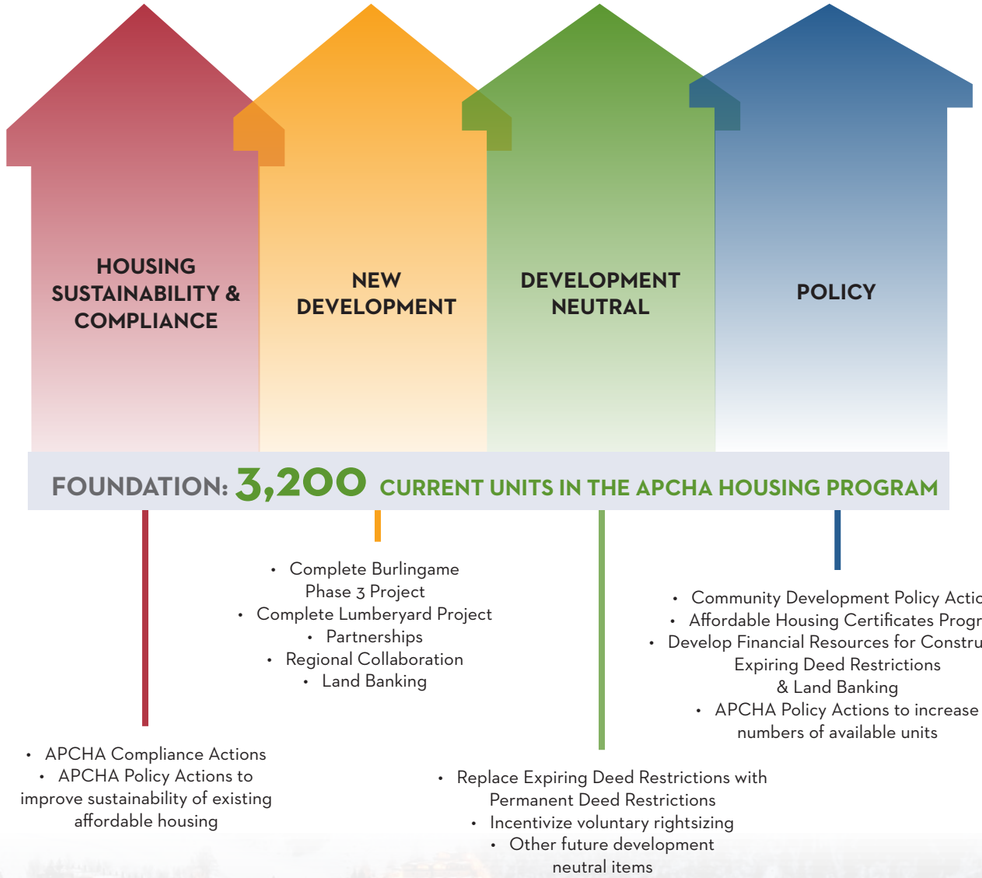
CITY OF ASPEN

AFFORDABLE HOUSING STRATEGIC PLAN

CITY OF ASPEN

2022-2026

COMPREHENSIVE STRATEGIC PLAN OF ACTION TO GENERATE & SUSTAIN AFFORDABLE HOUSING UNITS



INTRODUCTION

With approximately 3,200 deed restricted affordable homes in the Aspen/Pitkin County area, our affordable housing programs are the envy of every ski town in the US.

The forethought of elected officials to begin investing in affordable housing in the 1970s and their tenacious commitment to it since that time has resulted in a vibrant, lived-in community. Interspersed throughout the community, these 3,200 homes have helped the Aspen community fight the adverse effects of a historic rise in housing costs, yet we are struggling to now keep up with the market shift in utilization of many homes from residential to commercial in the form of short term rentals.

The historic and current day support for affordable housing by Aspenites of all economic strata remains strong. This high level of community support is evidenced by voter-supported funding of the affordable housing program and the fierceness with which the community defends this valuable and essential asset.

Compared to our peer ski town communities, we are fortunate to have this legacy of success with the development of affordable housing. Yet, in the present context, several intersecting factors have created a scenario that leaves the community challenged in sustaining important aspects of our economic and social fabric. In August of 2021, the Aspen City Council established three Priority Goals, with Affordable Housing being one of those. The adopted Goal Resolution language set out five steps to accomplish this goal, with the first being the December 2021 Aspen City Council Housing Retreat and the second being this output of that retreat, the Affordable Housing Strategic Plan.

The City Council made clear their intent for this Affordable Housing Strategic Plan to be more than an aspirational document; they wanted a plan that is actionable. Accordingly, this plan prioritizes a series of actions to happen in the next five years that can have a significant and positive impact on the quantity of units and overall sustainability of our community's affordable housing program.

The Aspen City Council has and will continue to be committed to addressing the need for more affordable housing – and, as they have stated clearly, "We can't do it alone." To solve this challenge, we will need every tool available to us and we'll need every partner to do their part.

ASPEN CITY COUNCIL'S DIRECTION & IDEAS ARE MEMORIALIZED IN THIS PLAN:

Mayor Torre — Rachel Richards — Ward Hauenstein — Skippy Mesirow — John Doyle

Thanks to the team who came together to develop this plan *(in alphabetical order)*:

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CITY OF ASPEN HOUSING STRATEGIC PLAN

WHAT IS THE HOUSING STRATEGIC PLAN GOAL?

To provide an action plan to support the continued availability of affordable housing that is high quality, sustainable, and results in a lived-in community and a healthy workforce. City Council has set a goal of of 500 affordable housing units within the next five years. Nearly 50% of this goal number will be achieved without new development.

HOW WILL THE GOALS OF THE PLAN BE ACHIEVED?

The City Council will continue to evaluate, identify opportunities, plan, partner, facilitate, and leverage existing and new resources to invest in the development and maintenance of affordable housing. This will be accomplished through:

(City Council Goal Resolution August 2021)

POLICY

Aspen Area Community Plan & Land Use Code encourage, support & require the creation of affordable housing within the urban growth boundary.

City Council's policy direction regarding land acquisition is to consider any and all acquisitions, including partnerships.

PROGRAMS

The Affordable Housing Certificates Program has been in place since 2010 – with the first project completed in 2012. This program encourages developers to build affordable housing by providing a credit for each affordable housing unit built. That credit can then be sold to another developer who can use it to fulfill employee mitigation requirements on a separate project. The program has included new projects, conversions of freemarket units to deed-restricted, and historically designated properties.

The Aspen Pitkin County Housing Authority manages the sales, rental, management and sustainability of deed restricted affordable housing.

PARTNERSHIPS

Development of affordable housing through private and public partnerships has and will continue to provide an alternative to the City-as-Developer approach.

With reduced availability of freemarket housing in the Roaring Fork Valley, the need for regional affordable housing partnerships increases.

A FOCUS ON ACTION

Every member of the Aspen City Council – both before and during the December 2021 City Council Housing Retreat – identified the importance of a specific Action Plan within the Affordable Housing Strategic Plan.

Every one of the fourteen items within the Action Plan have been identified by City Council as a priority action items for staff. Items that are not a priority are identified on page 33 or are not included in this plan.

HIGHEST PRIORITY

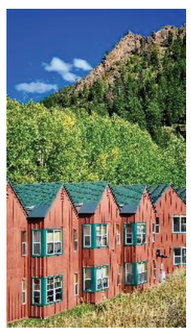
- Replace Expiring Deed Restrictions with Permanent Deed Restrictions
- Complete Lumberyard Project
- Complete Burlingame Phase 3 Project

TOP PRIORITY

- Community Development Policy Actions
- Certificates of Affordable Housing Program Enhancements
- Develop Financial Resources for Construction, Expiring Deed Restrictions & Land Banking
- Incentivize voluntary rightsizing
- Partnerships

PRIORITY

- APCHA Compliance Actions
- APCHA Policy Actions to Increase Number Of Available Units
- APCHA Policy Actions to Improve The Sustainability Housing Inventory
- Additional Development Neutral Program Elements
- Land Banking
- Regional Collaboration



PILLARS OF THE STRATEGIC PLAN

Increase the **quantity** of affordable housing	Increase **quality** of new & existing affordable housing	Preserve **affordability**	Provide **community** housing	Ensure the **sustainability** of the program	Support the policies identified in the **Aspen Area Community Plan**
1	2	3	4	5	6

STRATEGIC FOCUS AREAS

SAFE & LIVED-IN COMMUNITY OF CHOICE: Ensure Aspen is an attractive, diverse and safe city to live, work and visit year-round. This includes opportunities to access childcare, healthcare, housing, transit, parks, recreation and technological connectivity.

COMMUNITY ENGAGEMENT: Ensure a trusted dialogue and relationship in the community that encourages participation, consensus building, and meaningful engagement.

PROTECT OUR ENVIRONMENT: Ensure that policy decisions, programs and projects manage impacts to the environment, climate, and public health and well-being.

SMART CUSTOMER FOCUSED GOVERNMENT: Provide value to the community by continuously improving services and processes based on feedback, data, best practices, and innovation.

FISCAL HEALTH & ECONOMIC VITALITY: Promote economic sustainability of the Aspen community by advancing a healthy, diverse local economy while responsibly managing revenue streams, community investments, and financial reserves.

FOR WHOM IS AFFORDABLE HOUSING INTENDED?

Affordable Housing in the Aspen area is both workforce housing and community housing.

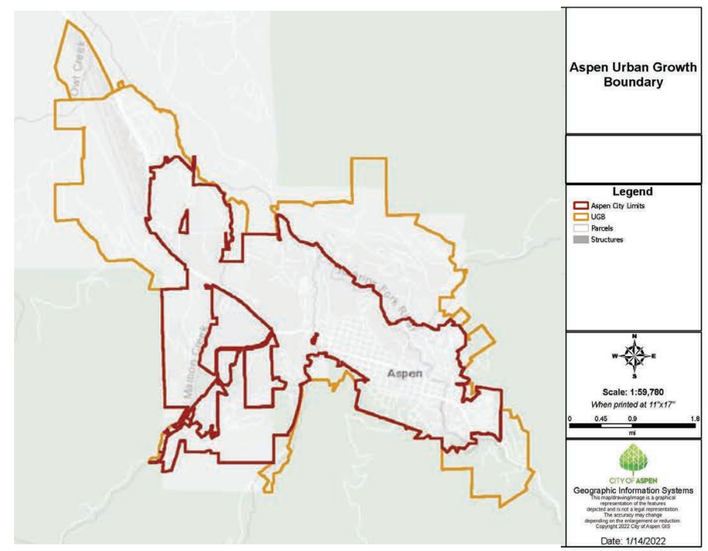
The Housing Vision statement in the Aspen Area Community Plan (AACP) makes this clear:

> **We believe that a strong and diverse year-round community and a viable and healthy local workforce are fundamental cornerstones for the sustainability of the Aspen Area community.**

The AACP cites the benefits of affordable housing to the Aspen community; it "helps to ensure a vital, demographically diverse year-round community" made up of "a healthy mix of people, including singles, families and seniors."

While affordable housing supports the community's workforce, according to the Mission Statement in the Aspen Pitkin County Housing Authority's Regulations, affordable housing is also intended for retirees and people with disabilities who have been actively employed within Pitkin County prior to retirement and/or disability.

WHERE WILL NEW UNITS BE LOCATED?



1 **Top Priority:**
Within the roundabout, including in the Core

2 **Second Priority:**
Within the Urban Growth Boundary

3 **Third Priority:**
Outside of City limits
(This is a change from prior policy)
>> To allow for closer proximity to major medical centers
>> Partnerships with Pitkin County
>> Other regional partnerships

LIVABILITY STANDARDS FOR AFFORDABLE HOUSING

Housing developments should endeavor to balance the principles of community, livability and quality against impacts such as unreasonable levels of cost and construction activity intrusion. Housing structures should utilize land as efficiently as possible and should seek construction efficiencies to levels that do not sacrifice livability beyond levels that are not consistent with these goals. Architecture should be sensitive to neighborhood context to the extent possible while achieving these goals. A myriad of design elements all combine to make a development livable. As discussed further in Appendix B, these elements include, but are not limited to:

- environmental sustainability
- quality of construction
- unit size
- natural light
- accessibility
- parking & storage
- open space & trails
- public transportation

ASPEN AREA COMMUNITY PLAN (AACP): Housing Policies & Policy Categories

The policies outlined in the Housing chapter and related housing mitigation policies in the Managing Growth for Community & Economic Sustainability chapter are intended to meet these challenges as the community continues to provide affordable housing. A full copy of the Housing section of the Aspen Area Community Plan, pages 36-41, can be found in Appendix A.

