

APCHA GUIDELINES TABLE OF CONTENTS

PART	Page
I Introduction to Aspen Pitkin County Housing Authority (APCHA)	3
II APCHA Housing Board Policies	
Section 1. Mission Statement	4
Section 2. Affordable Housing Governance and Deed-Restriction Policies	4
Section 3. APCHA Guidelines	4
Section 4. Affordable Housing Funding	4
Section 5. Affordable Housing Types and Categories	5
Section 6. Affordable Housing Rental and Ownership	8
Section 7. APCHA Eligibility	8
III APCHA Affordable Housing Development Policies and Procedures	
Section 1. APCHA Housing Development Policy	10
Section 2. Legislation Governing Affordable Housing Development	10
Section 3. Private Sector Development Process	11
Section 4. Affordable Housing Mitigation of Private Sector Property Development	12
Section 5. Minimum Net Livable Square Footage for Affordable Housing Development	17
Section 6. Occupancy Policies for Newly Deed-restricted Units	19
Section 7. APCHA Approval and Execution of Deed Restrictions	22
IV APCHA Eligibility and Qualification	
Section 1. Eligibility	24
Section 2. Qualification Procedures	24
V APCHA Rental Policies and Procedures	
Section 1. Rental Priorities (APCHA Managed Properties)	30
Section 2. Rental Procedures	31
VI APCHA Purchase and Sale Policies and Procedures	
Section 1. Application and Qualification to Purchase Affordable Housing	34
Section 2. Sale Listings	34
Section 3. Bid Process	35
Section 4. Lottery	41
Section 5. Sales Contract	42
Section 6. Closing the Transaction	43
Section 7. Sale of an Ownership Unit / Listing a Unit for Sale	44
Section 8. Resident-Occupied (RO) Unit Sale Policies and Procedures	46
Section 9. Foreclosures	47
VII Maintaining Eligibility, Special Review, Compliance & Grievance Policies/Procedures	
Section 1. Maintaining Eligibility	49
Section 2. Landlord Responsibilities	51
Section 3. Owner Responsibilities	52
Section 4. Special Review Policy & Procedures	59
Section 5. Enforcement Policies & Procedures	60
VIII DEFINITIONS	66

TABLES		Page
I	APCHA Household Income Target Levels per Category	6
II	Maximum Gross Income and Net Assets per Household	7
III	Maximum Monthly Rental Rates for Deed-restricted Rental Units	15
IV	Maximum Sale Prices for Newly Deed-restricted Ownership Units	15
V	Payment-in-lieu/Impact Fee Schedule	15
VI	Minimum Net Livable Square Footage for Affordable Housing	16
VII	APCHA Mitigation Standards	16
VIII	Maximum Annual APCHA Adjustment	33
IX	APCHA Bid Priority per Employment and Residency History	39
X	Number of APCHA Lottery Chances for Priority Bids	41

APPENDICES

A	APCHA Fee Schedule	73
B	Schedule of Fines	74

2020 GUIDELINES

MISSION STATEMENT/GOAL

The goal of the Aspen/Pitkin County Housing Authority (APCHA) is to provide affordable housing opportunities through rental and sale to persons who are or have been actively employed or self-employed within Aspen and Pitkin County, and that provide or have provided services to individuals, businesses, or institutional operations within Aspen and Pitkin County (prior to retirement and/or any disability) and other qualified persons as defined in these Guidelines, and as they are amended from time to time. - Aspen/Pitkin County Housing Authority Goal

PART I

INTRODUCTION TO ASPEN PITKIN COUNTY HOUSING AUTHORITY (APCHA)

In 1984, the City of Aspen and Pitkin County signed an Inter-Governmental Agreement (IGA) creating the Aspen Pitkin County Housing Authority (APCHA, APP-sha). The city and county had previously operated separate housing programs in an effort to provide affordable housing to resident employees.

Under Colorado Revised Statutes and the IGA, APCHA was instituted as a separate multi-jurisdictional governmental entity with powers, among others, to acquire and dispose of property, to plan, construct and manage affordable housing, make contracts, hire employees and raise revenues to fund the program.

APCHA properties are governed in part by The Colorado Common Interest Ownership Act (CCIOA, KI-oh-wa) setting forth policies governing Housing Authority properties and other “common interest communities” in the state, i.e., condominium developments and certain other jointly owned properties.

CCIOA requires that a common interest community operate under a self-governing, not-for-profit Home Owners’ Association (HOA) according to its articles of incorporation, by-laws, resolutions and declarations, Capital Reserves policy, covenants and deed restrictions applicable under the APCHA program.

APCHA is governed by a seven-member Board of Directors (Housing Board) appointed by the Aspen City Council (Council) and the Board of County Commissioners of Pitkin County (BOCC). The Housing Board establishes APCHA policies. APCHA is managed and operated by an Executive Director and staff in compliance with City of Aspen Land Use Regulations, the Pitkin County Land Use Code and APCHA Guidelines published annually. See Appendix A for APCHA background.

PART II

APCHA HOUSING BOARD POLICIES

Section 1. Mission Statement

The goal of APCHA is to provide affordable housing opportunities through rental and sale to persons who are or have been actively employed or self-employed within Aspen and Pitkin County, and that provide or have provided goods and services to individuals, businesses or institutional operations, within Aspen and Pitkin County (prior to retirement and/or any disability), and other qualified persons as defined in these Guidelines, and as they are amended from time to time.

Section 2. Affordable Housing Governance and Deed-restriction Policies

Affordable housing is deed-restricted housing for qualified employees as stated in these Guidelines. Rental and ownership are restricted by terms ensuring Housing Board policies are met.

APCHA rental and ownership housing is developed by county and city authority and managed according to APCHA Guidelines. APCHA rental properties are leased and managed both by APCHA and by the private sector in the form of a property management company or the owner. The majority of APCHA ownership units are sold through APCHA and managed by a not-for-profit Homeowners' Association (HOA) specific to the property. The HOA is responsible for maintaining common elements of the property with the power to assess owners as necessary. APCHA tenants and owners qualify with APCHA and occupy units under the terms of the respective lease or HOA and in compliance with deed restrictions.

Section 3. APCHA Guidelines

In keeping with state regulations, the Housing Board publishes Guidelines establishing the operation of the housing program, along with creating policies and procedures for APCHA operations. Guidelines are reviewed and amended periodically. Amended Guidelines are published annually. Amendments can be made between publication dates due to city ordinances or county resolutions or for administrative purposes. APCHA keeps on file all editions of Guidelines where they are located at www.apcha.org.

Section 4. Affordable Housing Funding

Affordable housing in the City of Aspen and Pitkin County is supported by funding from the city, county and APCHA.

Revenues are raised from sources described below; and the city and county from time to time dedicate general funds to the affordable housing program.

Private sector property developers are required to mitigate the relative impact of property development on affordable housing needs; the resulting impact fees or conveyances help fund the housing program.

A. City of Aspen Funding

The City of Aspen maintains a Housing Development Fund dedicated to affordable housing.

- A housing real estate transfer tax (RETT) of one percent (1%) is charged on the sale price above \$100,000 of private sector real property sold within the City of Aspen. The housing RETT has been renewed by referendum three times, most recently in 2001, and will remain in effect until December 31, 2040.
- A portion of city sales tax is dedicated to housing. Affordable housing and day care programs currently share .45% of the city sales tax as determined by Council.
- Payment-in-lieu, or impact fees, may be charged to private sector developers who do not construct or convert affordable housing as part of development projects. Fees are calculated according to a formula based on city and county land use regulations and codes.
- Land-in-lieu, or a conveyance of vacant property to the city or APCHA may mitigate private sector property development requirements. Such conveyances afford APCHA and/or the city the opportunity to acquire real property that, if not appropriate for public affordable housing development, may be sold to fund the housing program.
- Under the Credit Certificate Program, a private sector developer may mitigate affordable housing requirements by purchasing a credit equivalent to the free market value of an affordable housing unit located in an all-affordable housing project.

B. Pitkin County Funding

Pitkin County maintains a fund dedicated to providing affordable housing. The Employee Housing Impact Fee was created under BOCC Ordinance No. 23-2005 and amended portions of the Pitkin County Land Use Code.

- The purpose of the Employee Housing Impact Fee, known as payment-in-lieu in the city, is to require the applicable development to pay to mitigate the impacts of development and land use to the employee housing stock managed or controlled by Pitkin County or its housing designee, APCHA. Fees are calculated according to a formula based on county land use regulations and codes.

C. APCHA Funding

APCHA charges various fees and maintains an operational fund. See Appendix C for APCHA Fee Schedule.

- Fees are charged for application, bid submission, requalification, processing of documents and other administrative services.
- Sellers of ownership units are charged listing and transaction fees. The listing fee is a non-refundable portion of the transaction fee.

Section 5. Affordable Housing Unit Types and Categories

APCHA rental and ownership units, including Resident-Occupied (RO) units, are located throughout the City of Aspen and Pitkin County in public and private all-affordable housing properties and/or as designated affordable housing units in private sector property developments.

Qualification for APCHA housing is determined according to applicant household size and maximum gross income and net assets per category. Asset caps test an applicant's (buyer or renter) need to purchase or rent a deed restricted unit. They are intended to provide an equity-based solution to limit competition for scarce affordable housing units. They are meant to address higher asset, lower income

applicants who might otherwise acquire free market or higher category housing.

APCHA housing categories are established according to household income levels. See Table I APCHA Target Household Income Levels per Category.

Categories are further defined according to household size:

- The number of TOTAL PERSONS in a household determines household size.

See Table II for Maximum Gross Income and Net Assets per Household per household size and category.

**TABLE I ADOPTED JUNE 21, 2017,
APCHA RESOLUTION NO. 2 (SERIES OF 2017)
WENT INTO EFFECT MAY 14, 2018**

TABLE I

APCHA HOUSEHOLD INCOME TARGET LEVELS PER CATEGORY		
<u>APCHA Housing</u>	<u>Target Household Income Level</u>	<u>AMI Percentage Range</u>
Category 1	Low-Income	Below 50% AMI
Category 2	Lower Moderate Income	50.1 - 85% AMI
Category 3	Upper Moderate Income	85.1 - 130% AMI
Category 4	Middle Income	130.1 - 205% AMI
Category 5 and RO	Upper Middle Income	205.1 - 240% AMI

Categories 6 and 7 have been eliminated and incorporated into category 5. The change will not affect the maximum sales price for Category 6 and 7 homes. Maximum sales prices are never guaranteed. The homes will continue to appreciate as permitted under their respective deed restrictions (in most cases, 3% or the consumer price index, whichever is less, per year).

TABLE II

The incomes are currently based on the AMI provided in May of 2019. Income levels will be readdressed when the 2020 data is released.

2020 Category Income Limits and Asset Caps (as of June 1, 2019)						
Household Size	Category 1 (50% AMI)	Category 2 (85% AMI)	Category 3 (130% AMI)	Category 4 (205% AMI)	Category 5* (240% AMI)	RO
1-person	\$36,200	\$61,550	\$94,100	\$148,400	\$173,350	No income limit
2-person	\$41,400	\$70,350	\$107,550	\$169,600	\$198,550	No income limit
3-person	\$46,550	\$79,150	\$121,000	\$190,800	\$223,350	No income limit
4-person	\$51,700	\$87,900	\$134,450	\$212,000	\$248,200	No income limit
5-person	\$55,850	\$97,950	\$145,200	\$228,950	\$268,050	No income limit
6-person	\$60,000	\$102,000	\$155,950	\$245,900	\$287,900	No income limit
Net Assets not to Exceed*	\$141,000	\$323,000	\$427,000	\$604,000	\$943,000	\$2,344,000
*Categories 6 & 7 have been rolled into Category 5; Assets increased January 1, 2020						

2020 Max. Incomes for ACI		2020 Max. Incomes for Truscott Phase II	
Household Size	Based on (50% AMI)	Household Size	Based on (60% AMI/HERA)
1-person	\$ 36,200	1-person	\$ 49,080
2-person	\$ 41,400	2-person	\$ 56,100
3-person	\$ 46,550	3-person	\$ 63,120
4-person	\$ 51,700	4-person	\$ 70,080
5-person	\$ 55,850	5-person	\$ 75,720
6-person	\$ 60,000	6-person	\$ 81,300
Net Assets not to Exceed	\$ 427,000	Net Assets not to Exceed	\$ 427,000

Section 6. Affordable Housing Rental and Ownership

A. Rental Units

Rental units administered by APCA are available in Categories 1 through 5 and RO, as studio units, one-, two- and three-bedroom units and as on-site employee dormitories and units. Rental units are managed and leased by both APCA and the private sector. Qualification for all rentals in the APCA inventory must be approved by APCA. See Part IV for APCA eligibility and qualification and Part V for rental policies and procedures.

B. Ownership Units

Ownership units administered by APCA are available in Categories 1 through 5, and in the Resident-Occupied (RO) category. The majority of the ownership units are marketed by and through APCA. Qualification for all sales units in the APCA inventory must be approved by APCA. Bid results are prioritized and decided by lottery where applicable. See Part VI for purchase and sale policies and procedures.

C. Resident-occupied Ownership (RO) Units

The Resident-occupied (RO) category offers private property owners an incentive to construct affordable housing for the benefit of the community. RO ownership policies and procedures are subject to land use approvals and/or the deed restrictions specific to each property. RO units predating the publication of APCA Guidelines are subject to deed restrictions recorded with property title at the time of purchase. Other RO units are subject to deed restrictions specific to the property as recorded and to the Guidelines.

For RO ownership qualification, Maximum Household Gross Income Levels are unlimited, and the Maximum Household Net Assets Level is higher than other APCA categories, or unlimited as stated in the applicable deed restriction.

Section 7. APCA Eligibility

In order to be eligible for housing in the APCA inventory, all persons must:

- Work full-time (1,500 hours per calendar year) in Pitkin County;
- Occupy the APCA unit as a primary residence (at least nine months per year); and
- Own NO other developed residential property within the Ownership Exclusion Zone (OEZ)

A. APCA Application and Qualification

To be eligible for APCA housing, all persons must submit written application and documentation required to verify employment/work history, household size, income and assets, and other necessary information. History of employment/work, special needs and other factors may affect bid priority. See Guidelines Part IV for qualification policies and procedures.

B. Maximum Household Income and Assets

Per Resolution No. 02 (Series 2017), beginning May 14, 2018, the APCA adjusts maximum gross income levels annually by the change in Pitkin County Area Median Income (AMI) using Tables I and II. The maximum net assets allowed per category will increase annually based on the lesser of the percentage change in Consumer Price Index (Urban Wage Earners) from November of one year

to November of the following year, or 3%, whichever is less. See Table II for Maximum Gross Income and Net Assets per household for APCA categories. See Appendix “H” for a full explanation of the methodologies to calculate maximum gross income and net assets per household by category.

