

ORDINANCE NO. 14
(Series of 2018)

**AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF SALIDA,
COLORADO ADDING A NEW ARTICLE XIII TO CHAPTER SIXTEEN OF
THE SALIDA CITY CODE REGARDING INCLUSIONARY HOUSING;
AND AMENDING SECTION 16-4-200 AND 16-8-80 REGARDING
DIMENSIONAL STANDARDS AND PARKING REQUIREMENTS FOR
AFFORDABLE HOUSING**

WHEREAS, the City of Salida, Colorado (“City”) is a statutory city, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, pursuant to C.R.S. § 31-23-301 *et seq.*, the Salida City Council (“Council”) possesses the authority to adopt and enforce zoning regulations; and

WHEREAS, under such authority, the Council previously adopted land use and zoning regulations, codified as Chapter 16 of the Salida Municipal Code (“Code”); and

WHEREAS, pursuant to this authority, the City Council desires to adopt certain rules and regulations to address the need for a diverse and affordable housing stock within the community; and

WHEREAS, the Council wishes to ensure that applications for new residential and mixed-use annexations, planned developments, condominiums of five (5) or more units and minor and major subdivisions shall include affordable housing;

WHEREAS, residential units including single-family, multi-family, duplexes and townhouses can provide a market driven affordable housing opportunity in the community;

WHEREAS, the Council wishes to provide incentives for projects that include 100% of the required affordable housing within the project, including increased density, building coverage and reduced parking; reduced utility impact fees and delayed payments; and

WHEREAS, the City of Salida City Council finds it in the best interest of the general health, safety and welfare of its citizens to adopt this new Article XIII to Chapter 16 of the Code concerning inclusionary housing.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO as follows:

Section One

That a new article XIII be added to Chapter Sixteen of the City of Salida Municipal Code, concerning Land Use and Development to read as follows:

ARTICLE XIII– Inclusionary Housing

Sec. 16-13-10. – Purpose and objectives.

- (a) Promote the construction of housing that is affordable to the community's workforce;
- (b) Retain opportunities for people that work in the city to also live in the city;
- (c) Maintain a balanced community that provides housing for people of all income levels; and
- (d) Ensure that housing options continue to be available for very low-income, low-income, moderate, and middle-income residents, for special needs populations and for a significant proportion of those who work or live in the city.

Sec. 16-13-20. – General Inclusionary Housing Requirements.

- (a) Any application brought under the annexation or planned development sections of this Code; or condominium plats of five (5) units or greater; and minor and major subdivision sections of this Code is required to include at least twelve and a half percent (12.5%) of the total number of residential dwelling units as affordable dwelling units, subject to the following standards:
 - (1) The prices for sale or rents charged for permanently affordable priced dwelling units shall not exceed a price that is affordable to a household earning eighty percent (80%) of Area Median Income (AMI) for Chaffee County as defined annually by the United States Department of Housing and Urban Development (HUD).
 - (2) Affordable dwelling units shall be permanently restricted as defined by the administrative regulations, or unless a different timeframe is required as a part of a Low Income Housing Tax Credit project.
 - (3) If the calculation for inclusionary housing results in a fraction of a dwelling unit, the fraction of the unit shall be provided as a complete affordable unit or a fee-in-lieu shall be provided per Section 16-13-40.
- (b) The city administrator is authorized to adopt administrative regulations to be utilized in the enforcement of the provisions of this article.
- (c) Units built as affordable in the project should be comparable to the market rate housing units in exterior finish and design and integrated into the overall project.
- (d) Income Eligibility Required: No person shall sell, rent, purchase or lease an affordable dwelling unit created pursuant to this article except to a program eligible household. A private owner of a single affordable unit may rent the unit in accordance with the provisions of this article as set forth in Section 16-13-60 "Program Requirements for For-Sale Units." All sales, rentals, purchases and leases shall comply with the provisions of this article.
- (e) Deed Restriction Required: No person offering an affordable dwelling unit for rent or sale shall fail to lawfully reference in the grant deed conveying title of any such unit, and record with the county recorder, a covenant or declaration of restrictions in a form approved by the City. Such covenant or declaration of restrictions shall reference applicable contractual

arrangements, restrictive covenants and resale restrictions as are necessary to carry out the purposes of this article.

