



Community Housing Plan

Adopted January 10, 2023

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Executive Summary

The Town of Carbondale is working to increase the availability and accessibility of affordable community housing within the Town of Carbondale and the larger region, including but not limited to workforce, senior, supportive, and other housing needs that arise.

The Town of Carbondale affordable housing goal is to double the number of deed restricted, rental capped, and town owned units from 144 to 288 by 2032.

Community Housing Strategies Summary

- ☐ Ask voters to a 6% tax on short term rentals to support affordable housing efforts.
- ☐ Develop the Town Center Project. Ensure it includes a significant affordable housing component.
- ☐ Create a buydown/deed restrict and shared equity program with STR tax revenue, grants and contributions.
- ☐ Continue to support the creation of affordable housing by partner organizations.
- ☐ Explore additional affordable housing requirements from new commercial and residential developments.
- ☐ Evaluate progress on strategies at Trustee worksessions regularly.

Community Housing Eligibility

All affordable housing units will follow Town of Carbondale Community Housing Guidelines ([link](#))
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A Qualified Person must be a full-time employee working in the Roaring Fork River Drainage Basin located from Aspen to Glenwood and the Crystal River drainage including Redstone and Marble. ("Employment Area") ***with priority to persons who live or work within the boundaries of the Town of Carbondale***, a retired person who has been a full-time employee in the Employment Area a minimum of four years immediately prior to his or her retirement with priority to persons who live or work within the boundaries of the Town of Carbondale, or a disabled person who has been a full-time employee in the Employment Area a minimum of two years immediately prior to their disability (as defined in the Definitions); or the spouse or dependent of any such qualified employee, retired person, or disabled person. Retirees who are new to the area may qualify to purchase an R.O. unit, but are next in Priority to persons meeting local employment history requirements of Part II, Section 1.A.

Overview *(from the current Community Housing Guidelines)*

The intent of the Carbondale Community Housing program is to mitigate the impact of market-rate housing construction on the limited supply of available land suitable for housing. The goal of these regulations is to require new development to provide community housing attainable by persons working in the Mid-Valley and paying no more than 30 percent of their household income for total housing expense, including debt service, homeowner's insurance, real estate taxes, land lease if any, and HOA dues, or rent plus utilities in the case of affordable rentals. . .

Community Housing should be disbursed throughout the community and, where possible, integrated into the existing community fabric. The Town encourages community participation in solving and benefiting from solutions to the Community Housing concerns.

The Town of Carbondale will emphasize programs that will result in the creation of Community Housing units by units being constructed or by existing units being permanently restricted for Community Housing through deed restrictions.

Community Housing will be transit friendly, integrate with intermodal transportation connections, and perpetuate the Town's history of pedestrian walkability and ease of mass transit use.

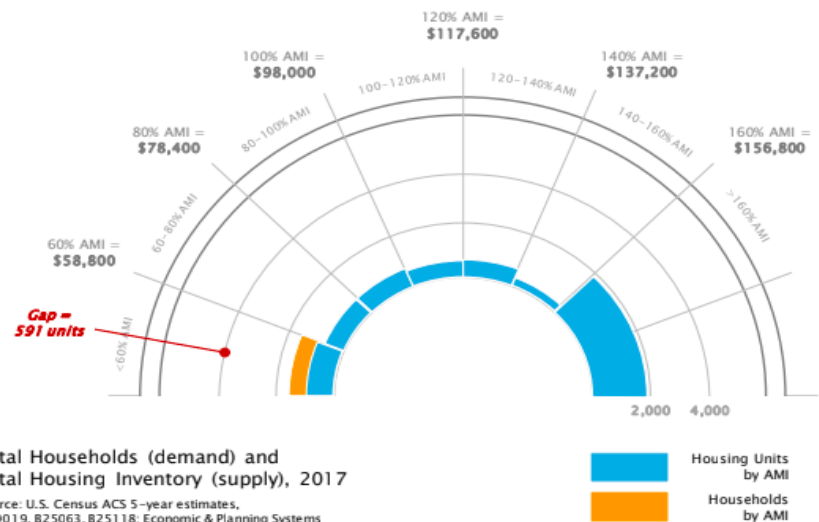
The Town's housing program should acknowledge regional issues and encourage coordination among jurisdictions including affordable housing standards and requirements. The Town will seek out partnerships with other entities supporting affordable housing and develop reciprocal agreements. The Town will discourage jurisdiction shopping for development proposals.