At the same time, the 2012 AACP calls for further research on the physical limits to development in the form of ultimate build-out, projected future impacts related to job generation, demographic trends, the conversion of local free market homes and other factors. This kind of statistical analysis will help inform future decision-making and goal-setting in a more meaningful way.

This plan emphasizes the need to spread accountability and responsibility for providing affordable housing units beyond the City and County governmental structures, and continuing to pursue affordable housing projects on available public land through a transparent and accountable public process.

While past plans have supported "buy-down" alternatives, there has been little comprehensive effort in this regard. A "buy-down" program may be an expensive proposition, but this plan calls for exploring it more thoroughly. The idea is to finally determine if the community is willing to pay the price for providing long-term affordable housing by converting existing free market homes, and/or affordable housing, rather than building new homes.

(Source: 2012 Aspen Area Community Plan)

Little Ajax

LOOKING BACK, MOVING FORWARD: Where have we been successful?

With a total of approximately 3,200 deed restricted units within the Aspen/Pitkin County area, 72% (2,303) of which are located within Aspen City limits, this area is home to what is likely the largest affordable housing program in the nation on a per capita basis. In the early 1970s, responding to a loss of free-market employee housing, Pitkin County and the City of Aspen started separate housing programs. Early recognition of the problem and immediate action and sustained investment has created a housing program that is not only the envy of every ski town, it has been the key to maintaining the soul of the community.

In 1982 Aspen and Pitkin County joined together to form the Aspen Pitkin County Housing Authority. The City and County jointly fund this program that is now operating under the Sixth Amended and Restated Intergovernmental Agreement, signed in May 2019.

Importantly, and unlike some other western ski resort communities, the Aspen community has consistently supported affordable housing through both the 1% Housing Real Estate Transfer Tax and 45% of the .45% Housing and Day Care Sales Tax. These funds have supported the City in the role of developer — although private sector companies are hired to build the units— and have also allowed the City to join with private sector developers to build new affordable housing units.

The aforementioned housing policies implemented through the Land Use Code, such as the Affordable Housing Credits Program and the Growth Management Quota System, have also resulted in new affordable housing unit generation.

GENERAL RESIDENTIAL DATA (WITHIN THE CITY OF ASPEN)

YEAR	2000	2010	2020
TOTAL HOUSEHOLDS	4,354	5,929	6,197
% CHANGE	2000-2010 // 36.2%		2010-2020 // 4.5%
OCCUPIED HOUSEHOLDS	2,903	3,516	3,540
% CHANGE	2000-2010 // 21.1%%		2010-2020 // 0.7%
VACANT HOUSEHOLDS	1,451	2,413	2,657
% CHANGE	2000-2010 // 66.4%		2010-2020 // 10.1%
% OF VACANT UNITS (free market and affordable combined)	33%	41%	43%

Deed Restricted APCHA Units in COA (Source: APCHA)	**Total: 2,303**
Free-Market Units Total from Census less APCHA units	**Total: 3,894**
% of Vacant Free-Market Units (assuming 100% of APCHA units are occupied)	**68%**

Source: Colorado State Demographer's Office compiled decennial US Census Data from 2000-2020; and APCHA data derived from HomeTrek.

COMPLETED PUBLIC PROJECTS: 2000 - 2021

YEAR	FACILITY	UNITS	OWN/RENT
2000	Snyder	15	Own
2001	7th and Main	12	Own
2002	Truscott II	87	Rent
2005	Annie Mitchell	39	Own
2006	Little Ajax	14	Own
2007	Burlingame Ranch I	91	Own
2015	Burlingame Ranch II	86	Own
2020	802 West Main	10	Rent
2020	517 Park Circle	11	Rent
2021	488 Castle Creek	24	Rent
TOTAL	**COMPLETED**	**389**	**257 Own/ 132 Rent**
	TOTAL FTEs	**840**	

FTEs: Number of full time employees housed

LOOKING BACK, MOVING FORWARD: What can we do better in the future

At its December 2021 City Council Housing Retreat, the Council identified what has been done well and what could be done better in the future:

Maintain the quality of the community through sustainability and have the courage and political will to preserve the community	**Ensure community understanding of why certain actions are being taken and help the community to understand the 20-year outcomes.**	**Better organize and articulate priorities**	**Make improvements to existing programs, including better use of existing housing stock and utilizing unused bedrooms already built**	**Preservation and restoration of existing housing**	**Adding housing without construction when possible**	**Developing voluntary programming around retirees and seniors still in housing by creating a better situation for them; provide incentives to rightsize**

COUNCIL'S SUPPORT OF OUTCOMES

When the City is the developer in an affordable housing project, the City Council has a significant role in the design and development of that project. During the December 2021 City of Aspen Housing Retreat, the City Council put forward the following statements in support of successful project outcomes:

1. Staff will be supported with the resources when they are needed
2. City Council will take full ownership if we don't succeed
3. City Council will not change direction
4. Council members commit to expressing concerns to staff ahead of time
5. Trust and have patience with staff
6. Lead with a public service heart

PUBLIC PROJECTS CURRENTLY IN PROGRESS

YEAR	FACILITY	UNITS	OWN/RENT
*2022	Burlingame Ranch III	79	Own
**2024-2035	Lumberyard	310	2/3 Rent, 1/3 Own
TOTAL	**In Process**	**389**	**177 Own, 212 Rent**
	TOTAL FTEs	**780**	

** Currently under construction*
*** Currently in planning, subject to change*

Burlingame

ASSESSING THE NEED FOR AFFORDABLE HOUSING IN OUR COMMUNITY

SUMMARY OF ALREADY-COMPLETED ASSESSMENTS

2012 NEEDS ASSESSMENT: In 2012, staff prepared a strategic review of affordable housing document for a joint City/County housing work session which occurred in September of 2012. The 2012 strategic review hypothesized that from 2012 to 2022, over 650 new housing units would be needed to overcome the forces of job growth, gentrification, and retirement.

2019 NEEDS ASSESSMENT: The 2019 Greater Roaring Fork Regional Housing Study suggested that the need for affordable housing units in the Aspen-Snowmass area was greater than previously anticipated and growing. A copy of that report can be found at: *https://tinyurl.com/ycpx92hh*

2021 EPS LUMBERYARD DEMOGRAPHIC AND MARKET ASSESSMENT: To prepare for the City's Lumberyard affordable housing development, in 2021 the City of Aspen commissioned the Lumberyard Demographic and Market Assessment which found that the Roaring Fork Valley is losing households in APCHA income categories 1 (up to 50% AMI) and 2 (51-85% AMI) and that most of the job growth in Aspen and Pitkin County is in APCHA income categories 2 (51-85% AMI) and 3 (86-130% AMI).

The 2021 Lumberyard Demographic and Market Assessment goes on to suggest that rental units should be created primarily in APCHA income category 2 (38%), followed closely by category 3 (33%) and then category 1 (22%), and with a few rental units in category 4 (7%). The 2021 study also suggests that ownership units should be created primarily in APCHA income category 3 (34%), followed by categories 4 (26%) and 2 (23%) while providing some units in category 5 (17%).

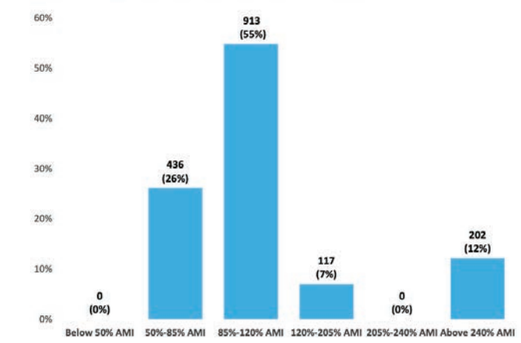
A similar income mix should be considered for the 79 units at Burlingame Ranch Phase III which will be available for sale in in the Fall of 2022.

2021 EMPLOYMENT DATA

The 2021 EPS study also showed 1,668 new jobs in Pitkin County between 2010 and 2019. These jobs were added primarily by the tourism-related job sectors of Accommodations, Food Service, Arts and Recreation and Retail Trade. 39% of job growth was under 80% of Pitkin County Area Median Income (AMI) and an additional 35% fell between between 80% and 120% of AMI.

EPS then applied an average of 1.6 earners per household and then converted that job growth to APCHA's Categories, which are based on Area Median Income. The result showed the greatest job growth in Pitkin County between 2010 and 2019 was in Category 3 and then in Category 2 households.

Figure 8. Change in Employment AMI, Pitkin County, 2010-2019



Source: QCEW; Economic & Planning Systems

COMMUNITY SUPPORT OF THE NEED FOR AFFORDABLE HOUSING

One needs only to read one of the two daily newspapers or listen to the local NPR broadcast to understand the need for additional affordable housing in our community, as well as for its preservation. These observations are well supported by longitudinal empirical data.

2021 Pitkin County Community Survey

The recently published results of the 2021 Pitkin County Community Survey also highlighted the community interest in affordable housing: "Respondents were asked to identify County services and initiatives provided by the County that they thought should receive the most emphasis, from County leaders, over the next two years. Forty-nine percent (49.4%) of respondents selected the County's efforts to address affordable housing, including quality and quantity, as one of the most important services for the County to provide."
›››› *https://tinyurl.com/3tdze9z4*

2018 City of Aspen Resident Survey

The 2018 City of Aspen Resident Survey cited "Ensuring the availability of adequate workforce housing at a reasonable cost to rent/purchase" as an essential area for the City government to take action, falling just behind protecting the quality and quantity of water in the Roaring Fork River.
›››› *https://tinyurl.com/bddzm337*

2016 Resident Survey

Similar results are seen in the 2016 Resident Survey, where "Ensuring the availability of adequate workforce housing at a reasonable cost to rent/purchase" again fell just behind Roaring Fork River water quality and quantity concerns, but tied with "Managing traffic in town more effectively" for third place.
›››› *https://tinyurl.com/yucw4wru*

2015 Resident Survey

The 2015 Resident Survey did not include a Roaring Fork River question. In this survey, "Ensuring the availability of adequate workforce housing at a reasonable cost to rent/purchase." was the top response.
›››› *https://tinyurl.com/493ny3yr*

Burlingame Ranch

READINESS ASSESSMENT

STAFFING

Department & City's Affordable Housing Development Fund
Currently, the City of Aspen has one full time employee in the Capital Asset Department dedicated to the planning process for new affordable housing developments. Other full-time staff members from the Capital Asset Department provide construction management support during City-developed projects.

Collaboration with staff from other departments is often leveraged during the planning process and may include staff from the City Manager's and City Attorney's offices, Finance, Community Development, Engineering, Building, Transportation, Parks, Utilities, Environmental Health and the Aspen Pitkin County Housing Authority.

Funds from the City's Affordable Housing Development Fund are otherwise typically used to staff projects as needed with third party professional and/or technical consultants on a project-by-project basis.

Community Development
Community Development has several staff members who focus on the development, implementation, and refinement of policies that support affordable housing development. During the 2022 Moratorium, Community Development staff will be working directly on new policies to support City Council's affordable housing goals. As part of this work, significant analysis will be conducted that will support improvements to affordable housing efforts beyond the period of the Moratorium.

APCHA
Compliance: APCHA has two primary staff members who work part time on compliance, namely the Compliance, Policy & Systems Manager and APCHA's outside attorney. APCHA's Executive Director and Deputy Director also participate in compliance efforts.

Qualifications: Two Qualification Specialists at APCHA ensure that the people who rent or purchase APCHA deed restricted property meet the requirements as defined in APCHA Regulations.

APCHA Housing Sustainability: General upkeep of rental and ownership properties.