C. Non-discrimination Policy

APCHA does not discriminate against anyone due to race, color, creed, religion, ancestry, national origin, sex, age, marital status, physical disability, affectional or sexual orientation, family responsibility or political affiliation resulting in the unequal treatment or separation of any person; and shall not deny, prevent, limit or otherwise adversely affect, the benefit of enjoyment by any person of employment, ownership or occupancy of real property, or public service or accommodations.

PART III

APCHA AFFORDABLE HOUSING DEVELOPMENT POLICIES AND PROCEDURES

Section 1. APCHA Housing Development Policy

The City of Aspen, Pitkin County and APCHA are actively involved in affordable housing development and redevelopment throughout Pitkin County to provide housing opportunities for full-time employees.

A. Public and Private Sector Affordable Housing Development

Affordable housing is developed through new construction and conversion of Existing Dwelling Units (EDUs) by the City of Aspen, Pitkin County and private sector property developers. Under city and county land use regulations and codes, private sector developers are required to include an approved affordable housing component in all development projects or satisfy requirements through mitigation as described in Guidelines.

Whether in the public or private sector, affordable housing units shall conform to specifications and requirements of City of Aspen Land Use Regulations or the Pitkin County Land Use Code as applicable to location, and to APCHA Guidelines.

B. Affordable Housing Development Priorities

The APCHA Board has prioritized affordable housing development as follows:

Private Sector Priorities

1. *Ownership: one and two-bedroom units in Categories 1, 2 or 3, with associated RO units*
2. *Ownership: three-bedroom units in Categories 3 and 4*

Public Sector Priorities

1. *Entry-level rental: one-bedroom units in Categories 1 and 2*
2. *Ownership: one and two-bedroom units in Categories 2 and 3*
3. *Ownership: three-bedroom units in Categories 3 and 4*

Section 2. Legislation Governing Affordable Housing Development

In addition to Colorado state legislation and the Intergovernmental Agreement (IGA) between the City of Aspen and Pitkin County, affordable housing development is governed by City of Aspen Land Use Regulations found in Municipal Code Title 26 and the Pitkin County Land Use Code found in Title 8 of the Pitkin County Code.

Affordable housing development projects are coordinated by the Community Development Department of the city or county, approved by city ordinance or county resolution, and subject to APCHA Guidelines and deed restrictions pertaining to occupant qualification, lease, purchase and sale, among other policies and procedures.

Land use regulations and codes establish, among other specifications, net minimum livable square footage, occupancy standards and other development and construction standards, as well as mitigation options pertaining to affordable housing.

- The city affordable housing zone is established under Affordable Housing/Planned Development in the Zone Districts section of City of Aspen Land Use Regulations, Section 26.710.110.
- The county Affordable Housing Zoning District is established under the Growth Management System in the Pitkin County Code, Title 8, Chapter 3.
- Affordable housing requirements for development of a private residential subdivision are stipulated in City of Aspen Land Use Regulations, Section 26.470.
- Development involving demolition or displacement of affordable housing units is governed by the Multifamily Housing Replacement Program under City of Aspen Land Use Regulations, Section 26.470.
- Development involving an expansion or redevelopment of free-market housing is governed by the Growth Management Quota System under City of Aspen Land Use Regulations, Chapter 26.470.
- Calculation of Fee-in-lieu and Impact Fees, and other mitigation requirements is according to a formula established under county land use regulations, Chapter 8-30, and the City of Aspen Land Use Regulations Growth Management Quota System, Section 26.470, and Impact Fees, Chapter 26.610.
- Applicants and developers are encouraged to discuss zoning and affordable housing requirements with a member of the City of Aspen Community Development Department.
- City of Aspen and Pitkin County land use and building codes and APCA Guidelines and procedures adhere to the Americans with Disabilities Act (ADA) regulations under which a required percentage of public affordable housing shall meet ADA standards. In APCA affordable housing, ADA standards are incorporated in construction or units are designed to be adaptable to standards.
- City of Aspen and Pitkin County land use and building codes adhere to the International Building Code providing consistent standards for safe construction.

Section 3. Private Sector Development Process

A. Building Permit Process

The Community Development Departments and Planning and Zoning Commissions of the City of Aspen and Pitkin County coordinate public and private sector affordable housing development through the building permit application and approval processes.

Building permit applicants shall work with the city or county in selecting a mitigation option to satisfy affordable housing requirements of development projects according to city and county land use regulations and codes.

APCHA monitors affordable housing development permit applications to facilitate informed communications between developers and government and to expedite the process.

Building permit applications are coordinated by the respective city or county Community Development Department for analysis and recommendations, and project review and approval through Council ordinance and or BOCC resolution.

The city or county Community Development Department retains a set of approved building permit drawings for each project and is authorized to inspect actual construction or conversion for compliance with approved building permit plans.

B. APCA Consultation

Private sector property developers are advised to schedule building permit pre-application consultations with APCA to review affordable housing mitigation options and/or deed restrictions associated with planned projects. APCA is authorized to inspect affordable housing projects under construction or conversion for compliance with APCA Guidelines.

Section 4. Affordable Housing Mitigation of Private Sector Property Development

Mitigation requirements, established under city and county land use regulations and codes and Guidelines, are planned and formulated to generate affordable housing units, revenues and/or property acquisition in support of the program.

The APCA Board has prioritized affordable housing mitigation options available to private sector property developers in the following order:

- 1. On-site deed-restricted housing units constructed or converted next to or attached to the proposed development.*
- 2. Off-site deed-restricted housing units constructed or converted at a separate location within the Aspen core subject to approval by APCA. A single off-site deed-restricted unit in an otherwise free-market housing complex shall not be approved.*
- 3. Use of the Affordable Housing Credit Program.*
- 4. APCA approved buy-down units.*
- 5. Payment-in-lieu to the city or payment of an Impact Fee to the county; or Land-in-lieu by conveyance of vacant property to the city or APCA, permitted on a case-by-case basis.*

Private sector property developers may satisfy mitigation requirements through the following methods or combination of methods, in accordance with the requirements of the City of Aspen and Pitkin County:

- Construction of new affordable housing units to remain deed-restricted in perpetuity.
- Conversion of existing dwelling units to achieve deed-restricted status in perpetuity. Units converted for mitigation purposes shall not previously have been deed-restricted under APCA Guidelines.
- Affordable Housing Credit Certificate Program.
- Land-in-lieu conveyance of vacant property as approved by the city or county and APCA on a case-by-case basis.
- Payment-in-lieu or payment of impact fee.

A. Mitigation through Construction of Deed-Restricted Affordable Housing Units

A private sector property developer may, with city or county approval, satisfy affordable housing requirements by construction of affordable housing units within a free market housing development.

Deed restrictions for newly constructed units shall be approved by APCA prior to recording and prior to issuance of a Certificate of Occupancy. Constructed units are subject to Maximum Rental Rates and Sale Prices for Newly Deed-restricted Units. See Tables III and IV.

1. Eliminated Affordable Housing Units

If new development requires the demolition of existing affordable housing units previously deed-restricted under APCA Guidelines, mitigation for the new development by the construction of or conversion to affordable housing units is credited only for the number, type and category of units in excess of the affordable housing bedrooms demolished.

Under the City of Aspen Multi-Family Housing Replacement Program, at least half the number of eliminated affordable housing units shall be constructed on the development site for which City approval is granted; the remaining number of eliminated units must be constructed or converted at another site as approved by the city. Multi-family housing replacement requirements are not subject to variance and may not be satisfied through the construction of any RO units.

2. Construction on Single-family Lots

Construction of affordable housing on a single-family lot shall be permitted only if the unit has three or more bedrooms and is placed in category 5 or higher. Category 1, 2, 3 and 4 single-family lots are not permitted. Construction on single-family lots in Category 5 through RO shall include access and utilities up to the lot line to achieve construction-ready condition.

B. Mitigation through the Affordable Housing Credit Program

Chapter 26, Section 540, of the City Land Use Code, is for two purposes: 1) to encourage the development of affordable housing; and 2) to establish an option for housing mitigation that immediately offsets the impacts of free market development. A Certificate of Affordable Housing Credit is issued to a developer of affordable housing when such housing is not required for mitigation. Another developer may purchase such a Certificate and use it to satisfy housing mitigation requirements. Establishing this transferable Certificate creates a new revenue stream that can make the development of affordable housing more economically viable. Establishing this transferable Certificate also provides an option for mitigation that reflects built and occupied affordable housing, thereby offsetting the impacts of development before those impacts occur. Section 540 describes the process for establishing, transferring and extinguishing a Certificate of Affordable Housing Credit. Section 26.540.020, *Terminology*, defines the Certificate of Affordable Housing Credit (Credit or Certificate) as a “transferable document issued by the City of Aspen acknowledging and documenting the voluntary provisions of affordable housing which is not otherwise required by this Title or by a Development Order issued by the City of Aspen. The Certificate documents the category designations and number of employees housed by the affordable housing. The Credit is irrevocable and assignable. A Certificate of Affordable Housing Credit is a bearer instrument.”

C. Mitigation through Conversion or “Buy-down” of Existing Dwelling Units

A free market developer may be permitted to satisfy affordable housing mitigation requirements by conversion of existing free market dwelling units to deed-restricted affordable housing, also called a *buy-down*. Conversion/buy-down requests are reviewed on a case-by-case basis by City, County and/or APCA and shall be considered and approved only for Category 3 or higher units located in an existing free market development. Such housing units must conform to city and county land use regulations and these Guidelines, including requirements for recording deed restrictions to be effective in perpetuity. Such approval may be denied if it is determined that HOA dues and/or assessments would exceed reasonableness for qualified buyers. Existing housing that is being provided for mitigation purposes (either as actual mitigation or for use in the Affordable Housing Credit Program), shall be brought up to current building code standards as required by the Community Development Department.

Deed restrictions for converted units must be approved by APCA prior to recording and prior to issuance of a Certificate of Occupancy. Converted units shall be subject to Maximum Rental Rates and Sale Prices for Newly Deed-restricted Units. See Tables III and IV.

Developers requesting approval for conversions must document the feasibility and marketability of any such proposed affordable housing and specify the size(s) of unit(s) proposed for conversion and any physical upgrades necessary to meet city or county and APCA requirements.

D. Mitigation through Fee-in-Lieu or Impact Fee

Under city and county land use regulations and codes and at the sole discretion of the city or county upon the recommendation of APCA, a free market developer may be permitted to mitigate affordable housing requirements through Fee-in-lieu to the city or payment of an Impact Fee to the county (also known as Dedication Fee and Cash-in-lieu). See Table V for current Fee-in-lieu/Impact Fees per APCA category. However, payment of a fee in lieu of the use of on-site off-site, or the Affordable Housing Credit Program shall be the last resort as acceptable mitigation.

1. Calculation of Fees: Fee-in-lieu and Impact Fees are calculated according to city and county land use regulations. See the appropriate Code for calculating the employee mitigation impact fee.
2. Payment of Fees:

Fees in mitigation of affordable housing requirements are due prior to the issuance of a building permit. Fees are payable to the City of Aspen Finance Director; Impact Fees are payable to the Pitkin County Finance Director. The respective finance director must issue a receipt to the developer/building permit applicant who shall submit a copy to APCA as verification of satisfying affordable housing mitigation requirements.

An APCA-qualified owner/developer of a single-family home or duplex unit may, upon request and approval by APCA, defer the Fee-in-lieu or Impact Fee until the free market home or duplex unit is sold to a free-market purchaser(s). Such fee shall be calculated at the time of the free-market sale according to the City/County Code then in effect. An *Affordable Housing Impact Fee Deferral Agreement (Deferral Agreement)* must be completed, signed by the Community Development Director and the APCA Executive Director, and the document recorded in the records of the Pitkin County Clerk and Recorder.

The obligation to pay the Impact Fee may be deferred until such time as the Owner is no longer a qualified working employee as defined in these Guidelines, the Property is sold by the qualified Owner, or a subsequent owner who was a qualified working resident at the time of acquisition sells to a buyer who is not a qualified working resident ("non-qualified buyer"). To obtain this deferral, proof shall be provided to APCA as to the status of the owner as a qualified Pitkin County employee or employer as defined in these Guidelines. The home must be the principal residence of the owner requesting the deferral.

In the event of such a sale, the fee shall be due and payable on or before the date of closing (the date on which the deed conveying title is recorded) and is payable concurrently with the RETT (Real Estate Transfer Tax). Nothing herein shall prevent or preclude Owner from paying the Impact Fee at an earlier time. If payment is deferred, the obligation to pay and the terms for calculation of the fee shall be agreed to in writing by the APCA-approved initial purchasers of the respective home or duplex units; and the agreement shall be approved by the City of Aspen Community Development Department and APCA and recorded as a restriction with the deed to the property. Upon proof of payment of the impact fee, a release of the *Deferral Agreement* will be recorded in the records of the Pitkin County Clerk and Recorder.

**TABLE III
MAXIMUM MONTHLY RENTAL RATES FOR DEED-RESTRICTED RENTAL UNITS**

<i>Unit Size</i>	<i>Category 1</i>	<i>Category 2</i>	<i>Category 3</i>	<i>Category 4</i>	<i>RO</i>
Studio	\$531	\$ 947	\$1,415	\$1,878	\$2,575
1 Bedroom	658	1,112	1,576	2,060	2,754
2 Bedroom	780	1,278	1,742	2,227	2,920
3 Bedroom	904	1,429	1,913	2,393	3,089
SF Detached	1,029	1,611	2,077	2,471	3,170

Table III sets forth the maximum monthly rental rates for deed-restricted affordable housing units. The rental rates apply and shall be in effect for at least a 6-month period from the commencement date of the initial lease. Thereafter, the maximum monthly rental rate may be increased only to the extent that the Guidelines in effect permit. If there is a conflict between the Guidelines and the deed-restriction on the rental property, the most restrictive document will prevail. Section 6.D.1.a, below, for additional criteria.

