



# Town of Silverton

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TOWN/COUNTY WORK SESSION – Silverton Board of Trustees  
 Silverton Town Hall – May 23, 2022  
 Call to Order & Roll Call – 6:00pm

**ATTENTION:** The Town of Silverton Trustee meetings are being conducted in a hybrid virtual/in-person. Instructions for public participation in Town Trustee meetings are as follows:

- Zoom Webinar Link: <https://us02web.zoom.us/j/88637487127>
- By Telephone: Dial 669-900-6833 and enter Webinar ID 886 3748 7127 when prompted.
- YouTube (live and recorded for later viewing, does not support public comment):  
[www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ](http://www.youtube.com/channel/UCmJgal9lUXK5TZahHugprpQ)

If you would like to make a public comment during a specific Agenda Item, please submit a request to the Town Administrator at [gkaasch-buerger@silverton.co.us](mailto:gkaasch-buerger@silverton.co.us)

*MEETING PROTOCOLS: Please turn off cell phones; be respectful and take personal conversations into the lobby. The public is invited to attend all regular meetings and work sessions of the Board of Trustees. Please be advised, public comment will not be taken during the work session meetings. Closing Public Comment must be related to an agenda item.*

## **Joint Town Trustees and County Commissioners Work Session @6pm**

1. Discussion on the formation of a Multijurisdictional Housing Authority

## **Regular Meeting @ 7:00pm**

## **Up-coming Meeting Dates:**

Work Session 5/6 @5pm

## **End of Agenda**

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# Town/County Work Session

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Multi Jurisdictional Housing Authority Formation Discussion

May 23, 2022

## Why a Multi-Jurisdictional Housing Authority?

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Town and County need capacity to manage housing projects

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There are funding opportunities as a HA

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The community needs a point person for housing

# What can a Multi Jurisdictional Housing Authority Do?

- **Plan, finance, acquire, construct/reconstruct/repair, maintain, manage** and operate housing projects and programs pursuant to a multijurisdictional agreement.
- **Employ** agents and employees.
- **Make/enter into contracts** with any person, including contracts with state or federal agencies, private enterprises, and non-profit organizations also involved in providing housing, irrespective of whether such agencies are parties to the contract establishing the authority.
- **Cooperate with state** and federal governments in all respects concerning the financing of such housing projects and programs.
- **Establish development impact fees** (\$2/sq or less)
- **Levy an ad valorem property tax** (not to exceed 5 mills), a sales and/or use tax (the rate not to exceed 1%) Per Statute 29-1-204.5(7.5) a multi-jurisdictional housing authority may levy, in all of the area within the boundaries of the authority, a sales or use tax, or both, at a rate not to exceed one percent, consistent with sales or use tax levied by the state.
- **Receive exemption of property taxes** to the state or subdivision of the state for properties owned by the housing authority for renters at 50% or below median income.

### Example Funding Sources

Grant Funded	\$20,000
Town and County Commitment (60/40)	\$30,000
Impact Fee (based on 10 units/year)	\$40,000
Rental Management Fee	\$20,000
TOTAL	\$110,000

## Funding Sources

- Secured DOLA IHOI Grant \$20,000
- Budget Commitments from both Town and County
- Housing Authority takes % of rental at Anvil
- New Construction impact Fee (up to \$2.50/sq foot)
- Grant Funding

## Anticipated Expenditures/1<sup>st</sup> Year Projects

- 1 part time Staff
- Training
- Take over management of Anvil
- Initiate buildout of townhomes and apartments
- Create sustainable revenue stream (grants, taxes, and fees)
- Become the housing point person for San Juan County

# Staffing Options

- Part-time position covered and paid for by the Town.
- \$22/hr up to 20 hours/week
- Reports to BOD
- Must be located within the County, but can work from home
- Ideally a real estate agent or have real-estate background
- Possibly shared with another HA? La Plata?

# HA Board of Directors

- **5 Members (2 year terms)**
  - 3 appointed by Town
  - 2 appointed by County
  - Alternates allowed
- **Board Responsibilities**
  - Establishing the overall policy approval for the Housing Authority;
  - Establishing Bylaws for the duties and conduct of the Board;
  - Adopting an annual budget;
  - Adopting an annual audit, to be presented to each Member Jurisdiction;
  - Adopting annually an Administrative Plan, Strategic Plan, and/or Community Guidelines for deed restriction management; and
  - To employ, supervise, manage and direct agents and employees.



## Housing Authority Overview

This document contains a review of benefits and powers of a multi-jurisdictional housing authority and an overview of other multi-jurisdictional housing authorities in Colorado. These other multi-jurisdictional housing authorities include the Gunnison Valley Regional Housing Authority, the Housing Authority of the County of Montezuma, and Summit Combined Housing Authority as well as an overview of current services available in La Plata County that are provided by other entities.

### Multi-Jurisdictional Housing Authorities<sup>1</sup>

Any combination of Colorado cities, towns, or counties may, by contract with each other, establish a separate governmental entity to be known as a multi-jurisdictional housing authority.

#### *BENEFITS OF HOUSING AUTHORITIES:*

1. Ability to apply for loans, grants, and contributions from government or other sources designed for specific authority purposes.
2. Ability to acquire property by purchase, lease, operations, eminent domain, gift, grant, bequest or devise from any person, firm, corporation, or city government.
3. Ability to borrow money on terms.