The Town will support creative housing solutions, including projects that include sweat equity by those benefiting from the Community Housing.

Rationale for a Community Housing Plan

The [2019 Greater Roaring Fork Regional Housing Study](#) found that the Town of Carbondale had a significant gap for housing for families making 60% AMI (\$58,800) or less - **a gap of 591 units**. The study estimates that this gap will increase to **over 1,000 units by 2027**. The increase in need reaches into the 120%-140% median income category, which is a situation most often found in resort communities such as Aspen, Vail, and Steamboat Springs.

Figure 7. Carbondale Area Housing Gaps by AMI, 2017



These are large numbers for a small community, so it is useful to see them in the larger context of Carbondale being part of a national/global housing market that is not deterred by price.

We are also part of a regional "employment shed" where job growth in the upper valley, and increasingly in the whole region, stimulates housing needs in Carbondale. The 1,000 housing "deficit" is a marker.

The study noted that between 2001 and 2017, Carbondale added 1,600 housing units. Many of those units were not affordable to median income households when they were built, and they are certainly not affordable today. Furthermore, the study found that most of the housing units in Carbondale are selling to household making 60% more than the area median income (160% of AMI is \$156,800). The current market is not meeting the housing needs of the community.

Beyond the detailed analysis of the 2019 Greater Roaring Fork Regional Housing Study, a quick survey of the Aspen Glenwood Springs MLS illustrates the housing affordability challenge in Carbondale. There are currently over 100 homes listed for sale in Carbondale, but only 6 units for sale are listed at under \$1M. These price range for these units is price from \$565,000 to \$875,000.

Table 7. Carbondale Area Housing Units Needed by AMI, 2017 & 2027

Carbondale Area	2017	2027
Less than 60% AMI	591	615
61% to 80% AMI	128
81% to 100% AMI
101% to 120% AMI	52
121% to 140% AMI	264
141% to 160% AMI
Greater than 160% AMI

Source: Economic & Planning Systems
 Y:\Projects\DEIR\173163-Roaring Fork Valley Regional Housing Needs\Carbondale\173163-Housing Gaps-Version 2.xlsx\Housing Gaps Table 7.1

The rough salary to afford even the lowest priced home of current listings would be \$180,000 (a rough rule of thumb is individuals/families can afford a home 3 times their annual salary) – more than twice the area median income.

The Area Median Income (AMI) for Garfield County is \$85,000 (Carbondale's AMI is likely higher), which would enable an individual/family to afford a home costing roughly \$255,000. The current reality is roughly 90% of free market housing is unaffordable to most of the residents of Carbondale.

Fortunately, without too much effort on the part of the Town, Carbondale gained close to over 100 affordable housing units over same time period through inclusionary zoning and efforts from partner organizations such as the Carbondale Housing Authority senior housing expansion, RFTA purchase of units for their workforce, and the development of rental teacher housing by the Roaring Fork School District. Creating more affordable housing is possible with a concerted effort by the Town and goals to guide its efforts and measure progress.

Building off the direction of the Town's Updated Comprehensive Plan (2022), this Community Housing Plan details more implementation steps to create more affordable housing in Carbondale.

