

RIDGWAY PLANNING COMMISSION

REGULAR MEETING AGENDA

Tuesday, November 26, 2024

5:30 pm

Pursuant to the Town's Electronic Participation Policy, the meeting will be conducted both in person and via a virtual meeting portal. Members of the public may attend in person at the Community Center, located at 201 N. Railroad Street, Ridgway, Colorado 81432, or virtually using the meeting information below.

Join Zoom Meeting

<https://us02web.zoom.us/j/82082004722?pwd=MQ2wSCHJfzpD0hJvrjW51sb8NxfinR.1>

Meeting ID: 820 8200 4722

Passcode: 534267

Written comments can be submitted before the meeting to akemp@town.ridgway.co.us or delivered to Town Hall Attn: Planning Commission

ROLL CALL: Chairperson: Michelle Montague, Commissioners: John Clark, Pam Foyster, Bill Liske, Russ Meyer, Jennifer Nelson, and Jack Petruccelli

PUBLIC HEARING:

1. Ordinance No. 03-2024 Amending Section 7-4 "Zoning Regulations" of the Ridgway Municipal Code Relating to Accessory Dwelling Units. Continued from the October 29th Regular Meeting of the Planning Commission.

WORK SESSION:

2. Affordable Housing Work Session. Discussion about potential Amendments to the Ridgway Municipal Code Section 7-7 for Affordable Housing.

APPROVAL OF MINUTES:

3. Minutes from the Regular Meeting of October 29th, 2024

OTHER BUSINESS:

4. Updates from Planning Commission members

ADJOURNMENT

AGENDA ITEM #1

To: Town of Ridgway Planning Commission

Cc: Preston Neill, *Ridgway Town Manager*
Angie Kemp, AICP, *Ridgway Town Planner*

From: TJ Dlubac, AICP, *CPS, Contracted Town Planner*
Max Garcia, AICP, *CPS Contracted Town Planner*

Date: November 22, 2024

Subject: Proposed Accessory Dwelling Unit Standards for the November 26th Planning Commission Meeting.

BACKGROUND

The Planning Commission kicked off the 2024 Land Development Code Update project in January 2024. The Planning Commission provided direction to CPS at that time to broadly research ADU regulations and bring that research back to the Planning Commission. This research resulted in multiple meetings to discuss and evaluate the proposed language.

While the Town does allow for ADUs, and these are widely present throughout Ridgway, this effort identified adjustments to Section 7-4-6(A), Accessory Dwelling Units, of the RMC based on the best practices research and numerous discussions with the Planning Commission, Town Council, and community members.

MEETINGS AND INPUT

Since the project kicked off in January, several meetings have been held. The table below identifies the meetings held and summarizes the topics discussed:

January 26, 2024	<i>Project kickoff with Planning Commission. Identified ADUs as one of the four projects to complete first. PC provided direction to prepare research to present at the next meeting.</i>
February 23, 2024	<i>Discussed best practices research and developed strategy for code update. PC directed CPS to begin preparing a draft of updated code regulations.</i>
March 26, 2024	<i>Edited and updated the draft based on the PC discussion.</i>
April 30, 2024	<i>Reviewed code draft with PC and evaluated ADU density scenarios.</i>
May 29, 2024	<i>Edited and updated the draft based on the discussion.</i>
June 25, 2024	<i>Edited and updated the draft based on the discussion. PC provided direction to finalize document and prepare for public hearing in August.</i>
July 30, 2024	<i>Made final edits to draft based on discussion.</i>
August 27, 2024	<i>Reviewed final draft and recommended approval to Town Council.</i>
September 24, 2024	<i>Town Council rejected the proposed ADU code update. Planning Commission discusses updates to code draft in alignment requests by Town Council.</i>
October 24, 2024	<i>Review 2nd ADU code draft with Planning Commission. Discussion was focused on the number of ADUs permitted and clarifying occupancy standards.</i>
November 26, 2024	<i>The draft amendments were updated based on Planning Commission comments. Furthermore, because so much time had passed since the project kickoff, an overall comparison between the current and proposed language was presented to understand the relative changes proposed.</i>

SUMMARY OF REGULATIONS

At the October Planning Commission meeting, it was mentioned that a comprehensive summary of the changes made to the ADU regulations would be helpful since there have been many adjustments to the proposed language since this amendment process started many months ago. Therefore, in this section, we'll walk through each section of the ADU regulations and identify what the purpose of the section is and how it changes the current regulations.

SECTION 1: GENERAL PROVISIONS

This section identifies general provisions applicable to all ADUs, in all zone districts, and across all situations. It starts by stating the intent and purpose of ADUs as an important element to addressing affordable housing in Ridgway. Subsection (e) authorizes reduced Plan Review fees for ADUs. The Town Manager may reduce plan review fees by up to 100% for attached ADUs and up to 75% for detached ADUs.

The fee reduction is a new concept which is not in the current regulations.

SECTION 2: DIMENSIONAL AND DESIGN STANDARDS:

Much of the conversation over the last few months have revolved around this section. This latest round of revisions proposes restructuring of this section to separate the use allowances from the number of ADUs permissible. Subsection (a) permits ADUs as accessory to Single-Family Dwelling, Duplex Dwelling, or Triplex Dwelling. Subsection (b) states that only one ADU may be permissible on a lot greater than 3,000 square feet and two ADUs may per permissible on a lot greater than 7,500 square feet. These two subsections are new concepts discussed and proposed in these updates. Skipping ahead to Subsection (i), the proposed amendments include a provision limiting the maximum square footage of an ADU at 1,000 square feet. Most of the other subsections clarify that other provisions of the RMC such as setbacks, parking, and architectural standards still apply to ADUs.

SECTION 3: INCENTIVES

This is a new section contemplated through this update process. Through early discussions, priorities of the Town were identified and appropriate levels of allowances were identified for ADU proposals which met certain criteria. The Planning Commission identified Affordable Housing, Landscaping, and Sustainable Construction Methods as important initiatives the Town is working on and, therefore, able to be offered as incentives. The program works in that if, for example, an ADU is deed restricted, an additional ADU may be permitted.

While the current code language does include a number of these general statements, the clarification on how the regulations within the rest of the code apply to ADUs was clarified and expanded in this section. Subsections (ii) and (iii) were added recently to clarify that while an extra ADU may be permitted, all zoning district dimensional standards need to be met and there shall be no more than two (2) ADUs on any parcel.

Landscaping incentives section allow that if less than 750 sf of turf or 80% of non-live groundcover are proposed on the lot, the ADU square footage may be increased by up to 10%.

Similarly, if sustainable construction methods are proposed, the ADU square footage may increase by up to 200 square feet.

SECTION 4: OWNERSHIP AND OCCUPANCY



The area that has received the most scrutiny over the last few months is the occupancy requirements. After many discussions, the updated proposed language states three components very clearly and succinctly:

1. The ADU, principal unit, and the lot upon which they are located shall remain in undivided ownership.
2. An ADU shall not be used as a Short Term Rental
3. An ADU shall be rented for a minimum of a 90 day period.

After discussing the direction and conversations with staff, we believe these three statements, related to occupancy of ADUs, captures the desires shared by the Planning Commission. By only including these three statements, this means that there is not a requirement for any of the units to be occupied by the homeowner. It also means that the primary dwelling unit on the property may be rented out for short term, but the ADU cannot.

The current regulations do require that either the ADU or the primary dwelling be owner occupied. This was amended. Furthermore, current regulations allow for ADU's to be short-term rented, however, this is not desired any longer.

SECTION 5: UTILITIES

The ADU shall be served in the same water and sewer tap as the principal building. This is in the current regulations.

PUBLIC COMMENTS AND NOTICE

The public meeting has been noticed in accordance with Sec. 7-4-3(B)(6) of the RMC.

Significant public comment and feedback have been received during Planning Commission and Town Council public meetings and hearings related to the owner occupancy requirement and quantity of ADUs per lot. The comments were received and discussed by the Planning Commission; the Planning Commission recommended approval of the attached language which has amended the requirements identified by Town Council.

APPROVAL CRITERIA

The Planning Commission may recommend approval of Ordinance 03-2024 upon finding that the following criteria, set forth in RMC §7-4-3(D)(3), have been satisfied:

- (a) The text amendment is consistent with the intent of applicable portions of the Master Plan in the reasonable judgement of the approving body; and
- (b) The proposed text amendment is necessary to correct an omission or error in the code; or
- (c) The proposed text amendment is necessary to adapt to a change in conditions within the town; or
- (d) Changes in public policy are needed to advance the general welfare of the town.

STAFF RECOMMENDATION

Staff recommends the Planning Commission recommend approval of Ordinance No. 03-2024, an Ordinance of the Town of Ridgway, Colorado, amending Section 7-4 "Zoning Regulations" of the Ridgway Municipal Code regarding Accessory Dwelling Units.