- Rental housing sustainability for city-owned properties (Truscott, Aspen County Inn and Marolt), is managed by APCHA's two-member Property Management Team and four-member Maintenance Team.
- Housing sustainability for individual ownership units is a topic the APCHA Board began to address in April 2021, supported by the Assistant City Manager, APCHA Executive Director, Deputy Director and the Compliance, Systems and Policy Manager.
- Housing sustainability by Home Owners Associations of condominium and other multi-family developments is a topic the APCHA Board would like to address in the future. APCHA staff will propose hiring a HOA Specialist in the future to support this effort as well as to help HOAs of APCHA deed restricted properties with capital reserve planning.

City Manager's Office
The City Manager's Office will be hiring a full time Housing Policy Analyst in the spring of 2022. Additionally, the City's Assistant City Manager works part-time on housing topics.

FINANCIAL CAPACITY ON REQUESTED TIMELINE

Since 2000, over $240 million in dedicated revenues has been invested into the ongoing operation and expansion of the Aspen Pitkin County Housing Authority affordable housing inventory. This includes the development of the completed projects listed above as well as funds invested in upkeep and operation of existing City-owned facilities.

Funds from this revenue stream are also budgeted annually toward the operation of the Aspen Pitkin County Housing Authority (APCHA), and those funds are also matched by Pitkin County. *(The table to the right does not include such Pitkin County funds.)*

Funds have also been invested in land banking opportunities for future housing developments.

Truscott

Year	Housing Fund Revenues
2000	$5,302,335
2001	$4,845,133
2002	$4,751,964
2003	$8,543,109
2004	$8,090,180
2005	$12,773,154
2006	$14,000,177
2007	$14,075,761
2008	$12,001,447
2009	$8,373,748
2010	$8,321,575
2011	$9,752,953
2012	$8,986,581
2013	$9,584,101
2014	$11,590,103
2015	$13,039,396
2016	$10,084,871
2017	$13,422,231
2018	$13,042,701
2019	$13,784,319
2020	$21,009,309
2021 EST	$38,147,667
2000-2021	**$243,808,166**

SWOT ANALYSIS

A SWOT Analysis tool helps an organization to identify, at a high level, major internal and external Strengths, Weaknesses, Opportunities and Threats.

- **Strengths and Weaknesses are focused internally:** What do we do well and where could we improve? What resources do we have and what resources do we need.
- **Opportunities and Threats are externally focused:** Outside of our organization, what opportunities exist? What threats could harm our efforts? What is happening in the market that could help or hurt us?

HELPFUL | HARMFUL

INTERNAL

STRENGTHS

- Community Support
- City Council Commitment
- Financial Resources
- Knowledgeable Staff
- 3,200 Affordable Housing Units
- Pitkin County Partnership
- Ability to hire outside private-sector resources

WEAKNESSES

- Maintenance Costs
- Ability to access financial resources quickly
- No one solution will solve the problem
- Staff workload limits ability to take on new projects
- Buying-down existing free-market residential and converting to affordable housing is prohibitively expensive
- Highly dependent on outside expertise/ staffing

EXTERNAL

OPPORTUNITIES

- Land Acquisitions
- Partnerships with private & public entities
- Pitkin County potential for county-wide tax
- Regional partnerships
- Re-balance the cost to create affordable housing with the current drivers of demand for additional affordable housing

THREATS

- Scarcity of land
- Cost of Construction
- City of Aspen is sole source of funding
- Increased housing costs in entire Roaring Fork Valley
- Deferred maintenance and escalating cost of capital repairs in privately-owned affordable housing HOAs
- Inability of affordable housing residents to move into free market units in the future
- Politically motivated attempts to undermine program/redefine need

ACTION PLAN DECISION MATRIX

Category	Action Item	Quantity of Affordable Housing Units	Proximity to Services	Lower Cost: Most efficient use of land & dollars	Supports AACP	How quickly AF units will be realized	Raw Score	Weighted Score	Rank
	Weight on a scale from 1 to 5, where 5 is high	**5**	**3**	**4**	**4**	**5**			
Development Neutral	Replace Expiring Deed Restrictions with Permanent Deed Restrictions	4	5	4	5	5	23	**96**	**1**
New Development	Complete Lumberyard Project	5	4	3	4	3	19	**80**	**2**
New Development	Complete Burlingame Phase 3 Project	4	3	2	4	5	18	**78**	**3**
Policy	Community Development Policy Actions	3	4	5	5	2	19	**77**	**4**
Policy	Certificates of Affordable Housing Program Enhancements	3	4	5	5	2	19	**77**	**5**
Policy	Develop Financial Resources for Construction, Expiring Deed Restrictions & Land Banking	3	4	5	5	2	19	**77**	**6**
Development Neutral	APCHA Incentivized voluntary rightsizing or voluntary buyout	3	5	4	5	2	19	**76**	**7**
New Development	Partnerships	2	4	4	5	3	18	**73**	**8**
Compliance & Sustainability	APCHA Compliance Actions	1	4	5	5	2	17	**67**	**9**
Policy	APCHA Policy Actions to increase number of available units	1	4	5	5	1	16	**62**	**10**
Compliance & Sustainability	APCHA Policy Actions to improve the sustainability housing inventory	1	4	5	5	1	16	**62**	**11**
Development Neutral	Additional Development Neutral Program Elements	3	4	1	5	2	15	**61**	**12**
New Development	Land Banking	5	2	1	5	1	14	**60**	**13**
New Development	Regional Collaboration	2	1	3	4	2	12	**51**	**14**

Ajax Apartments

CITY COUNCIL'S AFFORDABLE HOUSING GOAL 2022-2026

GOAL OF 500 AFFORDABLE HOUSING UNITS WITHIN THE NEXT FIVE YEARS.

Approximately 50% of this goal will be achieved without new development.

City Council has established a goal of 500 affordable housing units. This goal will be achieved:

- During the 2022-2026 timeframe;
- Within the City of Aspen's Urban Growth Boundary;
- Can be an affordable housing unit achieved through either through development neutral means or through new development; and
- Includes units created by private sector, other public sector organizations or City of Aspen.

Category	Action Item	Units within 5 Years
Development Neutral	Replace Expiring Deed Restrictions with Permanent Deed Restrictions	200
New Development	Complete Lumberyard Project	100
New Development	Complete Burlingame Phase 3 Project	79
New Development	Partnerships	35
Development Neutral	APCHA Incentivize voluntary rightsizing or voluntary buyout	30
Policy	Certificates of Affordable Housing Program Enhancements	40
Compliance & Sustainability	APCHA Compliance Actions	15

The average of City Council member goal numbers by tactic totaled 499.
That number was rounded up to establish the affordable housing goal:

GOAL OF 500 AFFORDABLE HOUSING UNITS WITHIN THE NEXT FIVE YEARS.

Approximately half of the goal will be achieved without new development.

Development Neutral

ACTION:

Replace Expiring Deed Restrictions with Permanent Deed Restrictions

OVERVIEW

There are hundreds of deed restrictions with a sunset clause based on some triggering event in the future. When those deed restrictions expire, they will be gone forever. The goal should be to preserve the deed restriction permanently and provide for the preservation of the integrity of the housing unit associated with that deed restriction.

After identifying all known expiring deed restrictions, several tools for preservation of those deed restrictions should be identified and the pros and cons of each one explored.

Those tools include:

- Purchase the deed restriction and re-write the terms.
- Negotiate a trade with the owner of that deed restriction for something of value.
- Enforce existing land use code, requiring replacement of some deed restrictions.
- Legislate new land use code, requiring replacement of some or all deed restrictions.
- Council and staff then need to actively pursue a strategy for implementing these tools on an as-needed basis as opportunities present themselves.

ACTION ITEM OWNERS

Scott Miller, Chris Everson, Pete Strecker, Matthew Gillen

HOW THIS ACTION INCREASES THE NUMBER

By preserving existing deed-restriction now, no ground will be lost. We will not need to replace these units with new units simply to get back to the status quo.

CONNECTION TO AACP

The AACP states that "The provision of affordable housing remains important" but, "we cannot build our way out of this challenge." Preserving existing deed-restricted housing stock eliminates the need for entitling and building new deed-restricted housing on a one-to-one ratio. To the extent that this can be accomplished, this saves the community development dollars and the environmental impacts of construction.

ESTIMATED TIMELINE

Spring 2022:
Update the inventory expiring deed restrictions.

Summer 2022:
Council worksession to discuss recent attempts to preserve deed restrictions & explore the list of possible tools.

Summer 2022:
Include the identified tools into the Housing Strategic Plan.

Fall/Winter 2022:
Land Use Code (LUC) updates, in coordination with other potential amendments to the LUC. There is a high likelihood that other actions will be necessary beyond changes to LUC.

New Development

ACTION:

Complete Lumberyard Project

OVERVIEW

The City of Aspen's Lumberyard affordable housing project site is located just south of the Aspen airport business center on the east side of Colorado state highway 82. The City anticipated the development of affordable housing in the area of the current project site and purchased part of the site in 2007. Later in 2020, the City purchased the 3-acre Aspen Mini Storage property, bringing the total project site area to about 10.5 acres.

In 2019, Aspen City Council directed the start of a community outreach and conceptual design process which included a process of community engagement and feedback to help inform the design process. The 2019 outreach and conceptual design effort helped to establish that the City should provide a variety of unit types, serving a mix of demographics, and that the site is appropriate for larger buildings and potentially higher density than may be appropriate elsewhere. Since parking is challenging at the airport business center, there was a sentiment that the development should be careful not to make the parking challenge worse by under-parking any development at the Lumberyard site. It was also decided that childcare is needed in the community and may be appropriate at this site

The conceptual design effort studied unit counts ranging from 140 units up to 500+ units, and given the affordable housing crisis in Aspen, City Council set their aim at 310 units of affordable housing to be designed for the site. In order to accommodate the higher-than-usual density for the site, and to mitigate the impacts of the development to create a livable neighborhood, it was necessary to explore the use of underground parking and 4-story building massing. In late 2020, the project team presented a conceptual master plan with 310 units and 100% underground parking.

Prior to beginning a schematic design process, Aspen City Council had concerns about impacts of 100% underground parking, building spacing, height, orientation and highway and airport noise. These concerns and much more are currently being reviewed through a process of community engagement and City Council feedback, with Aspen City Council weighing in on the evaluation of four potential site arrangements.

The project aims to create 200+ rental units and 100+ ownership units for the purpose of housing local community workforce, qualified based on the Aspen Pitkin County Housing Authority regulations.

To be successful, the project effort will bring together necessary funding to begin construction of access and infrastructure at the project site in 2024, with phases of housing development to follow thereafter. With the continued schematic design process ongoing, a development application is anticipated in mid-2022 and the land use approval process will be pursued at that time.

In early April 2022, the Aspen City Council decided to make the Lumberyard a more livable community by reducing the unit number to 266, however that rightsizing will only reduce the bedroom count by twelve.

ACTION ITEM OWNERS

Scott Miller & Chris Everson

HOW THIS ACTION INCREASES THE NUMBER

The Lumberyard Project is anticipated to yield approximately 310 affordable housing units

CONNECTION TO AACP

The creation of affordable housing in the Aspen area reduces pressures on the valley-wide transportation system by providing housing opportunities for local workforce nearer to where they work and reduces the amount of time spent commuting for workforce, significantly improving quality of life. This effort similarly reduces air quality impacts associated by reducing total commuter miles.

ESTIMATED TIMELINE

2022:
Complete Schematic Design, Submit Development Application for Approval Process

2023:
PD Recording, Construction Documents, Building Permit Application Process

2024:
Target for Access & Infrastructure Construction Start

2025:
Target for First Phase of Housing Construction to Start

2027:
Target for Occupancy of First Phase of Affordable Housing

2028+:
Remaining Phases of Housing Construction and Occupancy TBD

New Development

ACTION:
Complete Burlingame Phase 3

OVERVIEW

Two prior phases have been completed, with a total of 177 affordable units at Burlingame Ranch. This thriving neighborhood is home to a diverse working population including many families and children. The third phase of building is currently in process as of March 2021. The current construction effort will create 79 additional affordable condominium units in 8 buildings, along with associated landscape and infrastructure. There are also two remaining single-family units to be constructed before the subdivision is complete.

