons and families of low income, and have expressed concern that such shortage is harmful to the community and threatens to retard its economy due to insufficient housing to accommodate needed workers;

WHEREAS the ACHA finds that as a result of the current critical shortage of affordable housing in Archuleta County, many low wage workers in the retail, hospitality and leisure industries in the community shelter in substandard accommodations that jeopardize their health and welfare and that of the community;

WHEREAS pursuant to such concerns, the County and the Town jointly retained Economic & Planning Systems, Inc. (EPS) to prepare a housing needs study, and a draft of such study released on September 15, 2017 made findings that:

- 39 percent of employment in Archuleta County is in the low wage business sectors of retail, leisure and hospitality;
- High employment and low wages in those sectors “create a large group of area residents with a high need for affordable housing;”
- Currently, “there is very little multifamily housing in the County, with only 11 percent of all housing units containing more than 2 units;”
- “There is a lack of rental housing inventory in the area, particularly rentals that are affordable to the local population;”
- “In 2015, 36 percent of all households in Archuleta County were cost burdened [under the normal standard that housing costs should not exceed 30 percent of income]. This

includes 65 percent of households earning less than 30 percent AMI [Area Median Income], 59 percent of households earning 30 to 60 percent AMI, 48 percent of households earning between 60 and 80 percent AMI, and 30 percent of households earning 80 to 120 percent AMI. This burden is greater on renter households; while 30 percent of owner households in the County are cost burdened, 49 percent of all renter households are spending over 30 percent of income on housing costs.”

- “There are many households earning less than 60 percent AMI without affordable rental units; these households are likely renting more expensive units, leaving them cost burdened. To help close this gap, public efforts should focus on assisting rental housing development affordable to these lower income households.”
- A survey of business owners conducted for the Housing Need Study revealed that 80 percent of respondents believe affordable housing is a critical or serious problem in the County, and 49 percent of respondents stated the problem substantially impacts their employee recruitment and retention ability;
- “Based on the data presented in this report, the housing needs in Archuleta County are significant and are growing . . . Adding housing stock – particularly rental housing – that is affordable to employees at the wage levels of the jobs being created will be critical to maintaining economic growth in the region.”
- “To the extent the community can consolidate its resources and identify a single entity that could articulate the challenge and align resources, the community will be that much more effective. . . . With an existing organizational structure in place, and the desire of current leadership to expand the organization’s role and capacity, expanding the role of the [ACHA] is a natural first step in a comprehensive strategy to address housing needs. Having a central organization that policy makers, developers, and community members can all look to for leadership and guidance is critical to making progress on affordable housing issues;”
- “Pursuing an affordable housing project is an immediate and achievable goal for the Town and the County. While need for affordable rental housing in the community has been growing, the inventory to meet this need has not grown at the same pace. A new affordable rental development of between 30 and 50 units would help alleviate some of this need, as well as demonstrate that new, affordable development is feasible;”
- The ACHA should formulate “a five-year action plan . . . to address needs and strategies;”
- “A new affordable project in Archuleta County will likely only be successful if the Town and the County contribute in a meaningful way;”

WHEREAS the ACHA concludes in the exercise of its responsibilities established by the Legislature of the State of Colorado, on the basis of review of the EPS draft Housing Needs Study, its own existing collective knowledge of public statements made on many occasions during meetings in 2016 and 2017 of the Archuleta County Board of Commissioners and the Pagosa Springs Town Council, and its existing collective knowledge of the public findings of the local Affordable Housing Task Force jointly established by the County and the Town, that the foregoing findings set forth above and in the draft EPS Study accurately identify the need for affordable housing for low income persons throughout Archuleta County and reasonable methods for it to be addressed;

WHEREAS by virtue of its responsibilities, duties and powers as determined by the Legislature of the State of Colorado and enumerated herein above, the ACHA finds that the shortage of affordable housing in Archuleta County is a problem that in the public interest should be addressed by it, and is within its capacity as a body corporate and politic;

WHEREAS the ACHA finds that additional investigation of the living, dwelling and housing conditions in Archuleta County and the Town of Pagosa Springs and the means and methods of improving such conditions is not currently needed;

WHEREAS the ACHA finds that action should be promptly and vigorously be undertaken by it to address the shortage of affordable housing;

WHEREAS the ACHA finds that the best way promptly to increase the housing stock in Archuleta County affordable to low wage employees is through projects for the construction of multifamily housing, at least initially; and