- (f) Good Faith Marketing Required: All sellers or owners of affordable dwelling units shall engage in good faith marketing and public advertising efforts each time an affordable dwelling unit is rented or sold such that members of the public who are qualified to rent or purchase such units have a fair chance to become informed of the availability of such units.
- (g) Required Agreements: Those applicants creating residential developments under this chapter shall enter into an inclusionary housing development agreement with the City Council. Such agreements may be part of a development agreement, annexation agreement or subdivision agreement and shall document how the applicant will meet the requirements of this article including:
 - (1) Defining the inclusionary housing development including the total number of units; the total number of affordable housing units required; and the total number of affordable housing units provided; and
 - (2) The application of allowed Density, Parking and Development Standards allowed for projects that provide 100% of the inclusionary housing requirements, as provided in Section 16-13-50; and
 - (3) Design standards to assure the affordable units will be comparable to market rate units and are integrated into the development; and
 - (4) The restrictive covenants and additional agreements, in a form acceptable to the City, as necessary to carry out the purposes of this article.

An applicant shall not be eligible to submit for a building permit until the affordable housing agreement and any required restrictive covenants are approved by the City Council and recorded with the Chaffee County Recorder.

Sec. 16-13-30. – Options for Satisfaction of Inclusionary Housing Requirement.

An applicant may seek an alternative to providing the required percentage of affordable housing under this article by any of the following methods:

- (a) Providing the required housing off-site. This may be met only through the dedication of land to the City or qualified non-profit housing developer as approved by the City, with the guarantee that the land to be dedicated will allow for, and be developed with the number of required affordable housing.
- (b) Dedicating land within the project. Land within a project may be dedicated to the City or a qualified non-profit housing developer as approved by the City. The units to be built within the project shall be comparable to the market rate housing units in exterior finish and design to blend into the overall project.

- (c) Paying a fee in lieu of providing units as defined in Section 16-13-40.
- (d) Providing fewer units, but which are affordable to households earning sixty percent (60%) or less of the AMI for Chaffee County. For the purposes of this option, an affordable dwelling unit at 60% or less AMI shall equal two units at 80% or less AMI.
- (e) Any alternatives shall be approved by agreement with the City Council as defined in Section 16-13-20 (g).

Sec. 16-13-40. – In-Lieu Fee.

If an applicant chooses to pay an in-lieu fee for all or part of the inclusionary housing required for the project, the fee shall be calculated as described here and be due no later than issuance of the building permit.

- (a) Annexations, Planned Developments, Major Subdivisions and Condominium Plats of Five (5) Units or More: The in-lieu fee shall be the lessor of (1) or (2) for each non-restricted unit within the development:

(1) \$15,748

(2)

$$\frac{\text{AHR} - \text{AHP}}{\text{AHR}} \times \$7.87 \text{ per habitable square feet of the principal unit}$$

Where: AHR = Affordable Housing Units Required
 AHP = Affordable Housing Units Provided

- (b) Minor Subdivisions: The in-lieu fee shall be the lessor of (1) or (2) for each non-restricted unit within the development:

(1) \$7,874

(2)

$$\frac{\text{AHR} - \text{AHP}}{\text{AHR}} \times \$3.94 \text{ per habitable square feet of the principal unit}$$

Where: AHR = Affordable Housing Units Required
 AHP = Affordable Housing Units Provided

Sec. 16-13-50. – Density, Parking and Development Standards for Inclusionary Housing Developments.

Residential development within the zoning districts of C-1, R-3, R-4 and RMU; and portions of a

planned development with the underlying zoning districts of C-1, R-3, R-4 and RMU; that are subject to inclusionary housing development requirements and are providing one-hundred percent (100%) of the required affordable housing within the development, may increase the allowed density and utilize the lowered dimensional standards stated in Table 16-F Schedule of Dimensional Standards within these districts and utilize the reduced parking requirements for multi-family dwellings stated in Table 16-J Off-Street Parking Standards by Use. To ensure the integration of the affordable residential units into the development, these standards shall apply to all of the residential units within parcels with the above zoning or underlying zoning, that include a minimum of 12.5% affordable housing.