Recommended Motion:



"I move to recommend the Town Council approve Ordinance No. 03-2024, an Ordinance of the Town of Ridgway, Colorado, amending Section 7-4 "Zoning Regulations" of the Ridgway Municipal Code regarding Accessory Dwelling Units, finding that the criteria set forth in RMC §7-4-3(D)(3) have been met."

Alternative motions:

Approval with conditions:

"I move to recommend the Town Council approve Ordinance No. 03-2024, an Ordinance of the Town of Ridgway, Colorado, amending Section 7-4 "Zoning Regulations" of the Ridgway Municipal Code regarding Accessory Dwelling Units, finding that the criteria set forth in RMC §7-4-3(D)(3) have been met with the following conditions:

1. _____
2. _____
3. _____

Denial:

"I move to deny Ordinance No. 03-2024, an Ordinance of the Town of Ridgway, Colorado, amending Section 7-4 "Zoning Regulations" of the Ridgway Municipal Code regarding Accessory Dwelling Units, finding that the criteria set forth in RMC §7-4-3(D)(3) have not been met."

ATTACHMENTS:

1. *Ordinance No. 03-2024*
2. *ADU Code update – redlined version*



**TOWN OF RIDGWAY, COLORADO
ORDINANCE NO. 03-2024**

**AN ORDINANCE OF THE TOWN OF RIDGWAY, COLORADO
AMENDING SECTION 7-4 “ZONING REGULATIONS” OF THE RIDGWAY MUNICIPAL
CODE REGARDING ACCESSORY DWELLING UNITS**

WHEREAS, the Town of Ridgway, Colorado (“Town”) is a home rule municipality existing pursuant to the laws of the Colorado Constitution, the Colorado Revised Statutes and the Town's Home Rule Charter; and

WHEREAS, the zoning and land use powers conferred upon the Town by the State of Colorado as a Home Rule Municipality empower the Town to manage land use to ensure the public health, safety, and welfare; and

WHEREAS, the Town currently regulates land uses within the Town limits in accordance with Chapter 7 “Land Use Regulations” of the Ridgway Municipal Code (“RMC”), adopted pursuant to its Home Rule Constitutional authority and the Local Government Land Use Control Enabling Act of 1974, as amended, §§29-20-101, et seq. C.R.S; and

WHEREAS, Accessory Dwelling Units (“ADUs”) are a vital form of housing in the state of Colorado and in the Town of Ridgway, and is generally encouraged as an effective means to improve housing affordability, provided that each ADU complies with the Town’s ADU standards; and

WHEREAS, the Town has determined that ADU development is a potential solution to the housing affordability issue, and has made substantial efforts to evaluate the current ADU standards against lessons learned and best practices gleaned after years of the ADU movement; and

WHEREAS, the Town has determined that it is appropriate to amend RMC Subsection 7-4-6(A) “Accessory Dwelling Units” as the new standards will facilitate the development of ADUs within the Town and are necessary for maintaining orderly growth and development patterns; and

WHEREAS, modifications to the Town’s ADU regulations will help advance ***POLICY COM-2.2: HOUSING OPTIONS*** in the Town of Ridgway Master Plan; and

WHEREAS, Town staff and the consultant team provided public engagement opportunities, held a number of discussions with the Ridgway Planning Commission, and received recommendations from the Planning Commission; and

WHEREAS, the Ridgway Town Council finds that this ordinance furthers and is necessary to promote the health, safety and general welfare of the Ridgway community.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF RIDGWAY, COLORADO the following:

Section 1. Recitals Incorporated. The above and foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Town Council.

Section 2. Amendment of Subsection (A) of Section 7-4-6 “Accessory Dwelling Units”. Subsection (A) of Section 7-4-6 of the Ridgway Municipal Code is hereby repealed and reinstated to read as set forth in ***Exhibit A***.

Section 3. The definition of “Dwelling Unit, Accessory”, within Section 7-9-2 General Definitions is amended to read as follows:

DWELLING UNIT, ACCESSORY: A dwelling unit located within, attached to, or detached from the principal ~~structure~~dwelling, ~~that~~ The unit includes its own independent living facilities with provisions for sleeping, cooking, and sanitation, and is designed for residential occupancy independent of the primary use. ~~contains no more than 800 square feet of gross floor area,~~ The use of which is associated with and subordinate to the principal ~~dwelling-structure~~ and ~~that~~ is located upon the same lot as the principal ~~dwelling~~structure.

Section 4. The definition of “Accessory Dwelling Unit” within Section 7-9-2 General Definitions, is repealed in its entirety.

Section 5. Amendment of Table T-4.3, Land Use Table, of Section 7-4-4. Amend the permitted uses for “Accessory Dwelling Unit” in Table T-4.3, Land Use Table, hereby repealed and reinstated to read as set forth below:

Use Category	Land Use	R	HR	MR	FD	HB	DS	GC	LI	GI	Use-Specific Standards
Accessory Uses	Accessory Dwelling Unit (ADU)	R	R	R	R	R	R	R	R	R	7-4-6(A)

Section 6. Codification of Amendments. The Town Clerk, as the codifier of the Town’s Municipal Code, is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of this Ordinance within the Ridgway Municipal Code. The Town Clerk is authorized to correct, or approve the correction by the codifier, of any typographical error in the enacted regulations, provided that such correction shall not substantively change any provision of the regulations adopted in this Ordinance. Such corrections may include spelling, reference, citation, enumeration, and grammatical errors.

Section 7. Severability. If any provision of this Ordinance, or the application of such provision to any person or circumstance, is for any reason held to be invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable. The Town Council hereby declares that it would have passed this Ordinance and each provision thereof, even though any one of the provisions might be declared unconstitutional or invalid. As used in this Section, the term “provision” means and includes any part, division, subdivision, section, subsection, sentence, clause or phrase; the term “application” means and includes an application of an ordinance or any part thereof, whether considered or construed alone or together with another ordinance or ordinances, or part thereof, of the Town.

Section 8. Effective Date. This Ordinance shall take effect thirty (30) days after the date of final passage in accordance with Article 3-7 of the Ridgway Charter.

Section 9. Safety Clause. The Town Council hereby finds, determines and declares that this Ordinance is promulgated under the general police power of the Town of Ridgway, that it is promulgated for the health, safety and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.

Section 10. No Existing Violation Affected. Nothing in this Ordinance shall be construed to release, extinguish, alter, modify, or change in whole or in part any penalty, liability or right or affect any audit, suit, or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing which may have been incurred or obtained under any ordinance or provision

hereby repealed or amended by this Ordinance. Any such ordinance or provision thereof so amended, repealed, or superseded by this Ordinance shall be treated and held as remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings and prosecutions, for the enforcement of such penalty, liability, or right, and for the purpose of sustaining any judgment, decree or order which can or may be rendered, entered, or made in such actions, suits or proceedings, or prosecutions imposing, inflicting, or declaring such penalty or liability or enforcing such right, and shall be treated and held as remaining in force for the purpose of sustaining any and all proceedings, actions, hearings, and appeals pending before any court or administrative tribunal.

Section 11. Publication. The Town Clerk is ordered to publish this Ordinance in accordance with Article 3-7 of the Ridgway Charter.

INTRODUCED AND REFERRED TO PUBLIC HEARING on December 11, 2024, and setting such public hearing for January 8, 2025, at Ridgway Town Hall, located at 201 N. Railroad Street, Ridgway, Colorado.

BY:

ATTEST:

John Clark, Mayor

Pam Kraft, Town Clerk

ADOPTED on January 8, 2025.

BY:

ATTEST:

John Clark, Mayor

Pam Kraft, Town Clerk

APPROVED AS TO FORM:

Bo James Nerlin, Town Attorney

Exhibit A:

Amendment of Subsection (A) of Section 7-4-6 “Accessory Dwelling Units”.

7-4-6 SUPPLEMENTAL REGULATIONS

(A) Accessory Dwelling Units.

