

PLANNING AND ZONING COMMISSION

AGENDA

DATE APRIL 11, 2023, 6:30 P.M.

420 CENTRAL AVE DOLORES CO. 81323

OR VIRTUALLY BY THE LINK BELOW:

Join Zoom Meeting

<https://zoom.us/j/92252992315>

Meeting ID: 922 5299 2315

One tap mobile

+16699006833,,92252992315# US (San Jose)

+12532158782,,92252992315# US (Tacoma)

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **ROLL CALL**
4. **IDENTIFICATION OF ACTUAL OR PERCEIVED CONFLICTS OF INTEREST.**
5. **PUBLIC PARTICIPATION 5 minutes per person.**
6. **APPROVAL OF THE AGENDA**
7. **CONSENT AGENDA**

7.1 Minutes of March 7, 2023

8. **Staff updates**

8.1 Neighborhood Meeting Notes with 19th street owners March 30, 2023

8.2 June 27 2022 Board Workshop discussion attainable housing project opening letter.

8.3 Resolution R496 Series 2022Creating the Dolores Affordable Housing Task Force.

8.1 Review the strategies Planner Garvin will present to the Commissioners. This will be the time when the Commissioners will decide on certain policies and standards for workforce housing and make recommendations to the Board of Trustees.

Attachment: Dolores DOLA Strategies Drafting pdf.

9. **Adjournment**

JOINT MEETING
PLANNING AND ZONING COMMISSION
AND
DOLORES AFFORDABLE HOUSING TASK FORCE
MINUTES

DATE MARCH 7, 2023, 6:30 P.M.

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1. **CALL TO ORDER** Chairperson Robinson called the meeting to order at 6:30 p.m.
2. **PLEDGE OF ALLEGIANCE** The group recited the pledge.
3. **ROLL CALL:** Present at the meeting were:
Planning Commission Chairperson Robinson, Vice Chair Heeney, Commissioners Tucker, Watters, and Powell.
EX Officios for Planning and Zoning, Lewis and Youngquist.
Planner Elizabeth Garvin, Housing Project Manager David Bruce, Staff members Manager Charles, Building Official Doudy, Attorney Kelly, and Assistant Clerk Swope.
Task force members attending: Lainey Beyhan, Kirk Swope, Larry Engel, and Jen Stark.
Ex Officios for the Task Force, Mayor Reeves, and Trustee Wheeler.
4. **IDENTIFICATION OF ACTUAL OR PERCEIVED CONFLICTS OF INTEREST.** None stated.
5. **PUBLIC PARTICIPATION 5 minutes per person.** No one else attended the meeting.
6. **APPROVAL OF THE AGENDA**
Commissioner Powell moved and Commissioner Tucker seconded to approve the agenda.
Yes: all
No: none
7. **CONSENT AGENDA**
7.1 Minutes of February 7, 2023
Commissioner Powell moved and Commissioner Watters seconded to approve the February 7, 2023 minutes.
Yes: all
No: none.

8. **STAFF UPDATES** – Manager Charles asked the members to read the memo in their own time.

9. **DOLORES DOLA INNOVATIVE HOUSING STRATEGIES LUC AND POLICY DRAFTING FEBRUARY 2023**

9.1 Planner Elizabeth Garvin Presentation

Planner Garvin refreshed the members on the affordable housing strategies currently incorporated in the new Land Use Code. These strategies support the town's efforts to pursue funding from the Department of Local Affairs Housing Division. These strategies allow duplex and triplex dwelling in residential zones, classification of a proposed affordable housing development when it meets building density and design standard of a given zone district, authorizes accessory dwelling units as a use by right on parcels in single family zone district compliant with safety and infrastructure capacity and allows a small square foot residential size.

The options presented in this presentation include establishing an affordable housing definition that meets the criteria set by State agencies, expedited review processes for proposals that meet the standards for affordable housing development, expedited approval for adaptive re-use of commercial to residential properties, subsidized application fees, reduce off street parking requirements for affordable housing development, allow for density bonus and inclusionary zoning. Other strategies to consider could be policy and practices that are listed in the DOLA strategies, such as land banking, using publicly owned property, dedicated infrastructure funding and water utility submetering.