#### *POWERS OF A MULTI-JURISDICTIONAL HOUSING AUTHORITY*

- Plan, finance, acquire, construct/reconstruct/repair, maintain, manage, and operate housing projects and programs pursuant to a multi-jurisdictional agreement.
- Plan, finance, acquire, construct/reconstruct/repair, maintain, manage, and operate housing projects and programs for employees of employers located within the jurisdiction of the authority.
- Make/enter into contracts with any person, including contracts with state or federal agencies, private enterprises, and non-profit organizations also involved in providing housing, irrespective of whether such agencies are parties to the contract establishing the authority.
- Employ agents and employees.
- Cooperate with state and federal governments in all respects concerning the financing of such housing projects and programs.
- Acquire, hold, lease (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service.
- Condemn property for public use, if such property is not owned by any governmental entity or any public utility, pursuant to state authority.
- Receive exemption of property taxes to the state or subdivision of the state for properties owned by the housing authority for renters at 50 percent or below median income.
- Per Statute 29-1-204.5(7.5) a multi-jurisdictional housing authority may levy, in all of the area within the boundaries of the authority, a sales or use tax, or both, at a rate not to exceed one percent, consistent with sales or use tax levied by the state. The tax imposed is in addition to any other sales or use tax imposed

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<sup>1</sup> DOLA Affordable Housing Guide 2020

pursuant to law and exempt from the limitation imposed by section 29-2-108. The sales tax will be collected by the Department of Revenue and must be approved by the eligible voters.

- Levy an ad valorem property tax (not to exceed five mills), a sales and/or use tax (the rate not to exceed one percent).
- Establish development impact fees so long as: no portion of the authority is located in a county with a population of more than one hundred thousand and so long as the fee is not levied upon development, construction, permitting, or otherwise in connection with low or moderate income housing or affordable employee housing, and the rate is two dollars per square foot or less.

### Gunnison Valley Regional Housing Authority

The Gunnison Valley Regional Housing Authority's Mission is to advocate, promote, plan, and provide the long-term supply of desirable and affordable housing in Gunnison County in order to maintain a well-rounded community.

The GVRHA supports Gunnison County, City of Gunnison, Town of Crested Butte, and Town of Mt. Crested Butte. Gunnison County is about 3260 square miles and has a population of about 17,462 and a growth rate of 14% (change from 2010 to 2019).<sup>2</sup> The median household income is \$56,577<sup>3</sup>, and a poverty rate of 11.6%<sup>4</sup>. San Juan County is 9.6%<sup>5</sup> with a medium household income of \$64,753.

The Gunnison Valley Regional Housing Authority provides the following services to the three municipalities and county.

- Section 8 Voucher Administration
- Support services and case management for Section 8 housing vouchers
- Build and management of rental properties
- Low interest home improvement loans
- Emergency Mortgage Assistance
- Management of deeds for deed restricted housing
- Energy assessments and energy retrofitting
- Conducts housing needs assessments

In 2017 the GVRHA created a strategic plan with the following strategic priorities

- Role of the GVRHA and Single/Unified Housing Vision
- Public/Private Collaboration
- Funding
- Regional Housing Solutions

### Summit Combined Housing Authority

The Summit Combined Housing Authority serves to enhance this county by helping those who define our community attain a safe, long-term housing solution and build a community in which to thrive.

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<sup>2</sup> US Census, 2019 data

<sup>3</sup> US Census, 2019 data

<sup>4</sup> US Census, 2019 data

<sup>5</sup> US Census, 20121 data

The SCHA was formed in 2006 and supports Summit County, The Towns of Breckenridge, Dillon, Frisco, Montezuma, and Silverthorne. Summit County is 619 square miles, including 80% federal lands, with a population of 31,011<sup>6</sup> and a growth rate of 10.8% (change from 2010 to 2019)<sup>7</sup>. The median household income is \$79,277 with a poverty rate of 6.5%. SCHA has a board of directors comprised of the six public entities, as well as an advisory group of local residents, and various industry representatives to help provide informed input.

The Summit Combined Housing Authority provides the following services to the five municipalities and county.

- Home buyer classes including financial counseling
- Revolving Loan program for down payment assistance
- Down payment assistance for up to 100% of AMI, funds from Colorado Department of Housing
- Deed restricted units in Breckenridge and Summit County
- List of affordable units
- Conducts Housing Needs assessments/studies and collects housing data

SCHA does not administer housing vouchers. The Section 8 housing vouchers are administered by Grand County.

### Housing Authority of The County of Montezuma

The MC-HA covers La Plata, Montezuma, and Dolores Counties. The Authority is mostly active in Montezuma, with an emphasis on development and management of affordable rentals throughout Montezuma County, and the municipalities of City of Cortez and the Towns of Dolores and Mancos.

The Housing Authority of The County of Montezuma provides the following services (not all are in all three counties):

- Administers three rental assistance programs
  - Low Rent Public Housing Program
  - Housing Choice Vouchers (Section 8)
  - Affordable Tax Credit Units
- Development and management of single and multifamily units in Montezuma County
  - 5 multifamily properties
  - 1 single family property
  - 1 senior housing property
- Homebuyer education classes
- Support services and case management for Section 8 housing vouchers
- List of affordable units

### Housing Authority Services in La Plata County

Many of the services offered by other multi-jurisdictional housing authorities are administered by various organizations in La Plata County rather than a Housing Authority.

