

**Ridgway Workforce & Affordable Housing Committee**  
**Meeting Agenda**  
**Wednesday, July 9, 2025**

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/89722050267?pwd=ZtRvufbxwVJRuLSBSYdzsbc7GWD1TU.1>

Meeting ID: 897 2205 0267

Passcode: 717247

Dial by your location

+1 346 248 7799 US

+1 253 215 8782 US

**5:30 p.m.**

**ROLL CALL** Polly Kroger, Kevin Grambley, Beth Lakin, Michelle Montague, Terry Schuyler, Josey Scoville and John Clark

**ACTION ITEM**

1. Resolution No. 25-02 Approving Adoption of Language Changes in the Ridgway Wetterhorn Homes Regulations and Guidelines

**ADJOURNMENT**

## MEMO

**To:** Town of Ridgway Workforce & Housing Committee  
**Cc:** Preston Neill, Town Manager  
**From:** Lois Major, special counsel to Rural Homes  
**Date:** June 30, 2025  
**Meeting Date:** July 9, 2025  
**Re:** Ridgway Wetterhorn Homes Affordable Housing Covenant and Guidelines,  
Correction of conflicting language regarding 1% Administration Fee

**Attachments:** 1. Language Redline of p.19 Guidelines  
2. Language Hardline of p.19 Guidelines/Exhibit A to the Resolution  
3. Resolution Adopting Language Change

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### **Introduction:**

The Ridgway Wetterhorn Homes Affordable Housing Covenant (“Covenant”) and the Regulations and Guidelines establish various parameters for purchasing, owning and renting in the Wetterhorn Homes neighborhood. In order to help fund the administration of the program, the Covenant imposes a 1% Administration Fee against the Seller at the time of sale. The Guidelines, used in conjunction with the Covenant, are intended to provide for clear, fair, and consistent administration of the Covenant associated with each Housing Unit. Unfortunately, the language concerning the Sales Fee in the Guidelines conflicts with the Administration Fee language in the Covenant.

### **Discussion:**

1. The problem is that there are two names for the same fee and the two documents are at odds with each other.

The Administration Fee described in the **Covenant** assess the 1% fee against the Seller:

§ 7.1.6 Administration Fees: At the time of purchase, Declarant must pay any Covenant administration fees due according to the Guidelines. Such fees shall be paid by Declarant to the HA out of Declarant's proceeds of the sale of the Housing Unit and may not be added to the price of the Housing Unit.

The Sales Fee authorized in the **Guidelines** assess the 1% fee against the Buyer.

§6.5 Sales Fee. After the initial sale, at the closing of the sale, the Buyer, will pay to HA a fee equal to 1% of the sales price. HA may instruct the title company to pay such fees out of the funds held in escrow at closing. The sales fee is waived for the sale from the developer to the first purchaser. HA may also waive the fee, or a portion thereof, in its sole discretion, to promote affordable housing. Fees due to HA shall be paid regardless of any action or services that the Buyer or Seller may undertake or acquire.

2. As a practical matter, it makes more sense to collect the Administration Fee from the Seller. The Seller is limited to a Maximum Sales Price, (“MSP”), defined as: the maximum purchase price that can be paid by any purchaser of a Housing Unit. The MSP is not a guaranteed price, but merely the highest price an Owner may obtain for the sale of a Housing Unit. The Owner's MSP

is determined as defined in Sections 5.8 and 8.2.3 and according to the Covenant covering the Housing Unit. Accordingly, if 1% is added on to the Buyer's column, the Buyer could be paying more than the MSP. Adding 1% to the Buyer side also puts one more barrier in the path to home ownership.

3. The solution is to change the name in the Guidelines from Sales Fee to Administration Fee to match the Covenant and to replace "Buyer" with "Seller."
4. To date, there has been no fees collected from any sale of a Ridgway Wetterhorn Home.

**Recommendation:** It is recommended that the Committee authorize the change in language and adopt the Resolution to ensure the administration provides a fair and consistent approach for the collection of the fee.