- (1) General Provisions.
 - (a) The creation of Accessory Dwelling Units (ADU) is generally encouraged as an effective means to improve housing affordability, provided that each ADU complies with the standards of these regulations.
 - (b) The goal of improving housing affordability requires flexibility with landscaping requirements, building typologies, and construction methods. Sustainable construction methods including, but not limited to, utilizing local resources and energy efficient designs are encouraged to increase long-term affordability.
 - (c) The burden shall be upon the owner of any ADU to provide adequate proof to the Town that the criteria of this Section are met. In the event that the Town determines that the criteria have not been shown to be satisfied, the unit may not be occupied as an ADU.
 - (d) A dwelling unit constructed before a principal building, which meets these criteria, may be converted to an ADU following construction of a new principal dwelling unit.
 - (e) Plan review fees as calculated by the Building Official may be waived by the Town Manager for ADU(s) as set forth below.
 - (i) Plan review fees may be reduced by up to one-hundred (100) percent for attached ADU(s).
 - (ii) Plan review fees may be reduced by seventy-five (75) percent for detached ADU(s).
 - (iii) Permit fees may not be reduced for any ADU(s).
- (2) Dimensional and Design Standards.
 - (a) ADUs are only allowed as an accessory use to the following dwellings:
 - (i) Single-Family Dwelling;
 - (ii) Duplex Dwelling; or
 - (iii) Triplex Dwelling
 - (b) The quantity of ADUs on a single lot is permitted in accordance with the following:
 - (i) One (1) ADU may be allowed on a lot that is at least 3,000 square feet in area.
 - (ii) Two (2) ADUs may be allowed on a lot that is at least 7,500 square feet in area.
 - (c) ADUs may be located within a detached structure, attached to the principal structure, or converted room or rooms within the principal structure.
 - (d) The ADU(s) must be constructed in accordance with applicable requirements of Town Building Codes.
 - (e) All lots where an ADU is proposed shall comply with all dimensional standards applicable to the underlying zone district.
 - (i) Required setbacks may be reduced by up to fifty (50) percent, or two (2) feet, whichever is greater, when adjacent to open space. Such a reduction shall be approved in writing by the Town Manager or their designee.
 - (f) The ADU shall not be located within the sight triangle as determined by Section 7-4-8(F)(8), Sight Triangles.
 - (g) The architectural design of an ADU shall be compliant with the regulations set in RMC 7-4-9, Residential Design Standards.
 - (h) An ADU shall comply with the parking requirements as set out in subsection 7-4-6(M).

- (i) The maximum size of an ADU shall not exceed 1,000 square feet of gross floor area unless otherwise allowed by this section.
 - (i) For purposes of this Section, the calculation for the “gross floor area” shall be the total square footage of the ADU measured to the interior walls of the area comprising the dwelling unit excluding internal parking areas and stairways.
 - (j) The proposed property on which the ADU is located shall be compliant with an approved Landscape Plan, consistent with Section 7-4-8, Landscape Regulations, if one exists.
 - (i) If the property does not have an approved Landscape Plan, the Town Manager or their designee may determine if Section 7-4-8, Landscape Regulations, applies to the proposed improvements.
- (3) Incentives.
- (a) ADU Affordable Housing Provisions. All single-family, duplex, or triplex dwellings may be allowed to construct one (1) additional ADU above the allowed quantity in subsection 7-4-6(A)(2)(b) when the ADU is income-restricted pursuant to this subsection.
 - (i) Affordable Housing Covenants and Restrictions. The property owner shall record a restrictive covenant with the Ouray County Clerk and Records’ office that includes the following provisions:
 - a. Area median income (AMI). The income range shall be equal to or less than 150 percent AMI for Ouray County as determined by the US Department of Housing and Development or US Census.
 - b. Income-restricted units. Describe the quantity of income-restricted units, their square footage, and bedroom count.
 - c. Compliance report and leasing period. The duration of the tenant’s lease. Upon reasonable request by the Town of Ridgway or Ouray County, the property owner shall submit a compliance report outlining how the restricted units comply with covenant requirements.
 - d. Income verification and rent limitations. Provide the method for determining tenant income and calculating the rent limitations for each income-restricted unit.
 - (ii) All dimensional standards of the underlying zone district shall still be met.
 - (iii) In no case shall there be more than two (2) ADU’s on any one parcel.
 - (b) Landscaping. When a property owner requesting an ADU meets one of the applicable water conservation standards below, the proposed ADU may increase its maximum gross floor area by up to ten (10) percent without an administrative adjustment.
 - (i) The proposed live ground cover does not include more than 750 square feet of turf or;
 - (ii) The proposed landscape area has a minimum of eighty (80) percent non-live ground cover.
 - (c) Sustainable construction methods. When an applicant meets the applicable sustainable construction standards as set forth below, the proposed ADU may exceed the maximum gross floor area by two hundred (200) square feet.
 - (i) The proposed construction is certified by a professional sustainable construction organization;
 - (ii) The applicant provides proof of energy efficient design that exceeds industry standards from a certified construction professional; and
 - (iii) The applicant sources fifty (50) percent of the construction materials from the State of Colorado.

- (4) Ownership and Occupancy. The following shall be met for any proposed or existing ADU within the Town of Ridgway:
 - (a) The ADU, principal residential unit(s), and the lot or parcel upon which they are located, shall remain in undivided ownership.
 - (b) An ADU shall not be used as a Short Term Rental. Short Term Rentals are regulated in RMC Section 7-4-6(N), Short Term Rental Regulations, and Section 8-5, Short Term Rentals. A minimum of a ninety (90) day rental period shall be required by written lease for an ADU, unless the ADU is owner-occupied.
- (5) Utilities
 - (a) The ADU(s) should be served off of the water and sewer tap for the principal residence, in which case it shall not be subject to additional tap fees.

7-4-6 SUPPLEMENTAL REGULATIONS

(A) Accessory Dwelling Units.

(1) General Provisions.

- (a) The creation of Accessory Dwelling Units (ADU) is generally encouraged as an effective means to improve housing affordability, provided that each ADU complies with the standards of these regulations.
- (b) The goal of improving housing affordability requires flexibility with landscaping requirements, building typologies, and construction methods. Sustainable construction methods including, but not limited to, utilizing local resources and energy efficient designs are encouraged to increase long-term affordability.
- (c) The burden shall be upon the owner of any ADU to provide adequate proof to the Town that the criteria of this Section are met. In the event that the Town determines that the criteria have not been shown to be satisfied, the unit may not be occupied as an ADU.
- (d) A dwelling unit constructed before a principal building, which meets these criteria, may be converted to an ADU following construction of a new principal dwelling unit.
- (e) Plan review fees as calculated by the Building Official may be waived by the Town Manager for ADU(s) as set forth below.
 - (i) Plan review fees may be reduced by up to one-hundred (100) percent for attached ADU(s).
 - (ii) Plan review fees may be reduced by seventy-five (75) percent for detached ADU(s).
 - (iii) Permit fees may not be reduced for any ADU(s).

(2) Dimensional and Design Standards.

(a) ADUs are only allowed as an accessory use to the following dwellings:

- (i) Single-Family Dwelling;
- (ii) Duplex Dwelling; or, and
- (iii) Triplex Dwelling dwellings

(b) The quantity of ADUs on a single lot is permitted in accordance with the following:
~~in accordance with the following:~~

- (i) One (1) ADU ~~is may be~~ allowed on a lot(s) ~~between that is at least~~ 3,000 square feet ~~in area. and 7,500 square feet.~~
- (ii) Two (2) ADUs ~~are may be~~ allowed on a lot(s) ~~that is at least 7,500 between 7,501~~ square feet ~~in area. and 15,000 square feet.~~
- (iii) ~~Lot(s) that are greater than 15,000 square feet may have more than two (2) ADUs; however, the total number of ADUs on the subject property shall never exceed double the total number of dwelling units in the principal structure. All properties that propose two (2) or more ADU(s) on a lot shall be subject to a Site Plan review as set out in Section 7-4-3(H), Site Plan.~~

(c) ADUs may be located within a detached structure, attached to the principal structure, or a converted room or rooms within the principal structure.

(d) The ADU(s) must be constructed in accordance with applicable requirements of Town Building Codes.

(e) All lots where an ADU is proposed shall comply with all dimensional standards applicable to the underlying zone district.

(i) Required setbacks may be reduced by up to fifty (50) percent, or two (2) feet, whichever is greater, when adjacent to open space. Such a reduction shall be approved in writing by the Town Manager or their designee.

~~(e)~~(f) _____ The ADU shall not be located within the sight triangle as determined by Section 7-4-8(F)(8), Sight Triangles.

~~(f)~~(g) _____ The architectural design of ~~an~~the proposed ADU shall be compliant with the regulations set in RMC 7-4-9, Residential Design Standards.

~~(g)~~(h) An ADU~~The parking requirements~~ shall comply with the parking requirements as set out in subsection 7-4-6(M).

~~(h)~~(i) _____ The maximum size of an ADU shall not exceed 1,000 square feet of gross floor area unless otherwise allowed by this section.

(i) For purposes of this Section, t~~The~~ calculation for the “gross floor area” shall be the total square footage of the ADU measured to the interior walls of the area comprising the dwelling unit excluding internal parking areas and stairways.

(j) The proposed property on which the ADU is located ~~landscaping~~ shall be compliant with an approved Landscape Plan, consistent with Section 7-4-8, Landscape Regulations, if one exists.