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<sup>6</sup> US Census, 2019 data

<sup>7</sup> US Census, 2019 data

The management of these services are provided by the following:

- Home buyer education classes
  - HomesFund
- Down Payment Assistance
  - HomesFund
- Housing vouchers and support services
  - Housing Solutions for the Southwest
  - Southwest Center for Independence
  - Housing Authority of the County of Montezuma
- Senior Housing
  - VOA
- Housing Assessments/Plans
  - Regional Housing Alliance of La Plata County
  - Subsequent to the dormancy of the RHA several of the municipalities have done their own housing study(s).
- Deed Restricted Units
  - Habitat for Humanity
- Development and Management of Affordable Rental Units
  - Housing Solutions for the Southwest
- Low Interest Home Improvement Loans
  - Housing Solutions for the Southwest
- Energy Efficiency/Retrofitting – Specifically for Weatherization in La Plata
  - Housing Resources
- Emergency Mortgage Assistance
  - Colorado Division of Housing

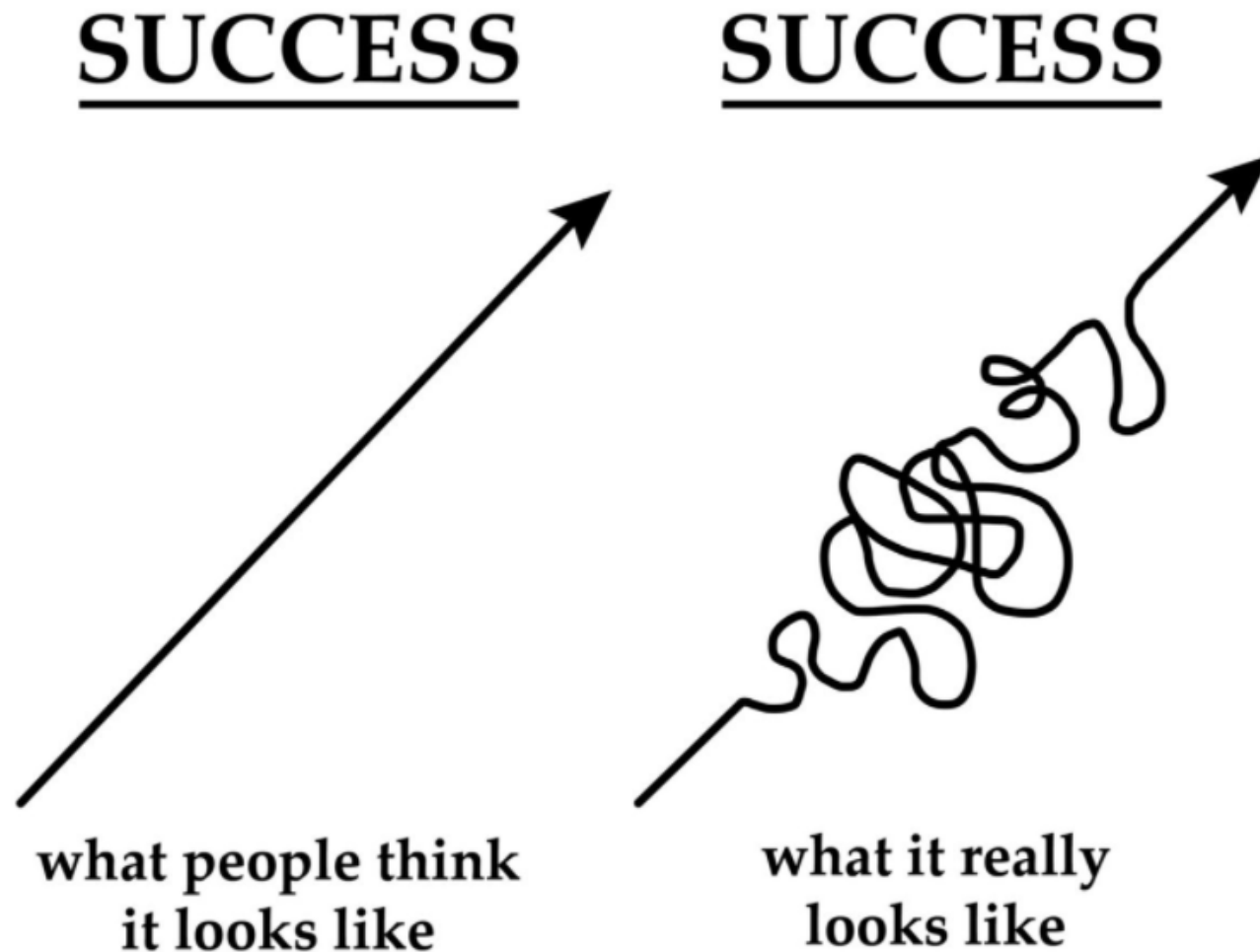
# Housing Update

## Year in Review

San Juan Development Association  
May 23, 2022



# Rural, affordable housing development...

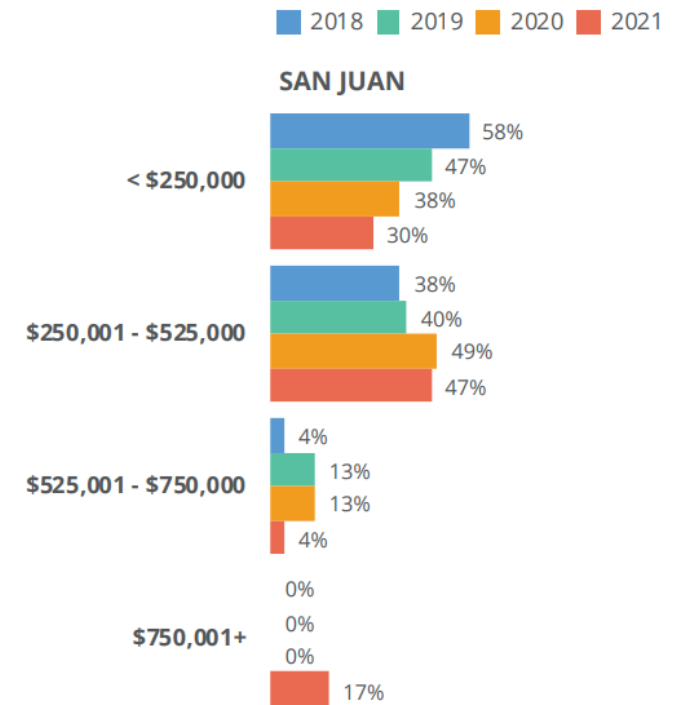




# Develop a Housing Needs Assessment

- Before any development or funding opportunities could become available, an updated Housing Needs Assessment was required
- **SJDA received a donation** from the SWCO Council of Governments & Housing Solutions for the SW of **\$3,000** for this to be completed
- SJDA worked closely with Root Policy who was performing this assessment, and together both groups were also able to include an Employer Perception analysis
- Deliverables for this included:
  - **Short & long term solutions** that can support affordable housing development & access
  - **Recommendation on number of single-family and rental units**, with price points, that should be developed to best serve the community