The presentation included a graphic about housing affordability called a Housing Bridge. It demonstrated where Affordable Housing fits into the income levels of a two-member household where low-income assistance leaves off and where household income is high enough to purchase a market rate priced home. The Affordable housing area is in between the two with an overlapping range of percent of household income. The other data set presented was the Region 9 data sheet showing employment by industry and wage for 2019. Then Planner Garvin produced data for income per household and the price of an affordable home based on percentages of the median income for Montezuma County.

Besides DOLA is a new funding source created by Proposition 123(Prop 123) that the voters of Colorado passed in 2022. The definition of "Affordable" for Prop 123 funding is slightly different than the DOLA definition. The Town must opt in to participate and must agree to some approval timelines. Planner Garvin recommends the town adopt the definition for Affordable Housing set by Prop 123 to be qualified for all other funding agencies as Prop 123 has the lowest set point in its definition for affordable housing. Jen Stark asked Planner Garvin about the definition in the Affordable Housing Act (HB 1304) if that would be the best one to use as the Act funds projects from several funding sources. Manager Charles is concerned that the low percentage of AMI numbers of Prop 123 are too limiting related to the market price of a house in Dolores.

Project Manager Bruce explained how Rural Homes matches home buyers to "Preferred Lenders", a mortgage product customized for state and philanthropic ventures that lock in rates for buyers at a very low interest rate and downpayment assistance. Rural Homes provides a wider price range for homes to be able to meet the lower AMI

(Average Median Income) buyers by selling homes at a higher price to the higher AMI buyers. So, they depend on the higher AMI % definition to be able to sell homes at different prices and still meet the housing needs of the broader population. The way Rural Homes make their project feasible is with subsidized funding for the development and construction costs. Proposition 123 requires annual 3% affordable housing unit growth records. Due to the limited available residential property within town limits this requirement could be an obstacle for Dolores.

Garvin suggests the definition developed for the town would have two requirements that meet each funding source definition so the town would be able to meet the criteria for both funding options. She will set the definition for DOLA definition at 140%.

Jen Stark asked about modifying local land use policy to include residentially owned Mobile /Manufactured home Parks in affordable housing strategies. She found that mentioned in the state affordable housing Act as an incentivizing strategy. Planner Garvin explained the issues with mobile home units and asked if the group would be interested in pursuing this strategy. Chairperson Robinson and member Stark showed interest.

Planner Garvin listed the action the town must take to be prepared for Affordable Housing development.

1. Define affordable housing with the following suggestions:

a. Affordable purchase set point i.e.. 80% to 100% or less of AMI for the area.

b. Affordable rent set point. i.e.. 45% or less than the area AMI.

2. Set the period the housing unit must remain affordable, typically 30 to 50 years. Trustee Youngquist suggests the set points be revisited periodically. Attorney Kelly cautions the group of the risk of a shorter period may result in losing funding opportunities. (Project Manager Bruce explains how their policy of making the deed restriction for 100 years and it always renews at time of sale. Their homes are limited to a 3% increase of resale value and must meet the set point of AMI in the area. These financing terms are required by the Attorney General's office) Planner Garvin says these policies will not be inserted in the Land Use Code but attached to the deeds and regulated by the policies of the town. Planner Garvin will investigate common time periods and give the information to the commission at the next meeting.

3. Determine if there will be a workforce or local first buyer requirement.

4. Amend the LUC to reference the Town's affordable housing policy to trigger Code standards that are applicable to affordable housing.

Commissioner Tucker is wondering if the town needs to identify the potential for housing development.