Current Affordable Housing Inventory

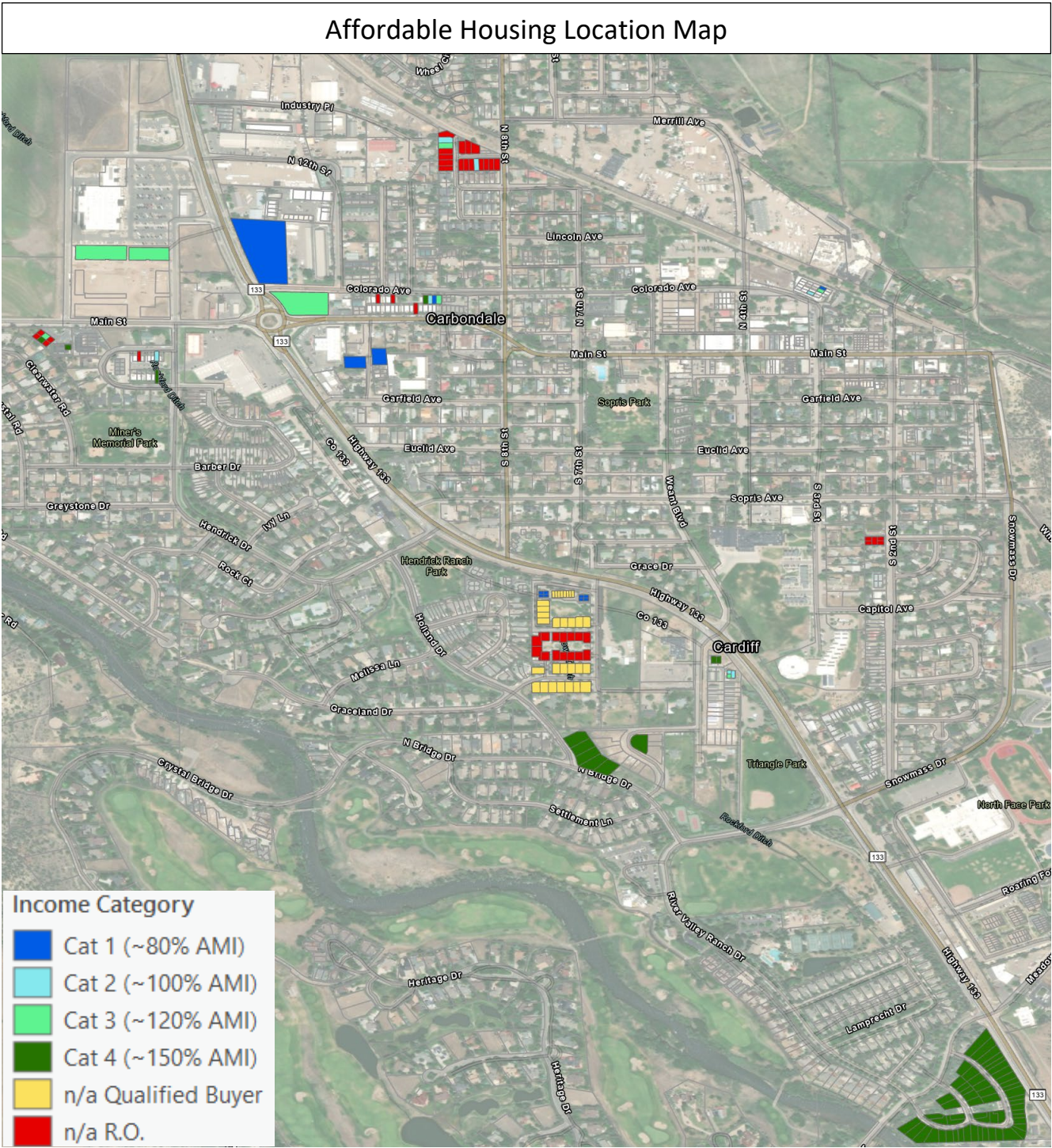
Goal: Double the number of deed-restricted, rental capped, and town owned units from 144 to 288 by 2032.

This equates to and additional 144 units.

Affordable Housing Unit Goal Breakdown

The **144** affordable housing units included in this chart were created through new development or purchased by the Town of Carbondale. All the units, except the Town owned units, are available to anyone meeting the residency and income requirement. (See map for location of units)

Carbondale					
Total Housing Units 2022		2600			
Unit Type	Current #	% of Total	<i>Total Unit Goal by 2032</i>	<i># of additional units</i>	<i>Affordable units as a % of total units*</i>
Appreciation Capped	113	4.35%	226	113	8%
Rent capped Units (Carbondale Marketplace)	25	1%	50	25	2%
Town owned units	6	-	12	6	-
Total	144	5%	288	144	10%



The Power of Partnerships

In addition to the deed-restricted for sale units that are managed through contract with the Garfield Housing Authority, there are roughly **240** affordable rental units in the Town of Carbondale that are owned and managed by nonprofit organizations and public sector partners. These units are income (and in some cases also age qualified) and /or only available through employment with a specific organization.