The current construction effort utilizes factory-built modular building construction to shorten the construction timeline and to minimize on-site construction impacts to the surrounding neighborhood. Foundations are constructed on the site, and modular buildings are trucked in, lifted and carefully placed, and assembled to completion on the site. Site retaining, roadway infrastructure, and landscape work is also part of the effort. The Burlingame Ranch Phase 3 project effort will deliver 79 new affordable ownership condominiums to Aspen and Pitkin County's inventory of affordable housing, and sales are expected to begin September 2022. The architectural character, unit sizes and interior configurations are consistent with the previous phase

Phase 3 includes carport structures which allow each unit to have one assigned, covered carport parking space with attached storage closet. There will also be an equal number of uncovered surface parking spaces to reach an overall parking capacity of 2 parking spaces per unit. Terms of use for all parking spaces is expected to be governed by the new phase 3 condominium homeowner's association, which will be set up in the same manner as the two existing condominium associations which exist at Burlingame Ranch already.

Adjacent to public parks and Open Space, the landscape for phase 3 will be integrated with the prior phases and includes numerous open lawn areas, hundreds of trees and shrubs, and walkway connections to create a highly accessible community. Those internal walkway connections are also integrated into the larger trail connection plan, and the facility will utilize an irrigation system equipped with a raw water source to avoid the use of potable water for the purpose of watering.

The phase 3 residential program consists of approximately 84,000 square feet of livable area within a total of 79 condominium units. The condominium units are a mix of flats and multi-level townhomes with (25) 1-bedroom flat units, (12) 2-bedroom flat units, (5) 2-bedroom townhome units, (23) 3-bedroom flat units, and (14) 3-bedroom townhome units.

Unit sales for these 79 new affordable homeownership units beginning September 2022 are anticipated to be facilitated by the Aspen / Pitkin County Housing Authority (APCHA) and are expected to be done via a lottery process. The income levels to be served by these units is expected to be APCHA income categories 2 through 5, although the specific details of the number of units in each category and further details of the sales process will be more closely defined throughout the remainder of 2021 and in the coming months.

ACTION ITEM OWNERS
Scott Miller & Chris Everson

HOW THIS ACTION INCREASES THE NUMBER
Burlingame Phase 3 will result in 79 new ownership units.

CONNECTION TO AACP
The first phase of Burlingame Ranch affordable housing was built in 2006.

While land banking is not specifically called out in the AACP as a strategy, the primary outcome of the 2007 Housing Summit was to encourage additional "land banking," which ultimately resulted in the purchase of the BMC West property, a parcel at 488 Castle Creek Road and others. The 2008 Affordable Housing Plan evaluated 15 potential sites for affordable housing units, identifying a range of up to 685 possible housing units."

ESTIMATED TIMELINE

Burlingame Phase 3 units scheduled for sale fall 2022.

Policy

ACTION:
Summary of Community Development Policy Recommendations

Community Development works continually to better coordinate the AACP and the LUC in the creation of affordable housing development opportunities. During the 2022 Moratorium, staff will work directly on several affordable housing- related improvements to the LUC. The overview below identifies potential policy changes to be evaluated and proposed during the Moratorium and beyond.

Additionally, Community Development and APCHA will work collaboratively on a number of these items.

OVERVIEW

- The Land Use Code (LUC) is the mechanism for exacting housing mitigation (units, fees, credits) from residential, lodge, and commercial development activities. In the GMQS standards, the creation of FTEs from development activities is the basis for the system of private sector affordable housing (AH) development.
- There are numerous tools available to ComDev to alter the regulatory, development, and finance landscape to deliver additional affordable housing to the community, including:
    - Alter zoning standards to permit more density, intensity, and available land for AH development within the City Limits.
    - Create an AH overlay zone over appropriate zone districts that allows for AH development where applied and with specific standards.
    - Increase employee generation and mitigation amounts to require more AH from private development.
    - Require or incentivize on-site AH development for certain project and use types.
    - Restructure the GMQS to decouple AH FTE generation, unit creation, and fee extraction from development. Assess a fee or tax or certain uses to generate revenue for AH development, buy-down programs, land acquisition, and AH development subsidies.
    - Alter development review processes to streamline AH development reviews that meet specific standards.
    - Revise development fees to lower costs to AH development.
    - Create an impact fee for certain uses or development types which creates a revenue stream to offer financial subsidies for private sector AH development.
    - Affordable Housing by Right in Every Zone
- In addition to the LUC, the AACP is another key tool for encouraging more AH development over time. The next AACP update could include the following to ensure more AH is developed:
    - Identify, annex (as necessary), and zone specific lands within the UGB for AH development.
    - Tie utilities extension policies outside the City Limits and existing service area to AH development standards.
    - Create policies for the UGB which preclude development of lands within the UGB for uses other than or prioritizing AH.
    - Create policies tying transit MMLOS and transportation network service extensions to AH development standards.
    - Create policies identifying lands in the UGB for AH-focused TOD developments.
    - Adopt clearly articulated land banking policies targeting specific properties in the UGB appropriate for acquisition and AH development.

ACTION ITEM OWNERS
Phillip Supino & Ben Anderson

HOW THIS ACTION INCREASES THE NUMBER
By ensuring the City's regulations, policies, and development and impact fees extract AH units and revenue commensurate with the employment generation and community housing impacts.

Further, by leveraging regulatory processes and police powers to ensure the community gets the development needed to achieve adopted City policy.

CONNECTION TO AACP
The following AACP statements (among others) support this action item.

I.1. Achieve sustainable growth practices to ensure the long-term viability and stability of our community and diverse visitor-based economy.
VII.1. Study and quantify all impacts that are directly related to all types of development.
VII.2. Ensure that all new development and redevelopment mitigates all reasonable, directly related impacts.
VIII.1. Restore public confidence in the development process.
VIII.2. Create certainty in zoning and the land use process.
II.5. Redefine and improve our buy-down policy of re-using existing housing inventory.
III.2. Promote broader support and involvement in the creation of non-mitigation Affordable housing, including public-private partnerships.
IV.2. All affordable housing must be located within the Urban Growth Boundary.
IV.3. On-site housing mitigation is preferred.
IV.5. The design of new affordable housing should optimize density while demonstrating compatibility with the massing, scale, and character of the neighborhood.

ESTIMATED TIMELINE

Once work on the moratorium is complete, Community Development staff will revisit this Action Item to provide a more robust plan.

ACTION:

Certificates of Affordable Housing Program Enhancements

OVERVIEW

The AH Certificates program is more than a decade old. The program has included new projects, conversions of freemarket units to deed-restricted, and the use of historically designated properties – all completed by developers in the private sector. Other than the land use reviews, the City of Aspen did not have to expend any resources in the development of these units. The FTEs generated by a project are typically determined by the number of bedrooms in each unit in the project. Categories of the units are assigned in the deed-restrictions. For the completed projects, all have been created in Categories 2, 3, and 4. There have been 109 FTEs generated by completed projects to date, with another 43 – either with Land Use approval or in Land Use Review.

A number of program enhancements have been identified as necessary to improve program effectiveness, respond to market dynamics, ease program administration, and ensure the maximization of the benefits to the community and developers provided by the program. Those program enhancements include:

- permitting program participants to leverage outside tax benefits and financing to develop AH units for credits;
- aligning the value of a credit with the real-world occupancy of an AH unit;
- ensuring alignment between the value of a credit and the cost to build an AH unit;
- offering City financial incentives to credits developers to lower barriers to credits projects;
- improved tracking of credit market dynamics including sale price and supply and demand.
- Evaluate the potential for the City to purchase credits.

More detailed program analysis is needed to determine the full list of possible program enhancements which could include queue priority for building permit reviews as the potential for developer assistance or partnering. As it is included in the Land Use Code, the normal LUC amendment process is required to alter the program.

Since its inception, the AH Certificates program has succeeded in motivating private sector development of non-mitigation AH units. The credits created by those developments has provided flexibility to private sector development to meet its mitigation requirements through the extinguishment of those credits. This symbiotic relationship has provided benefits to both sides of the credits equation. However, analysis is needed to determine if the credits program has resulted in more AH units that would have been required of the same private sector development activities over the same period of time.

TABLE 7. AH CERTIFICATES PROJECTS SINCE 2012

Completed Projects	FTEs Generated
301 W. Hyman	14
313/317 AABC	24
210 W. Main	18
518 W. Main	29.66
834 W. Hallam	18.75
815 Vine	3
829 W. Bleeker	1.25
TOTAL	**109 FTEs**
Projects with approval or in review	**FTEs Proposed**
611 W. Main	15.9
1020 E. Cooper	14.1
1235 E. Cooper	12.7
TOTAL	**42.7 FTEs**

ACTION ITEM OWNERS

Phillip Supino & Ben Anderson

HOW THIS ACTION INCREASES THE NUMBER

Maximizing the effectiveness of the program will incentivize private sector AH developers to build new units, or convert free-market into deed-restricted affordable units.

CONNECTION TO AACP

The following AACP statements (among others) support this action item.

I.1. Achieve sustainable growth practices to ensure the long-term viability and stability of our community and diverse visitor-based economy.
I.5. Through good land use planning and sound decision-making, ensure that the ultimate population density of the Aspen Area does not degrade the quality of life for residents and the enjoyment of visitors.
V.2. Facilitate the sustainability of essential businesses that provide basic community needs.
VII.2. Ensure that all new development and redevelopment mitigates all reasonable, directly related impacts.
II.1. The housing inventory should bolster our socioeconomic diversity.
II.2. Affordable housing should be prepared for the growing number of retiring Aspenites.
III.2. Promote broader support and involvement in the creation of non-mitigation Affordable housing, including public-private partnerships

ESTIMATED TIMELINE

2022-2023:
program analysis, stakeholder outreach, ordinance development, Council action

ACTION:

Develop Financial Resources for New Construction, Expiring Deed Restrictions & Land Banking

OVERVIEW

The current cost to develop an affordable housing unit in Aspen is approximately $1 million. Having the right portfolio of funding sources and funding partners is critical to gain affordable housing units through development neutral means as well as new development.

Taxes

- Current tax collections dedicated to affordable housing (1.0% RETT and 45% of 0.45% sales tax) sunset 12/31/2040 (Resolution #81, 2008).
- Sales tax collections have been relatively stable, with annual escalation of about 4-5% per year. RETT collections are extremely volatile & after the recent two years of record transaction and price appreciation, it is anticipated that there will be softness in the coming year(s) that will affect collections.

Debt Obligation

Types of debt issuances possible depend on project:

- General Obligation debt – full faith and credit of the City would back this issuance, but then would require voter approval. Will ensure best borrowing rate possible. This could allow for an ownership type product to be produced and sold, and would allow for some immediate payback into the fund when units are sold.
- Tax Revenue Bonds – This would again require voter approval and would be limited in the size of the issuance to the pledged resources (tax collections generated by the sales or RETT taxes) to meet annual repayment terms. Best leveraged in conjunction with extension of existing taxes noted above, to maximize the duration for the payback term.
- Certificates of Participation (COPs) can be issued if willing to pledge a city-owned asset of equal value (either can be the project itself or another asset(s)) – if it were the project, it would then mean the project would be rental units. This would likely yield a borrowing rate that is one notch below the best rate the City could achieve under a General Obligation type issuance.
- Does not create new resources but rather just changes the availability of resources to achieve goals sooner (pledges future resources today and therefore not available in the future)
- Debt is best for creating or acquiring new assets. It is not as good an option for preservation of deed restrictions (but is possible).

Establishment of New Sources

- Exploration of new fees to supplement existing tax revenues and other affordable housing mitigation collections (also under review).
- Collaborate with other jurisdictions to further a regional tax to support greater housing preservation and development.

ACTION ITEM OWNER

Pete Strecker

HOW THIS ACTION INCREASES THE NUMBER

Specifics around any projects are needed to best match debt issuance options for the desired outcomes and to maximize the City's credit rating wherever possible. Until this is developed, any debt issuance discussion is premature.

New fee creation will be explored during the current land use moratorium period and options will be brought forward to Council for consideration.