**TABLE IV
MAXIMUM SALE PRICES FOR NEWLY DEED-RESTRICTED OWNERSHIP UNITS**

Categories 1-4

<i>Unit Size</i>	<i>Category 1</i>	<i>Category 2</i>	<i>Category 3</i>	<i>Category 4</i>
Studio	\$44,000	\$100,000	\$168,000	\$283,000
1 Bedroom	56,000	121,000	183,000	303,000
2 Bedroom	67,000	148,000	217,000	336,000
3 Bedroom	78,000	182,000	253,000	372,000
SFH Detached	93,000	214,000	285,000	401,000
SFH Lot	N/A	N/A	N/A	N/A

Categories 5-RO

<i>Unit Size</i>	<i>Category 5</i>	<i>Category 6</i>	<i>Category 7</i>	<i>Category RO</i>
Studio	\$394,000	\$439,000	\$494,000	N/A
1 Bedroom	427,000	474,000	527,000	N/A
2 Bedroom	464,000	510,000	566,000	N/A
3 Bedroom	494,000	538,000	595,000	N/A
SFH Detached	528,000	575,000	628,000	N/A
SF Lot	113,000	157,000	164,000	\$197,000

**TABLE V
2018 PAYMENT-IN-LIEU/IMPACT FEE SCHEDULE**

Per Category – CITY ONLY

City Ordinance No. 05 (2018) – Effective Date - 03/26/2018 (7% Increase)

Category 1	\$381,383.31
Category 2	342,599.02
Category 3	306,549.65
Category 4	238,687.04
Category 5	168,289.60
Category 6	142,114.19
Category 7	111,438.36

Effective date: 12/11/2015 – Category 2 is the rate relevant to calculating employee housing mitigation

First 4,500 sq. ft. = .16 employees per 1,000 sq. ft. of floor area

Above 4,500 sq. ft. = .36 employees per 1,000 sq. ft. of floor area

TABLE VI
MINIMUM NET LIVABLE SQUARE FEET (SF) FOR AFFORDABLE HOUSING
Per Unit Size (standardized)

<i>Unit Size</i>	<i>Minimum Square Footage</i>
Studio	500
1-Bedroom	700
2-Bedroom	900
3-Bedroom	1,200
Single-Family Detached	1,500

TABLE VII
APCHA MITIGATION STANDARDS

<i>Unit Type</i>	<i>Per Unit Size</i>	<i>Occupancy Standard</i>
Dormitory/Lodge per 150 sq. ft. mitigates for		1.00 employee
Studio units mitigate for		1.25 employees
One-bedroom units mitigate for		1.75 employees
Two-bedroom units mitigate for		2.25 employees
Three-bedroom units mitigate for		3.00 employees
Four or more bedrooms mitigate by adding an additional .5 employee per bedroom		

E. Mitigation through Impact Conveyance of Vacant Property

A developer of a free market project may be permitted to satisfy affordable housing requirements by the conveyance of vacant property to the City of Aspen or Pitkin County, known as land-in-lieu. Acceptance of the property shall be at the sole discretion of the city or county upon recommendation of APCHA and may be subject to conditions.

1. Condition of Vacant Property

Vacant property conveyed in satisfaction of affordable housing requirements shall be provided in construction-ready condition, with utilities including domestic water, sewer line or septic system, roads, telephone, electricity, and/or gas lines, installed to the property line or as otherwise required.

At APCHA's discretion, a developer conveying vacant property that does not meet the conditions for construction readiness may be permitted to establish an escrow account in an amount sufficient to cover one hundred twenty-five percent (125%) of the estimated cost of completing the required preparation of the property and may be allowed one year from date of conveyance to complete work required by city and county land use regulations and codes.

2. Soils Report

A developer/applicant shall submit to the city or county and APCHA a soils report prepared by a qualified engineer based on studies of appropriate testing within the approved building envelope demonstrating that the property is suitable for construction of the proposed dwelling units without extensive excavation and foundation work or accommodation for unusual conditions.

3. Conveyance Procedure

Title to the property shall be transferred to the city, county, or APCHA as required, and the deed recorded simultaneously with the final plat for the development project.

If the vacant property is located within a subdivision, the Subdivision Improvements Agreement and Protective Covenants shall include the requirements of this section.

4. Settlement by Sale of Vacant Property

Vacant property or a single-family lot conveyed in mitigation of affordable housing requirements but not suitable or desirable for affordable housing development or growth management may at the discretion of the city and/or APCHA be sold on the free market.

Section 5. Minimum Net Livable Square Footage for Affordable Housing Development

Dwelling units provided in satisfaction of affordable housing requirements shall meet square footage requirements of city and county land use regulations and codes. See Table VI for Minimum Net Livable Square Footage requirements per affordable housing unit type. Unit size is not based on the category of the unit, but rather the number of bedrooms.

A. Permitted Adjustments to Net Minimum Livable Square Footage

The approval of the city or county of Net Minimum Livable square footage of affordable housing units for construction and conversion must be obtained prior to the issuance of a building permit. Any adjustment is subject to the approval of the city or county.

1. Permitted Reduction of Square Footage

Net Minimum Livable Square Footage may be reduced by the city or county based on the specific criteria identified below, and if the permit applicant sufficiently demonstrates that construction requires accommodation for physical conditions of the property or in consideration of design for livability, common storage, amenities, location and site design, including but not limited to provisions for the following:

- Significant storage space located outside the unit;
- Above average natural light, i.e., more windows than required by code;
- Efficient, flexible layout with limited hall and staircase space;
- Availability of site amenities, such as pool or proximity to park or open space;
- Unit location within the development, i.e., above ground location versus ground level or below ground; and/or
- Possibility that project can achieve higher density of deed-restricted units with a reduction variance.

Under no circumstances shall a reduction of more than twenty percent (20%) of the square footage required for the applicable category be permitted.

2. Permitted Addition of Square Footage

Subject to the approval of the City or County, developers may elect to construct units larger than the required minimum square footage. However, sale prices and rental rates for any such newly deed-restricted units shall not exceed maximum figures shown in Tables III and IV.

B. Minimum Net Livable Square Footage for Dormitories

Qualified employers, including lodging facilities, agricultural operations and commercial developments demonstrating the need to house employees onsite may be permitted to develop affordable housing dormitory and/or category units onsite.

In accordance with city and county land use regulations and codes, the Minimum Net Livable Square Footage for dormitory units is 150 square feet of living area per person. Living area includes sleeping and bathroom areas, but does not include interior or exterior hallways, parking areas, patios, decks, cooking area, common lounge area, laundry rooms, and mechanical and storage areas. Dormitories shall include at least one bathroom for shared use by no more than four persons. Each bathroom shall contain at least one water closet, one lavatory, and one bathtub with a shower, and shall have a total area of at least sixty (60) net livable square feet. Each dormitory unit shall include a kitchen facility or access to a common kitchen and eating facility sufficient for the number of persons sharing the dormitory, as approved by the city or county. Each occupant shall be provided the use of twenty (20) square feet of enclosed storage space located within or adjacent to the unit. Dormitory occupancy is limited to eight (8) APCA-qualified employees per unit.

C. RO Unit Square Footage

RO units are limited to a maximum 2,200 gross square feet of livable space plus a maximum 500 square foot garage and maximum 800 square foot basement. If a larger garage or basement is approved, the square footage in excess of these limitations shall be deducted from the maximum gross square footage of livable space. In no event shall the square footage of all improvements exceed 3,500 square feet.

Section 6. Occupancy Policies for Newly Deed-restricted Units

Newly deed-restricted affordable housing units shall comply with the occupancy standards of city or county land use regulations and codes, these Guidelines and applicable deed restrictions. All new affordable housing development must include a capital reserve study as part of the initial HOA documents, as well as a separate capital reserve fund. **All HOA documents must provide that a capital reserve fund be established and maintained. In addition, for projects which include both free-market and deed-restricted ownership residential units, the HOA documents must ensure the long-term affordability of the deed-restricted units by including provisions acceptable to APCA for the control of general and special assessments, such as separation of common elements, establishing separate free market and affordable sub-associations, and determining allocated interests based on assessed valuation, square footage, or other measures.**

A. Pre-occupancy Inspection

Upon the completion of construction or conversion and prior to issuance of a certificate of occupancy for rental units or ownership units, such units shall be inspected and approved by a certified building inspector, architect and/or engineer for compliance with applicable codes, regulations and APCA Guidelines. A written inspection report of inspection approval shall be submitted to APCA.

B. Marketability Standards

Newly constructed deed-restricted affordable housing ownership units shall be in marketable condition. See Part VI for ownership unit sale policies and procedures. Converted units must be in marketable condition and approved by APCA prior to rental or sale. The applicant shall bear the costs and expenses of any required upgrades to meet the standards listed below, as well as any structural/engineering reports required by APCA to assess the suitability for occupancy, as follows:

- All interior walls must be freshly painted;
- Interior appliances must be less than five years old and in good condition and repair;
- Carpets must be less than five years old, in good condition and repair, or replaced if in lesser condition;
- Windows, heating, plumbing and electrical systems, fixtures and equipment must be in good condition and working order and brought up to the current code utilized by the Community Development Department;
- All exterior walls must be freshly painted within the previous year;
- Landscaping and yard must be in satisfactory condition;
- Roof must be in good repair with remaining useful life of at least ten (10) years; and
- HOA documents; i.e., Articles of Incorporation, By-Laws, and Condominium Declarations, must be approved by APCA.

Developer/permit applicants shall bear the cost of any repairs, replacements and upgrades required to meet APCA standards. Special Review may be requested for variances on a case-by-case basis.

C. Occupant Qualification and Priority in Newly Deed-restricted Units

Unless tenant or purchaser priority is otherwise established by the applicable land use approval, newly-deed restricted units shall be marketed and leased or sold through APCA according to these Guidelines.

See Part IV for APCA Eligibility and Qualification.

See V for Rental Policies and Procedures.

See Part VI for Purchase and Sale Policies and Procedures.

1. Priority of Displaced Residents

APCHA owners and tenants who are displaced by new construction or conversion of existing APCHA units shall have priority for purchasing (owners) or renting (tenants) a similar APCHA unit of the same size and category. Displaced resident priority is determined on a case-by-case basis.

2. Priority of Qualified On-site Employees in Employer-owned Dormitories or Rental Units

In consideration of the need of employers, including but not limited to lodging enterprises, agricultural operations and other businesses, to house employees on site, employers owning on-site affordable housing rental units may, with the prior approval of APCHA, designate their APCHA-qualified employees as tenants.

In such cases, employees must meet all APCHA qualifications except income and asset maximums, which are waived.

If no person directly employed by the applicable owner/operator is APCHA-qualified, the on-site dormitory space or other units shall be made available to other qualified tenants who may be designated by APCHA.

3. Priority of Qualified Tenants and Owners Selected by Developer

Private sector developer/owners of affordable housing units shall be permitted to choose APCHA-qualified tenants and/or owners to occupy one-third of their affordable housing units in compliance with APCHA occupancy standards. All households chosen by the developer must meet the top priority criteria; i.e., four-year minimum work requirement, minimum occupancy requirement, category, not owning other property within the O EZ (see Definitions). The remaining units, including any units for which the developer/owner does not choose occupants, shall be marketed, leased, and sold through APCHA. For those units where the buyers are chosen by the developer, a 1% sales fee based on the purchase price is due to APCHA at the time of closing. For all other sales through APCHA, the 2% sales fee will be due at closing.

D. Rental and Sale of Newly Deed-restricted Units

1. Rental

- a. Maximum Rental Rates for Newly Deed-restricted Units

Maximum Monthly Rental Rates for Newly Deed-restricted Affordable Housing units shall be as specified in Table III of these Guidelines.

Beginning rental rates for newly deed-restricted rental units shall remain in effect during the entire lease period. After that time, rental rates may be increased in accordance with the current Maximum Annual Rental Rate Adjustment, a percentage adjustment revised annually. See Table VIII.

Table III sets forth the maximum monthly rental rates for deed-restricted affordable housing units. The rental rates apply and shall be in effect for at least a 6-month period from the commencement date of the initial lease. Thereafter, the maximum monthly rental rate may be increased only to the extent that the Guidelines then in effect permit. If there is a conflict between the Guidelines and the deed-restriction on the rental property, the most restrictive document will prevail. The following additional criteria shall be followed:

- Maximum rental rates shall apply whether the units are provided furnished or unfurnished.
- Rental rates cannot be increased to pay for, the following:
 - Cost of electricity, gas, water and sanitation in common areas;
 - Condominium dues/assessments;
 - Management costs;
 - Property taxes;
 - Landscaping costs;
 - Snow plowing/shoveling;
 - Condominium Insurance
- Additional costs that can be charged to the tenant, but must be verified by APCHA, are:
 - Electricity, gas and/or water if not separately metered – costs must be based on the tenant’s share of such utilities attributable to the tenant’s net livable area. Tenants shall be responsible for individually metered utilities.
 - Trash, but proportionally based on the tenant’s net livable area.
 - Other operational costs only when reviewed by APCHA and approved to be charged, must be based on the tenant’s share attributable to the tenant’s net livable area.
- Prior to occupancy of a deed restricted rental unit, the APCHA must qualify the tenant. All verification required under these Guidelines must be provided. The tenant must provide the owner/landlord with proof of verification and qualification by the APCHA prior to occupancy. The owner shall be required to provide a copy of the lease agreement to the APCHA for approval. Leases shall meet occupancy standards and allowable rental rates and shall be for a minimum term of six consecutive months. Owner shall provide an executed copy of the lease to the APCHA prior to occupancy.
- Persons employed by an owner/operator shall be given first priority to rent affordable housing units associated with a lodge, agricultural operation, or commercial development, when ownership has been retained by the owner/operator of the development. Employees must meet the APCHA’s Guidelines for occupancy, income and assets criteria in order to qualify to occupy the unit(s). In the event there are no persons directly employed by the owner who qualify, the unit shall then be offered to other qualified persons according to the Guidelines. (Affordable Housing [AH] Zone development is exempt from this section.)
- All deed restricted affordable housing rental units must comply with all rules, regulations and codes of all governmental bodies and agencies having jurisdiction. The owner of affordable housing rental units, at its cost and expense, must keep and maintain the interior and exterior of the total structure (including all residential units therein) and the adjacent open areas in a safe and clean condition and in a state of good order and repair, reasonable wear and tear and negligent or intentional damage by tenants excepted.
- A rental unit vacant for more than forty-five (45) days prior to initial lease or between qualified tenants shall be made available for tenants selected through APCHA.

Rental rates for dormitory and other on-site employee units shall be calculated on a case-by-case basis and approved by APCHA, in consideration of the unique and varying characteristics of each facility, with affordability as a key factor. Rates shall not include the cost of utilities in common areas, condominium dues, management costs and taxes.

b. Lease Approval by APCHA

All leases with APCHA-qualified tenants, including dormitory and on-site employee tenants, must be submitted to and approved by APCHA prior to execution by the parties. The review period for APCHA is five business days. All leases must provide for a minimum lease term of six months and shall be renewed for consecutive six-month periods. Prior to occupancy, landlords shall provide a copy of an executed lease agreement to APCHA.

2. Sale

a. Maximum Sale Prices for Newly Deed-restricted Units

Maximum Sale Prices for Newly Deed-restricted Affordable Housing Units, Single Family Homes and Single-Family Lots shall be as specified in Table IV of these Guidelines.