Despite some restrictions, these units play an important role in meeting the general need for affordable housing in Carbondale and larger region. Some of the organizations that have developed affordable housing units in Carbondale include the Carbondale Senior Housing Authority; Catholic Charities; Aspen Pitkin Employee Housing Inc.; the Roaring Fork School District; and the Roaring Fork Transportation Authority. Habitat for Humanity Roaring Fork has developed six income-qualified for sale units in town. Aspen Skiing Company purchased and renovated the old Thunder River Lodge and partnered in the Keator Grove development to create 30+ units of employee housing for their employees.

Housing in addition to Town of Carbondale inventory	# of units	% of Total	Eligibility	Notes
Carbondale Senior Housing Authority	79	3%	Public: Income and Residency	
Santa Lucia Apartments (Catholic Charities)	61	2%	Public: Income and Residency	
Aspen Pitkin Employee Housing Inc.	30	1%	Public: Income and Residency	
Roaring Fork School District	20	-	Employment based	<i>In process of adding 50+ units</i>
Roaring Fork Transportation Authority	18	-	Employment based	<i>Exploring redevelopment options to increase unit number</i>
Habitat for Humanity	6	-	Public: Income and Residency	
Aspen Skiing Company	30	1%	Employment based	<i>Check</i>
Total	244	9.4%		

Housing Plan Comprehensive Plan Nexus

The Town of Carbondale embarked on a partial update to its 2013 Comprehensive Plan beginning in 2021. This Fall, the update plan was adopted by the Board of Trustees.

The updated Comprehensive Plan has a Housing Component with recommendations, strategies, and actions (See excerpt on the next few pages). Many of the items in the newly adopted Comprehensive are reflected in this Community Housing Plan.

This plan also includes more specific actions taken by the Town Trustees (some completed and many underway) over last six months including:

- the 6% tax on Short Term Rentals that the voters approved by 70%/30% on November 8, 2022, and
- moving forward on a process to select a lead developing for the Town Center parcel that the Town owns.

This Community Housing Plan (and the current Community Housing Guidelines) can be read as supplements to the Comprehensive Plan that can be reviewed and updated annually.

The Comprehensive Plan Housing Implementation Matrix on pages 10-11 includes notes on the status of many of the items in the matrix that this Community Housing Plan is working to implement. The next section, Strategies to Increase Housing Stock, includes cross references to the same Comprehensive Plan Implementation Plan Matrix.

Recommendations

The following housing policies are aimed to increase supply of needed unit types and costs. But to help Carbondale further supply housing, more must be done to boost housing policy flexibility (e.g., land use standard relaxations for affordable projects).

1. Explore programs and policy tools to prevent displacement (e.g., rent stabilization, commercial linkage fees, impact fees, or rent review boards) for all susceptible communities.
2. Ensure that land use regulations governing Planned Unit Development (PUDs) and subdivision covenants facilitate and remove barriers to construction of more affordable housing.
3. Allow Accessory Dwelling Units (ADUs) for single-family residential zones, to add housing capacity and increase financial flexibility for owners. Consider adding an educational component to inform homeowners with guidance on ADU construction/conversion. Research best practices from peer communities for enforcement and monitoring.
4. Refine and evolve inclusionary zoning regulations to ensure they do not discourage mixed-use developments that would otherwise include needed housing. Explore programs allowing limited sale/transfer of unit requirements in such cases.
5. Partner with Garfield County to leverage County efforts to encourage production of affordable housing, including participation in State (CHFA) and federal (HUD/HOME, USDA) programs including Low-Income Housing Tax Credit (LIHTC) subsidies.
6. Convene a town-wide and/or regional task force to develop a comprehensive policy to address multi-generational housing, displacement, and social equity issues and considerations including topics of small-business retention, housing affordability, and anti-displacement policies in the community.
7. Assist in the formation of non-English-speaking business groups or commerce associations.
8. Consider adoption of recent Garfield County modifications to the County's Land Use & Development and Building Codes to allow for "Tiny Homes."
9. Support and expand the Carbondale Affordable Creative Space effort to promote and fund arts-oriented space.
10. Expand deed-restricted housing through Community Land Trusts (CLTs) either by partnering with an existing CLT (e.g., Elevation CLT, primarily active in the Front Range today) or by helping to organize a similar partnership in the Roaring Fork Valley.
11. Evaluate strategies to actively engage with regional housing providers to address affordable housing opportunities.
12. Continue to engage with affordable housing providers and agencies to develop actionable strategies and programs to deliver affordable housing in Carbondale.
13. Re-assess affordable housing needs, land development opportunities, funding, partnerships, site selection criteria, and design guidelines for possible affordable housing initiatives for the Town of Carbondale.
14. Explore creating a facade improvement program and funding source to support local businesses and jobs.

