

Lake City Housing Plan - Implementation Discussion Guide

Steering Group Meeting - November 14, 2025

Meeting Goal: Discuss implementation approach, capacity, and next steps

Time: 2 hours

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Start Here: Before We Dive In

1. **Review the Working Draft Housing Plan** (attached) - browse through all chapters to see the full picture
2. **Notice: Chapter 5 (Implementation) is blank** - that's intentional
3. **This packet contains our initial recommendations** for what could go in that chapter
4. **At the meeting:** You decide what fits your capacity, your priorities, and your community's will

Our Role at the Meeting

We're handing you the baton. This packet presents options and recommendations based on what we've learned from other rural communities. At the meeting, you'll decide:

- What you have the capacity to take on
- What aligns with your priorities
- What timeline makes sense for you
- How much you want to pursue vs. set aside for later

There's no "wrong" answer - only what works for Lake City.

You have a solid plan and some real advantages. Now: What are you ready to take on?

Quick Context: What You Have Going For You

Prop 123 Commitment: Town committed to 7 units, County to 2 units by end of 2026. Pathways include ADUs, acquisition/rehab, STR conversions, and deed restrictions.

Fast-Track Permitting: \$100K incentive (\$50K Town + \$50K County) if completed by Dec 31, 2025. Currently in progress.

Lake Fork Site: MHN grant underway for site plans. Town owns the land, utilities nearby. Potential for 28 units.

Grant Opportunities: DOLA, Prop 123, LIHTC, USDA 515 all available. Housing coordinator position could have 17:1 ROI (Silverton got \$1M+ in grants with \$60K coordinator).

Revenue Options: Mill levy (2 mills = \$116K/year, 75% paid by non-residents), inclusionary zoning fees (\$25K/home).

Discussion Flow for the Meeting

We recommend working through these topics in order - each builds on the previous one. Reference the complete action table in the Reference Materials section to discuss specific commitments.

Topic 1: Capacity & Structure - Who Does the Work?

Core questions: Do you have staff capacity to implement? What organizational structure do you need?

Part A: Housing Coordinator Position

A shared 0.5-0.75 FTE coordinator could handle grant writing, program management, and implementation coordination. Silverton's \$60K coordinator brought in \$1M+ in grants within 2 years.

Funding Options to Consider:

- Pursue DOLA grants first** (could cover full cost)
- Use Fast-Track \$100K** (partial or full Year 1 coverage)
- Local budgets** (\$30-45K per jurisdiction/year)
- Revisit later** - Continue with existing staff for now

Note: Without dedicated capacity, implementation will be limited to what existing staff can manage alongside current duties.

Part B: Housing Authority Formation

A housing authority would unlock CHFA loans, strengthen Prop 123 applications, and provide a dedicated legal entity for housing work. Town Trustees can serve as Board, legal setup cost \$2-5K. Silverton used this model successfully.

Your Options:

- Form Lake City Housing Authority** (Trustees as Board)
- Not at this time** - Work through existing Town/County structure

These two decisions work well together but can also be pursued independently.

Topic 2: Funding - Sustainable Revenue Source?

Core question: Do you want to pursue voter-approved funding, or rely on grants and fees?

Option A: Mill Levy (~\$116K/year)

A 2-mill property tax would generate predictable annual revenue. 75% paid by out-of-county vacation/seasonal homeowners. Costs residents \$12.64 per \$100K property value/year.

If this interests you, when?

- November 2026** (allows time for education campaign)
- Later** (2027 or beyond, once you have early wins to show)

Would require: PAC formation, ballot language drafting, education campaign (\$5-15K campaign budget)

Option B: Grants and Fees Only

Rely on inclusionary zoning fees (\$25K/home), grants, and periodic local budget allocations. More variable, but doesn't require voter approval.

- Don't pursue mill levy at this time

Topic 3: Lake Fork - What's Your Approach?

Core question: When MHN plans are ready, how do you want to proceed?

Context: MHN grant underway - will deliver site plans and development roadmap. Potential for 28 units. Town owns the land, utilities nearby.