RO unit sale prices are determined on a case-by-case basis. The developer generally sets the initial sale price of a newly deed-restricted Resident-occupied (RO) unit. If another affordable housing ownership unit is developed in association with a RO unit, the average sale price of both units shall be no higher than the Category 3 maximum sale price for a newly deed-restricted unit.

b. Sales Through APCHA

Newly deed-restricted affordable housing ownership units, single-family homes and vacant lots shall be offered for sale through APCHA.

After initial sale, all APCHA ownership units shall be marketed and sold through the APCHA bid and lottery process and/or according to deed restrictions specific to the property and Guidelines. See Part VI.

Section 7. APCHA Approval and Execution of Deed Restrictions

APCHA shall work with developers of affordable housing to draft and approve Deed Restrictions to ensure compliance with development approvals, the Guidelines, city and county land use regulations and codes and governing Colorado and federal legislation. After adoption, deed restrictions shall be construed according to Guidelines in effect as they are amended from time to time.

APCHA shall approve the deed restrictions for housing units before such deed restrictions are ready for recordation and prior to issuance of a Certificate of Occupancy.

A. Growth Management Plan Applications

1. Mixed-use Developments

In mixed-use developments, where a deed-restricted unit is located in a private sector condominium or subdivision that consists primarily of free market units, Homeowners' Association (HOA) assessments are typically based on the value of the free-market units. In an effort to ensure that affordable housing remains affordable, deed-restrictions for affordable units in mixed-use developments must state that HOA assessments on the affordable housing

units shall be pro-rated according to the value of an affordable housing unit relative to the value of the free-market units in the development. The governing documents shall specify that any change in HOA assessment policy is subject to APCHA approval.

2. Caretaker and Accessory Dwelling Units (CDUs and ADUs)

If a caretaker or accessory dwelling unit is constructed or converted for mitigation purposes, the developer shall submit required deed restrictions to APCHA for approval and execute and record such deed restrictions prior to the final building inspection and/or issuance of a Certificate of Occupancy.

B. Amendments to Deed Restrictions

Deed restrictions recorded prior to the issuance of the applicable Certificate of Occupancy shall be amended to include any changes necessary as a result of new legal requirements imposed by city or county regulations or codes. Deed restrictions may also be amended by agreement between a private sector property developer and Council or BOCC. All amended deed restrictions are subject to APCHA approval.

Upon final approval by APCHA, amended Deed Restrictions shall be executed and recorded prior to issuance of a Certificate of Occupancy. Copies of executed and recorded Deed Restrictions shall be provided to APCHA by the developer.

PART IV

APCHA ELIGIBILITY AND QUALIFICATION

Section 1. ELIGIBILITY

As required by City of Aspen Land Use Regulations, the Pitkin County Land Use Code and APCHA Guidelines, eligible applicants must:

- ✓ Work full-time (1500 hours per calendar year) in Pitkin County;
- ✓ Occupy the APCHA unit as a primary residence; and
- ✓ Not own developed residential real property within the Ownership Exclusion Zone (OEZ). See Part VII Definitions.

Applicants for affordable housing in the APCHA inventory must submit written applications and documents required to verify employment and work history, income and assets, household size, and such other information deemed necessary by APCHA in order to qualify as a tenant or qualified buyer. Approval must be obtained prior to signing a lease, occupying a unit or submitting a bid on an ownership unit.

Applicants who do not meet all current qualification requirements may be subject to a Special Review. See Part VII for criteria and conditions.

Fraud Warning

Signatures on documents submitted to APCHA constitute verification that all information provided is true and accurate. If any such information is determined to be false or non-verifiable, such person may be disqualified by APCHA and referred to law enforcement for investigation and/or prosecution.

A disqualified APCHA owner must list his/her ownership unit for sale as specified in the deed restriction within thirty (30) days of disqualification. A disqualified tenant's lease shall be terminated within 30 days of disqualification.

Disqualified persons may be denied future participation in the affordable housing program. Mortgage fraud may be referred to FBI for investigation.

Section 2. QUALIFICATION PROCEDURES

In addition to the information referred to above, applicants shall submit original picture IDs, affidavits and signed legal documents, AND provide copies of all documents for APCHA files. Applicants shall be charged for copies made in APCHA offices.

See Appendix B for list of APCHA forms. Forms are subject to change without notice. Current forms are available for download at <http://www.apcha.org>

APCHA charges fees for application, bid submission, handling transactions, various filings and other services provided. Fees are payable to City of Aspen upon submission of documents or as specified in Guidelines. See Appendix C for APCHA fees.

All APCHA application materials and documents shall remain confidential except as required by the Colorado Open Records Act, C.R.S. 24-72-201, *et seq.*

A. Application and Qualification

1. Application for Rental Units

Deed restricted rental units under APCA management and under private property management are advertised and leased separately. A rental applicant must submit all required information and fees after a rental unit is offered to him/her and prior to signing a lease or occupying a unit. See Part V for rental policies and procedures.

Rental applicants may sign up for an advertised unit at the APCA office, or for rental of a unit under private property management by contacting the manager or owner of an advertised rental unit directly. See Appendix D for lists of APCA rental units and complexes.

2. Application for Ownership Units

Persons desiring to acquire a deed restricted ownership unit in the APCA inventory, including category and RO units, must first submit to APCA for approval a complete Qualification Application and all other information required by APCA to determine qualification. A bid may be submitted with the application or after approval of the application. Approval by APCA as a Qualified Buyer shall remain valid for one year from the date of approval by APCA. Updated tax information is requested after January 31st and April 15th.

All persons who intend to occupy a unit, regardless of marital or legal status, are included for the purpose of determining the category of the household, as well as both married persons', whether they both plan on living in the property or not. Married couples may submit only one joint bid for a unit and may not submit separate bids.

Unmarried persons may submit a bid for a unit as a single household or they may submit separate bids, but they shall not do both. In addition, once such persons submit a bid, the same category status as identified in the initial bid(s) shall apply to any subsequent bids for any other units, regardless of number of bedrooms, for one year from the date of the initial bid(s), unless special review approval is granted for a change of status.

B. Verification Documents

In order to determine that a person or household meets all of the applicable criteria, APCA must obtain specific documentation as follows:

1. Personal Identification Documents

Applicants must present original personal identification documents and provide copies for APCA records for approval, including the following:

- Photo ID: Valid Colorado driver license, passport or state-issued photo ID card; and
- Proof of legal residency: Passport, Social Security Card, Permanent Resident Card.

2. Documents Verifying Employment/Work

APCA qualification requires that applicants work full-time in Pitkin County as defined herein. RO applicants must demonstrate that at least seventy-five percent (75%) of household income is earned in Pitkin County.

- Applicants shall verify household income earned in Pitkin County by submitting copies of complete federal and state tax returns, and W-2 or 1099 forms.
- Rental applicants shall submit documents for the year preceding application; ownership applicants shall submit documents for two years preceding, or more as required to establish priority.

a. Employed applicants

Applicants working for an employer shall submit at least the following:

- Copies of W-2s and/or 1099 forms for all employees in the household;
- Rental applicants for specific units shall provide W-2s and/or 1099 forms for the number of years specified on the sign-up sheet;
- Ownership applicants shall provide W-2s and/or 1099 forms for all the years employed in Pitkin County (minimum of 4 years to be in the top priority in most cases);
- Copies of recent paycheck stubs to verify current employment and income; and
- APCA Employment Verification form signed by employer(s), if requested by APCA.

b. Self-employed, employer, business owner applicants

Employment/work verification takes into consideration the seasonal, non-traditional nature of some employment and free-lance work in the city and county. An applicant who is self-employed in Pitkin County or who works full-time within the county for a business or institution whose principal place of business is not located in Pitkin County, must provide proof of full-time employment as follows:

Required Documentation:

- Copies of the most recently filed tax return, including federal and state returns and all schedules and business tax returns;
- Copies of most recent W-2s and or 1099s for all employment;
- Copies of paycheck stubs received;
- Current profit and loss statement where applicable;
- Verification of working or doing business in Pitkin County;
- Copy of a current City of Aspen business license, where applicable.

APCHA may require further documentation for proof of employment in Aspen or Pitkin County. This documentation may include, but is not limited to, business and personal banking records and utility bills, as well as:

- Proof of the location of a business in Aspen or Pitkin County and a copy of lease for office space located in Aspen or Pitkin County, where applicable.
- For the self-employed, copy of current detailed work log or appointment book for the last year showing hours worked daily on each job or appointment, with clients' names and local addresses. Hours spent in administrative work such as marketing or accounting in support of business, will count toward the work-hour requirement if demonstrated to and approved by APCA;
- For the self-employed, copies of client invoices showing hours on a job and/or payment for invoiced work; and

- For the self-employed, client list providing names, local telephone numbers and addresses, description of type of work performed, and approximate hours spent working for a client in the year.

c. Retired or Disabled former Pitkin County Employees

An individual who was a full-time employee/worker in Pitkin County for a minimum of four years immediately prior to disability, or retirement age as defined in Part VIII of these Guidelines, shall be allowed to rent and/or own such housing.

3. Verification of Qualified Household Size

The total number of persons in a household, including qualified *adults* and *dependents* (See Definitions), are counted in determining the unit size for which an APCHA applicant may qualify. The priority is one qualified person per bedroom; however, applicants may in some cases qualify for a larger unit. Proof of legal dependency and custody may be required. A dependent subject to a custody order must live in the household a minimum of 100 days per year as demonstrated by court documents or a notarized custody affidavit in order to qualify as a member of the household. When two households share custody of a child/children, the child/children shall be counted for only one extra bedroom. For example, a mother and father have two children and the mother wins a 3-bedroom unit, then the father is only eligible for a 2 bedroom. The parent may request a special review.

If at the time of application a household is expecting the birth of a child, the unborn child can be counted as a member of the household upon APCHA's receipt of a letter from a doctor stating the due date and receipt of a custody order agreement if applicable.

For example:

- Two qualified adult applicants in a single household qualify for a two-bedroom unit.
- One qualified adult with a single dependent in the household qualify for a two-bedroom unit.
- Two qualified adults with two dependent children in the household shall qualify for a four-bedroom unit.
- A qualified adult married to a non-qualified spouse qualify for a one-bedroom unit.
- A qualified adult married to a spouse caring for dependent children in the household shall qualify for one bedroom per adult and one bedroom per dependent.

In establishing household size, all qualifying adults shall be parties to the application and must submit all verification documents. To maintain qualification in a two-qualified-adult household, both qualified adults shall maintain full-time employment/work in the city or county until reaching qualified retirement status (see Definitions).

4. Verification of Household Gross Income and Net Assets

The gross income and net assets of all members of a household shall be included in determining the housing category for which the household qualifies. Rental and ownership applicants shall provide the required income and asset information for APCHA review and approval as specified below.

See Table II for Maximum Gross Income and Net Assets per Household for rental and ownership unit sizes and categories.

a. Income Verification

Applicants shall submit copies of their most recently filed tax returns, including federal and state returns and all schedules and business tax returns. If applicants do not have copies of their W2's or tax returns, they must request and obtain earnings and tax information from the Social Security Administration (SSA) or the IRS. See Appendix G for information.

- Rental applicants shall submit required tax documents for the most recent year.
- Ownership applicants shall submit required tax documents for the past two years.
- All applicants must submit an APCA Employment Verification form signed by the applicant's employer(s), if requested by APCA.

b. Assets Verification

All financial assets and liabilities, including but not limited to real and personal property, shall be considered in calculating the net assets of an applicant household. Applicants shall submit current personal and/or business financial statement(s) for all household members, including:

- Statements, records, receipts, appraisals and any documents evidencing the value of all real and personal property and contract rights owned by the applicant and members of the applicant household;
- Current appraisals or tax valuations of real property and related loan obligations;
- Documents verifying applicant and applicant household debts and obligations pertinent to qualification including copies of all loan agreements and other financial statements verifying financial obligations; and
- Copy of court-approved temporary orders and final financial orders, including maintenance, child support, and property settlements, and child custody orders with exhibits and supplements.

Assets that have been assigned, conveyed, transferred, or otherwise disposed of within the previous two years for consideration below fair market value shall, for APCA qualification purposes, be valued at fair market value. Fair market value shall be established by a certified appraiser approved by APCA at the expense of applicant.

c. Income and Assets Exceptions

- i. Income Variations Policy – Where there is a difference of twenty percent (20%) or more between the most recent two years of income, they shall be averaged to establish the APCA housing category for which the household is qualified.
- ii. Retiree Asset Policy – Qualifying maximum net assets shall be adjusted to one hundred fifty percent (150%) of the amount regularly applicable in the respective category. Regardless of applicants' age, assets that are held in retirement accounts that are subject to an early withdrawal penalty will be adjusted to sixty (60) percent of present value.

5. Restriction on Ownership of Other Real Property

In order to qualify and to remain qualified as a tenant or owner, a person may not own any interest in improved real property or a mobile home (land and/or home) within the Ownership Exclusion Zone. This includes any such interest held personally, as a shareholder or member of a corporation, or as a partner, a joint venture or a beneficiary of a trust.

a. Ownership of Developed Property in Ownership Exclusion Zone (OEZ)

If an applicant or a member of the household owns any interest in improved real property as described above, such person must be divested of such interest prior to qualification by APCA (applicants) and in order to remain qualified (tenants and owners). The fair market value of such property shall be used to make a determination of an applicant's assets. Where a tenant or owner acquires such property by inheritance, such person shall be permitted 180 days from the date of acquisition to transfer the property, after which time the tenant or owner shall be in violation of this subsection 5. If the other developed property is one that is within the APCA deed-restricted program, non-sale of the other property within 180 days requires the owner to list the most recent purchased property.

Rental applicants may not own any OEZ property unless the property is under an active sales contract or the applicant is party to a dissolution of marriage proceeding.

Ownership applicants shall:

- List any OEZ property for sale at a competitive, free market price immediately upon closing on the affording housing unit;
- Sell such property within 180 days upon closing on affordable housing unit; and
- Submit copies of closing documents verifying sale to APCA.

If OEZ property is not sold or disposed of at fair market value within 180 days of closing, owner shall be disqualified, and his/her ownership unit shall be marketed and sold according to the deed restriction.

b. Ownership of Vacant Undeveloped Property in OEZ

Any unimproved real property owned by applicant (tenant or owner) in the OEZ must be reported as an asset at appraised value. APCA tenants and owners shall be permitted to retain ownership of such property only as long as it remains unimproved.

c. Business Ownership of Deed Restricted Housing

An employer, as defined in Part VIII, who also owns a deed restricted unit is permitted to:

- Maintain ownership of a free-market unit but must record a deed restriction on the property upon agreement with APCA for such unit as a rental unit to be available to the business owners' qualified employees, or any qualified employee.