| With good design standards and conversion policies, ADUs will continue to supply viable housing |



GOAL TOPIC 3: HOUSING + JOBS				
CATEGORY	#	STRATEGY / ACTION	RESPONSIBILITY	TIMELINE
Local & Regional Approach	3.1	Address housing affordability at the local and regional level concurrently.		Underway
	3.1.2	Establish a task force to develop a comprehensive policy on multi-generational housing, housing affordability, anti-displacement and social equity, small-businesses retention policies in the community.	Housing Organizations	Underway
	3.1.3	Identify land use impediments, gaps, opportunities, design guidelines, new funding sources and opportunity sites for multi-family housing to increase affordable housing opportunities.	Town Board	Underway / regional
	3.1.4	Explore programs and policy tools to prevent displacement (e.g., rent stabilization, commercial linkage fees, impact fees, or rent review boards) for all susceptible communities.	Town Board & Housing Organizations	In plan
	3.1.5	Partner with Garfield County to leverage County efforts to encourage production of affordable housing, including participation in State (CHFA) and federal (HUD/HOME, USDA) programs including Low-Income Housing Tax Credit (LIHTC) subsidies.	Town Board & Housing Organizations	In plan
	3.1.6	Consider allocating Town resources or reducing infrastructure and permitting fees to assist qualifying affordable housing developments.	Town Board	Town Center Project
Housing Inventory	3.2	Work with housing entities/providers to expand the inventory of affordable housing in a variety of configurations, addressing the full diversity of needs (e.g. entry level bedroom units, housing will elevator access, co-housing, options for both affordable rental and homeownership).		Ongoing / RFSD
	3.2.1	Identify funding mechanisms and possible sites for affordable rental housing.	Town Board	Completed STR Tax Approved 11/8/22
	3.2.2	Expand deed-restricted housing through Community Land Trusts (CLTs) either by partnering with an existing CLT (e.g., Elevation CLT, primarily active in the Front Range today) or by helping to organize a similar partnership in the Roaring Fork Valley.	Town Board & Housing Organizations	In process Manaus Housing Initiative
	3.2.3	Consider a buy down program for Carbondale's existing affordable housing stock (any HDR area or mobile home park) to preserve affordability.	Town Board & Housing Organizations	In process 2023
	3.2.4	Prioritize affordable, medium-density housing inventory in Downtown North.	Town Board, Planning Department	●
Ongoing Monitoring	3.3	Evaluate performance and outcomes of the Town's inclusionary residential requirements and adjust accordingly.		In plan 2023
	3.3.1	Establish a baseline of housing through inventorying, then evaluate the Town's inclusionary residential requirements based on community need and amend as needed.	Planning Department, non-profit housing organizations	In plan 2023
	3.3.2	Evaluate market disincentives of inclusionary community housing.	Planning Department, non-profit housing organizations	In plan 2023
	3.3.3	Evaluate inclusionary zoning regulations to ensure they do not discourage mixed-use developments that would otherwise include needed housing. Explore programs allowing limited sale/transfer of unit requirements in such cases.	Town Board	In plan 2023