CONNECTION TO AACP

Financing is a required component of any new affordable housing acquisition or development.

ESTIMATED TIMELINE

Tax extensions and voter approval for debt issuance authority are subject to regular election cycles and would need to be coordinated with that in mind, plus any voter outreach effort prior to those voting periods.

Fees can be adopted at any time, via the City ordinance process. This will require two readings and public review period.

Development Neutral

ACTION:

Incentivize voluntary rightsizing to recapture & utilize unused bedrooms in the existing inventory

OVERVIEW

There are potentially 400+ underutilized bedrooms within the existing inventory. Subsidies for the creation of each new bedroom can be some $150,000+ per bedroom for new development. If incentives can be provided for owners/tenants with unused bedrooms to move to a smaller unit and free up the unused bedrooms so that they may be utilized to house people, and if this can be done at a lower cost than developing new bedrooms, then this can save resources such as development dollars, staff time and the environmental impact of construction.

Actions/tools needed may include:

- Incentive calculation which multiplies the fee in lieu at the category of the bedroom being traded in by the number of FTE slots being freed up and adjusting for depreciation. The amount of the incentive should be less than the subsidy of developing a new bedroom.
- The household which is rightsizing may apply their incentive, which is provided from the 150 Fund, to the purchase or rental of an existing or new unit, when available, and will receive lottery priority to do so.
- Research and inventory specific units with vacant bedrooms and communicate incentive to owners/tenants

Draft policy for implementation may include:

- Allow priority in lottery for re-location of target households, target households should be able to use their priority to move to an existing or new smaller unit as those come available.
- Implement policy with approval from APCHA board and City Council (for use of 150 funds)
- Prepare incentive offers and agreements, target specific households for solicitation of incentive
- Possibly of offering the rightsizing household the ability to qualify using their original category or current category, whichever is lower
- Evaluate the potential use of the Affordable Housing Certificates program

ACTION ITEM OWNERS

Chris Everson & Matthew Gillen

HOW THIS ACTION INCREASES THE NUMBER

By incentivizing rightsizing to recapture and utilize unused bedrooms in the existing inventory, we can maximize the utilization of the existing housing stock.

CONNECTION TO AACP

The AACP states, "Deed-restricted housing units should be utilized to the maximum degree possible." For every unused bedroom that can be recaptured and utilized, this saves the community development dollars, staff time and the environmental impact of construction.

ESTIMATED TIMELINE

Spring/Summer 2022:
Research and inventory specific units with unutilized bedrooms

Spring/Summer 2022:
Draft policy for implementation - Include incentive calculation methodology and priority in lottery for re-sales and available rentals for re-location of target households, target households should be able to utilize their rightsizing incentive for a move to an available existing (smaller) unit or a newly developed (smaller) unit as those come available

Summer/Fall 2022:
Discussions with APCHA Board & Aspen City Council

Winter 2022/2023:
Implement policy with approval from APCHA board and City Council (for use of 150 funds)

Winter/Spring 2023:
Prepare incentive offers and target those specific households for solicitation of incentive

New Development

ACTION:

Partnerships

OVERVIEW

Partnerships for Affordable Housing typically fall into three categories, (1) between one or more governmental jurisdictions, (2) between a government and a non-profit, and (3) between a government and private sector organizations.

The most common type of partnerships between one or more governmental jurisdictions involves a city partnering with other cities to create an entity similar to a housing authority. Some housing authorities have taxing authority, others do not (APCHA). Local governments frequently form partnerships with non-profit organizations to operate a housing program or manage a public housing project. Sometimes the non-profit organization is eligible for grants that a governmental jurisdiction is not. Non-profits also appeal to philanthropic organizations and individuals who can claim tax deductions for making contributions.

Public-private partnerships (P3s or PPPs) often involve agreements among one or more government entities and one or more private sector companies to design, build, finance, operate, and/or maintain projects, facilities or operations which may be funded and operated through a partnership of government and one or more private sector companies. PPPs can be effective, but also bring challenges such as land cost, funding, connections to the free market, expiring deed restrictions, and misalignment of values.

Agreements to design, build, operate and maintain can be complex and can be effort-intense to put in place and may incur significant legal fees due to the need to hire attorneys to write complex, binding legal agreements which include arrangements and terms that require certain obligations and guarantee and secure the cash flows and involve outside funding mechanisms as well as management terms.

But PPPs can bring some benefits to the development process. Project risks can be transferred to private partners, and greater price and schedule certainty can be achieved. There can be opportunity for innovative design and construction techniques, and public funds can be freed up for other projects or purposes. These potential benefits come with limitations such as increased financing costs, limited flexibility and often few bidders to partner with on such projects.

The amount of effort and/or risk taken on by a government or quasi-government entity may be modified by including more or less of a role in the service or facility being created. A PPP may be created so that the government or private sector partners take on more or less of the work to create the service or facility sought.

Risks and/or activities transferred in PPP Agreements may include design, construction, financing, operations, maintenance and may even include reversionary rights. Financing risks may include financing costs, inflation, design/construction risks, unforeseen project site conditions, permitting, and more. Operation and maintenance risks may include facility maintenance and operations, future unforeseen conditions, underutilization of assets, rent risks, and more.

In considering where to place itself on the spectrum, public agencies need to consider questions about benefits of private sector innovation, benefits to accessing private financing, private-sector performance incentives, and other private-sector tools which public agencies may have difficulty managing.

ACTION ITEM OWNERS

Chris Everson & Scott Miller

HOW THIS ACTION INCREASES THE NUMBER

Under the right conditions, partnerships can increase the pace of affordable housing development or redevelopment.

CONNECTION TO AACP

2012 AACP appendix

III.2 Promote broader support and involvement in the creation of non-mitigation Affordable housing, including public-private partnerships. (Collaborative Initiative, Incentive Program)

II.2.a Establish a working group of people who represent the City, County, public agencies, and the private sector to implement the policy. Explore models of producing affordable housing units, including quasi-public housing development corporations. (I - APCHA, Housing Frontiers, City and County Managers, private sector, taxing districts)

II.2.b Explore the creation of a program where the City or County would provide a tax benefit, payment or life-estate planning or other financial incentive to a free-market homeowner to include their property in the City/County's land banking for future affordable housing. (I - City Manager, County Manager)

II.2.c Explore creating a program for deed restrictions for a defined duration. (I - APCHA)
II.2.d Explore the benefits of expediting specific affordable housing projects through the development and construction phase.

ESTIMATED TIMELINE

No specific timeline can be established for partnerships at this point.

ACTION:

APCHA Compliance Actions

OVERVIEW

APCHA has a compliance program to ensure affordable housing units are housing people who qualify with APCHA's rules and regulations, as created by APCHA's Board of Director. Concurrently, APCHA fully supports keeping qualified people in their units.

APCHA's compliance process starts with qualifications. APCHA is continually seeking to improve performance to ensure that qualified buyers and renters receive all due consideration during the qualification process, and that unqualified applicants do not proceed in the process and are clearly and transparently informed. Similarly, APCHA residents must comply with APCHA regulations, including but not limited to, residency and work qualifications. It is APCHA's responsibility to the Aspen community to resolve noncompliance fairly and swiftly.

- **Automated identification of violations:** APCHA cross references the list of all APCHA property with the City's short term rental database.
- **Investigations:** While the qualification process is rigorous and requires income and asset documentation similar to what is required when applying for a home mortgage, there are rare instances where a renter or owner has violated the terms of their deed restriction, such as posting their unit on a Short Term Rental website or putting their APCHA unit into a Trust. APCHA staff work with an outside attorney to conduct investigations of possible deed restriction violations.
- **Voluntary reporting of violations:** "Report a Concern" is a button on APCHA's website homepage. This allows members of the community to notify APCHA of violations. Importantly, it can be difficult for APCHA to investigate some compliance cases if the reporting individual is anonymous.
- **Hearing Officer:** APCHA has hired and outside hearing officer to resolve compliance cases where needed.
- **Outreach and Communication:** The best way to maintain compliance is education. APCHA is revamping its communication and outreach strategies with an emphasis on interactive, accessible forums and education.

ACTION ITEM OWNER

Matthew Gillen

HOW THIS ACTION INCREASES THE NUMBER

Compliance actions are important because they ensure that affordable housing units are being occupied by individuals who meet the qualifications as outlined in the APCHA Regulations. Because Compliance is a handled on a case by case basis and it time intensive, it does not result in a significant increase in available units.

CONNECTION TO AACP

The plan says, "all deed-restricted housing units should be utilized to the maximum degree possible", which includes ensuring that units are used by qualified residents.

ESTIMATED TIMELINE

This is an ongoing effort.

ACTION:

Potential APCHA Policy Actions to increase number of available units

OVERVIEW

APCHA has a responsibility to maximize value to the community and efficiency and impact of APCHA housing. A simple measure of that impact is ensuring that APCHA houses the maximum number of individuals possible in the available housing units. Such a simple measure however, does not take into account the wishes, goals and needs of APCHA residents, for whose benefit APCHA properties were constructed. People's needs and desires change over the years, thus APCHA must seek voluntary, flexible, incentivized programs to maximize occupancy in APCHA units.

- **Maximum age of Dependent:** In November 2021 APCHA lowered the maximum age of a dependent from 24 to 19 in the employee housing regulations, to free up space previously used by adult dependents.
- **Monitoring "Excess" Units:** Through the new HomeTrek system APCHA can now better monitor and assess unit usage.
- **"Buy-Down/Right Sizing":** The APCHA board will examine possible programs to incentivize people, voluntarily, to move to small units, after, for example retirement.
- **In Complex Bidding:** Currently bidders in the same housing complex have a priority over outside bidders. This policy is an effort to sustain community ties.

ACTION ITEM OWNER

Matthew Gillen

HOW THIS ACTION INCREASES THE NUMBER

By providing residents who have outgrown their properties an incentive – and importantly no disincentives -- those residents may voluntarily want to move to another unit.

CONNECTION TO AACP

The plan clearly says: "All deed-restricted housing units should be utilized to the maximum degree possible."

ESTIMATED TIMELINE

These are ongoing policy actions, some of which have recently been implemented – such as the Dependent Age – and others are still under development or under consideration by the APCHA Board.

Compliance & Sustainability

ACTION:

APCHA Policy Actions to improve the sustainability of the APCHA deed restricted housing

OVERVIEW

With affordable housing in the Aspen area in such short supply, APCHA has a responsibility to obtain maximum impact and value from existing APCHA housing stock, while also protecting residents' rights and benefit under APCHA regulations. Part of this effort is maintaining the sustainability and lifespan of APCHA housing stock. Each APCHA housing unit that has lifespan extended reduces the need for a new unit.

Owners of APCHA deed-restricted housing units are responsible for upkeep and maintenance of their homes, but, unlike the free-market housing cannot recoup the full value (generally restricted to 10 percent), of home improvements upon sale. Coupled with the fact that, due to the scarcity of housing in the Valley, sellers find buyers willing to buy less than adequately maintained homes, there are disincentives for APCHA deed-restricted homeowners to invest and maintain their homes. Further, some APCHA units, such as mobile homes have a limited lifespan, and must be periodically replaced.

Some of these actions may require public money for implementation.

Actions:

- **Home Inspection Program prior to Resale:** APCHA has difficult role while facilitating the sale of APCHA deed-restricted units, representing both the seller (and preserving equity gained during the home's ownership period), and the buyer (ensuring the home is in acceptable or good condition to buy). In January 2022, APCHA fully implemented a home inspection program to improve transparency as buyers and sellers negotiate.
- **Mobile Home Pilot Program:** APCHA is exploring a pilot program to assist owners of mobile homes in replacing their homes.
- **Sellers Standards/Capital Repairs:** APCHA will continue to monitor and seek ways to maintain the standard of units sold by APCHA owners, balanced with the equity of the seller.
- **Additional Ten Percent Capital Improvement Cap:** The APCHA Board recently voted to allow homeowners to update their deed restriction to receive an additional ten percent capital improvement allowance to support the maintenance of homes. This updated deed restriction also allows for capital improvements above the ten percent cap for approved energy and water efficiency and life/safety improvements.
- **Encourage HOAs to Prepare Capital Reserve Studies:** Homeowner associations should be aware of their potential needs for capital improvement. APCHA will be looking at the issue of HOA Capital Reserves in the future.
- **Hire Contract Grant Writer:** APCHA has funding and will hire a grant writer for funding sources to support individuals who want to make repairs to their APCHA Deed Restricted Property

ACTION ITEM OWNERS

Matthew Gillen & Diane Foster

HOW THIS ACTION INCREASES THE NUMBER

Maintaining existing housing units is minimizes the need to replace or perform extensive repairs on units.