For purchase of a free market unit and conversion to deed restricted housing the following requirements shall apply:

- Owner must inform APCA that he/she has located a free market unit for purchase for conversion and demonstrate employee needs to APCA;
- Owner and APCA agree to APCA category and rental price for the unit; and
- Owner agrees to an APCA-approved deed restriction for the unit of which must be recorded in the County where the unit is located.

6. Current APCA Tenant or Owner in Good Standing

A current APCA tenant or owner applying to rent or purchase a different APCA unit must be in good standing under applicable lease terms and/or HOA policies, payment of HOA dues, deed restrictions and these Guidelines, in addition to meeting all other requirements.

Prior to applying for a new rental unit or submitting a new bid for an ownership unit, applicants shall submit to APCA all documents verifying good standing as requested by APCA.

PART V

APCHA RENTAL POLICIES AND PROCEDURES

Section 1. Rental Priorities (APCHA Managed Properties)

All tenants for deed restricted rental units must qualify through APCHA prior to moving in and/or executing a lease. Submission of application documents demonstrating qualification is required after a rental unit is offered to a prospective tenant and prior to signing a lease or occupying the unit. For properties under APCHA management that are advertised for rent, priority is established according to the duration of employment/work history; unless one of the following applies:

A. Emergency Workers

- To be qualified as an Emergency Worker, the applicant's employer must verify Emergency Worker Status by completing the Emergency Worker Verification Form. Once signed off, the form should be provided to the Compliance Manager or Qualifications Specialist for final approval. The individual who has been an Emergency Worker for at least one year may be given credit for four years of employment in Pitkin County, with a maximum of 5 chances in a lottery. All other criteria must be met; i.e., minimum occupancy, category, non-ownership of residential property within the OEZ. All such persons are required to maintain such employment until the completion of four years of service after acquiring the unit. If any such person leaves the emergency status position before that time, he or she is required to list the unit for sale in accordance with the deed restriction.
- A qualified Emergency Worker will be placed at the top of the priority list for APCHA managed properties. Verification of Emergency Worker status is required for a one-year renewal of the lease. This requirement expires after two years of residency and service. Emergency worker priority does not extend to APCHA rental units under private property management.

B. Mobility-disabled Applicants

A qualified mobility-disabled employee (See Definitions) shall have first priority in renting or purchasing a mobility-disability, Type A, APCHA unit if all other criteria are met (i.e., category, minimum occupancy).

C. Senior Applicants (applies only to Aspen Country Inn)

Qualified seniors shall have rental priority for senior-designated units at the Aspen Country Inn. A qualified senior is someone who reaches the age of 65 or older as stated in Part VIII, Definitions, who is working in Pitkin County at the time of application or who has worked in Pitkin County full time (at least 1500 hours per year) for 4 years immediately prior to retirement or later. Second priority is granted to qualified applicants age 55 to 64, working full time in Pitkin County at the time of application. Seniors must meet all other qualification requirements.

D. Residents Displaced by Affordable Housing Property Development

Tenants of deed restricted housing may be displaced by the construction of new affordable housing units or the conversion of existing free market dwelling units to deed restricted affordable housing units. Tenants residing in free-market rental units that are converted to deed restricted affordable housing shall be permitted to continue occupancy if APCHA qualifications are met or, if qualified, they shall have priority in renting a unit of the same size at another location as determined by APCHA.

Section 2. Rental Procedures

Available rental units may be advertised by the private sector property owners. Properties managed by APCA are listed at www.apcha.org. See Appendix D for affordable housing rental properties.

A. Rental Units under APCA Management

Available units under APCA management are advertised in the classified section of the Aspen Daily News on Mondays and Tuesdays. Rental listings are also posted at www.apcha.org.

Rental applicants must sign up to be considered for an APCA-advertised unit on a sign-up sheet specific to the unit in the APCA office. If otherwise qualified, rental applicants are permitted to sign up for a unit in a higher category than the category for which they are specifically qualified, however, rental in a lower category is not permitted.

The sign-up period for an advertised unit ends at 3:00 pm on Wednesday of the same week the advertisement is published. APCA shall then contact the highest priority applicant and request submission of a Rental Application and documents verifying qualification.

B. Rental Units under Private Sector Property Management

All tenants for deed restricted rental units must qualify through APCA prior to moving in and/or executing a lease. Private owners and property management companies manage most of the deed restricted rental units in the city and county. Available rentals under private control are advertised separately from APCA listings and each such owner or property manager may follow a different rental procedure. However, affordable housing rental applicants must qualify through APCA prior to executing a lease, and all leases are subject to APCA approval.

Applicants for rental of an affordable housing unit under private property management shall first inquire with the property manager or owner regarding availability of a unit and after being offered such unit, shall apply and qualify through the APCA office.

C. ADU and CDU Rental by Preference of Owner

All tenants for deed restricted rental units must qualify through APCA prior to moving in and/or executing a lease. Tenants of Accessory Dwelling Units (ADU, located in the city) or Caretaker Dwelling Units (CDU, located in the county) are subject to APCA rental qualification requirements. The owner of any such unit shall be permitted to choose his/her APCA-qualified tenant.

D. Seasonal Rentals

All tenants for deed restricted rental units must qualify through APCA prior to moving in and/or executing a lease. Persons working in the city or county at least thirty (30) hours per week during the winter months (November-April) shall be eligible for rental of APCA seasonal rental units at designated properties. A seasonal employee/worker, student, intern or faculty member must submit an APCA Seasonal Rental Application and additional documents as required, unless the unit is occupied by students and/or faculty of the Music Associates of Aspen (MAA). These properties include, but may not be limited to, Marolt Ranch, Burlingame Ranch Seasonal Housing, designated dormitory-type units located at Aspen Highlands Village.

E. Requalification and Retiring in APCA Rental Housing

Tenants residing in deed restricted units shall be reviewed and verified at least every two years to ensure that they continue to meet the requirements of the Guidelines, including but not limited to:

- Minimum Occupancy;
- Income and Asset Requirements;
- Residency and employment; and
- Non-ownership of developed residential property in the Ownership Exclusion Zone.

Tenants residing in deed restricted housing who retire upon reaching retirement age must continue to reside in their deed restricted unit at least nine months out of the calendar year and not own any other developed property within the Ownership Exclusion Zone in order to remain qualified.

Establishing compliance with the requirements stated in Part IV, Section 2, paragraph B does not guarantee the availability of an affordable housing unit to the applicant. APCA may deny access to deed restricted housing to any applicant whom APCA finds would pose a risk to the use and enjoyment of deed restricted housing to other qualified persons, or whose record as an occupant of deed restricted housing otherwise justifies a conclusion by APCA that it would be in the best interests of APCA to reject the application. In making any determination under this provision APCA shall consider among other things, the applicant's criminal record, past non-compliance under any prior leases, and past relationships with APCA.

TABLE VIII
MAXIMUM ANNUAL APCA ADJUSTMENT

<i>Year</i>	<i>Rate Adjustment</i>	<i>Year</i>	<i>Rate Adjustment</i>
1978-1982	0.0%	2009	0.7%
1983	6.6%	2010	2.3%
1984	5.0%	2011	1.3%
1985	3.3%	2012	3.0%
1986-1988	0.0%	2013	1.7%
1989	4.7%	2014	1.1%
1990	3.0%	2015	1.1%
1991	0.0%	2016	0.1%
1992	2.0%	2017	1.5%
1993	1.2%	2018	2.3%
1994	1.0%	2019	2.2%
1995	1.1%	2020	1.9%
1996	0.99%		
1997	1.31%		
1998	0.73%		
1999	0.54%		
2000	1.08%		
2001	1.40%		
2002	1.63%		
2003	2.15%		
2004	1.6%		
2005	3.0%		
2006	3.0%		
2007	1.7%		
2008	3.0%		

The increase is based on the lesser of the percentage change in the Consumer Price Index (Urban Wage Earners) from November of one year to November of the following year, or 3%, whichever is less. The index increased at the rate of 1.93% from November 2018 to November 2019; therefore, the annual increase in 2020 is 1.9%. Please contact the APCA for the actual maximum rental rates available and/or the maximum rental rates for a specific deed-restricted property.

PART VI

APCHA PURCHASE AND SALE POLICIES AND PROCEDURES

Section 1. Application and Qualification to Purchase Affordable Housing

Applicants for ownership of deed restricted units must apply by submitting an APCHA Qualification Packet with copies of those documents demonstrating qualification, and all applicable fees. Applicants are advised to apply and qualify in advance of submitting a bid for an ownership unit with a lender. However, bids may be submitted with the application documents. All first-time applicants must also include a Certificate of Completion of the Home Buyer On-Line Education Program and review. Three options can be found on APCHA's website, <https://www.apcha.org/223/Homebuyer-Education>.

Bids are prioritized by APCHA according to the qualification criteria stated in Part IV for eligibility and qualification.

Section 2. Sale Listings

A. Fees for Listing and Selling

There are two fees involved in the listing and sale of a Deed Restricted Affordable Housing unit – a **Listing Fee** and a **Sales Fee**. The **Sales Fee** is equal to two percent (2%) of the sale's price of the property, unless otherwise specified in the Deed Restriction. Unless otherwise specified in the Deed Restriction, the APCHA will collect half of the total fee (the **Listing Fee**) at the time of the listing. If a sale is completed by the APCHA, the **Listing Fee** is considered part of the overall **Sales Fee** and will be applied to the total **Sales Fee** payable at closing. The APCHA may instruct the title company to pay said fees to the APCHA out of the funds held for the Seller at the closing. In the event that the Seller: a) fails to perform under the listing contract, b) rejects all offers at maximum price in cash or cash-equivalent terms, or c) withdraws the listing after advertising has commenced, that portion of the **Listing Fee** will not be refunded. In the event that the Seller withdraws for failure of any bids to be received at maximum price or with acceptable terms, the advertising and administrative costs incurred by the APCHA shall be deducted from the fee. The balance will be credited to the Seller's sales fee when the property is sold.

B. Sale Advertisements

APCHA advertises ownership units listed for sale weekly, on Fridays on the APCHA website www.apcha.org. Any interested parties can request **ALERTS** on new Listings from this website. Listings and advertisements include information pertaining to category, size, price, taxes, HOA dues/assessments, amenities and bidding. The listing shall include either scheduled open house date and time and/or contact information for making a viewing appointment.

C. Viewing Listed Units

Ownership applicants are advised to make every effort to view units in advance of placing a bid; however, the only official viewing is during the open house.

D. Financing Pre-qualification

Ownership applicants are encouraged to investigate sources of financing and it is highly recommended that the applicant obtain a pre-qualification letter from a lending institution prior to submitting a bid. Go to www.apcha.org, click on Housing Forms. Under the Sales designation is the list of the local lending institutions familiar with the APCHA housing program.

Section 3. Bid Process

Qualified ownership applicants shall submit bids to APCHA on a Bid Submission form during the bid period with the applicable fee.

A. Bid Period

The initial bid period is usually two weeks (an exception would be in-complex bids; see Section C.2 below). If no bids are received for a unit during the initial bid period, advertisement of the listed unit shall continue until the unit is sold or the listing is withdrawn.

B. Bid Submission

Only qualified APCHA applicants may submit bids on ownership units. Bids at a price higher than the listed sale price, which is ordinarily the maximum sales price permitted by the Deed Restriction, shall not be accepted. If otherwise qualified, ownership applicants may be permitted to bid for a unit in a higher category. However, bidding in a lower category is not permitted.

A member of a currently qualified APCHA household may not bid on another unit separately from his/her household unless legal verification of separation or divorce is submitted (if married) or a sworn statement of separation that is notarized is submitted (if unmarried) to APCHA in advance of bidding. Documentation of separated assets and income must be provided in advance of bidding. At the end of the bid period, bids at the listed sale price that meet all top priority criteria are considered first and are placed into a lottery.

C. Bid Priority

1. Transfers Outside the Bid Process

Certain transfers as described in these Guidelines are not required to go through the bid process and lottery. Such transfers shall be made in accordance with the applicable Deed Restriction and APCHA approval at the maximum sale price determined in accordance with the Deed Restriction. Requirements for transfers to Co-owners, Household Members or Family members are stated below:

- Persons with a present ownership interest Joint or Tenants In Common, in the affordable housing unit.
- Person(s) chosen by the remaining owner(s) to purchase the interest of another owner, as long as the household is qualified as defined herein. The owner remaining must continue ownership of the home for at least four (4) years. **ANY OTHER OWNERSHIP INTEREST MUST BE APPROVED BY SPECIAL REVIEW IF**

NOT UNDER A COURT ORDER DUE TO DISSOLUTION PROCEDURES AND SOLD TO A QUALIFIED EMPLOYEE.

- A qualified spouse and/or child(ren) of current owners, including joint custody of the children, and/or qualified parent(s). A qualified spouse and/or child does not have to meet the category for the unit nor the minimum occupancy requirement. A transfer between siblings is permitted; however, the person who is gaining ownership by a transfer between a family member (as defined in these Guidelines) must qualify fully under that specific category, including minimum occupancy. Any transfer must be to an actively employed Pitkin County employee as defined herein. For example, if the unit is a Category 3, 2-bedroom unit, the sibling must qualify as a fully qualified two-person, Category 3 household with a work history of at least the last four years. *Transfer within immediate family to a qualified buyer requires a \$100 transfer fee and must be approved by the APCA prior to the transfer. The qualified buyer is also required to enter into a new deed restriction during the transfer process.*

2. In-complex Priority

An in-complex bid is one made by a current owner who has owned and resided for at least one year in a unit in the same affordable housing complex or development as the listed unit. In-complex applicants must meet all APCA requirements for the new unit, including minimum occupancy, and the in-complex applicant's current home must be listed within 30 days of closing and sold within 180 days after closing. [An in-complex bid by an owner who has owned a unit for less than one year whose household meets all the requirements of a top priority bid, shall be classified as a second priority in-complex bid.] In-complex bids submitted during the first week of the initial bid period shall have first priority over all other bids except transfers to a co-owner, and shall not be subject to lottery, unless more than one in-complex bid has been submitted. In-complex bids placed after the first week of the initial bid period shall be processed and prioritized like all other first priority bids.

In multi-phase affordable housing projects under construction, an APCA owner who owns a newly constructed deed-restricted unit shall have in-complex priority in bidding on units within the same construction phase of the project, but not have in-complex priority in later phases of the project until all phases are complete. The in-complex priority does not exist for newly constructed affordable housing units (resales only).