(i) If the property does not have an approved Landscape Plan, the Town Manager or their designee may determine if Section 7-4-8, Landscape Regulations, applies to the proposed improvements.

(3) Incentives.

(a) ADU Affordable Housing Provisions. All single-family, duplex, or triplex dwellings~~uses~~ may be allowed to construct one (1) additional ADU above the allowed quantity in subsection 7-4-6(A)(2)(~~b~~a) when the ADU is income-restricted ~~to moderate to low income residents only,~~ pursuant to this subsection.

(i) Affordable Housing Covenants and Restrictions. ~~The Town encourages the growth of affordable housing in all residential areas. To provide affordable housing units on private property, t~~he property owner shall record a restrictive covenant with the Ouray County Clerk and Records’ office that includes the following provisions:

a. Area median income (AMI). ~~The covenant shall identify the AMI limitations placed on the unit.~~ The income range shall be equal to or less than 150 percent AMI for Ouray County as determined by the US Department of Housing and Development or US Census.

b. Income-restricted units. Describe the quantity of income-restricted units, their square footage, and bedroom count.

c. Compliance report and leasing period. ~~include the~~The duration of the tenant’s lease. Upon reasonable request by the Town of Ridgway or Ouray County, the property owner shall submit a compliance report outlining how the restricted units comply with covenant requirements.

d. Income verification and rent limitations. Provide the method for determining tenant income and calculating the rent limitations for each income-restricted unit.

(ii) All dimensional standards of the underlying zone district shall still be met.

~~d.~~(iii) In no case shall there be more than two (2) ADU’s on any one parcel.

(b) Landscaping. When a property owner requesting an ADU meets one of the applicable water conservation standards below, the proposed ADU may increase its maximum gross floor area by up to ten (10) percent without an administrative adjustment.

- (i) The proposed live ground cover does not include more than 750 square feet of turf or;
- (ii) The proposed landscape area has a minimum of eighty (80) percent non-live ground cover.
- (c) Sustainable construction methods. When an applicant meets the applicable sustainable construction standards as set ~~out~~ forth below, the proposed ADU may exceed the maximum gross floor area by two hundred (200) square feet.
 - (i) The proposed construction is certified by a professional sustainable construction organization; ~~;~~
 - (ii) The applicant provides proof of energy efficient design that exceeds industry standards from a certified construction professional; and ~~;~~
 - (iii) The applicant sources fifty (50) percent of the construction materials from the State of Colorado.
- (4) Ownership and Occupancy. The following shall be met for any proposed or existing ADU within the Town of Ridgway:
 - ~~(a) One of the dwelling units on the property must be, and remain, owner-occupied.~~
 - (a) The ADU, principal residential unit(s), and the lot or parcel upon which they are located, shall remain in undivided ownership.
 - An ADU shall not be used as a Short Term Rental. Short Term Rentals are regulated in RMC Section 7-4-6(N), Short Term Rental Regulations, and Section 8-5, Short Term Rentals.
 - (b) A minimum of a ninety (90) day rental period shall be required by written lease for an ADU, unless the ADU is owner-occupied.
 - ~~(b)(a) The ADU, principal residential unit(s), and the lot or parcel upon which they are located, shall remain in undivided ownership.~~
- (5) Utilities
 - (a) The ADU(s) should be served off of the water and ~~or~~ sewer tap for the principal residence, in which case it shall not be subject to additional tap fees.

AGENDA ITEM #2



To: Town of Ridgway Planning Commission
From: Angela Kemp, Senior Planner, Town of Ridgway
Date: November 22, 2024

RE: Affordable Housing Work Session Memo

In 2023, the Town of Ridgway Planning Commission identified planning projects to prioritize for 2024. Updates to the Ridgway Municipal Code (RMC) Section 7-7 pertaining to Affordable Housing was identified as one of the priorities.

2024 Affordable Housing Planning To-Date:

January 30 th Regular Meeting of the PC	Presentation, Introduction to 2024 Planning Projects, Community Planning Strategies (CPS)
Memo dated May 24 th	Memo on Affordable Housing Research, CPS
May 28 th Regular Meeting of the PC	Presentation on Affordable Housing Research, CPS
August 27 th Regular Meeting of the PC	Affordable Housing Update: Mitigation and Calculations, CPS
September 24 th Regular Meeting of the PC	Affordable Housing Discussion, CPS
October 29 th Regular Meeting of the PC	Affordable Housing Discussion

At the October 29th regular meeting of the Planning Commission, staff were directed to take a step back and create group learning experience to establish a shared baseline understanding of the terms, concepts, strategies, and policies related to planning for affordable housing in the community. The Planning Commission directed staff to offer some additional peer community examples that might better align with the conditions and needs of The Town of Ridgway. This memo and accompanying presentation, **Affordable Housing Work Session**, serve that purpose.



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Terminology and Abbreviations:

Affordable Housing – Generally defined as any housing where the household pays no more than 30% of their income toward housing costs.

Affordable Housing – (RMC Definition) A dwelling unit that is restricted in perpetuity to occupancy by individuals meeting the income limitations and occupancy standards as established from time to time by the Town. Occupancy standards include requirements for primary residency and local employment.

AMI – Area Median Income A measure of the typical income in a specific housing market. calculated through The United States Department of Housing and Urban Development (HUD) or through the State of Colorado and based on household size and household income. AMI is often used for assessing affordable housing eligibility.

Attainable Housing – A common term for moderate-income housing. Households in this category typically earn too much to qualify for subsidized housing but may be unable to afford most quality market-rate housing or the general housing costs that are generated by the real estate market.

CBA – Community Benefits Agreement An agreement negotiated between community stakeholders and (usually) a developer to mitigate the effects of the development through things that benefit the community.

CDBG – Community Development Block Grants A block grant administered through HUD to municipalities or states that can be used for a wide range of purposes that are supposed to further community development in some way.

CDFI – Community Development Financial Institution A designation for community lenders that have met the standards to qualify to apply for funds from the federal CDFI Fund, housed at the Treasury Department.

Deed Restriction – A specification on a recorded Deed. In this context, a Deed Restriction that promotes affordable housing might limit the household income of future buyers or set resale price formulas. A mechanism for resale price formula is an *appreciation cap*. Deed Restrictions run with the land.



Housing Continuum: A range of housing situations across a spectrum.



Figure 1. The Housing Continuum

Source: Social Housing Registry of Ottawa <https://housingregistry.ca/the-challenge/>

Housing Cost Burdened – When housing costs exceed 30% of income, the household is classified as housing cost burdened.

HUD – United States Department of Housing and Urban Development

IZ – Inclusionary Zoning Inclusionary zoning is a program enacted legislatively and with opportunity for public input that requires, as a condition of obtaining approval for the development of a project, the provision of residential units affordable to and occupied by owners or tenants whose household incomes do not exceed a limit that is established in the ordinance or resolution.

LIHTC – Low-Income Housing Tax Credit. This is a federal program that provides tax credits to developers of affordable rental housing. Typically, the units need to be affordable for 30 years. However, there is a mechanism to transfer the units to market-rate after 15 years. Ridgway’s Space to Create is a 9% LIHTC Project.

Market-Rate – Properties rented or owned without subsidies or special benefits. The price is determined by the housing market. Also referred to as free market.

Missing Middle – A middle-income group that isn’t being served by the market or entitled to subsidized housing. The missing middle can also refer to the types of housing that would generally serve that population.



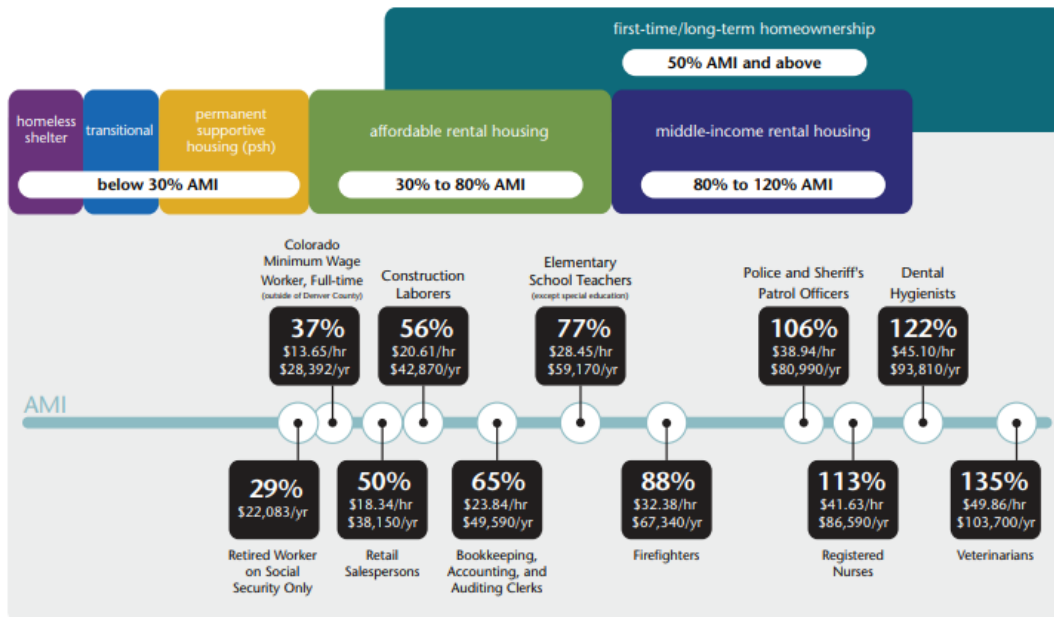
Subsidy – Aid from the government to help make housing more affordable or fill an affordable housing funding gap. The gap is the difference of the cost to develop and operate a property and the revenue it brings in.