GOAL TOPIC 3: HOUSING + JOBS

CATEGORY	#	STRATEGY / ACTION	RESPONSIBILITY	TIMELINE
Land Use + Zoning	3.4	Evaluate the UDC to identify and remove barriers to affordable and accessible housing supply.		
	3.4.1	Ensure that land-use regulations governing Planned Unit Development (PUD's) and subdivision covenants facilitate and remove barriers to construction of more affordable housing.	Planning Department & Planning Commission	In plan 2023
	3.4.2	Educate homeowners on Accessory Dwelling Units (ADU) regulations and provide guidance on permitting and construction conversion. Research best practices from peer communities for enforcement and monitoring.	Planning Department	In plan 2023
	3.4.3	Consider amending the UDC to allow detached ADUs.		●
	3.4.4	Amend the UDC to define and allow tiny homes.	Planning Department & Planning Commission	●
	3.4.5	Consider residential infill design standards / guidelines to address design compatibility, form, scale and character, specifically to address, adjacencies, roof line forms, solar access, entry and window alignments, setbacks, upper level setbacks and privacy and other mass and scale standards to ensure compatibility of structures between low and high-density uses and protection of neighborhood character as changes occur over time.	Planning Department & Planning Commission	●
	3.4.6	Consider revisions to the "Transitions between unlike land uses" (UDC 3.7.5) in the Town's Unified Development Code that strengthen design compatibility in areas where R/HD zones abut or are across the street from R/LD zones.	Planning Department & Planning Commission	●
	3.4.7	Continue to negotiate with developers when rezoning to address phasing, diversity in housing, and affordable housing requirements.	Planning Department & Planning Commission	🔄
	3.4.8	Monitor short-term rentals (STRs) to ensure that local/ workforce housing is not converted into STRs. Amend the UDC to prohibit STRs where inappropriate.	Planning Department & Planning Commission	Underway
Land Use + Zoning	3.5	Support and expand the Carbondale Affordable Creative Space effort to promote and fund arts-oriented space.		
	3.5.1	Duplicate 2018 pilot survey for that identified preliminary demand potential for 42 live-work artist units, 11 shared creative workspaces, and other arts-oriented space that could be pursued further in plans for redevelopment throughout Carbondale - particularly in conjunction with infill redevelopment of Downtown and Downtown North.	Carbondale Arts, Art & Culture Organizations, Town Board	Town Center Project
	3.5.2	Continue to pursue diversity in housing types by encouraging live/work space for artists.	Planning Department, Carbondale Arts, Art & Culture Organizations,	Town Center Project

● Near-term (0 to 3 Yrs) ● ● Medium-term (0 to 6 Yrs) ● ● ● Long-term (0 to 10 Yrs)



Ongoing

Strategies to Increase Affordable Housing Stock

Goal: Double the number of deed-restricted, rental capped, and town owned units from 144 to 288 by 2032.

Strategy Area	Description	First Moves	Timeline	Comp Plan Strategy
Building New	Build a creative project on the Town Center site that includes significant affordable housing.	<input type="checkbox"/> Develop a Request for Qualifications and Review process to select a partner/s to develop the Town Center property. <ul style="list-style-type: none"> • Select a development partner(s) for the Town Center property. • Create a development and financing plan. • Complete the development review process for project. • Apply to State Division of Housing (DOH) for funding for the project. 	Fall / Winter 2022	3.5.1 3.5.2
		<p>Future Considerations:</p> <ul style="list-style-type: none"> ○ Assess Town owned land for potential affordable housing units. ○ Examine potential and incentives for Accessory Dwelling units (ADUs). ○ Explore funding to support third party development of affordable housing. ○ Explore the potential of tiny homes and similar small unit concepts. 	... 2023	3.2.1 3.4.2

