

# Hinsdale County/Lake City Strategic Housing Plan - Implementation Discussion Guide

Joint Session: County Commissioners & Town Trustees - November 19, 2025 at 1:00 PM

**Meeting Goal:** Finalize 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. Important context: These topics form an integrated package - they work in concert with each other, not in isolation. Success comes from combining actions strategically.
5. 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).

## First Action: Intergovernmental Agreement (IGA)

Before diving into specific programs, consider formalizing your collaboration with an IGA to implement this plan together. An IGA would:

- Establish clear roles and responsibilities between Town and County
- Create a framework for shared funding and resource allocation
- Strengthen grant applications by demonstrating formal partnership
- Provide legal structure for joint housing initiatives

This could be your first concrete action - setting the foundation for all collaborative work to follow.

## 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:

- Intergovernmental Agreement (IGA)** - Formalize Town/County partnership and implementation framework
- Grant Applications** - DOLA, Prop 123, CHFA
- Housing Coordinator** - Hire or apply for DOLA grants
- Housing Authority Formation** - Unlocks CHFA loans and strengthens grant applications
- Housing Trust Fund** - Establish fund structure (needed to receive any revenue)

*Our suggestion: These five actions form a strong foundation. The IGA formalizes your partnership, grants provide funding, the Coordinator provides capacity, the Housing Authority unlocks additional resources, and the Trust Fund creates the structure to manage revenue.*

### Topic 5: Staying on Track - Oversight Structure

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

#### Recommended Approach (Both Together):

We recommend combining these two complementary structures:

- Quarterly joint sessions** (Town Trustees + County Commissioners review progress, make decisions)
- Standing housing committee** (Steering group continues in advisory role, provides technical guidance)

**Why both?** The quarterly sessions ensure elected officials stay engaged and make timely decisions, while the standing committee provides continuity, technical expertise, and detailed oversight between sessions.

#### Alternative Options:

- Annual review only** (lighter touch, less frequent check-ins)
- Other approach:** \_\_\_\_\_

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

## Reference Materials

### Complete Action List: Strategies, Roles & Timeline

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

#### Important Note on Phasing

**Phase II is responsive to Phase I outcomes.** The specific actions and priorities in Phase II (6-18 months) will shift based on:

- What succeeds in Phase I and deserves expansion
- Where you see the strongest community response
- Which funding opportunities materialize
- Your capacity and bandwidth as you learn

This plan is designed to be adaptive - expect to adjust Phase II and III priorities based on real-world results and changing circumstances.

**Phase Color Key:**  Phase I (0-6 mo)  Phase II (6-18 mo)  Phase III (18+ mo)

Strategy / Action	Lead	Support	Timeline	Notes
<b>STRATEGY 1: Policies &amp; Incentives</b>				
1.1 Fast-Track Permitting & Development Incentives Package	Town & County	Both	0-6 mo	<span style="background-color: #FF9933; border: 1px solid black; padding: 2px 5px;">IN PROGRESS</span> 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
<b>STRATEGY 2: Optimize Existing Housing Stock</b>				
2.1 Anti-Displacement Policy/Rules	Town & County	Joint	6-18 mo	Protect existing residents from displacement
2.2 Acquisition & Rehabilitation	Town & County	Both	0-6 mo	Purchase/fix existing units
2.3 Housing Preservation Fund	Town & County	Joint	0-6 mo	Revolving loan fund for repairs (can be blended with 2.2)
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
<b>STRATEGY 3: Develop Sustainable Revenue</b>				
3.1 Property Tax Allocation (Mill Levy)	Town & County	Respective	0-6 mo	<span style="background-color: #6699CC; border: 1px solid black; padding: 2px 5px;">PRIMARY REVENUE</span> 2 mills = \$116K/year if passed
3.2 Housing Impact/Linkage Fees	Town & County	Both	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)
<b>STRATEGY 4: Strategic Development &amp; Land Banking</b>				
4.1 Land Acquisition/Banking	Town & County	Both	0-6 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	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
<b>FOUNDATIONAL (Cross-Strategy)</b>				
F.1 Housing Trust Fund Establishment	Town & County	Joint	0-6 mo	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

### Phase I (Months 0-6): Foundation & Quick Wins

- Complete Fast-Track Permitting (Dec 31 deadline)
- Establish Housing Trust Fund
- Hire Housing Coordinator or secure DOLA grant
- Form Housing Authority (if pursued)
- Execute IGA between Town and County
- Begin land acquisition/banking opportunities (Prop 123)
- Launch acquisition & rehabilitation program
- Draft Lake Fork RFP and mill levy campaign (if pursuing 2026 ballot)

### Phase II (Months 6-18): Programs Launch

- Mill levy campaign and ballot (if November 2026 pursued)
- Select Lake Fork developer partner
- Launch ADU incentive program
- Expand acquisition/rehabilitation based on Phase I learnings
- Implement anti-displacement policies
- Launch down payment assistance and emergency repair programs
- Formalize employer partnerships

**Note:** Priorities in this phase will shift based on Phase I successes and available capacity.

### Phase III (Months 18+): Construction & Scale

- Lake Fork construction begins (2027-2029)
- Expand successful programs from Phase I & II
- Implement housing impact fees (if capacity allows)
- Launch construction workforce development
- Path to 40+ units by 2034

## 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. **Finalize the plan:** Review decisions from today's session and formalize your commitments
2. **Launch priority actions:** Begin implementing the actions you've prioritized (IGA, Trust Fund, grant applications, etc.)
3. **Ongoing implementation:** Maintain momentum through your chosen oversight structure (quarterly sessions, standing committee, 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.**