Sec. 16-13-60. – Program Requirements for For-Sale Units.

- (a) Affordable Unit Price: The prices charged for affordable priced dwelling units shall not exceed a price that is affordable to a household earning eighty percent (80%) of the Area Median Income (AMI) for Chaffee County.
- (b) Approved Purchasers for Affordable Dwelling Units: A developer or owner shall sell to a qualified purchaser after completing a good faith marketing and selection process approved according to the housing administrative regulations.
- (c) Sale Restriction: No person shall sell an affordable dwelling unit except to a person that meets the income, asset and other eligibility requirements of this article or any asset and income eligibility requirement that is included in any contract, covenant or any other agreement to which the city is a party or beneficiary.
- (d) Resale Restrictions: All affordable ownership dwelling units developed under this article shall be subject to the following resale restrictions:
 - (1) Approved Purchasers: A seller of an affordable dwelling unit must select an income-eligible purchaser by a method that complies with the good faith marketing and selection process defined by the housing administrative regulations. All purchasers of affordable dwelling units shall be part of program eligible households.
 - (2) Resale Price: The resale price of any affordable dwelling unit shall not exceed the purchase price paid by the owner of that unit with the following exceptions:
 - a. Closing Costs: Customary closing costs and costs of sale, which may include customary realtor fees, as reviewed and approved by the city administrator.
 - b. Permanent Capital Improvements: Consideration of eligible permanent capital improvements installed by the seller that have been approved in advance by the city administrator in accordance with rules or administrative guidance established by the city administrator.
 - c. Resale Price: The resale price may include an inflationary factor or shared appreciation factor as applied to the original sale price pursuant to rules as may be established by the city administrator to provide for such consideration. In developing rules, the city administrator may consider the purposes of this article, common private,

nonprofit and governmental lending practices, as well as any applicable rules or guidelines issued by federal or state agencies affecting the provision or management of affordable housing. In the event that the city has not adopted rules that contemplate a particular arrangement for the use of an inflationary factor or shared appreciation factor, the city administrator is authorized to approve a resale price formula that is consistent with the purposes of this article, common private, nonprofit and governmental lending practices, as well as any applicable rules or guidelines issued by federal or state agencies affecting the provision or management of affordable housing.

- (3) Special Fees: The seller of an affordable dwelling unit shall neither levy nor charge any additional fees or any finder's fee nor demand any other monetary consideration other than provided in this article.
- (e) Ownership Associations: When accepting a for-sale unit as meeting the inclusionary housing obligation, the city administrator will review the condominium association declarations to assess the impact on buyers of affordable units. The city administrator is authorized to establish rules regarding allowable terms in condominium declarations in order to ensure that the purposes of this article are accomplished.
- (f) Rental Restriction: The owner of an affordable unit may rent the unit to an income eligible renter by a method that complies with the administrative regulations.

Sec. 16-13-70. – Program Requirements for Rental Units.

- (a) Maximum Rent: Rents charged for affordable units in any one development must be affordable to households earning no more than eighty percent (80%) of the AMI or as approved in the agreement.

Sec. 16-13-80. – Administrative Regulations.

To the extent the city administrator deems necessary, rules and regulations pertaining to this article will be developed and approved by the City Council, and thereby maintained and enforced in order to assure that the purposes of this article are accomplished. No person shall violate any rule or regulation issued by the city administrator under this article.

Section Two

Section 16-4-200 shall be amended by revising Table 16-F Schedule of Dimensional Standards as shown in Exhibit A attached hereto.

Section Three

Section 16-8-80 shall be amended by revising Table 16-J Off-Street Parking Standards by Use as shown in Exhibit B attached hereto.

Section Four

The City shall create a special Affordable Housing Fund wherein all inclusionary housing in-lieu fees collected will be deposited and used for the creation and maintenance of housing opportunities in the City of Salida for households whose income is at or below the 80% AMI for Chaffee County including special needs populations and for a significant proportion of those who work or live in the City.

Section Five

The provisions of this ordinance are severable and the invalidity of any section, phrase, clause or portion of the ordinance as determined by a court of competent jurisdiction shall not affect the validity or effectiveness of the remainder of the ordinance.