Your consultant is working with MHN on site planning and will help guide Lake Fork development options. The key question now is whether you want to pursue this as a major project.

General Approaches to Consider:

Public-Private Partnership: Partner with an experienced affordable housing developer who brings expertise, financing connections, and ongoing management capacity.

Town-led: Town takes the lead on development, requiring significant staff capacity and risk management.

Your Options:

- Pursue Lake Fork development - work with consultant on approach
- Wait to see MHN plans before deciding on approach
- Not a priority at this time

Topic 4: First Steps - What Launches Now?

Core question: What are you ready to pursue in the next 6 months?

Already Underway:

- Fast-Track Permitting & Development Incentives** (Dec 31 deadline for \$100K - includes expedited permitting, fee waivers, density bonuses)

Actions to Consider:

- Housing Trust Fund** - Establish fund structure (needed to receive any revenue)
- Housing Coordinator** - Hire or apply for DOLA grants
- Grant Applications** - DOLA, Prop 123, CHFA
- ADU Ordinance** - Enable accessory dwelling units
- STR Management** - Caps and licensing system

Our suggestion: Start with Housing Trust Fund (foundation for everything) and Housing Coordinator (capacity to execute). These enable the other actions.

Topic 5: Staying on Track - Oversight Structure

Core question: How do you want to maintain momentum and accountability?

Options to Consider:

- Quarterly joint sessions** (Town Trustees + County Commissioners review progress)
- Standing housing committee** (this steering group continues in advisory role)
- Annual review** (lighter touch, less frequent check-ins)
- Other approach:** _____

Consider: Regular reporting on units created, funds leveraged, and progress toward goals helps maintain momentum and allows for course corrections.

Reference Materials

Use these sections for detailed information during your discussion

Complete Action List: Strategies, Roles & Timeline

This table shows all actions organized by strategy. Use this to discuss and commit to roles and timelines.

Strategy / Action	Lead	Support	Timeline	Notes
STRATEGY 1: Policies & Incentives				
1.1 Fast-Track Permitting & Development Incentives Package	Town & County	Both	0-6 mo	IN PROGRESS Dec 31 deadline, \$100K incentive. Includes expedited permitting, fee waivers, and density bonuses for qualifying affordable projects
1.2 ADU Ordinance	Town	County	0-6 mo	Enable accessory dwelling units
1.3 STR Caps or Bans	County	Town	0-6 mo	Manage short-term rental growth
1.4 STR Licensing and Fee Structure	County/Both	Joint	0-6 mo	Licensing fees cover admin costs only
1.5 Long-Term Lease Incentives	County	Town	6-18 mo	Property tax incentives for long-term rentals
STRATEGY 2: Optimize Existing Housing Stock				
2.1 Anti-Displacement Policy/Rules	Town & County	Joint	6-18 mo	Protect existing residents from displacement
2.2 Acquisition & Rehabilitation	Town & County	Both	6-18 mo	Purchase/fix existing units
2.3 Housing Preservation Fund	Town & County	Joint	6-18 mo	Revolving loan fund for repairs
2.4 Emergency Home Repair Program	Town & County	State programs	6-18 mo	Partner with DOLA/CHFA programs
2.5 Down Payment Assistance Program	Town & County	Joint	6-18 mo	Assist 2-3 first-time homebuyers annually
2.6 Weatherization and Energy Efficiency	Town & County	State programs	6-18 mo	Partner with state weatherization programs
STRATEGY 3: Develop Sustainable Revenue				
3.1 Property Tax Allocation (Mill Levy)	Town & County	Respective	6-18 mo	PRIMARY REVENUE 2 mills = \$116K/year if passed
3.2 Housing Impact/Linkage Fees	Town & County	Both	6-18 mo	Consider development impact fees (\$15-25K/year)
3.3 Inclusionary Zoning with Fee in Lieu	Town	County	6-18 mo	Fee-in-lieu: \$25K/home (e.g., 10 homes/year = \$250K)
3.4 Partnership Leverage and Community Fundraising	Town & County	Joint	6-18 mo	Employer partnerships, philanthropy (\$2M endowment = \$100K/year)
STRATEGY 4: Strategic Development & Land Banking				
4.1 Land Acquisition/Banking	Town & County	Both	6-18 mo	Prop 123 funding available
4.2 Lake Fork Site Development	Town	County	6-18 mo	28 units, \$2.8-3.5M, PPP model recommended
4.3 Shared Housing Staff	Town & County	Joint	0-6 mo	CRITICAL Housing Coordinator 0.5-0.75 FTE, \$60-90K/year
4.4 Employer Partnerships	Town & County	Employers	6-18 mo	Formalize employer housing assistance
4.5 Legislative Partnerships and Advocacy	Town & County	Both	Ongoing	State/federal advocacy coordination
4.6 Construction Workforce Development	Town & County	CMC, Contractors	18+ mo	Train local residents in construction trades
FOUNDATIONAL (Cross-Strategy)				
F.1 Housing Trust Fund Establishment	Town & County	Joint	0-6 mo	REQUIRED Foundation for all revenue
F.2 Housing Authority Formation	Town	County	0-6 mo	Unlocks CHFA loans, Prop 123 benefits (optional but recommended)