Multiple priority bids from applicants with one year or more of ownership shall be decided by lottery. **IN ALL CASES OF IN-COMPLEX PRIORITY, THE SUCCESSFUL APPLICANT'S PRESENTLY-OWNED PROPERTY MUST BECOME AVAILABLE THROUGH THE LOTTERY SYSTEM WITHIN 30 DAYS AFTER CLOSING OF THE PURCHASE OF THE NEWLY ACQUIRED UNIT.**

Two or more bids submitted at the listed sale price shall be prioritized according to employment history and/or other criteria as described below. A lottery shall be held for applicants meeting all APCA top priority criteria. **ALL NEW PROJECTS REQUIRE A LOTTERY TO BE HELD FOR ALL TOP PRIORITY APPLICANTS AS STATED IN TABLE IX (UNLESS THE APPLICANT WAS CHOSEN ACCORDING TO PART III, SECTION 6.C.3).**

3. Mobility Disabled Applicants

Under city and county land use regulations and building codes and ADA regulations, a certain percentage of APCA ownership units are constructed or designed to be modified to meet the needs of persons with mobility disability (Type A units). Applicants with mobility disability and meeting all other applicable APCA requirements shall have priority over in-complex bids for units specified for mobility disability preference only. Mobility-disability bids are accepted only at the listed sale price. Two or more top priority qualified bids of mobility disability applicants shall be decided by lottery.

4. Displaced Residents

Owners of free market and deed restricted units displaced by the construction of new affordable housing or conversion of existing affordable housing shall have bid priority for the purchase of a unit of comparable size and category as owned when displaced, provided such displaced owners qualify and are in good standing with APCA at time of displacement. Displaced residents shall be required to meet all APCA qualifications except income and asset requirements.

5. Emergency Workers¹

- To be qualified as an Emergency Worker, the applicant's employer must verify Emergency Worker Status by completing the Emergency Worker Verification form. Once signed off, the form should be provided to the Compliance Manager or Qualifications Specialist for final approval. The individual who has been an Emergency Worker for at least one year may be given credit for four years of employment in Pitkin County, with a maximum of 5 chances in a lottery. All other criteria must be met; i.e., minimum occupancy, category, non-ownership of residential property within the OEZ. All such persons are required to maintain such employment until the completion of four years of service after acquiring the unit. If any such person leaves the emergency status position before that time, he or she is required to list the unit for sale in accordance with the deed restriction.
- The Emergency Worker priority shall have five (5) chances per lottery until such time as the Emergency Worker has worked within Pitkin County over eight (8) years. A certified emergency worker with such priority who leaves his/her position before completing four years of continuous service and certification shall lose priority and be required to list his/her ownership unit for sale.

¹ Emergency Worker procedure changed by Resolution No. 04 (Series of 2019)

6. Local High School Graduates

Applicants who have graduated from a local high school located within the OEZ will be given credit for four years of employment in Pitkin County upon proof of the following:

- Diploma from the local high school; and
- At least one parent employed full-time in Pitkin County at time of graduation and at least four years prior to said graduation; and
- Present full-time employment in Pitkin County immediately following an absence of less than 5 years.

7. Employment/Work History Priority

Bids at the listed sale price are prioritized according to qualified applicant employment/work history. Applicants with a minimum of four consecutive years of employment/work history receive highest priority.

Priority bids are decided by lottery. If competing priority bids are not submitted, if priority bidders do not accept the unit, or if the priority bidders are unable to meet the requirements of the sales contract, non-priority bids, if any, shall be accepted and decided by lottery. See Table IX for bid priority per unit size and employment/work history.

Two or more bids submitted at the listed sale price shall be prioritized according to employment history and/or other criteria as described below. A lottery shall be held for applicants meeting all APCA top priority criteria. **ALL NEW PROJECTS REQUIRE A LOTTERY TO BE HELD FOR ALL TOP PRIORITY APPLICANTS AS STATED IN TABLE IX (UNLESS THE APPLICANT WAS CHOSEN ACCORDING TO PART III, SECTION 6.C.3).**

TABLE IX

APCHA BID PRIORITY PER EMPLOYMENT HISTORY & OCCUPANCY *Per Category and Household Size of Ownership Applicant*

The following are the priorities among competing bids for each type of unit in the APCA inventory:

Studio Units

1. A single person household with four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
2. A household greater than one person with four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
3. A household of any size with one to four years of consecutive years of employment in Pitkin County immediately prior to application for purchase.
4. A household of any size with less than one year of consecutive years of employment in Pitkin County immediately prior to application for purchase.

One-bedroom Units

1. A household of one or more qualified employees with four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
2. A household of one or more qualified employees with one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
3. A household of one or more qualified employees with less than one consecutive year of employment in Pitkin County immediately prior to application.

Two-bedroom Units

1. A household of at least two qualified employees, or one qualified employee and one dependent, where at least one qualified employee has four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
2. A household of at least two qualified employees or one qualified employee and one dependent, where at least one qualified employee has worked one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
3. A household of at least two qualified employees or one qualified employee and one dependent where at least one qualified employee has worked less than one consecutive year of employment in Pitkin County immediately prior to application.
4. A household of one person with four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
5. A household of one person with one to four years of consecutive years of employment in Pitkin County immediately prior to application for purchase.
6. A household of one person with less than one year of consecutive years of employment in Pitkin County immediately prior to application for purchase.

Three-bedroom Units

1. A household of at least two qualified employees and one dependent, or one qualified employee with two dependents, in which at least one qualified employee has four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
2. A household of at least two qualified employees and one dependent, or one qualified employee and two dependents, in which at least one qualified employee has worked one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
3. A household of at least two qualified employees and one dependent, or one qualified employee and two dependents, in which at least one qualified employee(s) has worked less than one consecutive year of employment in Pitkin County immediately prior to application.
4. A household of at least two qualified employees, or one qualified employee and one dependent, in which at least one qualified employee(s) has four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
5. A household of at least two qualified employees, or one qualified employee and one dependent, in which at least one qualified employee(s) has worked one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
6. A household of at least two qualified employees, or one qualified employee and one dependent, in which at least one qualified employee(s) has worked less than one consecutive year of employment in Pitkin County immediately prior to application.
7. A household of one person with four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
8. A household of one person with one to four years of consecutive years of employment in Pitkin County immediately prior to application for purchase.
9. A household of one person with less than four years of consecutive years of employment in Pitkin County immediately prior to application for purchase.

Four-bedroom Units

1. A household of at least two qualified employees and two dependents, or one qualified employee with three dependents, in which at least one qualified employee(s), has four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
2. A household of at least two qualified employees and two dependents, or one qualified employee and three dependents, in which at least one qualified employee(s) has worked one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
3. A household of at least two qualified employees and two dependents, or one qualified employee and three dependents, in which at least one qualified employee(s) has worked less than one consecutive year of employment in Pitkin County immediately prior to application.
4. A household of at least two qualified employees and one dependent, or one qualified employee with two dependents, in which at least one qualified employee(s) has four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
5. A household of at least two qualified employees and one dependent, or one qualified employee and two dependents, in which at least one qualified employee(s) has worked one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
6. A household of at least two qualified employees and one dependent, or one qualified employee and two dependents, in which said employee(s) has worked less than one consecutive year of employment in Pitkin County immediately prior to application.
7. A household of at least two qualified employees, or one qualified employee and one dependent, in which at least one qualified employee(s) has four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.

8. A household of at least two qualified employees, or one qualified employee and one dependent, in which at least one qualified employee(s) has worked one to four consecutive years of employment in Pitkin County immediately prior to application for purchase.
9. A household of at least two qualified employees, or one qualified employee and one dependent, in which at least one qualified employee(s) has worked less than one consecutive year of employment in Pitkin County immediately prior to application.
10. A household of one person with four or more consecutive years of employment in Pitkin County immediately prior to application for purchase.
11. A household of one person with one to four years of consecutive years of employment in Pitkin County immediately prior to application for purchase.
12. A household of one person with less than one year of consecutive years of employment in Pitkin County immediately prior to application for purchase.

Section 4. Lottery

The demand for affordable housing units typically result in competing bids of equal priority that are decided by lottery. When necessary, a second lottery and succeeding lotteries may be conducted to decide among succeeding bids of equal priority as specified in Table IX.

A. Lottery Chances

Priority bids are assigned a number of lottery chances according to length of consecutive employment/work history. Should there be no first priority applicant, non-priority bids shall then be assigned chances according to length of employment. Each chance represents a single entry of the name in the lottery. In the event of equally qualified applicants, Table X, states the number of lottery chances assigned according to consecutive employment within Pitkin County/Aspen.

**TABLE X
NUMBER OF APCA LOTTERY CHANCES FOR PRIORITY BIDS**

<i>Years employed/worked in Pitkin County</i>	<i>Number of lottery chances</i>
more than 4 years, less than 8	5
more than 8 years, less than 12	6
more than 12 years, less than 16	7
more than 16 years, less than 20	8
more than 20 years	9

B. Lottery Process

Lottery dates are specified in sale advertisements. Lotteries are usually scheduled to occur at noon on the Monday following the end of a bid period (unless Monday falls on a holiday).

1. Lottery Entry Verification

All priority bids shall be entered into the lottery with the applicable number of lottery chances. To ensure that no qualified priority bid is excluded, names of applicants with priority bids in

the lottery shall be printed and verified by APCHA prior to running the lottery. APCHA shall match bid submission forms with the receipts provided to bidders and, if verified, post the names of lottery entries at the door of the APCHA Housing office usually by noon on Friday before the lottery is scheduled.

After a lottery but before posting winners, the list of lottery entries shall again be printed and verified to ensure that all qualified priority bids were included in the lottery. Any error shall be noted on the printout and a corrected lottery shall be run if necessary.

2. Lottery Winners

A lottery continues until the bids of persons included in the lottery are drawn once. The first-place lottery winner's application, qualification and bid materials shall then be reviewed by APCHA for completion and verification before the winner is notified. Then an appointment is made for the winning bidder to meet with APCHA regarding the sales contract. APCHA shall have the authority to disqualify a winner if such person's qualifications cannot be verified or if they are incomplete or inaccurate.

Upon such verification of the successful bid, a lottery is classified as "official" and the names of the lottery winners and order of other bidders shall be posted at the APCHA office and on the website, www.apcha.org.

If purchase by the first-place lottery winner does not occur for any reason, the second-place lottery winner shall be offered the opportunity to purchase the unit, and the process shall continue through the lottery list until the unit is sold.

Section 5. Sales Contract

A. Legal Counsel

APCHA does not provide legal advice to purchasers or sellers. Purchasers and sellers of deed restricted units are advised to consult legal counsel regarding contracts, financial agreements, deed restrictions, title documents, condominium declarations and covenants, HOA policies including Capital Reserves policies, and any other legal matters pertaining to a sale. Buyers and sellers retaining professional services related to purchase or sale shall do so at their own expense.

B. Three-day Contract Negotiation Period

A qualified buyer with a winning bid must sign an APCHA approved sales contract stating all terms of the proposed purchase three (3) business days after the holding of the lottery. APCHA shall present the contract to seller for approval and execution.

If negotiations fail before a contract is signed, or if a contract fails before closing, the unit shall be offered to the second-place lottery bidder at which time a new negotiation period shall commence.

C. Terms of the Sale Contract

APCHA prepares a modified Colorado Real Estate Commission sale contract for all APCHA sales. Sales contracts shall include correct names of potential owners as they shall appear on the deed to the property, the purchase price, seller's personal property as included in or excluded from the sale, date of closing and other terms, including but not limited to inspection and financing contingencies, with a reasonable time frame for satisfaction of any such contingencies.

1. Inspection/Due Diligence

APCHA sales contracts include a deadline for an inspection during which time a buyer has the right to hire, at his/her own expense, a certified inspector to conduct a formal inspection of the unit and provide a written report.

The buyer shall work with APCHA and the seller in addressing repairs necessary to bring the unit to Minimum Standards for Maximum Sale Price under Guidelines. The seller shall make such necessary repairs prior to closing or the cost for repair as approved by APCHA shall either be deducted from the sales price, funds put into escrow until the repairs are completed, or a credit provided to the buyer.

The buyer shall have the right to inspect the unit immediately prior to closing to verify the condition of the unit.

2. Buyer Financing

APCHA sales contracts include a deadline for the Buyer to secure a mortgage loan for purchase of the unit.

Ownership applicants must sign an authorization for APCHA to obtain copies of purchaser's financing documents from lending institutions for APCHA review. All financing agreements related to affordable housing units must be approved by APCHA.

Buyers are strongly advised to pre-qualify with lending institutions for financing in anticipation of submitting a bid. An owner selling one unit and purchasing another may require financing to bridge the period between closings on purchase and sale. Go to www.apcha.org, click on Housing Forms. Under the Sales designation is the list of the local lending institutions familiar with the APCHA housing program. APCHA highly recommends that a buyer seek financing within the Roaring Fork Valley from lenders familiar with the APCHA deed-restricted program.

Section 6. Closing the Transaction

APCHA is responsible for preparing all contracts and other documents pertaining to sale and purchase, in consultation with the parties. The closing of the sale shall take place on a date specified in the sales contract. Closing is coordinated by APCHA with a closing to be completed by a local title company chosen by the parties in the sales contract, usually the seller.

A. Deed Restriction Agreement

At closing, the Buyer signs a memorandum of acceptance or deed restriction agreement, whichever is applicable. Said document will be recorded with the Pitkin County Clerk and Recorder along with the deed and other pertinent closing documents.

B. Co-signers

All parties to a sales transaction shall sign the closing documents as required. A person who is not APCHA-qualified but who will co-sign a financial agreement related to the purchase of an affordable housing unit must sign a Non-qualified Co-owner Affidavit stating he/she shall not occupy the unit and shall release the unit for resale by APCHA should the resident owner no longer be in compliance.

Section 7. Sale of an Ownership Unit / Listing a Unit for Sale

An owner planning to sell his/her unit must consult APCHA to review deed restrictions and Guideline requirements applicable to the sale. Unless otherwise stated in deed restrictions, APCHA units shall be listed for sale through APCHA.

All aspects of sale shall be managed by APCHA in accordance with these Guidelines. APCHA acts as Transaction Broker representing both buyer and seller and shall represent both parties fairly. The parties may seek legal counsel at their own expense.

A. Listing Agreement

Sellers must sign a Listing Agreement with APCHA establishing sale procedures and terms, including fees.

B. Listing and Transaction Fee

Sellers shall be charged a Transaction Fee of the final sale price, payable to APCHA upon closing; a portion of the Transaction Fee, the Listing Fee, is payable to APCHA as a non-refundable fee at the time a unit is listed. Listing fees are applied to advertising and administrative costs related to the sale. See Appendix C.