**Figure 16.**  
Change in Sold Homes by Price Band, 2018-2020 and 2018-2021



# Single-Family Development in Anvil

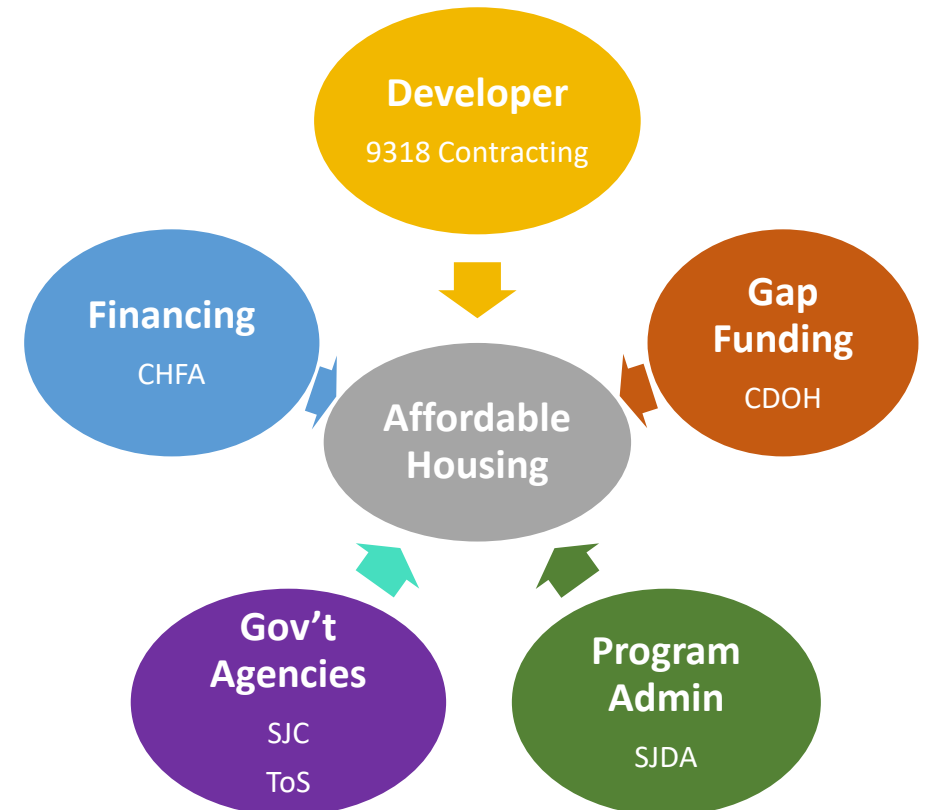
For the last 2 years, development of affordable single-family homes has been stalled because rising costs to build are now higher than sale price of homes.

SJDA has been leading a **Private/Public Partnership** project in order to secure funding to development the 8 remaining lots.

In April 2022, **SJDA received \$200,000 of gap funding** from CO's Division of Housing that will allow us to build 4 affordable single-family units in 2022-2023 (Phase 1).

Phase 2 will begin in 2023 with a second application to CDOH to secure funding for the remaining 4 lots.

This will result in **8 single-family units** that will serve persons in households between **80-100% AMI**.





# Development Planning in Anvil



SJDA applied to & was awarded CHFA's Small-Scale Housing Technical Assistance grant on behalf of Silverton **to receive consultation for remaining site plans and technical services.**

This grant, **valued at \$20,000**, resulted in the development of plans on how to utilize the remaining lots most affectively to meet local housing needs and those development costs.

Deliverables included:

- **Site map of Anvil** that includes showing placement of new affordable units
- **Renderings** of the suggested townhomes and apartment complex
- **Financial analysis** of cost to build the townhomes and apartment complex
- **Other suggestions to programs** that can support affordable housing

# Other Housing Activities

- **Hosted Silverton & San Juan County Housing Summit, July 2021**
  - Attendees included DOH, CHFA, USDA, Region 9, SJC, ToS, Citizens State Bank, Housing Solutions for the SW, HomesFund, Local developers, local citizens
- **Serving on Housing Solutions for the SW Board**
  - 1 of 3 representing San Juan County
- **Supporting grant applications for other housing programs:**
  - Energize Colorado – energy efficient modular homes
  - HB21-1271 – funding for land acquisition & housing authority
- **Connecting available housing resources to the Silverton community, and vice versa**
  - HomesFund
  - CHFA Lending
  - Housing Solution's Weatherization Program
- **Planning development of Anvil Townhomes & Apartment Complex**



## EXHIBIT A

**ESTABLISHING INTERGOVERNMENTAL AGREEMENT  
SILVERTON COUNTY MULTIJURISDICTIONAL HOUSING AUTHORITY**

This Intergovernmental Agreement (“Agreement”) is entered into as of the Effective Date, defined below, by and among the Board of County Commissioners of San Juan County, Colorado (“County”) and the Town of Silverton (“Town”), (collectively, the “Parties”) each of which is a political subdivision of the State of Colorado.