Possible Timeline

Months 0-6: Foundation

- Complete Fast-Track Permitting (Dec 31 deadline)
- Establish Housing Trust Fund
- Hire Housing Coordinator or secure DOLA grant
- Form Housing Authority (if pursued)
- Draft Lake Fork RFP

Months 6-18: Programs Launch

- Mill levy campaign and ballot (if November 2026 pursued)
- Select Lake Fork developer partner
- Launch ADU incentive program
- Begin acquisition/rehabilitation activities
- Implement STR management system

Months 18+: Construction & Scale

- Lake Fork construction begins (2027-2029)
- Expand successful programs
- Path to 40+ units by 2034

Budget Scenarios (Year 1)

Scenario	Funding Sources	Local Cost
Best Case	Fast-Track \$100K + DOLA grant (est. 25% match)	\$15-23K match
Middle Case	Fast-Track \$100K only	\$9-110K
Baseline	Fast-Track \$100K + local budgets for coordinator	\$30-45K each jurisdiction

Grant & Funding Sources

Local Revenue (from Revenue Feasibility Study):

- Mill levy: 2 mills = \$116K/year (75% paid by non-residents, costs residents \$12.64 per \$100K property value/year)
- Inclusionary zoning: \$25K fee-in-lieu per home (10 homes/year = \$250K)
- Local budgets: Town & County general funds

State: DOLA grants, Prop 123, CHFA LIHTC, DOLA Energy Impact

Federal: USDA Rural Development 515/538, HUD HOME/CDBG, FHLB AHP

Private: Gates Family Foundation, Daniels Fund, local philanthropy (\$2M endowment = ~\$100K/year)

See *Revenue Feasibility Study and Working Draft Housing Plan* for complete details

Path to 40 Units (Example Trajectory)

Years 1-2: 8-14 units (ADUs, acquisition/rehab, STR conversions)

Years 3-5: 20-33 units (Lake Fork Phase 1, continued programs)

Years 6-10: 23-42 units (Lake Fork Phase 2, scaling, employer partnerships)

Potential total: 51-89 units (exceeds 40-unit goal if programs succeed)

Wrapping Up

What Happens Next

1. **November 14th meeting:** Discuss your capacity, priorities, and approach
2. **Within 30 days:** Town Trustees & County Commissioners joint session for formal direction
3. **Within 60 days:** Launch priority actions based on your decisions
4. **Ongoing:** Progress updates through structure you choose (quarterly, annual, etc.)

Remember

You're not committing to every detail at the meeting. You're discussing:

- What you have capacity to take on
- What aligns with your priorities
- What timeline works for your community
- How you want to stay accountable

The Working Draft Housing Plan has all the details - action cards, examples, budgets, grant info. Use it as your reference.

You've done the hard work of planning. Now it's about choosing your path forward.