Severely Housing Cost Burdened – When housing costs exceed 50% of income, the household is considered severely housing cost burdened.

SFR – Single-Family Residence

Unit Mix – The types and sizes of units provided in a building or in a development.

Workforce Housing – Housing that is attainable at wages common among the area workforce and meant to house employees of that area or region to help minimize commuting from a distance away and to support those workers that strengthen a community.



Source: 2022, Occupational Employment and Wage Statistics (OEWS) Survey, Bureau of Labor Statistics, <https://www.bls.gov/oes/>. 2023 Social Security Administration, <https://www.ssa.gov/cgi-bin/currentpay.cgi>

Figure 2. The Housing Continuum with Employment Wages in Colorado

Source: 2022, Occupational Employment and wage Statistics (OEWS) Survey, Bureau of Labor Statistics. Publication

Source: 2024, Colorado Housing and Finance Authority (CHFA) The Housing Continuum White Paper



What are Peer Communities Doing?

Gunnison Valley Housing Authority

- Coordination between the communities, county, and municipalities.
- Responsible for the implementation and compliance for the regional deed-restriction program.
- *2019 Gunnison Valley Housing Plan*
 - Shared goal of 375 new homes for locals by 2024.
 - Educate, perform public outreach.

Mount Crested Butte

Mount Crested Butte's inclusionary zoning regulation requires 15% of units to be deed restricted for households with incomes between 81% and 120% AMI for "Community Housing" except for units under 2,700 square feet.

Town of Crested Butte

- Demolition Ordinance
- Local Census

Gunnison County

- "Essential Housing" and "Workforce Housing" terminology.
- Workforce Impact Fee/ Fund
- Linkage Fee scaled to home size.

City of Gunnison

- Energy rebate and weatherization program to reduce living costs in existing affordable units.
- Housing Imperatives:
 - Advance Partnerships
 - Expand Employee Assistance
 - Refine Regulations & Fees

Chaffe Housing Authority

Formed in 2020 through a joint agreement between Chaffee County, the City of Salida, and the Town of Buena Vista with the goal of increasing access to affordable housing across the county.

- July 2022 *Chaffee County Housing Needs Update*



- CHA has a library of recorded presentations from their Housing Speaker Series. Topics include:
 - AH financing
 - Inclusionary Zoning
 - Density
 - Small Homes
 - Homeless Services

Salida

Inclusionary Housing Program requires: Any annexation or planned development; condominium plats of any size; duplex conversion subdivisions; and minor and major subdivision, as well as multi-family residential projects of five or more units are required to include at least 16.7% of the total number of residential dwelling units as affordable dwelling units.

- Salida works closely with Chaffe County Housing Authority to administer their program. Also, Chaffe Housing Trust, a local non-profit land trust develops and offers some of the units in Salida's supply of affordable housing.

Chaffee County

Mission: Enabling all Chaffee County Residents to have access to safe, stable and affordable housing

Vision: Chaffee County Housing Office envisions a regional housing system comprised of diverse partnerships that create rental and ownership options across the housing spectrum and support a social-economically diverse community, wherein the regional workforce is able to live locally and benefit from a resilient economy.

Buena Vista

BV hired consultants to complete an Affordable Housing Code Audit in 2022. Some notable elements of the Code Audit included: Streamlining all processes, allowing two ADUs on single-family lots. One can be short-term rented.

The Audit importantly noted: ***These recommendations alone will not solve the gap that exists between the cost to build and what local households can afford to buy or rent.***

Summit Combined Housing Authority

- Downpayment assistance



- Housing Helps (a deed-restriction acquisition program)
- Lottery for Units
- Education
- Calculators
- Listings of all deed-restricted units within the regional network.
- They also have housing data readily available on their website, along with a robust resource library.

[Silverthorne](#)

- Density Bonuses
- Housing Buy-Down Program
- Dedicated 5A Tax funding
- Ability and willingness to assume debt.

[Housing Eagle County](#)

“The Eagle County Housing and Development Authority, also known as Housing Eagle County, is dedicated to elevating the community through mentorship and housing solutions. We fulfill this commitment by actively engaging with the community, forming strategic partnerships with both the public and private sectors, and implementing a wide range of programs tailored to meet the needs of homebuyers, renters, and homeowners.”

Programs:

- Rental funds
- Homeless Services
- Aid for ADUs
- Lease to Locals
- Down Payment Assistance
- Good Deeds
- Local First
- The Valley Home Store

[Eagle County](#)

- BoCC granted Affordable Housing Credits for projects they determine exceed the Affordable Housing Guidelines for Mitigation.
- Mitigation is for all non-residential development that creates more than three jobs and all residential development which creates more than three residential units or lots.



- Housing Department & dedicated webpages.
- Frequent updates to data and programs.
- BoCC can offset mitigation if a project offers an acceptable Other Public Benefits proposal.

Eagle

The Town's Local Employee Residency Program (LERP) builds on a previous IZO. It increases the number of affordable deed restricted units to 15% of developments with 10+units. LERP also:

- limits the rent/sale of units to eligible residents (locally employed).
- requires 35% of a development with 10+ units is required to provide this new employee unit (called "Resident Occupied" or "RO"). The RO unit is **in addition** to the affordable unit requirement.
- requires an appreciation cap of 3% each year with no AMI restriction for who can qualify for these LERP units.

Basalt

Basalt Affordable Community Housing (BACH) is an active citizen committee that reviews affordable and community housing applications, provides recommendations on suitable affordable housing locations, types and densities, and reviews projects for compliance with the Town's livability standards.

- Annual Strategic Work Plan

Carbondale

Community housing inclusionary requirements are in-place to mitigate the impact of market-rate housing construction on the limited supply of available land suitable for housing. They require 20% of units in four or more-unit developments as "Community Housing" at specified % AMI, which must include at least 15% of total bedrooms:

The sequence of required mitigation units will be as follows:

1. First mitigation unit: Category 2 (100% AMI)
2. Second mitigation unit: Category 1 (80% AMI)
3. Third mitigation unit: Category 3 (120% AMI)
4. Fourth mitigation unit: Category 4 (150% AMI)
5. Repeat the cycle for additional mitigation units.

Commercial development is not subject to mitigation.



[Glenwood Springs](#)

Until 2022, Glenwood Springs did not have any municipal funding sources dedicated to housing. In 2022, Glenwood Springs voters passed a 2.5 percent increase in the local lodging tax, which is expected to generate \$1.3 to \$1.5 million in revenue annually. The revenue will be placed into a Workforce Housing Fund that will be used to fund various housing programs and projects.

Garfield County Housing Authority Partnership.

2023 Housing Needs Assessment set their goals. Some strategies include preserving existing housing, inclusive of mobile homes, and updating zoning to allow for greater density in suitable areas.

[Durango](#)

- “Fair Share” Inclusionary Zoning Program was enacted in 2009 to provide a 16% share of affordable and attainable housing or use other means of compliance.
- 2021 Regional Housing Needs Assessment.
- City of Durango has a Housing Innovation Division.
- Regional housing Alliance of La Plata County: Durango, La Plata County, Bayfield, and Ignacio.

[Pagosa Springs](#)

As of 2021, Pagosa Springs has a density bonus available for residential projects with two or more units. The density bonus specifies that the town can grant a density bonus of up to 50 percent of the number of allowable units permitted in an underlying zoning district for both rental and for-sale projects. The policy has an affordability requirement, as the additional units must be affordable to households at or below 120% of area median income. The density bonus can be achieved through various land use code modifications, including increasing allowable height, encroaching into setbacks, or reducing parking requirements. At a minimum, the review considers:

- Public benefit totality
- Whether policy goals are met
- Site constraints
- Neighborhood context



Potential Housing Strategies Lists

Groundwork

Strategies in this category help create the foundation that the other strategies build upon, or they are initial activities that can help get Ridgway started down the path of creating more opportunities for securing or creating affordable housing for the future.