Recitals

Whereas, the provisions of Section 18 of Article XIV of the Colorado Constitution and C.R.S. § 29-1-203 allow Colorado governments to cooperate or to contract with one another to provide any function, service or facility lawfully authorized to each local government; and

Whereas, Colorado Revised Statute (“C.R.S.”) § 29-1-204.5 provides for the establishment by Colorado local governments to contract with each other to establish a separate governmental entity to be known as a multijurisdictional housing authority; and

Whereas, San Juan County and the Town of Silverton have experienced rapid growth over the last decade, and consequently, the demand for attainable and affordable housing has grown to exceed the available supply; and

Whereas, the business community, community members, public officials and others have expressed a concern that there is currently and will continue to be insufficient workforce housing for workers in San Juan County and the Town of Silverton.

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

Whereas, a multijurisdictional housing authority established pursuant to C.R.S. § 29-1-204.5 may be used by the contracting local governments to effect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs pursuant to a multijurisdictional plan to provide dwelling units for people with low or moderate income and attainable and affordable housing projects or programs for employees located within the jurisdiction of the authority; and

Whereas, the County and Town recognize the benefits and advantages obtained by working together to establish and create a multijurisdictional housing authority to provide attainable and affordable housing projects or programs for local low- or moderate-income people and for local employees, and therefore desire to participate with one another in the establishment of a housing authority serving the interests of residents of the County and Town.

NOW THEREFORE, the parties desire to create the Silverton Housing Authority, a Multijurisdictional Housing Authority, a body and corporate and politic and a separate governmental entity of the State of Colorado, pursuant to C. R. S. § 29-1-204.5, by this Agreement, the parties hereby mutually agree as follows:

## **ARTICLE I**

### **Name**

The name of the multijurisdictional housing authority hereby established shall be the “Silverton Housing Authority,” a Multijurisdictional Housing Authority (the “Authority”).

## **ARTICLE II**

### **Purpose**

It is the purpose of the Authority to affect the planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs in order to provide dwelling accommodations at rental prices or purchase prices within the means of households of low or moderate incomes, and to provide attainable and affordable housing projects or programs for employees of employers located within the jurisdictional boundaries of the Authority.

## **ARTICLE III**

### **Boundaries**

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

## **ARTICLE IV**

### **Establishment and Organization of Governance**

- (a) Governance: The Authority shall be governed by a Board of Directors (“Board”). All legislative power of the Authority is vested in the Board as described below.
- (b) Board of Directors. The inaugural Board shall be comprised of five (5) members. The County shall appoint two (2) members and Town shall appoint three (3) members to the Board. Each party shall be responsible for identifying its members to the Board and deciding if it shall be an elected official or a designated member. Additionally, each party shall appoint an alternate or alternates, who may serve in the event a regular member is unable to attend a meeting. When attending as described, alternate members shall have the same powers and duties as regular members.
- (c) Duties of Board. It shall be the duty of the Board to govern the affairs of the Authority, to establish policies of the Authority, to comply with parts 1, 5, and 6 of C.R.S. § 29-1-204.5, as amended from time to time, and to exercise with due diligence and prudence the purpose and powers set forth herein, including, but not limited to the following:

1. Establishing the overall policy approval for the Housing Authority;
2. Establishing Bylaws for the duties and conduct of the Board;
3. Adopting an annual budget;
4. Adopting an annual audit, to be presented to each Member Jurisdiction;
5. Adopting annually an Administrative Plan, Strategic Plan, and/or Community Guidelines for deed restriction management; and
6. To employ, supervise, manage and direct agents and employees.

The Board of Directors will meet every other month to receive formal updates from the Authority's staff. On a (fiscal) yearly basis, the Board will review and approve of the annual budget and Administrative Plan, Strategic Plan, and/or Community Guidelines prior to the start of the fiscal year.

- (d) Eligibility, Term of Office, and Filling Vacancies. The following eligibility criteria apply to both the inaugural and subsequent members of the Board:

All members of the Board must be residents of San Juan County, or in the case that a new governmental entity is permitted to join the Authority, the Board member representing the new governmental entity must be a resident of the county in which the new member entity is situated, and shall have reached the age of 18 years of the effective date of their appointment.

Members of the Board shall serve two-year terms, with reappointment from the appointing jurisdiction at the end of each two-year term, except that, members of the inaugural Board from each appointing jurisdiction shall initially serve staggered terms of one and two years, which will respectively expire on January 31, 2023 and January 31, 2024, as designated by the appointing entity upon the member's appointment, after which the Members are eligible to serve their remaining two-year terms. The County's two (2) inaugural Board members shall be designated such that one Board member serves a one-year term and one member serves a two-year term. The Town's three (3) inaugural Board members shall be designated such that one (1) Board member serves a one-year term and two (2) members serve a two-year term.

Members of the Board shall receive no compensation for their services; however, reasonable pre-approved expenses related to the discharge of their duties shall be reimbursed.

Vacancies on the Board shall be filled by appointment from the jurisdiction from which the vacancy arises for the remainder of the unexpired term of the vacating member of the Board.

- (e) Voting. Each member of the Board shall have one vote on matters brought before the Board. The Board of Directors shall act only upon a duly executed vote of the Board Members. Each Director shall cast one vote. A vote of the Board shall be deemed duly executed if made by a majority of a quorum of Board Members present. A quorum shall consist of a majority of the Board Members currently appointed to the Board. Board Members unable to attend a meeting must notify the Board in writing in advance of a meeting when a designated alternate will attend in their place.

Notwithstanding the foregoing or any other provision herein to the contrary, the following actions shall require the approval of two thirds (66.67%) of the full Board of Directors:

1. Condemnation of property for public use;
2. Proposal of ballot initiatives;
3. Creating, incurring, assuming, suffering or entering into any debt or indebtedness of any description whatsoever in the aggregate amount in excess of one million dollars;
4. The addition of a new jurisdiction; and
5. The termination of the Authority.

Meetings of the Board shall be open to the public and conducted in accordance with C.R.S. 24-6-401, *et seq.* and as amended from time to time.