INTRODUCED ON FIRST READING, ADOPTED and ORDERED PUBLISHED IN FULL in a newspaper of general circulation in the City of Salida by the City Council on the ___ day of _____, 2018 and set for second reading and public hearing on the ___ day of _____

INTRODUCED ON SECOND READING, FINALLY ADOPTED and ORDERED PUBLISHED BY TITLE ONLY, by the City Council on the 2nd day of October, 2018.

CITY OF SALIDA

By: 

Mayor

ATTEST:

(SEAL)



City Clerk

PUBLISHED IN FULL in the Mountain Mail after First Reading on the _____ day of _____, 20___, and **BY TITLE ONLY, OR IN FULL**, after Final Adoption on the ___ day of _____, 20___.

By: _____
City Clerk

EXHIBIT A

Sec. 16-4-200. - Zone district dimensional standards.

<p align="center">TABLE 16-F Schedule of Dimensional Standards</p>								
Dimensional Standard	R-1	R-2	R-3	R-4	RMU	C-1	C-2	I
Min. lot size (sq. ft.)	7,500	5,625	5,625 5,063 ⁶ 3,750 ⁷	4,000 3,600 ⁶	5,625 5,063 ⁶ 3,750 ⁷	5,625 5,063 ⁶ 3,750 ⁷	N/A	5,625
Density (Lot s.f./Min. lot area per dwelling unit)	3,750	3,125	2,400; 2,100 ⁶	2,400; 2,100 ⁶	3,125; 2,734 ⁶	2,800; 2,450 ⁶	N/A	2,800
Min lot size (sq. ft.) - attached units	N/A	3,125	2,400 2,160 ⁶	2,400 2,160 ⁶	3,125 2,812 ⁶	2,800 2,520 ⁶	N/A	2,800
Min. lot frontage	50'	37' - 6"	37' - 6"; 25 ft ⁷	37' - 6"; 25 ft ⁷	37' - 6"; 25 ft ⁷	37' - 6"; 25 ft ⁷	No Req.	37' - 6"
Min. lot frontage - attached units	N/A	20'	15'	15'	20'	20'	N/A	20'
Max. lot coverage: structures (additive coverage total for structures and uncovered parking cannot exceed 90% except in C-2)	35%	40%	45% 50% ⁶	45% 50% ⁶	45% 50% ⁶	60% 66% ⁶	100% ³	60%
Max. lot coverage: uncovered parking/access (additive coverage total for structures and uncovered parking cannot exceed 90% except in C-2) ⁵	10%	15%	25%	25%	25%	60%	No Req. ³	30%
Min. landscape area	55%	45%	30%	30%	30%	10%	No Req. ¹	10%

Min. setback from side lot line for a primary bldg.	8'	5'	5'	5'	5'	5 ft ²	No Req.	5 ft ²
Dimensional Standard	R-1	R-2	R-3	R-4	RMU	C-1	C-2	I
Min. setback from side lot line for a detached accessory bldg.	3'	3'	3'	3'	3'	3'	No Req.	3'
Min. setback from rear lot line: principal bldg.	30'	20'	20'	15'	15'	5 ft ²	No Req.	5 ft ²
Min. setback from rear lot line: accessory bldg.	5'	5'	5'	5'	5'	5'	N/A	5'
Min. setback from front lot line ⁴	30'	20'	20'	15'	15'	10'	No Req.	10'
Max. building height for a primary bldg.	35'	35'	35'	35'	35'	35'	35'	35'
Max. building height for a detached accessory bldg.	25'	25'	25'	25'	25'	25'	25'	25'

Notes:

- 1 If a property does not utilize the zero setback allowance, the minimum landscape area shall be ten percent (10%).
- 2 If the property adjoins a residential zone district, setbacks on the side and rear lot line shall be the same as those in the residential zone.
- 3 Existing structures are not required to meet off-street parking requirements. New structures and additions shall meet off-street parking requirements.
- 4 A covered porch may encroach into the front yard setback by twenty-five percent (25%).
- 5 If a front-loaded garage is set back at least ten (10) feet behind the primary street-facing building façade, the lot coverage between the garage entrance and the primary, street-facing building façade shall not be included in the calculation of lot coverage for uncovered parking/access.
- 6 Standards for inclusionary housing development per Section 16-13-50.
- 7 15% of the single-family lots within an inclusionary housing development may be 25 feet X 150 feet.