1. **Look for opportunities to advocate for the importance of affordable housing in Ridgway (YIMBY)**
2. Implement systems for tracking and reporting housing metrics.
3. Collaborate further with Ouray County, the City of Ouray, and regional entities that are working toward similar housing goals. Continue seeking out collaborative partners and finding unique ways to collaborate to reach housing goals.
4. Build up a library of educational resources, provide homebuyer trainings, workshops, etc. Update the Ouray County Housing Resources document annually. Make the most up-to-date version of the document available on the Town's Website. Dedicate a Town webpage to Housing Resources.
5. Revive and update annually, the ***Ouray County Housing Resources*** document, post on the Town website.
6. Learn more about the community's housing needs through a Needs Assessment and Community Survey (in the 2025 Strategic Plan).
7. Depending on which types of fees we might pursue, we could consider hiring consultants to perform a Nexus Study to determine appropriate Impact/Development fees that will fund workforce housing development.

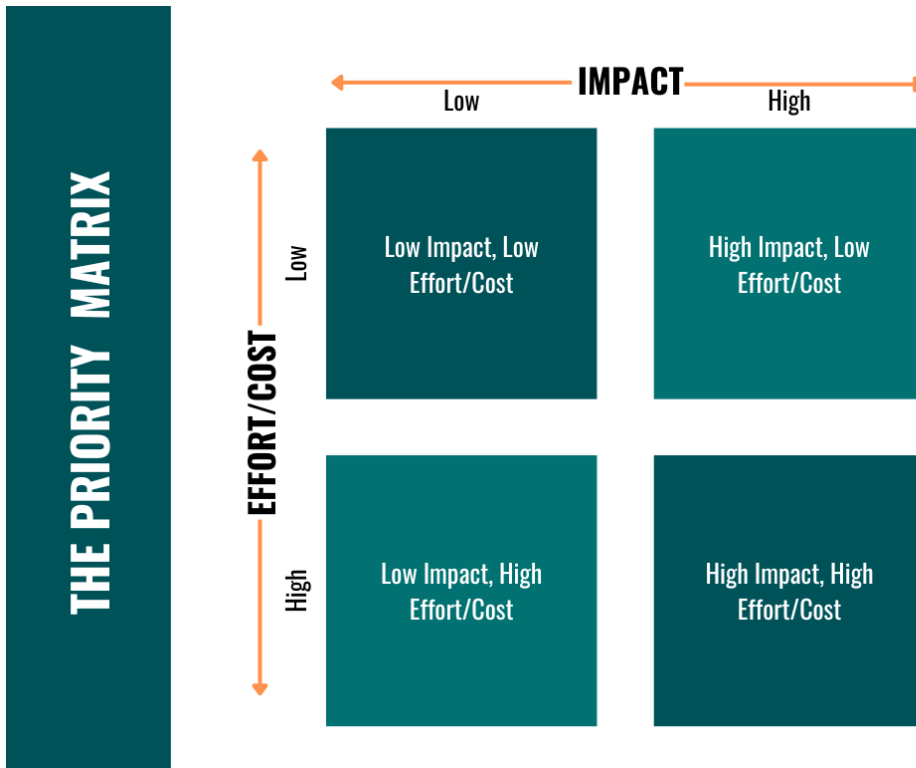


Figure 3. The Priority Matrix

High Impact, Low Effort/Cost

8. Create a fee deferment program for projects that meet community housing criteria (define qualified projects). Development review, tap fees, etc.
9. Create a loan program for rental assistance: first, last, deposit. This could eventually expand to down payment assistance for qualified buyers.
10. Review processes to create opportunities to fast-track the review and permitting process for developments that meet community housing goals.
11. Require that deed-restricted housing in a development get built ahead of or concurrent with market-rate units.
12. Create Deed-Restriction language. Would the Town want to see tiered Deed-Restriction language?
13. Create a Permit-Ready Program for ADUs or other small-unit developments.
14. Naturally Occurring Affordable Housing (NOAH)
 - Disincentivize Demolition (Demolition Ordinance)
 - Rehabilitation and Retrofits
 - Energy Efficiency Rebates



Low Impact, Low Effort/Cost

15. Perform a review of data to see what information is missing to help define goals.
Research unique ways to track progress toward community housing goals.
16. Create community outreach materials to explain current housing policy, available incentives, etc. Hear about housing needs directly from the community members.
17. Continuously monitor funding opportunities for housing planning and infrastructure.
18. Utilize the Town's GIS more affectively to understand the town's buildable areas, hazard areas, where infrastructure is located, and to track affordable housing deed restrictions.
19. Strive for clarity in the RMC, update definitions and the use table to conform with our interpretations. Align the RMC with our goals to support affordable housing development.
20. Connect with Realtors and the development community to understand their perspective of the housing needs in the area.

High Impact, High Effort/Cost

21. Financial Incentives: Ensure available incentives, including the existing fee waivers, are formal and documented in policy or ordinance to reduce subjectivity in the process. Look into tax waivers and Deed-restriction incentives.
22. Inclusionary Zoning;
 - a. Multiple means of compliance,
 - b. Identify a toolbox of incentives to pair with requirements.
23. Determine if a transfer tax, second home tax, or other tax is feasible.
24. [Community Land Trust](#), Land Banking, or a similar program.
25. Deed Restriction Acquisition Program, purchase units and deed-restrict them, or offer incentives for owners to deed-restrict their units.
26. Emergency Rental Assistance to keep residents in their homes.
27. Affordable Housing Credit Program where credits can be granted via discretionary approval by the Town Council for exceeding the Town's standards for providing affordable housing.



Housing Planning Efforts in Ridgway, Colorado	Year
Ridgway Town Task Force (Housing)	2008
<i>OCHA Affordable Housing Action Plan (Ouray County Housing Authority)</i>	2009
<i>Ouray County and San Miguel County Needs Assessment</i>	2011
Joint Workshop: Ridgway Planning Commission and Town Council	2017
<i>Ouray County Housing Advisory Committee 5-Year Strategic Plan</i>	2018
<i>Ridgway Master Plan</i>	2019
<i>Mind the Gap: Workforce Housing (Region 10)</i>	2022
Ridgway Opted-in to Prop. 123	2023
Intergovernmental Agreement (IGA) between Ridgway, Ouray, and Ouray County to hire a Housing Administrator	2024

Note: The Ouray County Housing Authority is not the Workforce and Affordable Housing Committee.

Figure 4. Housing Planning Efforts in Ridgway, Colorado



2024 Affordable Housing Units in Ridgway, CO

Development	# of Bedrooms	Unit Mix	Tenure	Terms
River Park Filing 2 PUD 314 Escalante Circle	3	SFR	Owner, 80% AMI	5-year 3.2% Appreciation Cap. Cap % increases annually after year 5. Market-rate after 10 years. (2026)
HomeTrust Parkside Townhomes	6	2x 3-bedroom Townhome	Owner, ____% AMI	Permanent Restriction: Qualified Ownership, 3.2% Appreciation Cap
Parkside PUD	15	6 x SFRs	Owner, Employed in Ouray County	5-year 3.2% Appreciation Cap. Cap % increases annually after year 5. Market-rate after 10 years.
Space to Create	36	Apartment 24x 1-bed 6x 2-bed	Rental, less than 80% AMI	15-year initial compliance plus a 15-year extended use period 9% LIHTC
Wetterhorn PUD	30	Townhome 10x 2-bed 4x 3-bed	Owner, 120% AMI Employed in the Ridgway School District Area (R-2)	Permanent Deed Restriction: Qualified Ownership, 3% Appreciation Cap
Totals	90		30 Rental 23 Owner	

Figure 5. 2024 Affordable Housing Units in Ridgway, CO



**Town of Ridgway
Affordable Housing Fee Waivers and Expenditures
Through August 28, 2024**

	Water Fund	Sewer Fund	General Fund	Operating Contribution
Space to Create	6,790.00	3,440.00	217,970.00	
Home Trust of Ouray County	6,790.00	3,440.00	11,729.00	60,000.00
Wetterhorn Subdivision	101,250.00	84,000.00	144,788.00	
Habitat for Humanity	12,485.00	4,880.00	12,100.00	
RiverFront Village			6,000.00	
Lena Street Commons			7,500.00	
Totals	\$127,315.00	\$95,760.00	\$400,087.00	\$60,000.00
Total To-Date	\$683,162.00			

*Note staff time is not accounted for: grant writing & administration (8), agreements (5); development review; road construction; excavation & encroachment on to public streets; installation of culverts