- (f) Officers. The Board of Directors shall establish an Executive Committee, which will include four officers, Chair, Vice Chair, Secretary and Treasurer, who shall be elected or appointed annually by a majority vote of the full Board of Directors and serve a one-year term and the Secretary or Treasurer need not be a member of the Board. A vacancy in any office may be filled by the Board by a majority vote of the full Board of Directors for the unexpired portion of the term. Any officer may be removed by a majority vote of the Board of Directors whenever, in the Board's judgment, it is in the best interest of the Authority.

1. Duties.

- i. The Chair shall preside at all meetings and execute all legal instruments that have been authorized by the Board, on behalf of the Authority. The Chair shall perform all duties incident to the office of Chair and such other duties as may be established by the Board.
- ii. The Vice Chair shall serve as Chair in the event the Chair is absent or unable to fulfill the duties of Chair and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice Chair shall perform such other duties as may be established by the Board.
- iii. The Secretary shall be responsible for the minutes of the Board meetings, assure that all notices are duly given in accordance with the provisions of C.R.S. § 24-6-401, *et seq.* and fulfill other duties as may be established by the Board.
- iv. The Treasurer shall be the financial officer for the Authority and shall oversee the preparation of the Authority's budget, oversee financial transactions, perform all duties incident to the officer of Treasurer, coordinate with department of revenue regarding the collection of any sales and use tax authorized pursuant to C.R.S. § 29-1-204.5 and fulfill other duties as may be established by the Board. All checks written from an Authority bank account over \$15,000 shall require the signature of the Treasurer and the Chair or Vice Chair.

2. Salaries and Expenses. The Board of Directors shall fix the salaries of the officers from time to time and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a director of the Authority. Each officer shall also be entitled to his or her necessary expenses, including traveling expenses, incurred in the discharge of his or her duties.

- (g) New Members. The Board of Directors may approve other jurisdictions to join the multijurisdictional housing authority and redefine the Authority's boundaries to include the jurisdiction through a vote, with at least two thirds (66.67%) of the Board membership voting in approval and approval by the governing body of the prospective new member party and each then-existing party. Notwithstanding the foregoing, any new member joining the Authority shall be a governmental entity that either shares a boundary with San Juan County or is wholly situated within San Juan County. The sitting Board will dictate the opting-in jurisdiction's financial contribution to the Authority, based on the same formula that establishes the current Authority's Party's own contribution, and will require a resolution to be passed by the incoming jurisdictions governing body prior to entertaining such requests. If a new member joins the Authority, subject to the membership requirements herein, said new member will be represented by two Board members. The addition of any new member shall correspondingly increase the total number of Board members by two members.
- (h) Conflict of Interest. No member of the Board and nor any immediate member of the family of any such member shall acquire or have any interest, direct or indirect, in (a) any property or project acquired, held, leased or sold by the Authority; or (b) any entity with whom the Authority has contracted with to plan, finance, construct, reconstruct, repair, maintain, manage or operate any property, project or program related to the Authority. If any Board member has such an interest, whether direct or indirect, he or she shall immediately disclose the same in writing to the Board, and such disclosures shall be entered upon the minutes of the Board. Upon such disclosure, such Board member shall not participate in any action by the Board affecting the project, property, or contract unless the Board determines that, in light of such personal interest, the participation of such member in any such act would not be contrary to the public interest, the affected member shall not vote in the Board's determination of a conflict of interest.

## **ARTICLE V**

### **Source of Revenue**

- (a) Sources of Revenue. The possible sources of revenue for the Authority may include, but are not limited to, the following:
1. Federal, state, local and private grants;
  2. Fees associated with property management and/or deed restriction management;
  3. Interest on interest-bearing accounts;
  4. Proprietary revenue of the parties in accordance with this Agreement;
  5. Sales and/or use taxes levied in accordance with this Agreement and other applicable law;
  6. Ad valorem taxes levied in accordance with this Agreement and other applicable law;
  7. Private donations;
  8. Development impact fees imposed in accordance with this Agreement and other applicable law; and
  9. Revenue or general obligation bonds issued in accordance with applicable law.
- (b) Prerequisites for All Tax Levies and Impact Fees. The Authority shall not establish or increase any tax unless first submitted to a vote of the registered electors of the Authority in which the tax is proposed to be collected. Moreover, prior to levying any tax on any property within the boundaries of the Authority, the Board of Directors shall:



1. Adopt a resolution determining that the levying of such taxes will fairly distribute the costs of the Authority's activities among the persons and businesses benefited thereby and will not impose an undue burden on any particular group of persons or businesses; and
2. Obtain the prior written consent of the governing party or parties having jurisdiction over the property on which the taxes are proposed to be levied or imposed.