EXHIBIT B

Sec. 16-8-80. - Off-street parking standards.

TABLE 16-J Off-Street Parking Standards by Use	
Use	Parking Standard
Residential Uses—1 space per unit unless specified below	
Single-family, Duplex, ADU	1 space per unit
Multi-family dwelling unit	1 space per first unit, plus 1.5 spaces per additional unit 1 space per unit ¹
Rooming or boarding house	1 space per bed
Mobile home and recreational vehicle parks	1 space per unit plus an additional 0.25 spaces per unit
Residential Business Uses	
Bed and breakfast inn	½ space per guest room, plus 1 space for owner/manager's unit
Day care, small and large	1 off-street parking space per nonresident employee, plus those spaces required for the dwelling unit. Large day care centers shall provide 1 designated off-street loading/unloading space per 4 children/adult
Home business or home occupation	1 additional space
Public and Institutional Uses—1 space per 500 s.f. unless specified below	
Church, parish home and religious education building	1 space per every 6 seats in the main sanctuary, plus 1 space for the parish home
Clubs, recreation buildings and areas operated by and	1 space per every 4 persons allowed within the maximum rated occupancy established by local fire, building or health codes

for their members	
Community buildings; government administrative facilities, services and buildings	1 space per 400 s.f.
Group home	1 space per employee, plus 1 visitor space per 4 beds
Nursing home	1 space per employee, plus 1 visitor space per 3 beds
Schools	1 space per employee, plus 1 per 4 enrolled students
Hospital	1 space per 2 beds and 1 space per employee
Recreation facilities	1 space per 1,000 s.f.
Commercial Uses, Personal Service, and Office Uses—1 space per 300 s.f. unless specified below	
Commercial lodging	1 space per guest room (in a suite, each bedroom shall constitute a separate guest room), plus 1 space per 150 s.f. of group assembly area (such as conference/meeting rooms), plus 1 space per 500 s.f. of accessory commercial space, plus 1 space for the manager/front desk person
Eating and drinking establishment	1 space per 200 s.f.; if a drive-in facility is offered, a minimum of 3 queuing spaces shall also be provided at each station
Outdoor amusement establishment	1 space per 500 s.f. of outdoor area use for amusement proposes
Medical marijuana centers	1 space per 250 s.f.
Professional office—general	1 space per 400 s.f.
Campground	1 space per camp site, plus 2 spaces for office
Retail sales establishment	1 space per 250 s.f.
General Services—1 space per 500 s.f. unless specified below	
Automobile service and	2 spaces per service bay (service bay is not a parking space), plus 1 space

repair	per employee
Gasoline service stations	1 space per 300 s.f., spaces for gas pumps do not count towards this requirement
Mobile home and recreational vehicle sales and service	1 space per employee plus 1 space per 500 s.f.
Industrial Uses—1 space per 750 s.f. unless specified below	
Light industrial—general	1 space per 500 s.f.
Warehouse	1 space per 1,000 s.f. or 1 space per employee, whichever is greater, plus 1 space for each company vehicle stored on the premises
General industrial	1 space per employee of the business plus 1 space per company vehicle, or as established by the Planning Commission if a conditional use review is required

Notes:

Where the use is identified as "general," it means all those uses in the commercial/industrial use schedule for that category which are not specifically listed in this parking table.

Existing structures in the CBD are not required to meet off-street parking requirements. New structures and additions shall meet off-street parking requirements.

Floor area shall be measured as gross floor area within a building, exclusive of mechanical rooms, closets or storage areas and kitchen spaces, unless specifically stated otherwise.

Where parking requirement is on a per-employee basis, employment shall reflect the maximum number on any single shift.

For uses not listed, parking requirements shall be determined by the Administrator based upon the parking requirements of a land use in this table that is most similar to the use not identified in this table, or using other professional sources.

1 Standards for inclusionary housing development per Section 16-13-50.