Figure 6. Affordable Housing Expenditures as of 2024



Appendix A. 2019 Master Plan Housing Action Items

Community Value 2: Sense of Community & Inclusivity

Action Item	Responsibility	Timing (RR)
Goal COM-1: Maintain Ridgway as a community that is accessible to a range of income levels, ages, and households.		
Action COM-1a: Continue to plan, design, and construct Ridgway Space to Create to provide long-term affordable and workforce housing in Ridgway’s downtown, in conjunction with State, regional, and local entities.	Lead: Administration, Community Development Partners: Space to Create Colorado, ArtSpace, DOLA, Town Council, regional partners	Short-term (F,P,RC)
Action COM-1b: Update Planned Unit Development Regulations to require community benefits—such as, but not limited to— the dedication of a portion of planned units to affordable or workforce housing.	Lead: Community Development Partners: Planning Commission, Town Council, private property owners, developers	Short-term (P)
Action COM-1c: Update the Ridgway Municipal Code to promote housing affordability (i.e.: reducing lot size requirements, increasing allowed densities, and reducing parking requirements).	Lead: Community Development Partners: Planning Commission	Short-term (P,F)
Action COM-1d: Develop and consider adopting a policy on deed restriction language for affordable units.	Lead: Community Development Partners: Planning Commission	Short-term (P)
Action COM-1e: Explore and pursue a variety of mechanisms to help fund affordable housing, including but not limited to: residential and commercial linkage policies that require paying a fee, constructing units, or other contributions to housing affordability for new development; real estate transfer tax (RETT); ¹ use tax; lodging and occupancy taxes; dedication of a portion of marijuana tax revenue; and/or a potential mill levy.	Lead: Administration Partners: Community Development, Town Council, City of Ouray, Ouray County	Short-term (RC,P)
Action COM-1f: Develop and adopt guidelines or standards for universal design that encourage the use of design features or strategies that create housing that is usable by all people, particularly those with limited mobility.	Lead: Community Development Partners: Planning Commission, Community Partners	Medium-term (P)

¹ See COM-1k. The use of Real Estate Transfer Taxes (RETT) is currently restricted and would require changes at the state level.



Action Item	Responsibility	Timing (RR)
Action COM-1g: Provide development incentives, such as density bonuses, fee waivers, or others as appropriate, to encourage the construction of a variety housing sizes, types and prices.	Lead: Community Development Partners: Planning Commission, Town Council	Medium-term (P,F)
Action COM-1h: Explore, in collaboration with Ouray County, the potential to allow for the construction of affordable and/or workforce housing in targeted areas outside the Urban Growth Boundary, provided it meets certain locational criteria and other provisions of the IGA, as adopted, if such an opportunity presents itself.	Lead: Administration Partners: Community Development, Town Council, Ouray County	Long-term (RC)
Action COM-1i: Track the location of deed restricted and other workforce housing in the community, including any units that are income restricted and their affordability expiration date. When units are set to expire, implement partnerships with the non-profit and private sectors to preserve the affordability of the unit.	Lead: Community Development Partners: Administration, Town Council, Community Partners	Ongoing
Action COM-1j: Apply for state funds and make residents aware of affordable housing resources, including but not limited to the State of Colorado Division of Housing and Community Development Block Grant Rehabilitation and Down-Payment Assistance programs through the Delta Housing Authority. ²	Lead: Community Development Partners: Regional Housing Authorities, Ouray County	Ongoing
Action COM-1k: Collaborate with other jurisdictions in the region to inform state leadership (legislators and governor) of the significantly limited resources in the region and the need to develop state-level legislative solutions, such as removing existing restrictions on the use of real estate transfer tax (RETT) and/or removing rent control restrictions in state statute and funding a state trust fund.	Lead: Administration Partners: Town Council, Ouray County, City of Ouray, Region 10	Ongoing (RC,P)

² The Delta Housing Authority offers a range of programs and resources to Ridgway and other Western Slope communities without dedicated Housing Authorities.



Action Item	Responsibility	Timing (RR)
Action COM-1l: Communicate the challenges, opportunities, and efforts regarding affordable and workforce housing in a positive and consistent manner.	Lead: Community Development Partners: Town Council, Planning Commission, all Town Departments, Community Partners	Ongoing
Action COM-1m: Continue to collaborate with Ouray County and the City of Ouray on affordable housing, including establishing a goal for the creation of affordable housing units in the next 10 years.	Lead: Town Council Partners: Community Development, City of Ouray, Ouray County	Ongoing (RC)
Goal COM-2: Encourage a diversity of housing options that meet the needs of residents.		
Action COM-2a: Review and update the Town's zoning regulations as necessary to ensure desired housing types are defined and allowed in locations designated for residential uses by the Land Use Plan.	Lead: Community Development Partners: Planning Commission	Short-term (P,F)
Action COM-2b: Review and update the Town's subdivision standards and PUD regulations to encourage/incentivize a mix of housing types in new neighborhoods and establish formal criteria for community benefits, such as affordable or workforce housing.	Lead: Community Development Partners: Planning Commission	Short-term (P,F)
Action COM-2c: Study recent innovations in modular home and small home construction and revise land use and building codes to allow in appropriate locations.	Lead: Community Development Partners: Planning Commission, Community Partners	Short-term (P)
Action COM-2d: Consider incorporating housing in future public building and facilities.	Lead: Administration Partners: Ridgway School District, Ouray County	Medium-term (RC)
Action COM-2e: Collaborate with regional partners to develop affordable housing units such as Habitat for Humanity of the San Juans.	Lead: Community Development Partners: Habitat for Humanity of the San Juans, Ouray County, Ridgway School District	Ongoing (RC,F,P)

Source: 2019 Ridgway Master Plan



2024 Income Limit and Maximum Rent Tables
for All Colorado Counties
20% to 120% of Area Median Income (AMI)

HUD Effective Date: April 1, 2024

- The IRS allows Housing Tax Credit projects that placed in service as of 12.31.2008 to use higher HERA Special limits.
- All Housing Tax Credit and CHFA Loan projects are "held harmless" from limit decreases. To be "held harmless," a project must be in service before 05.16.2024.
- Housing Tax Credit and CHFA Multifamily Loan projects whose counties experienced a decrease in 2024 limits and that place in service before 05.16.2024 may continue to apply the same limits they used in 2023.

County	HERA	AMI	2024 Maximum Rents					2024 Income Limits							
			0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Ouray		160%	2,868	3,072	3,684	4,260	4,752	114,720	131,040	147,360	163,840	176,960	190,080	203,200	216,160
Ouray		150%	2,688	2,880	3,453	3,993	4,455	107,550	122,850	138,150	153,600	165,900	178,200	190,500	202,650
Ouray		140%	2,509	2,688	3,223	3,727	4,158	100,380	114,660	128,940	143,360	154,840	166,320	177,800	189,140
Ouray		130%	2,330	2,496	2,993	3,461	3,861	93,210	106,470	119,730	133,120	143,780	154,440	165,100	175,630
Ouray		120%	2,151	2,304	2,763	3,195	3,564	86,040	98,280	110,520	122,880	132,720	142,560	152,400	162,120
Ouray		100%	1,792	1,920	2,302	2,662	2,970	71,700	81,900	92,100	102,400	110,600	118,800	127,000	135,100
Ouray		80%	1,434	1,536	1,842	2,130	2,376	57,360	65,520	73,680	81,920	88,480	95,040	101,600	108,080
Ouray		70%	1,254	1,344	1,611	1,863	2,079	50,190	57,330	64,470	71,680	77,420	83,160	88,900	94,570
Ouray		60%	1,075	1,152	1,381	1,597	1,782	43,020	49,140	55,260	61,440	66,360	71,280	76,200	81,060
Ouray		55%	985	1,056	1,266	1,464	1,633	39,435	45,045	50,655	56,320	60,830	65,340	69,850	74,305
Ouray		50%	896	960	1,151	1,331	1,485	35,850	40,950	46,050	51,200	55,300	59,400	63,500	67,550
Ouray		45%	806	864	1,036	1,198	1,336	32,265	36,855	41,445	46,080	49,770	53,460	57,150	60,795
Ouray		40%	717	768	921	1,065	1,188	28,680	32,760	36,840	40,960	44,240	47,520	50,800	54,040
Ouray		30%	537	576	690	798	891	21,510	24,570	27,630	30,720	33,180	35,640	38,100	40,530
Ouray		20%	358	384	460	532	594	14,340	16,380	18,420	20,480	22,120	23,760	25,400	27,020

Appendix B. 2024 AMI CHART for Ouray County, Colorado

Implementation Cutoff Date: May 16, 2024

AGENDA ITEM #3

PLANNING COMMISSION
MINUTES OF THE REGULAR MEETING
OCTOBER 29, 2024

CALL TO ORDER

The Planning Commission convened at 201 N. Railroad Street, Ridgway, Colorado and via Zoom Meeting, a virtual meeting platform, pursuant to the Town's Electronic Participation Policy.