CONNECTION TO AACP

The Aspen Area Community plan calls for deed-restricted housing units to "be used and maintained for as long as possible, while considering functionality and obsolescence."

ESTIMATED TIMELINE

These are ongoing policy actions, some of which have recently been implemented – such as the Home Inspection Program – and others are still under development or under consideration by the APCHA Board.

Development Neutral

ACTION:

Additional Development Neutral Program Elements

OVERVIEW

This program has not yet been fully fleshed out. Staff from multiple departments, including and importantly, Community Development, will need to work on this post moratorium.

The development neutral program will pursue two different paths. First, policies and investments will be explored that would lead to the conversion of existing free-market units into deed-restricted affordable units. Second, the potential of new streams of revenue form currently unmitigated economic activities and the high value of real estate will be evaluated.

The revenue would mitigate impacts to the community from real estate speculation, development, and resulting demands for services. The development neutral program supports of number of complimentary policies, including promoting appropriate residential density, re-using and sustaining existing buildings, mixing free-market and AH units within neighborhoods, and requiring development to mitigate for its impacts.

Specifically on the topic of "buy-downs"/ purchase of free market property for the purpose of converting to affordable housing: While past plans have supported "buy-down" alternatives, there has been little comprehensive effort in this regard. A "buy-down" program may be an expensive proposition, but this plan calls for exploring it more thoroughly. The idea is to finally determine if the community is willing to pay the price for providing long-term affordable housing by converting existing free market homes, and or affordable housing, rather than building new homes. This type of program has two significant cost-related challenges:

1. Purchase of free market residential property is typically 1.5X the cost of developing new residential property, and
2. Converting purchased free market residential property to practical, usable affordable housing will add additional cost to this effort and could cause the purchase/conversion process to cost 3X to 4X that of developing new affordable housing.

It is unlikely that this could be accomplished at any meaningful scale without a 3- to 5-fold increase to the current affordable housing tax revenues.

ACTION ITEM OWNERS

Phillip Supino &
Pete Strecker

ESTIMATED TIMELINE

2022: City Council discussion, economic analysis, case studies and legal analysis, legislative development

2023: legislative process, TABOR vote

Ongoing: program development and management

HOW THIS ACTION INCREASES THE NUMBER

By exacting taxes to generate new revenue, the City will increase funds available to purchase free market units to bring into the AH system.

CONNECTION TO AACP

The following AACP statements (among others) support this action item.

I.1. Achieve sustainable growth practices to ensure the long-term viability and stability of our community and diverse visitor-based economy.
I.5. Through good land use planning and sound decision-making, ensure that the ultimate population density of the Aspen Area does not degrade the quality of life for residents and the enjoyment of visitors.
II.1. The housing inventory should bolster our socioeconomic diversity.
II.5. Redefine and improve our buy-down policy of re-using existing housing inventory.
III.2. Promote broader support and involvement in the creation of non-mitigation Affordable housing, including public-private partnerships.
IV.2. All affordable housing must be located within the Urban Growth Boundary.
IV.3. On-site housing mitigation is preferred.
IV.5. The design of new affordable housing should optimize density while demonstrating compatibility with the massing, scale, and character of the neighborhood.

The current buy-down policy permits development with an AH mitigation requirement to fulfill that requirement through the purchase and deed-restriction of a free-market housing unit, adding it to the APCHA system. In the years since the creation of this policy, free market housing has increased exponentially in value. Therefore, individual buy-down units are a far less financially viable option for development with a mitigation requirement versus the purchase of AH credits or paying cash-in-lieu.

Simultaneously, the community has seen a significant decrease in commercial development and, therefore, the creation of new FTEs requiring housing units as mitigation. This and other trends have reduced the prevalence of the development of on-site AH units. These dynamics have combined to decrease the number of AH units brought into the system by the private sector, relying instead on AH credits and City-built projects to deliver the bulk of new AH units in recent years. It has also increased the rate of population decline in residential neighborhoods, undermining city policies related to a healthy lived-in community, a diversity of housing types and occupants in neighborhoods, and the maximum utilization of residential housing units in town.

ACTION:
Land Banking

OVERVIEW

By definition, land banking is the process of acquiring and holding land for future development, re-development, or land trade.

Success requires cohesive partnerships among a variety of stakeholders, funding partners, and all levels of government, as well as confidentially. As land is a finite resource, acquiring sites for future use as affordable housing preserves future opportunities for the City to act typically in partnership with a private contractor. The investment in the land can serve as a way to secure more financing options and at more favorable terms. Land banking positions the City to take advantage of favorable market conditions.

One of the challenges inherent in land banking is that it takes money away from today's projects. Nonetheless, land banking can offer a significant benefit to future development, in the land costs are nearly always lower now than in the future.

Due to the nature of property acquisition in the public sector, specific properties cannot be mentioned. Infill development alone cannot address mounting affordable housing demands. City Council's policy direction regarding land acquisition is to consider any and all acquisitions, including partnerships.

Actions:

1. Continue to seek appropriate land for land-banking.
2. Consider an incentive program for sellers ??? Dedicate housing to family name, other family incentives of value? Consider a tongue in cheek "cash for homes" marketing effort, which would probably make national news.
3. Consider creating or enabling fast-track for Council approval of potential contract to buy when needed. For example, 1.22 acres at 688 Spruce Street was purchased by a private buyer before staff could bring it to Council's attention. Land purchase price was in range of other City projects, ended up a missed opportunity for potentially around 20 new units.
4. Consider purchase of parcels discussed with Council in executive session. Consider a means of public discussion for potential conversion of other City assets.
5. AACP Appendix
   III.2.b Explore the creation of a program where the City or County would provide a tax benefit, payment or life-estate planning or other financial incentive to a free-market homeowner to include their property in the City/County's land banking for future affordable housing. (I - City Manager, County Manager)

ACTION ITEM OWNERS
Scott Miller & Chris Everson

HOW THIS ACTION INCREASES THE NUMBER
The availability of additional land creates more housing opportunities, quantifying the number is very difficult. The increase of AH units is dependent on several factors: zoning, mass and scale, NIMBYism, the useful amenities available to the community, good design, incorporation of smart growth principles.

CONNECTION TO AACP
The AACP provides guidance with respect to:

- Continuation of the Aspen Idea
- Environmental Stewardship
- Sustainable development
- Emphasis on quality and livability
- Addresses Housing and Daycare needs

ESTIMATED TIMELINE
While land banking must be an ongoing action item, the benefits of land banking actions are not realized until the future.

ACTION:
Regional Collaboration

OVERVIEW

At the direction of the City Manager, City and APCHA staff have been active participants in the Roaring Fork Valley Roadmap process, facilitated by Pitkin County. The group has embraced the concept of collaboratively address the topic of workforce sustainability. In October approximated fifty stakeholders participated in a series of focus groups that included representatives from Roaring Fork Valley nonprofits, local governments and agencies and the private sector. This group recommended a specific focus on a regional affordable housing project, there was also strong support for addressing issues related to diversity, equity and inclusion as well as mental wellness.

While this project is still in its early stages, there has been active and consistent participation from all of the Roaring Fork Valley local government staff, along with DOLA staff. The collective and overwhelming consensus of stakeholders that more affordable housing is needed in the Valley aligns well with City Council's critical goal of increasing the number of affordable housing units.

Concurrently, the Roaring Fork Roadmap team has been in discussions with a Housing Coalition group that initiated discussions about forming some type of more formal regional housing group. While that group had a temporary hiatus during the early part of the pandemic, the group has been meeting again to develop a plan for better regional collaboration around affordable housing.

These two groups have discussed how working together and in collaboration with DOLA could yield results. Staff will keep Council updated as this project moves forward.

In February and March 2022 the Aspen City Council, along with a number of other local governments in the Roaring Fork Valley, adopted an MOU in support of the creation of a Regional Housing Non-Profit. It is likely local governments from the Colorado River Basin will also join this effort

Unrelated to the item above, during the December 2021 City Council Housing Retreat, the City Council expressed support for Pitkin County considering a county-wide tax to support affordable housing. The City Council has not taken, nor have they been asked for a formal position on this topic.

ACTION ITEM OWNER
Diane Foster

HOW THIS ACTION INCREASES THE NUMBER
Affordable housing is an issue facing all communities in the Roaring Fork Valley and beyond. Where state and federal funding for affordable housing will likely be available, a regional effort is more likely to be successful than individual localities seeking funding.

CONNECTION TO AACP
While the AACP encourages partnerships, the AACP is generally silent on regional collaboration

ESTIMATED TIMELINE
Staff will provide City Council an update on progress later in 2022

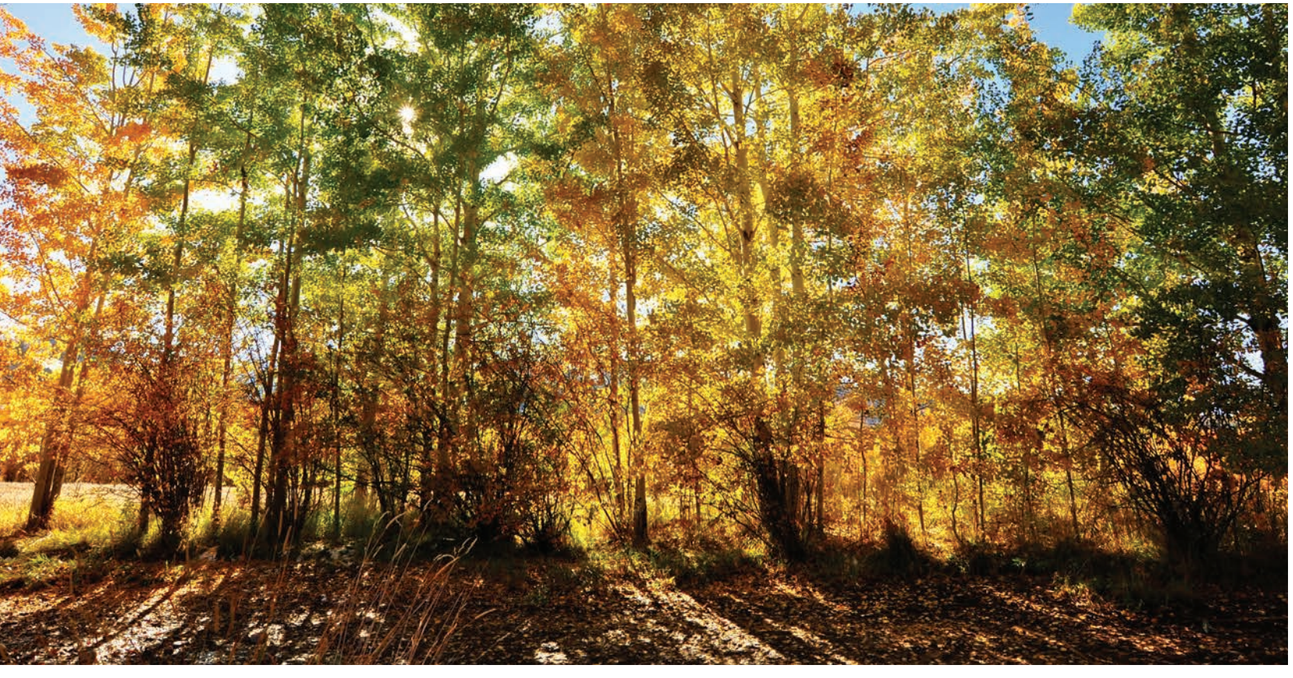
ACTIONS NOT CURRENTLY PRIORITIZED

In any strategic plan that contains action items, it is also important to identify what action will not be pursued. Below is a list of action we will not undertake at this point due to one or more of the following reasons

- Council asked staff NOT to pursue this strategy; and/or
- Lower chance of success than other strategies

These items could be pursued at a later date should Council's policy direction change or is market conditions change.