WHEREAS the AHCA finds that successful development of affordable housing requires the availability of funds in advance of commencing a project, in order to meet expenses for consultations with engineers and architects to identify suitable real estate and plan construction of appropriate buildings with dwelling units that will ensure the health and welfare of occupants at reasonable cost in full compliance with building codes, to help acquire suitable real estate, to acquire professional services to ensure satisfaction of regulatory requirements established by agencies such as the Colorado Housing and Finance Authority and the Department of Housing and Urban Development, as well as standards of commercial banking institutions, which is necessary to obtain project financing, to provide the necessary oversight of the construction process, and to provide for adequate maintenance of future multifamily dwelling units, their appurtenant structures and grounds;

NOW, THEREFORE BE IT RESOLVED THAT as a matter of policy in the public interest, the ACHA declares it shall pursue the early and continuing development of affordable housing in Archuleta County consistent with the findings and recommendations set forth in the EPS draft Housing Needs Study of September 15, 2017,

BE IT FURTHER RESOLVED that the ACHA declares that its policy will be and is to achieve a supply of affordable housing in Archuleta County and the Town of Pagosa Springs within a period of no more than ten years from the date of this Resolution, that will be fully adequate to match the need then existing in the community for housing to accommodate persons and families without excessive cost burden above 30 percent of income, and that thereafter additional needs for affordable housing that may be produced by economic growth and increased employment, will be met on a continuing basis as such growth and increased employment occurs;

BE IT FURTHER RESOLVED THAT the ACHA declares its policy will be and is to seek to partner in the pursuit of adequate affordable housing for the community with Archuleta County, the Town of Pagosa Springs, the Archuleta School District, the Pagosa Area Water and Sanitation District, the Pagosa Springs Medical Center, the Chamber of Commerce, the

Community Development Corporation, leading community businesses and organizations in the retail, hospitality and leisure industries, and other businesses and organizations committed to enhancing the future of the community;

BE IT FURTHER RESOLVED THAT in pursuit of the foregoing policies and findings, the following actions shall be undertaken by the Executive Director and staff of the ACHA:

- Plans shall be established, in consultation as needed with relevant professionals and builders, submitted within 60 days hereafter to the board for review and approval, and subsequently carried out, to develop a multifamily project or projects in Archuleta County that will provide between 30 to 50 one, two and three bedroom units, affordable for persons and families with incomes ranging up to 60 percent or less of AMI, that will be ready for occupancy by April 1, 2019, if possible, but in no event later than 16 months after acquisition of sufficient financial resources to undertake the project(s);
- A five-year plan shall be established, in consultation as needed with relevant professionals and builders, for the development of additional affordable housing in Archuleta County to consist primarily of one, two and three bedrooms units in multifamily projects affordable for persons and families with incomes ranging up to 80 percent or less of AMI, said units to be constructed in volumes and on a schedule to be determined, and such plan shall be presented to the board for review and approval no later than October 1, 2018;
- Every two years following October 1, 2018, an update and two-year extension of the existing five-year plan setting forth the volume and schedule for the construction of affordable housing in Archuleta County shall be prepared and presented to the ACHA board for consideration and approval, each such update to take full account of then current needs for affordable housing in light of changes in availability of housing and economic and demographic conditions in the County

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AND BE IT FURTHER RESOLVED THAT in pursuit of the foregoing policies and findings, the following additional actions shall be undertaken by the Executive Director and staff of the ACHA, together with ACHA board members:

- Contacts shall be made with Archuleta County, the Town of Pagossa Springs, and organizations and businesses specified above, as well as others committed to enhancing the future of the community, seeking to build partnerships to support efforts to develop adequate affordable housing;
- In order that funding needed for affordable housing may be acquired, the ACHA shall (a) propose, advocate and seek agreement for annual funding to be provided in the operating and/or capital budgets of Archuleta County and the Town of Pagosa Springs aggregating in the amount of \$100,000, (b) seek the adoption of an Intergovernmental Agreement among Archuleta County, the Town of Pagosa Springs and itself setting out mutual responsibilities and duties of the parties in pursuit of affordable housing, and (c) consider in consultation with partners to be established as specified above, obtaining all necessary government and voter approval at the earliest practicable time for a suitable dedicated, new revenue stream for the support of affordable housing in the community, by way of a sales tax or a mill levy or other potential source.

ADOPTED by a vote of \_\_\_ in favor and \_\_\_ against, this 8<sup>th</sup> day of November, 2017.

Archuleta County Housing Authority

By: \_\_\_\_\_  
John Egan, Chairman

ATTEST:

BY: \_\_\_\_\_  
Sara Ward, Executive Director