Commissioner Tucker expressed his concern that the planning and funding is taking place without determining what the long-term need is. Tucker thinks the current development on 19th street falls short of the actual need. Stark responded that the group is developing definitions that fit the ability of 19th street properties to meet the need for development. Manager Charles says this planning part is one step of many to get to the development of 19th and if this development is successful the town can plan for more. Chairperson Robinson says the Land Use Code will be in place possibly unchanged for years. Watters rephrased what Tucker said, that the changes to the Land Use Code for this single project are a short-term fix without a long-term plan. Planner Garvin suggests that these changes to the

Code will benefit the community by easing Affordable Housing development and they are reflective of the Commission's intent to craft the code to fit Dolores. Chairperson Robinson says the Code reflects the values and priorities of the Community and Affordable Housing is part of that value system.

The next subject in the packet is the strategy of establishing a use by right when it meets the building density and design standards of a given zone district. The Code's Primary Use table could be altered to reflect that use by right option. The policy question is what would the qualifications be? Town needs to set the qualifications. Stark asked for more investigation on this matter. David Bruce recommends the town not establish a 100% qualification because it would deter the nonprofit developers from investing in a project where there is no margin for profit. If it is set at 60% or less the developer has more ability to make a profit. The Dolores units Rural Homes is planning for will be 100% affordable but the units in Norwood have a mix of affordable units and market price units. Planner Garvin sees most qualifications set at 20% in the western part of the state. Garvin will look at the inclusionary zoning ordinances she has collected from around the state and will check with DOLA on what they have been seeing.

The next strategy is Expedited Review process. The expedited review provides a pathway to speed or ease the process of permitting for two things, new construction and repurposing underutilized properties and preserving existing affordable homes. The goal is to remove the layers of hearings in the process. Jen Stark asked about the danger of allowing expedited reviews on the mixed development of market price and affordable units, especially the environmental review. If this strategy is adopted the Town will provide specific application packets for Affordable housing that includes the expedited process. The town will be using professional services of S E H from Durango for plan review of projects for development or redevelopment that trigger studies. The density bonus could apply to a developer who is providing for a critical housing need, not necessarily affordable housing units.

The group identified the lack of open developable residential land within the corporate limits. Options for development may mean annexation and redevelopment of existing properties. Environmental reviews will not be included in the expedited review process but the rest of the project will be reviewed in an expedited way.

The next strategy discussed is establishing a density bonus. The group must choose if a density bonus includes height variances. The group feels like it would impact the scenic attributes of Dolores. Other options would be amending bulk area standards such as lot coverage, structure square foot minimums and Planned Unit Development.

Planned Unit Development is a technique for establishing subdivisions to provide flexibility in siting of structures to avoid or mitigate any hazardous areas, historic and prehistoric sites; to take advantage of the sites unique, natural, resource or scenic features; and to preserve open spaces. It is intended for application in all residential districts. The definition can be amended to include community benefit referring to affordable housing language. The group would need to decide which of the community benefits they would want to add to the applicability section of the PUD section of the Code. Community benefits are affordable housing, historic preservation, conservation of open space or any combination of these a policy may need to be set for the amount % of a development be affordable. The group wants data to examine that might show the common or successful policies.

PUD maximum density may not exceed the permitted density in the underlying zone district. If more density is requested by a developer, a rezone may be required or some other form of permit issued, like clustered development.

The rest of the strategies to consider are town participation in Affordable Housing Creation which the town is already involved in one project. The other strategy is creating a program to subsidize or otherwise reduce local development review fees including but not limited to permits, planning, water and sewer tap fees for affordable housing. The town's development fees are not substantial enough to lure any developer to inquire. Water and sewer tap fees would be the town's most likely subsidizing elements for affordable housing.

The group reviewed "linkage fees" on any new commercial or market rate housing, a fee would be assessed to be used for capital needs for affordable housing. The group would need to hire a fee specialist.

The last strategy viewed by the group at this meeting is Land Banking. This is a strategy that involves government purchase or acquisitions of residential properties for future workforce housing project. Other agencies can provide this venture. Manager Charles mentioned that the Montezuma County was looking at this option as well. Planner Garvin will provide additional information on how land banking works. This strategy would not have to be drafted into the Code. Commissioner Tucker asked if a joint venture with any other entity requires a common definition for workforce housing? Planner Garvin says not necessarily as there would be some autonomy within in the organization that would be overseeing the allocation of developable land. The organization would have representation from all involved groups. Planner Garvin asked if the Region 9 director Powers was involved in affordable housing as well and what if Mr. Powers could be a resource.