**Motions for Consideration:**

I move to adopt the Resolution on language change:

- ☐ As written.
- ☐ With the following changes: \_\_\_\_\_

## 6. SALE AND RESALE OF HOUSING UNITS

The initial sale of all Housing Units shall be in accordance with applicable lottery, wait list or other selection procedures as determined by the HA.

### 6.1 Notification Required.

**6.1.1** Written notice to HA shall be required for any pending change in financing or ownership of a Housing Unit. Failure to timely notify HA is considered a serious breach of the Deed Restriction and violation of the Guidelines and shall be subject to a Notification Required Penalty (see Appendix E) for each day the failure to notify persists.

**6.1.2** Notice of Intent to Sell a Housing Unit must be given at least sixty (60) days prior to the sale of the unit on notice forms available from HA.

**6.1.3** Notice of transfer of any interest in a Housing Unit must be given at least thirty (30) days prior to the transfer and will require the execution of a new Deed Restriction.

**6.1.4** Notice of refinancing of a Housing Unit must be given at least thirty (30) days prior to closing of the loan.

**6.2 Consult with HA.** Sellers are advised to consult with HA prior to offering a Housing Unit for sale, in order to obtain the most current information about applicable Guidelines and processes, and to verify the Maximum Sale Price and other applicable provisions of the Deed Restriction concerning the Sale.

**6.3 Independent Legal Counsel.** All Sellers and Buyers of Housing Units are advised to consult independent legal counsel regarding the examination of title and all contracts, agreements, and title documents. The retention of such counsel, or related services, shall be at Buyer's and Seller's own expense.

**6.4 Title Company.** HA advises Buyers to use a local title company and escrow agent with experience in closings of Housing Units to close the sale transaction. The title documents involved in the closing of Housing Units are unique and technical. Mistakes in the closing documents are easily made and difficult to correct. Seller shall authorize HA to review the conveyance documents prior to closing.

**6.5 AdministrationSales Fee.** After the initial sale, at the closing of the sale, the ~~Seller~~Buyer, will pay to HA a fee equal to 1% of the sales price. HA may instruct the title company to pay such fees out of the funds held in escrow at closing. The Administration ~~Feesales fee~~ is waived for the sale from the developer to the first purchaser. HA may also waive the fee, or a portion thereof, in its sole discretion, to promote affordable housing. Fees due to HA shall be paid regardless of any action or services that the Buyer or Seller may undertake or acquire.



**RESOLUTION NO. 25-02**

**A RESOLUTION OF THE WORKFORCE AND AFFORDABLE HOUSING COMMITTEE  
OF THE TOWN OF RIDGWAY, COLORADO, APPROVING ADOPTION  
OF LANGUAGE CHANGES IN THE RIDGWAY WETTERHORN HOMES  
AFFORDABLE HOUSING REGULATIONS AND GUIDELINES**

**WHEREAS**, the Town of Ridgway created the Workforce & Affordable Housing Committee (“Committee”) in April 2023 to administer all workforce and affordable housing properties and projects within the Town, including the Wetterhorn Homes Ridgway Project; and,

**WHEREAS**, Ridgway Wetterhorn Homes Affordable Housing development in Ridgway was intended to provide high quality homes that would remain affordable for working residents and their families who make a living primarily from employment and who choose to be part of the local community; and

**WHEREAS**, the Ridgway Wetterhorn Homes Affordable Housing Covenant (“Covenant”) and the Regulations and Guidelines (“Guidelines”) were adopted by the Committee and updated on January 8, 2025; and

**WHEREAS**, language regarding the 1% Administration Fee in the Guidelines conflicts with language in the Covenant and needs to be remedied; and

**WHEREAS**, the Committee finds this Resolution to be in the best interest and welfare of the residents of the Town.

**NOW, THEREFORE, BE IT RESOLVED** by the Town Council of the of the Town of Ridgway, Colorado that the language in §6.5 of the Guidelines, amended and attached as Exhibit A hereto, is hereby approved and adopted.

**APPROVED AND ADOPTED** this \_\_\_\_ day of July, 2025.

\_\_\_\_\_  
John I. Clark  
Mayor

ATTEST: \_\_\_\_\_  
Pam Kraft, MMC  
Town Clerk/Treasurer

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