The Chairperson called the meeting to order at 5:30 p.m. The entire Planning Commission was present with Commissioner Foyster, Nelson, Petruccelli, Mayor Clark, Mayor Pro Tem Meyer and Chairperson Montague in attendance.

PUBLIC HEARING

1. Application for Resubdivision; Location: Town of Ridgway, Block 25, Lots 21-24; Address: 615 Moffat Street; Zone: Residential; Applicant: Chris Haaland; Owner: Chris Haaland and Sara Ballentyne

Staff Report dated October 25, 2024, and Power Point presentation dated October 29, 2024, providing background, analysis and staff recommendation prepared by Ridgway Town Planner Angela Kemp, AICP.

Angela Kemp presented an application to subdivide an existing parcel into 2 separate lots and noted the Owners anticipate development of a single-family residence with an accessory dwelling unit on each new lot. She explained that the request conforms to the requirements in the Ridgway Municipal Code (RMC) and recommended approval of the application with a condition outlined in the Staff Report.

The Commissioners discussed the request with the Applicant.

The Chairperson opened the hearing for public comment and there was none.

ACTION:

Commissioner Foyster moved to recommend approval of the Haaland Ballentyne Resubdivision, finding that the criteria set forth in RMC 7-5-2(J)(3) have been met with the condition that prior to the Town recording the Resubdivision Plat with the Ouray County Clerk Recorder's Office, all signatures shall be obtained, and the tap fees and excise tax for the created lot shall be paid. Commissioner Petruccelli seconded the motion, and it passed unanimously.

2. Application for Rezone; Location: Ridgway Athletic Park, East side of County Road 23; Address: Not applicable; Zone: General Commercial and Residential; Applicant: Chris Hawkins, Alpine Planning LLC; Owner: Dalwhinnie Group LLC

Staff Report dated October 25, 2024, prepared by TJ Dlubac, AICP of Community Planning Strategies, LLC and Power Point presentation dated October 29, 2024, prepared by Max Garcia,

AICP of Community Planning Strategies, LLC providing background, analysis and recommendation.

Max Garcia presented the application to rezone a portion of private property to be annexed into the Town boundary via Power Point presentation. He explained the land to be annexed will include the portion of land in the Preserve Subdivision that is already in the Town limits; the southeast corner of the Ridgway Athletic Park that is not in the Town limits, and a portion of the County Road (CR) 23 right-of way located near the proposed annexation. Garcia noted the request comports with the Master Plan as outlined in the Staff Report and the parcel will conform to the Town's zoning designations. The portion of land to be annexed in the Preserve Subdivision and CR23 will be designated as a Residential Zone and the remaining vacant land will be designated as a General Commercial Zone. Mr. Garcia reviewed the conceptual development plan and noted the Intergovernmental Agreement with Ouray County may need to be updated in the future because of the annexation.

The Planning Commission discussed the application with Planner Garcia.

Applicant Chris Hawkins clarified that there is a plat note allowing only infrastructure development on the General Commercial portion of the parcel.

The Chairperson opened the hearing for public comment and there was none.

ACTION:

Mayor Clark moved to recommend approval of the Dalwhinnie Athletic Park Annexation Zoning Map Amendment as requested to the Town Council with the following condition, finding that the criteria set forth in RMC 7-4-3 (C)(3) have been met: that Parcel B not be attributed a zone district because it is public right-of-way. Commissioner Nelson seconded the motion, and it was passed unanimously.

3. Ordinance No. 03-2024 Amending Ridgway Municipal Code 7-5, "Zoning Regulations" for Accessory Dwelling Units (ADU)

Staff Report dated October 25, 2024, and Power Point presentation dated October 29, 2024, prepared by prepared by TJ Dlubac, AICP and Max Garcia, AICP of Community Planning Strategies, LLC providing background, analysis and recommendation.

Planner Garcia introduced the Staff Report and Power Point presentation and outlined the process during 2024 for updating the ADU Zoning Regulations. He informed the Commission that the Town Council reviewed the proposed amendments at the September 10, 2024, Regular Meeting and referred the proposal back to the Planning Commission to further discuss the number of permissible ADUs on one lot, and to discuss the owner occupancy provision.

The Planning Commission discussed ADU density with the Planners and agreed that the lot square footage should be the first criteria for determining the number of ADUs allowed on any lot. They also discussed the owner occupancy provision and agreed that the owner must live in the ADU or the associated primary structure to long-term or short-term lease either structure. Outlawing short-term rental use for ADUs in all zoning districts was discussed and the Commissioners agreed to continue the discussion after reviewing Ordinance NO. 17-03 regarding short-term rentals to ensure the owner occupancy requirements are consistent with the intent of the zoning regulations for long or short-term uses.

Mr. Garcia pointed out the definition for accessory dwelling units was removed from RMC Section 7-9-2 and was modified as shown in the Staff Report for consistency; and the Land Use Table was updated to show where ADUs are allowed in Town.

Planner Dlubac said he will prepare an overview of the proposed zoning updates and ordinance that will show the impact of the changes for review at the November Regular Planning Commission Meeting.

The Chairperson opened the hearing for public comment.

Resident Renee Marr expressed concerns about permissible ADUs in the Le Ranch Subdivision because the existing homes have minimal setbacks and ADUs would add unmanageable density to the neighborhood.

The Chairperson closed the hearing for public comment.

ACTION:

Mayor Pro-Tem Meyer moved to defer the discussion and action for Ordinance No. 03-24 to the November Regular Planning Commission Meeting. Mayor Clark seconded the motion, and it was passed unanimously.

WORK SESSION

4. Discussion Regarding Amendments to the Ridgway Municipal Code for Affordable Housing

Staff Report dated October 25, 2024, and Power Point presentation dated October 29, 2024, prepared by prepared by TJ Dlubac, AICP and Max Garcia, AICP of Community Planning Strategies, LLC providing background, analysis and recommendation.

Max Garcia presented methods of calculating affordable housing mitigation measures to help achieve compliance. He used a Ridgway project as an example, utilizing the mitigation equations from the towns of Crested Butte, Eagle County and Telluride. Planner Dlubac posed the concept of density bonuses as an incentive, and noted creating housing supply is the beginning of resolving the lack of affordable housing. Planner Kemp advised the Commission that it would be helpful to know what the Planning Commission's goals are for affordable housing so that a specific mitigation plan for the Town could be developed. The Planners suggested a variety of outcomes such as number of living units, targeted area median income (AMI), fee in lieu; contractor incentives for expedited reviews, construction on or off site; and sales or property tax reimbursements for commercial developers.

The Planning Commission requested the Planners investigate Creative ways other communities are addressing the mitigation issue without utilizing a planned unit development. They suggested the Planners provide affordable housing mitigation examples of other towns such as Salida that might be more comparable with Ridgway. Dlubac suggested a December workshop specific to this subject only and the Commissioners agreed to hold a workshop on December 3.

5. 2025 Planning Projects Discussion

The September Staff Report contained a *Future Land Use Considerations Table* dated July 9, 2023, for review as part Regular Planning Commission Meeting. TJ Dlubac categorized specific areas to be reviewed by the Planning Commission as part of the 2025 Work Sessions and suggested the Commission review the Master Plan before committing to a specific category. He further advised the Planning Commission to continue the work on affordable housing as a priority. The Planning Commission agreed that the 2025 Planning Projects would be to review the Master Plan and continue to develop affordable housing guidelines.

APPROVAL OF THE MINUTES

6. Approval of the Minutes from the Meeting of September 24, 2024

ACTION:

Mayor Pro Tem Meyer moved to approve the Minutes from September 24, 2024. Mayor Clerk seconded the motion, and it was carried with Commissioner Nelson abstaining.

OTHER BUSINESS

7. Updates From Planning Commission Members

The Planning Commission discussed the imposed monthly schedules of the Regular Meetings for the Town Council and Planning Commission noting the time in between the monthly Regular Meetings is problematic for applicants during the short building season. The Staff was directed to determine a coordinated meeting schedule that would expedite application recommendations to the Town Council.

Mayor Clark noted the Staff is currently working on amending the By-Laws to provide notice to the community when Commissioners are reconsidered for an additional term. The Commission agreed the incumbent could re-apply for a term while providing time for people with interest to apply for the seat as well.

ADJOURNMENT

The meeting was adjourned at 8:05 p.m.

Respectfully submitted,

Karen Christian
Deputy Clerk