10. ACTION/APPROVAL

10.1 CONTINUATION MEETING - to discuss the Affordable Housing Strategies and pathway to adoption. Set for March 21, 2023 at 6:30 p.m.

Commissioner Watters moved and commissioner Tucker seconded to continue the meeting to March 21, 2023 at 6:30 p.m. the meeting ended at 8:55 p.m.

Yes: all

No: none

Note: The Continuation meeting was later canceled due to scheduling conflicts.

Dolores Housing Taskforce Neighborhood meeting March 30, 2023 6 p.m. 420 Central Ave

Members present in person Citizen at large Jen Stark, Larry Engel of Dolores State Bank, Sheila Wheeler BOT and Linda Robinson, Planning and Zoning Chairperson. Rural Homes Project Manager David Bruce attended by Zoom. Staff members Manager Charles, Building Official Doudy and Assistant Clerk Swope attended in person. Eight neighbors attended the meeting.

Manager Charles introduced the audience to the members present. He presented the background of the Taskforce efforts to date. He showed the audience the data explaining the target group of this workforce housing project and the methods of establishing affordable housing units for sale to the target group.

Project Manager Bruce reviewed the latest project completed by Rural Homes in Norwood. He showed photos of the housing manufactured for this project by Fading West of Buena Vista Colorado. He explained how this model of manufactured homes, specialized mortgage financing, deed restrictions, and eligibility criteria helped this project successfully meet the target population in Norwood. In addition the homes have solar panels and heat pumps installed to keep the operational costs to the owner down. This project had individuals from the lowest Area Medium Income AMI and the highest AMI meet eligibility and obtain mortgages that fit their needs. The workforce members were a baker, teachers, and forest service employees.

Questions asked by the neighborhood with responses:

- Q. How many houses are being put in? A. Possibly six units on the north lot and three units on the south lot. Town homes in two-unit structures on the north lot.
- Q. Will they have yards? A. yes
- Q. Are townhomes use-by-right? A. yes.
- Q. Will the infrastructure need to be upgraded? A. No the infrastructure is adequate for additional homes.
- Q. How does the town plan on maintaining the roads? A. Changes to current maintenance determined by outcome of traffic analysis.
- Q. Will you expand the boundaries of the streets? A. Good idea.
- Q. How do you plan to manage drainage? A. A drainage study includes retention pond locations.
- Q. Is the town the developer? A. No the completed site plan will be offered to developers.
- Q. Will you have sidewalks and asphalt pavement? A. Sidewalks but not asphalt.

Concerns voiced were:

- Increased density.
- Loss of public open space.
- Homeowners' agreements. Shared property lines.
- Neighborhood compatibility. I.e. changing character
- Reduced privacy.
- Prices for these homes are still not affordable...
- On street parking issues.



**June 27th, 2022
Town of Dolores Workshop Agenda
5:30 PM
Town Hall**

Attainable Housing

On several occasions the Town of Dolores Mayor and Trustees, present and past, have discussed with staff if it were advisable for the town to become actively involved in developing an “attainable workforce housing” project. The purpose of this workshop is to discuss a town project to create attainable housing.

Included in your packet are materials that will help the elected officials and staff discuss the town’s possible role and have a better understanding of the “attainable housing” problem and the development process. The materials will also be available at the workshop electronically.

In your June 27th meeting packet is a resolution creating a committee to study affordable housing in the town of Dolores to be known as the Dolores attainable workforce housing task force. That would be an action, if the trustees and mayor choose to proceed.