- Encourage new free market development in order to receive required affordable housing mitigation results
- Vail InDeed Model – Not pursing this model because
    - It creates additional RO units; not the Category of units we need the most
    - No rental caps
    - No appreciation cap
- Buy-Downs: Buying down existing free-market single family residential and converting to affordable housing is prohibitively expensive, given available resources and compared to the actions which have herein been prioritized. Even though Buy-Downs are not a prioritized strategy, this does not preclude entertaining offers such as a below market-rate offer to the City to buy or create a reverse mortgage for a home.



REVIEW PROCESS

An outcome of the July 2021 City Council Retreat, City Council adopted three Critical Goals in August 2021. The Housing Critical Goal reads as follows:

> **Increase number of Affordable Housing Units: In order to deliver an affordable housing system that is high quality, sustainable, and results in a lived-in community, Council will continue to evaluate, identify opportunities, plan, partner, facilitate, and leverage existing and new resources to invest in the development and maintenance of affordable housing.**

This will be accomplished through:

- Convening a City Housing Retreat;
- Creating an affordable housing strategic plan;
- Completing Council directed affordable housing development projects;
- Continuing to seek additional affordable housing development opportunities;
- Leveraging and amending regulations and policies in support of affordable housing; and
- Supporting continuous improvement with the APCHA program, including ensuring adequate resources.

Since August 2021 Council has been presented with updates to the Housing Critical Goal and specific actions to further that goal on a regular basis at Regular Meetings where Council has approved policy, work sessions to provide staff direction on various affordable housing projects and program and through Information Only Memos.

The three departments primarily responsible for delivering on the Housing Critical Goal – the Capital Asset Department, Community Development and Housing/APCHA – have all already scheduled appearances before City Council and Information Only Memos for the entire 2022 calendar year. Rather than a wholesale review of this Housing Strategic Plan, this Plan is a living document whose contents will be updated throughout the year.

That being said, staff does plan to do an annual review of overall progress and make whatever modifications are necessary to the plan at that time.

APPENDIX A:
HOUSING CHAPTER OF
ASPEN AREA COMMUNITY PLAN

Housing

Vision

We believe that a strong and diverse year-round community and a viable and healthy local workforce are fundamental cornerstones for the sustainability of the Aspen Area community.

Philosophy

We are committed to providing affordable housing because it supports:

- A stable community that is invested in the present and future of the Aspen Area.
- A reliable workforce, also resulting in greater economic sustainability.
- Opportunities for people to live in close proximity to where they work.
- A reduction in adverse transportation impacts.
- Improved environmental sustainability.
- A reduction in downvalley growth pressures.
- Increased citizen participation in civic affairs, non-profit activities and recreation programs.
- A better visitor experience, including an appreciation of our genuine, lights-on community.
- A healthy mix of people, including singles, families and seniors.

Many of the philosophical statements in the 2000 AACP still ring true today:

> *"We believe it is important for Aspen to maintain a sense of opportunity and hope (not a guarantee) for our workforce to become vested members of the community. ... (We seek) to preserve and enhance those qualities that has made Aspen a special place by investing in our most valuable asset – people."*
>
> *"Our housing policy should bolster our economic and social diversity, reinforce variety, and enhance our sense of community by integrating affordable housing into the fabric of our town. A healthy social balance includes all income ranges and types of people. Each project should endeavor to further that mix and to avoid segregation of economic and social classes ..."*

Living in affordable housing is not a right or a guarantee, but a privilege, carrying with it responsibilities to future generations, such as long-term maintenance and regulatory compliance.

The creation of affordable housing is the responsibility of our entire community, not just government. We should continue to explore methods that spread accountability and responsibility to the private sector, local taxing districts and others.

We continue to support the following statements from the 1993 and 2000 AACP: *"Housing should be compatible with the scale and character of the community and should emphasize quality construction and design even if that emphasis increases [initial] costs and lessens production, [within reason]."* At the same time, new construction should emphasize the use of durable and renewable materials in order to improve our environmental stewardship.

We should demonstrate our commitment to future generations by providing educational outreach regarding long-term maintenance and regulatory compliance by adopting a strategic plan for long-term maintenance of publicly-owned rental properties, and for handling "unique" properties, such as those with a sunset on deed restrictions.

At the same time, we need a new focus on the issues surrounding retirement in affordable housing, as we are on the brink of a rising retiree demographic. In addition, we should continue to provide housing that accommodates the needs of people with disabilities.

The provision of affordable housing remains important due to several factors, including the continued conversion of locally-owned homes to second homes, a trend of a more costly down-valley housing market and the upcoming trend towards retirement in affordable housing. With limited vacant land in the Aspen Area and limited public funds, we cannot build our way out of this challenge.

Our affordable housing program is continually encountering new crossroads that demand creative thinking, understanding and thoughtful action.

What's Changed Since 2000

Since the adoption of the 2000 AACP, a total of 652 new affordable housing units have been constructed, with another 181 approved but not yet built. By any measure, these are impressive accomplishments, but various relevant trends have continued to challenge the goal of establishing and maintaining a "critical mass" of working residents, as stated in the 2000 AACP.

While the ratio of local workers living in affordable housing units increased from 25% to 32% from 2000 to 2008, the ratio of local workers living in free market homes dropped from 22% to 13%, the result of continued conversion of locally-owned free market homes to second homes.

At the same time, the economic boom period of 2004 to 2007 saw a dramatic increase in the cost of downvalley land and homes, reducing opportunities for Aspen workers to find free market ownership options in the valley. While the recession has rolled back prices, this plan must assume that the economy will experience another period of prosperity during the life of the plan. In addition, the number of retirees in deed-restricted housing is estimated to jump from approximately 310 today to more than 800 in 2021.

The 2007 Housing Summit considered all these factors and more. The primary outcome of the Summit was to encourage additional "land-banking," which ultimately resulted in the purchase of the BMC West property, a parcel at 488 Castle Creek Road and others. The 2008 Affordable Housing Plan evaluated 15 potential sites for affordable housing units, identifying a range of up to 685 possible housing units.

Aspen Area Housing History

In the early 1970's free-market housing that had primarily housed local employees was being demolished and redeveloped as second homes. By 1974, the City and County began addressing this trend by establishing separate affordable housing programs and 14 years later formed the joint Aspen/Pitkin County Housing Authority (APCHA). APCHA is currently funded through a City of Aspen sales tax and a Real Estate Transfer Tax (RETT).

The State enacted legislation in 2001 granting Housing Authorities across the state specific powers to raise revenue through sales taxes, use taxes, an ad valorem (property) tax, and/or a development impact fee. To date, APCHA has not pursued these revenue sources. The City of Aspen has a housing sales tax, and both the City of Aspen and Pitkin County have Housing Mitigation fees.

APCHA operates under the 4th Amended Intergovernmental Agreement between the City of Aspen and Pitkin County. This agreement has eliminated APCHA's role as an active developer of workforce housing; that role has been assumed by the City of Aspen.

Currently, APCHA is principally involved in the qualification, sales, and enforcement of the housing program and is involved in the oversight of over 2,800 units of deed-restricted housing. The APCHA Board of Directors alone, or in concert with other entities, suggests new policy, programmatic changes, and legislation, or makes recommendations, as required by the City, County or State.

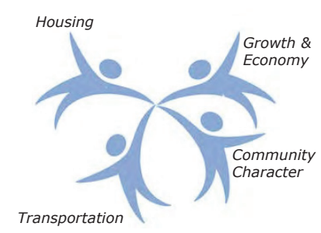
On the Horizon

As the community continues to provide affordable housing, it is important to recognize and understand future challenges.

We must continue to track changes to the Colorado Common Interest Ownership Act (CCIOA) and update our housing policies on a timely basis.

APCHA should vigorously promote adoption of CCIOA by existing associations, and require new associations to adopt CCIOA.

Lending practices are changing, resulting in new and potentially difficult financing.



What's New in the 2012 AACP

The re-use of philosophical language from past community plans is due largely to the long-term support in the Aspen Area for affordable housing as a critical tool to maintain a strong year-round community.

Some shifts in policy direction for the 2012 AACP can be attributed to the long-term growth and maturation of the housing program, bringing greater awareness of the need for long-term capital reserves and maintenance for individually-owned and rental properties, as well as publicly-owned rental properties.

Another difference in the 2012 AACP is the decision not to establish a specific number of housing units to be developed during the 10-year life of the plan. This should not be perceived as a wavering of support for affordable housing units. The plan calls for exploring the potential of a new housing unit goal, but specific research on this topic was not conducted as part of this plan.

This plan focuses on the ongoing challenges of establishing and maintaining a "critical mass" of working residents. The policies outlined in the Housing chapter and related housing mitigation policies in the Managing Growth for Community & Economic Sustainability chapter are intended to meet these challenges as the community continues to provide affordable housing.

At the same time, the 2012 AACP calls for further research on the physical limits to development in the form of ultimate build-out, projected future impacts related to job generation, demographic trends, the conversion of local free market homes and other factors. This kind of statistical analysis will help inform future decision-making and goal-setting in a more meaningful way.

Instead, this plan emphasizes the need to spread accountability and responsibility for providing affordable housing units beyond the City and County governmental structures, and continuing to pursue affordable housing projects on available public land through a transparent and accountable public process.

While past plans have supported "buy-down" alternatives, there has been little comprehensive effort in this regard. A "buy-down" program may be an expensive proposition, but this plan calls for exploring it more thoroughly. The idea is to finally determine if the community is willing to pay the price for providing long-term affordable housing by converting existing free market homes, and or affordable housing, rather than building new homes.

Linkages

The creation of Affordable housing can help reduce pressures on the valley-wide transportation system by providing housing opportunities for our local workforce in the Aspen Area, while reducing air quality impacts associated with a commuting workforce. Affordable housing is also critical to a viable economy, and helps to ensure a vital, demographically diverse year-round community. At the same time, limited opportunities and funds mean we cannot build our way out of the housing problem, and we recognize that new affordable housing includes infrastructure costs ranging from transportation to government services, schools and other basic needs. Controlling growth and job generation can reduce the pressure to provide affordable housing.

Housing Policies	Policy Categories
I. SUSTAINABILITY AND MAINTENANCE	
I.1. Affordable housing should have adequate capital reserves for major repairs and significant capital projects.	*Collaborative Initiative*
I.2. Deed-restricted housing units should be utilized to the maximum degree possible.	*Collaborative Initiative, Work Program for APCHA*
I.3. Deed-restricted housing units should be used and maintained for as long as possible, while considering functionality and obsolescence.	*Collaborative Initiative, Work Program for APCHA*
I.4. Provide educational opportunities to potential and current homeowners regarding the rights, obligations and responsibilities of home ownership.	*Collaborative Initiative*
I.5. Emphasize the use of durable and environmentally responsible materials, while recognizing the realistic lifecycle of the buildings.	*Incentive Program, Proposed Code Amendment*
II. PROGRAM IMPROVEMENTS	
II.1. The housing inventory should bolster our socioeconomic diversity.	*Community Goal*
II.2. Affordable housing should be prepared for the growing number of retiring Aspenites.	*Community Goal, Work Program for APCHA*
II.3. Employers should participate in the creation of seasonal rental housing.	*Collaborative Initiative, Incentive Program*
II.4. Employers who provide housing for their workers through publicly-owned seasonal rental housing should assume proportionate responsibility for the maintenance and management of the facility.	*Collaborative Initiative, Incentive Program*
II.5. Redefine and improve our buy-down policy of re-using existing housing inventory.	*Work Program for APCHA*
II.6. Eliminate the Accessory Dwelling Unit (ADU) program, unless mandatory occupancy is required.	*Proposed Code Amendment*
III. FISCAL RESPONSIBILITY	
III.1. Ensure fiscal responsibility regarding the development of publicly-funded housing.	*Collaborative Initiative*
III.2. Promote broader support and involvement in the creation of non-mitigation Affordable housing, including public-private partnerships.	*Collaborative Initiative, Incentive Program*

Housing Policies	Policy Categories
IV. LAND USE & ZONING	
IV.1. Affordable housing should be designed for the highest practical energy efficiency and livability.	*Incentive Program, Proposed Code Amendment*
IV.2. All affordable housing must be located within the Urban Growth Boundary.	*Proposed Code Amendment*
IV.3. On-site housing mitigation is preferred.	*Work Program for Planning Department & APCHA, Proposed Amendment*
IV.4. Track trends in housing inventory and job generation to better inform public policy discussions.	*Data Needs*
IV.5. The design of new affordable housing should optimize density while demonstrating compatibility with the massing, scale and character of the neighborhood.	*Proposed Code Amendment*
IV.6. The residents of affordable housing and free-market housing in the same neighborhood should be treated fairly, equally and consistently with regard to any restrictions or conditions on development such as parking, pet ownership, etc.	*Proposed Code Amendment*
V. HOUSING RULES AND REGULATIONS	
V.1. The rules, regulations and penalties of affordable housing should be clear, understandable and enforceable.	*Work Program for APCHA*
V.2. Ensure effective management of affordable housing assets.	*Work Program for APCHA*

APPENDIX B: COMMUNITY AFFORDABLE HOUSING AND LIVABILITY

CONNECTION TO AACP

Within the introduction of the 2012 Aspen Area Community Plan, two of the stated central themes are "Emphasize the quality and livability of affordable housing." and "Provide for a critical mass of year-round residents."