C. Listing Period

Units listed for sale shall be advertised in successive bid periods until the unit is sold or the listing withdrawn. Units shall be listed for sale for a minimum of six (6) months before any adjustments to maximum sales price (unless Seller should choose to lower the sales price before the end of the six (6) month period). If the unit is being sold through a compliance issue, the sales price will not be adjusted (increased) until the property is sold.

D. Minimum Standards for Maximum Sale Price

APCHA owners and buyers shall be provided a checklist of Minimum Standards for a sale at Maximum Sale Price, including, but not limited to:

- Clean, odor-free interior;
- Carpets professionally steam-cleaned within two (2) days of closing;
- Surface scratches, marks, holes in doors, floors, walls, woodwork, cabinets, counter tops, other than normal wear and tear, repaired;
- Walls in good repair and paint-ready;
- Windows and window locks in good repair; broken panes replaced;
- Window screens in place and in good repair;
- Doors and door locks in good repair; working keys for all locks at closing;
- Light fixtures, outlets, switches secure and in working order;
- Plumbing in good repair with no leaks;
- Tile grout in good repair and clean;
- Roof in good repair with no leaks (if home is a single-family); and
- Safety hazards resolved

1. Seller's Property Disclosure Form

Seller's Property Disclosure form and Seller's Listing Checklist shall be completed and submitted prior to listing a unit for sale. Sellers shall describe conditions meeting minimum standards and all conditions, items, fixtures, installations, etc., in the unit requiring repair and/or cleaning.

2. Mitigation of Repairs

APCHA shall conduct a cursory inspection pointing out items that may show up in an inspection report; however, APCHA's inspection does not take the place of the inspection done by an expert.

If a unit does not meet minimum standards, APCHA may, at its discretion, require that the cost of necessary repairs be deducted from the closing sale price, or that seller place into escrow the funds necessary to ensure satisfactory repairs. Any escrow balance remaining after necessary repairs are satisfactorily made shall be returned to seller.

E. Maximum Sale Price

Unless otherwise stated in the deed restriction applicable to the unit, the Maximum Sale Price for an APCHA ownership unit meeting minimum standards shall be calculated as follows:

- Seller’s purchase price;
- Plus three percent (3%) simple appreciation for each year owned, or a multiple of the Consumer Price Index (CPI) between date of purchase and date of sale, whichever is lower;
- Plus cost, at present value, of approved, permitted capital improvements, not to exceed ten percent (10%) of purchase price, less depreciation;
- Plus cost at present value of approved exempt capital improvements required to meet health and safety standards.

Section 8. Resident-occupied (RO) Unit Sale Policies and Procedures

RO units are subject to deed restrictions applicable to the unit as approved by APCHA and recorded in the real property records, and to the Guidelines in effect at the time such deed restriction was recorded. Some RO units are subject to deed restrictions preceding publication of these Guidelines as stated therein.

Unless otherwise specified in applicable deed restrictions, prospective owners must meet and maintain APCHA qualifications, including employment/work, residency and occupancy requirements. Maximum household income requirements are waived for RO ownership, and a maximum household net asset limit of \$2,250,000 applies only to qualification to purchase a RO unit and not thereafter.

The sale of a RO unit may be subject to additional requirements as specified in the applicable Deed Restriction. For example, Williams Ranch includes ten (10) “RO Category 5” units, for which APCHA qualification is limited to gross income of \$219,000 and net assets of \$778,700 per household. See Appendix E for a listing of ownership units including RO units.

If a vacant lot is purchased for RO unit development for a qualified buyer, a Certificate of Occupancy must be obtained within three years of the sale of the lot or owner shall be deemed out of compliance.

A. Sale Managed according to Deed Restrictions and Guidelines

Unless otherwise specified in applicable deed restrictions, APCHA shall manage all aspects of the sale of RO units in the same manner as other ownership units. The sale of RO units in subdivisions formerly known as mobile home parks (except Woody Creek Park Subdivision) shall be exempt from APCHA sale policies and procedures except that potential buyers must qualify with APCHA for RO ownership and must maintain compliance with employment and residency requirements and may not own or purchase other residential property within the OEZ, and as otherwise specified in each property’s deed restriction.

For those RO projects that do not require the unit to be listed with the APCHA, the APCHA shall qualify prospective purchasers (under the APCHA qualifications). Any other resales of RO units shall be listed with the APCHA and will be marketed through the same process as the category units, unless specified differently in that project’s (seller’s) specific deed restriction. This will guarantee that the maximum sales price is being adhered to in all aspects of the housing program. The Seller will be required to pay a **Listing Fee** of one percent (1%) of the total sales price in addition to the one percent (1%) **Sales Fee**, for a total of two percent (2%) of the overall sale’s price, unless specified differently in the seller’s deed restriction. Properties that were originally classified as mobile home parks – Aspen Village, Lazy Glen, Smuggler Park Subdivision – are not required to be listed through APCHA;

however, there is a sales fee required to be paid by the seller to APCA for every sales transaction. If the seller opts to sell through APCA, the same fee stated above will apply.

B. RO Maximum Sale Price

Unless otherwise specified in applicable deed restrictions, any sale of a RO unit after the initial sale shall be subject to a maximum sale price calculated as follows (**value of “sweat equity” shall NOT be included**):

- Initial purchase price of the RO unit or lot;
- Plus three percent (3%) simple appreciation for each year owned by Seller, or a multiple of the Consumer Price Index (CPI) between date of purchase and date of listing, whichever is less (some RO units appreciation at 4% or 3% per year – see specific deed restriction);
- Plus actual cost at present value of construction of the RO unit on the lot, plus 3% or a multiple of the CPI of that amount, whichever is less, from the date of issuance of a Certificate of Occupancy (CO);
- Plus actual cost and present value, if any, of construction to expand the RO unit to the maximum net livable square footage of 2,200 square feet, plus 3% or a multiple of the CPI, whichever is less, from the date of issuance of a CO of the expansion;
- Plus actual cost at present value, of approved, permitted capital improvements, not to exceed ten percent (10%) of initial sale price of the completed unit, less depreciation;
- Plus actual cost at present value of approved exempt capital improvements required to meet health and safety standards.

If deed restrictions specific to the unit permit, a mobile home converted to a RO unit by an APCA-qualified owner shall not be subject to an appreciation cap (except for units within the Woody Creek Park Subdivision).

Section 9. Foreclosures

If set forth in the applicable Deed Restrictions, a Unit sold at a foreclosure sale or acquired by any person or entity in lieu of foreclosure, APCA has the option to acquire such Property within thirty (30) days after:

- the issuance of a confirmation deed to the purchaser; or
- receipt by the APCA of written notice from such person or entity of the acquisition of such property in lieu of foreclosure, as applicable, for an option price not to exceed:

(a) in the event of a foreclosure, the redemption price on the last day of all statutory redemption periods and any additional reasonable costs incurred by the holder during the option period which are directly related to the foreclosure or

(b) in the event of a transfer in lieu of foreclosure, the amount paid, or the amount of debt forgiven, by the transferee plus the reasonable costs incurred by the transferee with respect to its acquisition

of such Property or Unit. Notwithstanding any provision herein to the contrary, except for persons or entities having a valid lien on a Property.

If any such person or entity is not a fully Qualified Buyer (top priority) and acquires an interest in such Property or Unit in a foreclosure sale or in lieu of foreclosure, such person must list the property for sale as stated in the deed restriction. The terms of the deed restriction remain in full force and effect with respect to the property until modified, amended or terminated.

Only fully Qualified Buyers (top priority) may acquire an interest in a Property at a foreclosure sale or in lieu of foreclosure. If any person or entity having a lien on a Property is not a fully Qualified Buyer (top priority) and acquires an interest in such Property or Unit in a foreclosure sale or in lieu of foreclosure, the owner shall list the home for sale as stated in the deed restriction. The APCHA still has the right-of-first-refusal within 30 days upon the Qualified Buyer obtaining the confirmation deed.

Notwithstanding the foregoing, and if stated in the Deed Restrictions, in the event of foreclosure by the holder of the first deed of trust on such property, if the holder of such deed of trust is the grantee under the public trustee's deed and APCHA does not exercise its option to purchase as provided in this Section or in the specific deed restriction, then APCHA agrees to release the property from the requirements of the deed restriction. Please note, any release of a deed restriction, if APCHA has not exercised its option to purchase the property, is ONLY effective for a first deed of trust on such property. Any junior lienholders are subject to the deed restriction.

In the event that APCHA or the Board, as the designee of the APCHA, exercise the option described above, the APCHA and/or its designee, may sell the Property to Qualified Buyers as that term is defined herein, or rent the Property to qualified tenants who meet the income, occupancy and all other qualifications, established by these Guidelines until a sale to a qualified buyer is affected.

It is APCHA's policy to purchase the property at the foreclosure sale on the Courthouse steps; however, APCHA may still exercise the option of purchasing the property within 30 days of the Certificate of Purchase to the buyer on the Courthouse steps.

PART VII

MAINTAINING ELIGIBILITY, SPECIAL REVIEW, COMPLIANCE AND GRIEVANCE POLICIES AND PROCEDURES

Section 1. Maintaining Eligibility

APCHA tenants and owners must maintain the requirements for tenancy and ownership in good standing as described below.

A. Rental - Requalification every Two Years/Tenant Responsibilities

Every tenant, whether the unit is under APCHA or private sector property management, is required to re-qualify with APCHA at least every two years and verify continuous full-time employment/work in the county; primary residency of at least nine months per year; no ownership of developed residential property in the OEZ; and not exceeding the income and asset limits for that specific category unit. Requalification requires submission of APCHA forms, verification documents and other information as requested, along with a Requalification Fee.

A re-qualifying tenant receiving unemployment benefits must meet the full-time work requirement of 1500 hours per calendar year.

An APCHA tenant under review for non-compliance shall not be eligible for requalification and shall not be permitted to renew his/her lease until compliance issues are resolved.

- At least thirty (30) days prior to the end of the qualification period, the landlord of an affordable housing rental unit, whether APCHA or a private sector property manager, shall notify tenants in writing of the requirement to re-qualify. An APCHA Rental Qualification Form shall accompany the notice.
- APCHA must approve new leases for affordable housing rental units before the lease is signed and prior to occupancy.
- Tenants and Owners must submit copies of the executed leases to APCHA.
- When re-qualifying, maximum gross income shall be adjusted to one hundred twenty percent (120%) of the amount regularly applicable in the respective category.
- If income or asset limits are exceeded, the tenant will be given one year to come back into compliance or to vacate the leased premises. A tenant who has entered into the bidding process to purchase a deed-restricted unit and/or is looking for other rental opportunities, may reside in the unit for one additional year. However, the rent will be adjusted to the increased category that corresponds to the current income.
- Tenants and property managers/landlords shall comply with all lease terms including the deed restriction. Breach of and/or non-compliance with a lease agreement, deed restriction and/or Guideline shall be deemed a violation resulting in compliance proceedings and could disqualify the tenant from future participation in the APCHA program.

B. Ownership – Affidavits and Audits

Owners are not required to maintain household gross income and net asset limitations, or to meet minimum occupancy requirements, but shall be required to maintain all other APCHA qualification requirements (i.e., residing in unit at least nine (9) months out of each calendar year, working full-time within Pitkin County, and not owning other residential property within the OEZ). APCHA will require all owners to complete and sign a Requalification Affidavit on a bi-yearly basis.

APCHA has the right to request additional documentation through an audit or follow up on a complaint.

Failure to complete the requested forms and/or submit the requested documentation will result in a Notice of Violation and appreciation will be terminated until the homeowner is brought back into compliance. Such owners are prohibited from recouping the appreciation lost during the period of non-compliance.

C. Death of Qualified Employee

1. Rental

Household members in occupancy at the time of a qualified tenant's death shall be permitted to continue to occupy the respective unit for the balance of the lease term. Subject to APCHA approval, surviving household members may be permitted to continue occupancy beyond the lease term if:

- The deceased qualified tenant had worked a minimum of four years and/or
- A remaining household member becomes an APCHA-qualified employee/worker.

2. Ownership

A qualified spouse and/or child does not have to meet the category for the unit nor the minimum occupancy requirement. A relative in occupancy at the time of a qualified owner's death shall be permitted to continue to occupy the respective unit only if the surviving relative is or becomes APCHA-qualified within six months, or a surviving household member is a dependent minor (under age 18) and is:

- Enrolled full-time in an accredited lower or high school program and/or an immediately succeeding four-year accredited higher education program not to exceed four-years and
- Verification of education enrollment is submitted to APCHA in a timely manner.

Upon the completion or end of a qualifying education program, the occupant household shall not remain eligible for ownership unless the respective student/dependent returns to reside and work full-time in the county and submits verification documents and Ownership Application Packet to APCHA within 30 days of returning to residence full time. If occupants of an APCHA ownership unit become ineligible or disqualified, such unit shall be marketed and sold according to the deed restriction.

If an owner(s) dies and the property is transferred to someone who is not qualified (working at least 1500 hours per year in Pitkin County and not owning other property within the OEZ), the owner either must become qualified within six months from acquiring the property or list the property for sale as stated in the deed restriction. *Transfer within immediate family to a qualified buyer requires a \$100 transfer fee and must be approved by the APCA prior to the transfer. The qualified buyer is also required to enter into a new deed restriction during the transfer process.*

Section 2. Landlord Responsibilities

A. Prior Approval by APCA of Tenant and Lease

Property managers/landlords may not lease a unit until the tenant has been approved by APCA. The landlord may not add a new roommate to the lease without having the tenant approved. All tenants for deed restricted rental units must qualify through APCA prior to moving in and/or executing a lease.

Property managers/landlords must provide to APCA copies of all leases signed by both parties prior to occupancy.

B. Maximum Rental Rates for Newly Deed-Restricted APCA Units

Rental rates for newly deed-restricted units are determined according to Guidelines in effect at the time a unit is first occupied. See Table III for current Maximum Rental Rates for Newly Deed-restricted Units.

Following first year of initial occupancy, affordable housing rental rates shall be adjusted on an annual basis and according to maximum rental rates established in current Guidelines.

Annual rental rate adjustments are based on the lesser of the change in the Consumer Price Index for Urban Wage Earners (more specifically defined in the Part VII, *Definitions*) for the November of two years previously divided by the November CPI for the previous year, **OR** a three percent (3%) increase, whichever is less. See Table VIII for Maximum Annual Rental Rate Adjustments.

C. Maximum Vacancy Period

Deed restricted rental units must be leased and occupied, except between tenancies for a maximum period of forty-five (45) days, unless otherwise authorized by the APCA. A vacancy period exceeding this limit without APCA approval shall be considered a violation and such unit shall be advertised by APCA and filled according to APCA rental policies and procedures as soon as possible.