Conversion	Create development neutral programs to convert existing housing into permanently affordable housing. (See West Mountain Regional Housing Coalition Housing Programs Strategies Toolkit)	<input type="checkbox"/> Develop a buydown/deed restriction – shared equity program <input type="checkbox"/> Create a downpayment assistance program <input type="checkbox"/> Apply to DOH for funding for these programs as the Town and/or in partnership with Regional Housing Coalition Future Considerations: <ul style="list-style-type: none"> ○ Allow for donated deed restriction (tax right off) ○ Explore partnerships with Garfield County and other organizations to create the process and funding to help area trailer park residents to buy their parks and make them parks permanently affordable. 	Winter 2023	3.2.3 3.2.3 3.2.1 3.1.5
Funding	Explore affordable housing funding options at the Town, County, Regional and State level.	<input type="checkbox"/> Ask voters to approve 6% tax on Short Term Rentals on the November 2022 ballot. <input type="checkbox"/> Apply to DOH for funding for the Town Center Development Plan and Development Neutral Programs. <input type="checkbox"/> Work with Regional Housing Coalition on regional funding and financing sources for affordable housing, including applying to DOH for buy down fund. Future Considerations: <ul style="list-style-type: none"> ○ Assess potential bonding options given existing revenues. ○ Encourage state representatives to amend TABOR to enable use real 	Complete 11/9/2022 STR Tax passes 72%/28% (2183/858) 2023	3.2.1 3.2.1 3.1.2

		<p>estate transfer tax (RETT). Connect the high price of housing to a funding source to create affordable housing.</p> <ul style="list-style-type: none"> ○ Explore other funding tools to encourage housing affordability. 		
Policy	Examine policies to support affordable housing by the private market, the public and nonprofit sector.	<ul style="list-style-type: none"> <input type="checkbox"/> Support regional efforts to create affordable housing <input type="checkbox"/> Explore options to require more affordable for new residential and commercial development. (Higher inclusionary zoning percentage, commercial linkage, development fees, etc). (See West Mountain Regional Housing Coalition Housing Programs Strategies Toolkit) <p>Future Considerations:</p> <ul style="list-style-type: none"> ○ Considering adjustments to the new Short Term Rental Rules and Regulations. [Link] ○ Develop enforcement procedures to address unlicensed STR. ○ Explore other policy options relating to commercial development and second homes. ○ Explore programs and policy tools to prevent displacement for all susceptible communities ○ Expand deed restricted housing through Community Housing Land Trust Model. ○ Explore strategies to create seasonal housing units with other partners. 	2022	<p>3.1</p> <p>3.3</p> <p>3.3.2</p> <p>3.4.8</p> <p>3.1.4</p> <p>3.2.2</p>

Partnerships	Continue to support the creation of affordable housing units by nonprofit, public, and private sector partners.	<input type="checkbox"/> Encourage nonprofit organizations and public entity partners to convert existing housing and/or build new affordable housing options for their workforces and the general public. Future Considerations: <ul style="list-style-type: none"> ○ Explore ways to partner with private employers in Carbondale to create affordable workforce housing 	Ongoing	
Administration	Improve the affordable housing application process.	<input type="checkbox"/> Offer clear communication on Town Website on the different options for affordable housing and the different organizations to contact. Consider adding short videos. <input type="checkbox"/> Assess the existing housing we have and make sure our existing housing guidelines are working and we don't have loopholes. [Link] <input type="checkbox"/> Evaluate STR's and assess whether they are impacting the long-term rental market.	Winter/ Spring 2023	3.4.8
Evaluation	Review progress on strategies at Trustee worksessions regularly.	<input type="checkbox"/> Adjust approach, funding, staffing as appropriate to implement strategies to achieve affordable housing goal. <input type="checkbox"/> Add, edit or delete strategies as needed to achieve affordable housing goal.	Winter 2022/ Spring 2023	

Resources

Town of Carbondale

- [Town of Carbondale Community Housing Guidelines \(2020 AMI\)](#)
- [The Arts Market Survey](#)
- [Town Center – Request for Qualifications \(RFQ\)](#)
- [Comprehensive Plan update 2022](#)

Regional

- **West Mountain Regional Housing Coalition** [www.wmrhousing.org]
 - [2019 Greater Roaring Fork Regional Housing Study](#)
 - [2022 West Mountain Regional Housing Programs & Strategies Toolkit](#)
 - [Regional Housing Data Supplement](#)
- [Garfield County Housing Authority](#)
- [Habitat for Humanity Roaring Fork](#)

State of Colorado

- The Colorado Department of Local Affairs (DOLA) Division of Housing
 - [Transformational Affordable Housing, Homeownership, and Workforce Housing Grant Program](#)
- [State of Colorado Resiliency Framework 2020](#)