Within the housing implementation portion of the appendix of the AACP is an implementation step that, in part, states, "Amend the Housing Guidelines to establish livability standards that promote pride of living in affordable housing."

And although the AACP also encourages area employers to participate in the creation and maintenance of seasonal rental housing, the sections shown above, along with many other such statements in the AACP, support the Housing Philosophy stated within the AACP, which aims to nurture a stable, year-round community, with a reliable workforce with an opportunity to live near where they work, and with a healthy mix of people, including singles, families and seniors.

LIVABILITY AND COMMUNITY ENGAGEMENT

For public affordable housing developments, the City of Aspen performs typically performs rigorous community engagement, seeking input from the community at large and neighborhood stakeholder groups. A significant portion of such community engagement is typically devoted to affordable housing elements related to livability.

At each stage of the design development process, input received from the community engagement process is typically filtered through Aspen City Council. This often results in a careful balance of various priorities such as livability, quality, neighborhood impacts and project cost. And there are many more detailed project elements that require balancing as well, such as environmental sustainability, accessibility, total cost of ownership or tenancy, constructability and more. These topics are interconnected with the meaning of livability among the Aspen affordable housing community.

LIVABILITY – GENERAL PRINCIPLES

Goals: Housing developments should endeavor to balance the principles of community, livability and quality against impacts such as unreasonable levels of cost and construction activity intrusion. Housing structures should utilize land as efficiently as possible and should seek construction efficiencies to levels that do not sacrifice livability beyond levels that are not consistent with these goals. Architecture should be sensitive to neighborhood context to the extent possible while achieving these goals.

Density: Density should be considered as more than just a number and should consider neighborhood context, available open space, amenities and other considerations related to community character. Successful housing developments have been created in Aspen with density ranging from around 7 units per acre up to nearly 80 units per acre.

Quality: Quality construction should be employed to mitigate sound and vibration transmission and to promote energy efficiency. It is important to people not to feel as densely housed as they actually are, and it is possible to invest in construction quality, up to a point short of diminishing returns, to make a densely populated facility feel as livable as possible given available resources.

Environmental Sustainability: Environmental sustainability standards which are consistent with community goals should be integral to the construction quality program. Investments in sustainability measures should be carefully prioritized to be consistent with housing development goals.

Housing Unit Sizes: Housing for a diverse population of income levels should not discriminate livable space based on incomes. Creating equitably sized housing units of standardized sizes can create construction efficiencies and increases flexibility to transfer units among households of different income levels. The Colorado Division of Housing has established "indicators of modest but decent housing" with suggested sizes of 500 square feet for studio or efficiency units, 700 square feet for one-bedroom units, 900 square feet for two-bedroom units and 1,200 square feet for three-bedroom units.
necessary and where a high level of livability is otherwise demonstrated, with reduction criteria such as significant storage space, above average natural light, efficient/flexible unit layout, site amenities including parks and open space, and above ground unit versus below ground units.

The APCHA Affordable Housing Development Policy includes the following Minimum Unit Sizes and defines an "occupancy standard" based on 400 square feet per "employee".

Unit	Minimum Net Sq Ft	Occupancy Standard
Studio	500	1.25
1-Bedroom	700	1.75
2-Bedroom	900	2.25
3-Bedroom	1,200	3.00

In practice, the occupancy standard is less of an actual counting mechanism for occupancy and more of a conversion tool and general benchmark related to the 400 square feet per "employee" standard.

The APCHA Affordable Housing Development Policy allows for the reduction of unit sizes by up to 20% in cases where both necessary and where a high level of livability is otherwise demonstrated, with reduction criteria such as significant storage space, above average natural light, efficient/flexible unit layout, site amenities including parks and open space, and above ground unit versus below ground units.

Accessibility: Affordable housing facilities should be accessible above and beyond code requirements where possible. Varying levels of accessible dwelling units include Type A Full Accessibility, Type B Adaptable and Type C Visitable. Type A Full Accessibility units should be included at or above code minimums, and all other unit should be Type B Adaptable where possible. Townhome units or units which otherwise include a stairway internal to the unit should be Type C Visitable, and Universal Design should be used in common area facilities.

Noise and Air Quality: Locations for affordable housing should be sought which have favorable noise and air quality characteristics. For locations where noise and air quality characteristics are not without flaws, mitigation techniques should be implemented to reduce adverse impacts to reasonable levels.

Pedestrian Safety and Automobile Circulation: Whenever possible, housing developments should prioritize pedestrian movement over automobile movement and pedestrian safety over automobile circulation.

Community Open Space: Community open space should be created to maximize the use of available land and should be landscaped to facilitate peaceful, playful and socially interactive enjoyment with turf or low-grow grasses as well as strategically placed shrubs and trees to facilitate demarcation of areas and/or privacy where needed. A mix of non-programmed and lightly programmed areas are encouraged.

Parks and Trails: Parks and trails provide community benefits and should be connected to housing developments where possible. The use of boulder retaining walls can create material cost efficiencies and can be a contextually sensitive means of retaining earth as opposed to engineered alternatives.

Parking and Storage: Parking and storage are key attributes that relate to day-to-day interaction with a housing facility. Local workers may not use their cars every day, but they have a right like everyone else to keep a car in their possession, particularly because Aspen is a remotely located City. Affordable housing units do not generally afford the amount of space that suburban living in America generally affords so convenient access to a reasonable amount of storage space is a key attribute to any housing unit. Parking and storage should be located within reasonable distance to one's housing. The use of carport structures can be an equitable means of providing covered parking without a high level of expense and can be used where needed to retain earth or serve as sound barriers from nearby sources of noise.

Total Cost of Ownership: Total cost of ownership or total rent should be considered in affordable housing designs. The use of durable assemblies and materials as well as low-maintenance mechanical systems along with operational efficiency considerations such as ease of snow removal and landscaping can help keep long-term costs down. Thoughtful design for management of snow, ice, moisture and freeze/thaw conditions can eliminate the need for gutters and downspouts and can help keep maintenance costs down.

Wildlife: Sensitivity to wildlife and surrounding open areas is extremely important. Trash, recycling and compost staging facilities should meet local codes and guidelines related to "wildlife-proof" requirements and recommendations and should otherwise be consistent with wildlife management practices. Mail and transit stop facilities should attempt to keep people separated from areas which could potentially attract bears or other wildlife.

Site Lighting & Facilities: Site lighting should provide safety while remaining contextually sensitive and where possible should employ the use of timers and/or sensors to be as energy efficient as possible. Guide-on principles can be equally safe and less intrusive than flooding large areas with light. External availability of water and electrical sources are amenities that tenants and/or homeowners highly appreciate. "Dark skies" and other code-related requirements and recommendations should be rigorously met.

Public Transportation: Access to public transportation is a must. Reduction of daily automobile trips should be encouraged through availability of convenient, multi-modal transportation alternatives.

LIVABILITY – CHECKLIST

The outline below is a useful inventory of decision points for considering characteristics which affect livability.

- ☐ Density, Environmental Sustainability, Accessibility
- ☐ Family oriented vs. non-family oriented
- ☐ Working vs. retirement orientation
- ☐ Flats versus multi-level townhomes & accessibility
- ☐ On-grade access, stairs to get to unit, below-grade, partial below grade units
- ☐ Ceiling heights greater than 8 feet, 8'-6" to 9'-0 where possible
- ☐ Minimum bedroom size, 10 feet
- ☐ Storage
  - Internal to the unit, Kitchen cabinets, Laundry, Foyer/mud – front and rear, linen closets, oversize bedroom closets (upper shelves for seasonal storage), Additional unfinished areas, storage closets under stairways
  - Lockable external storage, enclosed preferred to cages, proximity to unit, outdoor gear storage, bikes, kayaks, skis, snowboards, fishing, etc.
- ☐ Trash/recycling/compost & mail facilities
  - Proximity to units, aesthetics, durability, parcel boxes, wildlife-proofing, separating trash from mail due to wildlife safety, lighting
- ☐ Outdoor living
  - Private outdoor space is preferred by most people, grill, patio, enlarged covered balconies, avoid drip through, snow barriers/trellis
- ☐ Parking
  - Location on site and relationship to pedestrians, streets/alleys
  - Quantity per unit, per bedroom
  - Above grade uncovered, above grade covered, lots, street, head-in, parallel, angle, on-site, offsite
  - Guest / visitor / service usage, loading zone
  - Accessible parking
  - Proximity to unit
  - Dimensions of spaces / access, geometry of getting in and out
  - Integrated storage with parking
  - Snow removal, snow storage, haul-off, street clearing, secondary clearing
- ☐ Public space/recreation
  - Location, trail, pedestrian access, on-site open site areas, landscape
  - Flexible use spaces, fencing, demarcation, open
  - Child safety, dog parks, community gardens, programmed spaces
- ☐ Access to public transportation
  - Secure, covered bike storage at transportation nodes

- [ ] Noise
  - Unit-to-unit transmission, wall/wall, floor/ceiling, STC, IIC
  - Outdoor noise, mitigation, berms, trees, façade
- [ ] Lighting
  - Natural light
  - Indoor lighting
  - Exterior lighting
- [ ] Ventilation / heating / cooling
- [ ] Low voltage & electric - controls, network outlets, electric outlets, cable/satellite, utility usage, lighting, etc.
- [ ] Laundry in unit versus common, size & fit, maintenance, availability
- [ ] Heating – type
  - Heat pumps (cooling?), mini splits, ducted, radiant, baseboard, cove
  - 100% electric where possible
  - Common vs. in-unit
- [ ] Hot water heating – common versus in-unit, tank, tankless, efficiency, accessible location, floor drain
- [ ] Solar and PV accessibility/orientation, roof space for p/v, rooftop decks
- [ ] Pets, service animals, emotional support animals, cleanup, bags, dna testing
- [ ] Landscaping
  - Turf, native grasses, low-grow, low water
  - Upkeep, Irrigation
  - Hose bibs
  - Community gardens
  - Stormwater, raingardens
- [ ] Kitchen
  - Single, double sinks
  - Electric appliances, refrigerator, dishwasher, disposal, range type, microwave, range hood externally vented
  - Solid countertops, island or space for dining table
  - Trash, recycling, compost
  - Storage, cabinets, soffits, natural light/windows
- [ ] Bathrooms
  - Quantity per unit
  - Lighting
  - Tubs, showers, toilets
  - Storage
  - Ventilation
  - Finishes, durability, aesthetics
  - Sinks, single vs. double, fixture counts, types
- [ ] Maintenance
  - Access to HVAC equipment, accessible filter locations, spare filters
  - Appliances, Floor coverings

NOTES

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