- (c) Sales and Use Taxes. Any sales or use tax imposed or levied by the Authority on any transactions within the boundaries of the Authority shall not exceed the rate of one percent. Prior to levying any sales or use tax, the Authority shall designate the Treasurer who shall coordinate with the Colorado Department of Revenue regarding the collection, administration, and enforcement of any sales and use tax to be levied in the manner established by C.R.S. § 29-1-204.5, as it may be amended from time to time, and by other applicable law. The Authority shall apply the proceeds of all sales or use taxes solely towards the purposes, functions, or services authorized by this Agreement.
- (d) Ad Valorem Taxes. The Authority may levy an ad valorem tax on all properties within the Authority's boundaries of the Authority at a rate not to exceed five mills on each dollar of valuation for assessment of the taxable property within such boundaries. To levy an ad valorem tax, the Board shall certify to the San Juan County Board of County Commissioners the levy of ad valorem property taxes in accordance with the schedule prescribed by C.R.S. § 39-5-128, as it may be amended from time to time. Thereafter, San Juan County shall levy and collect the ad valorem taxes in the manner prescribed by law. All taxes levied under this Section, together with interest thereon and penalties for default in payment thereof, and all costs of collecting them shall constitute, until paid, a perpetual lien on and against the property taxed, and such lien shall be on a parity with the tax lien of other general taxes.
- (e) Development Impact Fees. The Authority shall not impose a development impact fee unless it also imposes a sales or use tax or an ad valorem tax pursuant to this agreement, or both and in the manner established by C.R.S. § 29-1-204.5, as it may be amended from time to time. No development impact fee imposed by the Authority shall be imposed on the development, construction or permitting of low- or moderate-income housing or affordable employee housing. No impact fee shall be imposed by the authority without the prior written consent of the governing party or parties having jurisdiction over the property on which the impact fees are imposed. Any development impact fee imposed by the Authority shall not exceed the rate of two dollars (\$2.00) per square foot of gross floor area of any building constructed thereon.
- (f) Other Sources of Revenue. The parties may make monetary and in-kind contributions to the Authority. The parties shall enter into a Funding Agreement which shall provide, at a minimum, funding for the Authority for the first three (3) full calendar years after the appointment of the Board. The parties acknowledge that such funding may not be adequate to completely fund the Authority for such years. Funding from each party shall be subject to annual availability and appropriation by the governing body of each jurisdiction.

In addition to the foregoing, the parties may, from time to time, pay the Authority with proprietary revenues or other public funds for services rendered or facilities provided by the Authority, as contributions to defray the cost of any purpose set forth in this Agreement, and/or



as advances for any purpose subject to repayment by the Authority.

## **ARTICLE VI**

### **Powers and Functions**

(a) Powers. The use of any power and responsibility listed below shall be at the discretion of the Board of Directors. The general powers of the Authority include the following:

1. To plan, finance, acquire, construct, reconstruct, manage, and operate housing for households located within the jurisdiction of the Authority, in particular, low- to moderate-income households;
2. To plan, finance, acquire, construct, reconstruct, manage and operate housing programs for employees of employers located within the jurisdiction of the Authority;
3. To make and enter into contracts with any person, including, without limitation, contracts with state or federal agencies, private enterprises, and nonprofit organizations;
4. To employ agents and employees;
5. To cooperate with state and federal governments concerning the financing of housing projects and programs;
6. To acquire, hold, lease, (as lessor or lessee), sell, or otherwise dispose of any real or personal property, commodity, or service;
7. To condemn property for public use, if such property is not owned by any governmental entity or any public utility and devoted to public use pursuant to state authority; provided, however, that the use of the condemnation by the Authority shall occur with the concurrence of the participating local government jurisdiction where the proposed condemnation action is located;
8. To levy, in all of the area within the boundaries of the Authority, a sales or use tax, or both, upon every transaction or other incident with respect to which a sales or use tax is levied by the state, as more fully described in Article V(c) of this Agreement.
9. To levy, in all of the area within the boundaries of the Authority, an ad valorem tax; provided, however, that the use of taxing authority by the Authority shall occur only with the concurrence of all of the participating local government jurisdictions prior to submission for voter approval, as more fully described in Article V(d) of this Agreement.
10. To incur debts, liabilities, or obligations;
11. To sue and be sued in its own name;
12. To have and use a corporate seal;
13. To fix, maintain, and revise fees, rents, security deposits, and charges for functions, services, or facilities provided by the Authority;
14. To adopt, by resolution, bylaws or regulations respecting the exercise of its powers and the carrying out of its purposes;
15. To exercise any other powers that are essential to the provision of functions, services, or facilities by the Authority and that are specified in this Agreement;
16. To perform any act and things authorized by C.R.S. § 29-1-204.5, as may be amended from time to time, under, through, or by means of an agent or by contracts with any person, firm, or corporation;

17. To issue revenue or general obligation bonds according to state law;
18. To establish, and from time to time increase or decrease, a development impact fee and collect such fee from persons who own property located within the boundaries of the Authority who apply for approval for new residential, commercial, or industrial construction in accordance with applicable ordinances, resolutions, or regulations of any county or municipality as more fully described in Article V(e) of this Agreement. To establish enterprises for the ownership, planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, or operation or any combination of the foregoing, of housing projects or programs as authorized C.R.S. § 29-1-204.5, as may be amended from time to time, and by this section on the same terms as and subject to the same conditions provided in C.R.S. § 43-4-605, as may be amended from time to time; and
19. To propose a referred measure to the electorate providing that the Authority is authorized to collect and spend or reserve all revenues of the Authority from existing property and sales or use taxes, non-federal grants and other revenue sources in any given year or in perpetuity to fulfill any of the prescribed purposes of the Authority, notwithstanding any limitation set forth in Article X, Section 20 of the Colorado Constitution.

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

1. Permanent staff/services, with some work to be contracted;
2. Provide homeownership and rental assistance programs;
3. Administer CDBG and HOME funding, if applicable;
4. Identify properties that can be developed or redeveloped for affordable and/or workforce housing;
5. Issue double tax-exempt bonds for affordable housing;
6. Create public/private partnerships, including but not limited to, assisting private developers and non-profits in packaging deals and group funding for a variety of resources;
7. Conduct housing habitability inspections for Rental Deposit Guarantee Program or other housing programs;
8. Facilitate education regarding Fair Housing Law and other regulations; and
9. Implement measures for privately held deed restricted properties, such as: qualifying buyers and renters for affordable units; marketing available properties; setting affordable prices for new and resale properties; setting up and implementing lottery process; answering inquiries about available affordable units; setting maximum initial and resale prices; and keeping a current list of available properties and who to contact.