Economic Development

If time permits, I would like to discuss roles for the town as it pertains to economic development. The previous board budgeted \$10,000 for 2022. It is not a significant amount of funds, but there are a few potential projects. One that comes to mind is to produce and install Directional Signage for visitors. We have all seen such in other communities

**Town of Dolores
Resolution No R496
Series 2022**

**A RESOLUTION AMENDING THE JUNE 27, 2022
RESOLUTION CREATING A COMMITTEE TO STUDY
AFFORDABLE HOUSING IN THE TOWN OF DOLORES TO
BE KNOWN AS THE DOLORES ATTAINABLE WORKFORCE
HOUSING TASK FORCE**

WHEREAS, the Town of Dolores, Colorado is a statutory town incorporated under the laws of the state of Colorado; and,

WHEREAS, the Dolores Town Board identifies housing affordability as a priority community issue; and

WHEREAS, the Dolores Town Board believes that it is important that the people who serve our community including hourly employees, town staff and our teachers have the option to live in the community they serve; and,

WHEREAS, a diversity of housing options benefits community vitality and health and

WHEREAS, encouraging a diversity of housing options will increase the ability of individuals and families across a range of income levels to choose to live in the same community in which they work; and,

WHEREAS, housing affordability programs are extremely diverse including many options with minimal fiscal impact and many other communities in Colorado have implemented successful housing affordability programs; and,

WHEREAS, the Dolores Town Board is committed to evaluating the community's housing affordability needs evaluating potential programs to address these needs and implementing a program or, package of programs; and,

WHEREAS, the Town of Dolores has applied for and received the Colorado Department of Local Affairs Innovative Housing Strategies Planning Grant Program.

WHEREAS, to this end, the Town of Dolores passed resolution number R490 Series 2022 creating the Dolores Attainable Workforce Housing Task Force and now wish to amend the provisions thereof pertaining to the residency requirements of the at large task force members.

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF DOLORES COLORADO

Section 1. Task Force. There is hereby established by the Town Trustees the Dolores Attainable Workforce Housing Task Force.

Section 2 The purpose of this task force is to (a) with the Town Manager and any consultant employed to by the Town to implement and received the maximum benefit from the Housing Strategies Planning Grant; (b) assess the current and projected availability of and need for a diversity of housing options in Dolores; (c) identify any key information gaps and promptly work to fill those gaps; (d) develop an Attainable Workforce Housing Plan for the Town of Dolores; and, (e) make recommendations to the Board of Trustees and Planning Commission, which may include, but are not limited to: research and findings, a range of options to promote attainable housing; amendments to the current Land Use Code and Municipal Code that would promote affordable housing; grant and funding opportunities; identify vacant Town properties that may be suitable locations for affordable housing; and any other recommendations pertaining to the committee's purpose and goals.

Section 3. The Task Force may present one or more recommended programs or a range of alternative programs, which shall identify the fiscal impact of the proposals and identified community goals.

Section 4. The Task Force will hold all meetings in public with advance public notice and have an extensive public comment and participation component

Section 5. The Task Force shall consist of two Town Trustees selected by the Mayor, two members of the Planning Commission, selected by the Chairperson, and at least three members from the community at large, which may include (a) a presentative from the RE-4A staff or school board; (b) a developer, builder, or realtor; (c) a banker or someone in the mortgage financing industry; (d) or other interested community members demonstrating a knowledge and interest in the topic of housing options and affordability. The three or more members from the community at large shall be selected by the Trustees after advertising these positions for at least 10 days. The at large members need not be residents of the Town of Dolores.

Section 6. The Task Force's recommendations shall be advisory in nature and the committee shall not have the power to bind the Town to any course of action or appropriate funds.

Section 7. The Task Force shall adhere to all applicable open meeting laws of the State of Colorado and its meetings shall be conducted according to the same rules and protocols governing the Board of Trustees and Planning Commission.

Section 8. The Task Force shall present its findings and recommendation to the Board of Trustees and the Planning Commission not later than December 31, 2022 and unless extended by resolution, the Task Force shall thereafter dissolve.

Passed, adopted and approved this 26th day of July 2022.

THE BOARD OF TRUSTEES OF THE TOWN OF DOLORES:

By: [Signature], Mayor

Attest: [Signature], Town Clerk