## **Article VIII**

### **Status as a Separate Entity and Political Subdivision**

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

## **ARTICLE IX**

### **Insurance**

The Authority shall purchase and maintain at all times an adequate policy of public entity liability insurance, which insurance shall at the minimum provide the amount of coverage described in C.R.S. § 24-10-115(1), including errors and omissions coverage. The Authority may purchase such additional insurance as the Board deems prudent but in the event the Authority hires employees the Authority shall secure and maintain, Workers' Compensation Insurance and Unemployment Insurance as required by applicable law and automobile liability insurance that meets the requirements of C.R.S. § 24-10-115(1). The Authority's employees acting within the scope of their employment shall be indemnified pursuant to C.R.S. § 24-10-110.

## **ARTICLE X**

### **Provisions**

- (a) Term. This Agreement shall continue in full force and effect until terminated in accordance with the provisions of subparagraph (c), below.
- (b) Amendment. This Agreement may be modified or amended only by action of the respective governing bodies of all Member Jurisdictions.
- (c) Termination. This Agreement may be rescinded or terminated by the approval of two thirds (66.67%) of the full Board. In the event of the rescission or termination of this Agreement and the dissolution of the Authority, all right, title, and interest of the Authority in General Assets (as hereinafter defined) of the Authority shall be conveyed to the Members who are such at the time of rescission or termination, as tenant-in-common subject to any outstanding liens, mortgages, or other pledges of such General Assets. The interest in the General Assets of the Authority conveyed to each Member shall be that proportion with the total dollar amount paid or contributed by such Member to the Authority for all purposes during the life of the Authority by all such Members during the life of the Authority. The term "General Asset" as used herein shall

include all legal and equitable interests in real or personal property, tangible or intangible, of the Authority. Notwithstanding the foregoing, the right of the Board or the parties to terminate this Agreement shall be abrogated if the Authority has bonds, notes or other obligations outstanding at the time of the proposed termination unless provision for full payment of the same has been made by escrow or otherwise.

- (d) Withdrawal. Any Member may withdraw from the Authority, with the written consent and approval of the Member's governing body and with at least two thirds (66.67%) of the Board membership voting in approval, as of the end of any calendar year by giving written notice to the Authority at least 90 days prior to the end of such calendar year, provided that such withdrawing Member shall pay all of its obligations hereunder or any effective funding agreement to the effective date of its withdrawal. If a party withdraws from the Authority, the said party will lose its representation on the Board and that the total number of Board members shall decrease by the number of the party's Board members. Within 90 days of a party withdrawing, the remaining parties shall review this Agreement, the Funding Agreement and all pertinent agreement between the parties concerning the Authority and re-negotiate, redraft or amend the agreements as necessary to continue the duties and obligations of the Authority. County and Town acknowledge that withdrawal by either party constitutes a termination of this agreement unless this Agreement was previously amended to add one or more New Members.
- (e) Funding Appropriated. Notwithstanding any other term or condition of this Agreement, it is expressly understood and agreed that the obligation of any party for all or any part of the payment obligations herein or effective funding agreement, whether direct or contingent, shall only extend to payment of monies duly and lawfully appropriated for the purpose of this Agreement by each party's respective governing body. Each party hereby represents to the other that all monies necessary to pay that party's obligations set out herein or effective funding agreement for the project as of the date of execution of this contract have been legally appropriated for the purpose of this Agreement.
- (f) Applicable Law. This Agreement shall be interpreted pursuant to the laws of the State of Colorado. The parties agree to comply with all applicable federal, state, and local statutes, charter provisions, ordinances, rules, regulations, and standards as are in effect at the time this agreement is executed.
- (g) Severability. Should any one or more provisions of this Agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective; provided, however, the parties shall forthwith enter into good faith negotiations and proceed with due diligence to draft a term that will achieve the original intent of the parties hereunder.
- (h) Venue. Venue for any litigation arising out of any dispute hereunder shall be in the San Juan County District Court, State of Colorado.
- (i) Headings for Convenience. Headings and titles contained herein are intended for the

convenience and reference of the parties only and are not intended to combine, limit, or describe the scope or intent of any provision of this Agreement.

- (j) No Waiver of Governmental Immunity Act. The parties hereto understand and agree that all parties, their commissioners, mayors, city councils, agents, and employees are relying on, and do not waive or intend to waive by any provision in this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101 to 120, C.R.S., or otherwise available to that party.
- (k) Entire Agreement. This Agreement constitutes the entire Agreement of the parties hereto. The parties agree there have been no representations made other than those contained herein; that this Agreement constitutes their entire Agreement, and further agree that the various promises and covenants contained herein are mutually agreed upon and are in consideration for one another.
- (l) No Third-Party Beneficiaries. The parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity, other than the parties to this Agreement, shall have any right, legal or equitable to enforce any provision of this Agreement.
- (m) Notices. All notices shall be in writing. Notices will be deemed to have been duly given if delivered personally or if mailed via certified mail (return receipt requested and postage prepaid) and confirmed by such certified mail receipt, given by facsimile or e-mail confirmed by receipt, or sent by courier confirmed by receipt, addressed to the party at the address set forth below or at such other address as either party may designate to the other in accordance with this Section. Notices shall be deemed to be given on the date of receipt, except that if delivery is refused, notice shall be deemed given on the fifth (5<sup>th</sup>) day after it is sent.
- (n) Interpretation. Subject only to the express limitation set forth herein, this Agreement shall be liberally construed (a) to permit the Authority and the parties to exercise all powers that may be exercised by a Multijurisdictional Housing Authority pursuant to Colorado law; (b) to permit the parties hereto to exercise all powers that may be exercised by them with respect to the subject matter of this Agreement and applicable law; and (c) to permit the Board of Directors to exercise all powers that may be exercised by the board of directors of a Multijurisdictional Housing Authority pursuant to Colorado law and by the governing body of a separate legal entity created by contract among the parties pursuant to C.R.S. § 29-1-203.