D. Roommate Policy

In case of the vacancy of a bedroom in a two or three-bedroom rental unit, the remaining tenant(s) may attempt to fill the vacancy with an APCA-qualified roommate within the same forty-five-

day vacancy limit, or the vacancy shall be advertised and filled according to APCHA rental policies and procedures by APCHA. All tenants for deed restricted rental units must qualify through APCHA prior to moving in and/or executing a lease.

E. Property Maintenance

Landlords shall, at their own cost and expense, maintain the interior and exterior of the entire structure and property, including all residential units and adjacent open areas, in safe and clean condition, in good order and repair, except for reasonable wear and tear.

F. Requalification Notice to Tenant

Landlords shall provide tenants written notice and an APCHA Rental Qualification form thirty (30) days prior to the end of the applicable qualification period.

Landlords shall provide disclosure in all leases that tenants must qualify with APCHA at least every two years.

G. Landlord/Tenant Disputes - Alpine Legal Service

Property managers/landlords may evict tenants as provided by law. Tenants may request mediation to resolve housing disputes through Alpine Legal Services (ALS), Glenwood Springs, CO. If a landlord refuses to participate in mediation, ALS may refer APCHA tenants to legal counsel for representation.

Section 3. Owner Responsibilities

APCHA shall from time to time schedule educational programs for affordable housing purchasers and owners to review HOA responsibilities and responsibilities under these Guidelines and applicable deed restrictions.

A. Property Management

1. HOAs

Under Colorado law, a Home Owners' Association (HOA) incorporated as a not-for-profit business may govern, manage and maintain common-interest communities such as condominium complexes and subdivisions with employee housing units.

Buyers are advised to review HOA articles of incorporation, by-laws, declarations, rules and regulations, and resolutions, including capital reserve policy, and deed restrictions specific to the property, and these APCHA Guidelines, to fully understand responsibilities of ownership in advance of purchase.

a. Dues and Assessments

HOAs are authorized to collect dues and assessments from their members. Dues generally cover regular operating expenses and are usually payable monthly or quarterly. Special Assessments may be levied by the HOA to cover capital repairs or improvements to common elements of the property, or for other purposes. Most deed restrictions require that owners make timely payment of regular and special assessments duly imposed by the HOA. Should a HOA be unable to collect dues from a deed-restricted owner after due diligence and as stated in their Collection Policy, APCHA shall send a Notice of Violation requiring the owner to list the home for sale as stated in the deed restriction. At the time of the Notice of Violation, all appreciation will cease for the owner. If the owner becomes current and the HOA has contacted APCHA that they are, again, in compliance, the Owner's appreciation will start from that point forward.

b. Capital Reserves

Every HOA is required to adopt a capital reserve policy for long-term capital repairs. All newly formed HOAs must also maintain a separate capital reserve fund to support the policy.

2. Affordable Housing Rendered Unaffordable

APCHA may from time to time in its discretion determine that a deed-restricted ownership unit located in a condominium or subdivision that also includes free market units has been rendered unaffordable as a result of general or special HOA assessments.

APCHA, City of Aspen, or Pitkin County may determine to purchase an employee housing unit rendered unaffordable. In that event, APCHA may at its discretion release applicable deed restrictions and sell such property at fair market value. APCHA shall be reimbursed the sale price plus the APCHA transaction fee from sale proceeds. The balance of the proceeds shall be deposited in the city and/or county Housing Development Funds to support the housing program. Any HOA assessments paid by the city, county or APCHA shall also be reimbursed from sale proceeds.

B. Maintaining Ownership Qualification

1. Owners must remain in good standing with their HOA and maintain APCHA eligibility and qualifications, including required employment or work, timely payment of HOA dues and any special assessments, and residency and occupancy as required by these Guidelines. Numeric income and asset limitations do not apply for continuing qualification as an owner. However, the prohibition of owning other residential property within the OEZ shall continue to apply.
2. Where one or more co-owners of a two- or three-bedroom unit vacates the unit within less than two years from the date of purchase, the unit must be sold in accordance with the applicable deed restriction.

3. An owner who has ceased to occupy a unit as his/her primary residence (by accepting permanent employment outside of Pitkin County, by no longer working full-time in Pitkin County, or by residing in the unit fewer than nine (9) months of any twelve (12) consecutive months) or who has acquired residential property in the OEZ, must sell the unit.
1. APCA owners must re-qualify with APCA at least every two years by completing a Requalification Affidavit attesting to the requirements in the deed restriction and these Guidelines and by submitting other information as required by APCA. Owners selected under the Random Audit process are required to provide documentation to APCA of continued compliance with their deed restriction and these guidelines. See Part IV for requalification policies and procedures.
2. If an Owner owns more than one residential property within the OEZ, one of the units **MUST** be sold within 180 days. If the Owner has not sold one of the units within 180 days, the newly acquired unit must be listed for sale. This may require the Owner to move back into the older ownership property. **AT NO TIME SHALL AN OWNER OWN MORE THAN TWO DEED-RESTRICTED PROPERTIES; AND, WILL NOT BE ALLOWED TO ENTER INTO A LOTTERY AND/OR CONTRACT FOR A THIRD UNIT.**
3. Any other violation of the Guidelines and/or deed restriction, where the sale of a unit is required due to non-compliance, and a Notice of Violation has been sent to the owner requiring the Owner to list the property for sale, and if the property has not sold within 180 days of the listing agreement, the Owner will be bound by the following:
 - On day 181, Owner must accept any valid contracts (as determined by the Colorado Real Estate Commission) of at least ninety-five percent (95%) of the **maximum sales price**.
 - If the home has still not sold after another 30 days at or above 95% of the maximum sales price, the Owner must accept any valid contracts at or above ninety percent (90%) of the maximum sales price.
 - For each additional month the home has not sold, the minimum bid price that must be accepted will decrease by an additional five percent (5%) of the maximum sales price.
 - For RO homes that do not have an appreciation cap, the same shall apply based on the appraised market value of said home.

C. Property Maintenance

Owners of APCA units must maintain their units in good repair, including but not limited to the roof, boiler, water heater, appliances, and fixtures, per HOA requirements, deed restrictions and these Guidelines. To achieve the Maximum Sale Price, owners must maintain their units according to the minimum standards as described below.

D. Capital Improvements Policy and Procedure

When permitted by applicable deed restrictions, owners may make capital improvements to deed-restricted units and add the cost of such improvements to the maximum sales price.

1. Added Value to Maximum Sale Price

- The cost, or present value, of specified capital improvements as permitted under these Guidelines and deed restrictions and as approved by APCA staff, less depreciation, may be added to the maximum sales of a unit. Deed restrictions specific to a unit may impose a capital improvements cap in determining the maximum sale price of a unit.
- Generally, no more than ten percent (10%) of the purchase price may be added to the maximum sale price for capital improvements. However, capital improvements associated with health and safety requirements may be exempt from the cap. The value of capital improvements requiring a building permit shall be added only if the city or county Building Department has issued a Letter of Completion, a copy of which shall be submitted to APCA with verification of capital improvement costs and payments.
- In determining maximum sales price, the capital improvements shall be depreciated according to the published schedule in an approved reference, such as the *Marshall & Swift Residential Cost Handbook*. Owners are advised to consult APCA regarding valuation in advance of making any capital improvements.
- An ownership unit remodeled to include an additional bedroom shall continue to be categorized according to the original number of bedrooms and occupancy standards; e.g., a one-bedroom unit remodeled into a two bedroom will be listed as a one-bedroom unit, allowing a single person household to meet occupancy standards.

2. Permitted Capital Improvements

Only the cost of the capital improvements permitted under these Guidelines or applicable deed restriction and as approved in writing by APCA staff may be added to the maximum sale price. Permitted Capital Improvements may include:

- Fixtures constructed, installed or attached as permanent, functional, non-decorative improvements to real property;
- Improvements for the benefit of seniors and/or disabled persons;
- Completion of unfinished living space;
- Addition or completion of permanent, fixed storage space;
- Certain landscaping;
- Addition or extension of outdoor decks, porches, and balconies; and
- Improvements associated with health and safety, including radon detection, energy efficiency, water conservation and green building products.

The cost of capital improvements which are not permitted and shall not be added to the maximum sale price. Permitted Capital Improvements *shall not include*:

- Maintenance required by normal wear and tear;
- Repair, replacement and/or maintenance of existing appliances, plumbing, and mechanical fixtures and installations;
- Jacuzzis, saunas, steam showers and similar amenities; and

- Improvement or addition of decorative treatments, including painting, electrical and light fixtures, carpet, window coverings and similar items.

3. Application for Permitted Capital Improvements

APCHA owners must apply to APCHA for approval to make Permitted Capital Improvements the costs of which they intend to add to the Maximum Resale Price.

E. Roommate Rental Policy and Procedure

APCHA owners are permitted to rent bedrooms to roommates under the following terms and conditions:

- Deed restrictions and/or covenants applicable to the respective ownership unit must expressly permit rental of unoccupied bedrooms;
- Owner(s) must continue to maintain all APCHA qualification requirements;
- Roommates must qualify for rental through APCHA as a qualified tenant; income and asset limits do not apply – see Guidelines Part IV for eligibility and qualification. All tenants for deed restricted rental units must qualify through APCHA prior to moving in and/or executing a lease;
- Lease terms must be at least one month;
- Roommate rental rates must be prorated according to the maximum rental rate applicable to the unit category and size. One roommate in a two-bedroom unit shall pay no more than one half the rate; in a three-bedroom unit, no more than one-third the rate.
- Roommates are subject to all rules, regulations, and covenants applicable to the property;
- Owners are not permitted to lease their units for short-term rentals unless qualified and approved by APCHA as stated in these Guidelines. Owners are not permitted to rent their units as income producing properties; and
- Owners must be in good standing with their Homeowner Association in order to obtain approval.

F. Owner Leave of Absence Policy and Procedure

Owners of deed restricted housing units who wish to leave Pitkin County for a limited period of time, resulting in non-compliance with the nine-month residency requirement, may request a Leave of Absence. The owner must be in good standing with their HOA to request a Leave of Absence. Upon APCHA approval of a Leave of Absence Request, owner's residency requirement for maintaining ownership qualification shall be temporarily waived.

1. Leave Request Procedure

Owners shall submit a Leave of Absence Request form providing clear and convincing evidence of a bona fide reason for taking leave and a commitment to return and re-qualify for APCHA housing. The form shall be completed and submitted to APCHA after the form has been reviewed, approved and signed off by the HOA at least thirty (30) days prior to the start of the leave. Should APCHA or the HOA deny the leave request, the owner(s) may request Special Review with both APCHA and an HOA representative present. See Guidelines Part VII for Special Review procedures.

2. Approved Leave Period

An APCA owner may request a Leave of Absence for up to one year with the possibility of extension for one additional year only. **Under no circumstances will owners receive any appreciation on the sales price of the unit during the second year.** At no such time shall a leave of absence be approved for longer than two years. Owners seeking to extend an approved leave of absence shall submit an additional Leave of Absence Request form to APCA at least thirty (30) days prior to extension of the leave. If the Leave of Absence is requested **AFTER** the owner has moved, the appreciation of the sales price of the unit terminates retroactively to the date the owner vacated the premises. Appreciation will not be recouped once the homeowner is back in compliance and back in the home. **A HOUSEHOLD ON A LEAVE OF ABSENCE CANNOT BID ON ANY OTHER PROPERTY UNTIL SUCH TIME THEY ARE BACK IN COMPLIANCE WORKING IN PITKIN COUNTY AND LIVING IN THEIR DEED-RESTRICTED HOME.**

3. Rental during Approved Leave Period

If the deed restrictions respective to the unit permit an APCA owner to take an approved leave of absence, the owner may rent his/her unit subject to both HOA and APCA approval and under the following conditions:

- Rental during leave shall be no more than the time stated in the lease between the owner and tenant.
- Tenants must meet APCA qualifications except for income and asset limits. All tenants for deed restricted units must qualify through APCA prior to moving in and/or executing a lease.
- Tenants may include faculty members in an accredited school or employees of not-for-profit organizations.

If the deed restriction does not establish a rental rate, the permitted maximum monthly rental rate shall be equal to owner's normal monthly expenses including mortgage payments, HOA dues, utilities in owner's name, insurance and property taxes not included in mortgage payment, plus fifty dollars (\$50) per month; or the rental amount stated in Table III of these Guidelines for the category and bedroom size for that home, whichever is greater. Owners may not charge any additional amount for furniture, use of a garage, use of a storage unit associated with the home, etc.

Owners must submit written notice of application to rent to the respective HOA prior to submitting to APCA. Owner shall submit all HOA comments to APCA to review prior to approval or denial.

APCHA must approve the lease prior to signature and occupancy. In the lease, tenants must acknowledge receipt of and agree to applicable HOA articles of incorporation, by-laws, resolutions, declarations and covenants, deed restrictions, rules and regulations of the association, lease terms and these Guidelines. A copy of the executed lease shall be submitted to APCA and the respective HOA. **TENANTS DO NOT ACQUIRE ANY RIGHT OR PRIORITY FOR THE PURCHASE OF THE UNIT IF THE OWNER ELECTS TO SELL DURING OR AT THE END OF THE LEAVE OF ABSENCE.**

G. Retiring in APCA Ownership Housing

An owner of a deed restricted housing unit who retires during the period of ownership may retain the unit exempt from the requirements of employment. Retirees may also work without jeopardizing their right to ownership. Retirees must:

- Occupy the unit as their primary residence by living in the unit at least nine months per year, unless the owner has received an approved Leave of Absence to rent the home as stated in paragraph H below;
- Continue to not own other developed residential property in the ownership exclusion zone; and
- Demonstrate to APCA that they meet the qualified retiree criteria as defined in these Guidelines.

APCHA qualified retirees must complete and sign a Requalification Affidavit at least every two years. An owner may retire at such time the owner qualifies for retirement as defined in the Guidelines, as they are amended from time to time. The owner may request a leave of absence to rent the home for up to six months each year. See paragraph H below for the specific requirements pertaining to this leave of absence.

H. Rental Policy for Approved Retirees who Own Deed-Restricted Housing

An owner of a deed-restricted home of retirement age as defined in the Guidelines, who has at least a four-year work history within Pitkin County immediately prior to retirement, may be absent from the home for up to three months per year without a requirement to lease the home. The owner may, however, request to rent the home for up to six months per year to an APCA qualified employee. To obtain this leave from APCA, the owner and prospective tenant must:

1. Complete an APCA leave of absence form;
2. Notify the HOA of the proposed rental at least 30 days in advance. The Leave of Absence form requires sign-off by the HOA and APCA;
3. The rate of the rental must be determined by the Guidelines based on the deed restriction. The allowed rate under these Guidelines is a sum of all documented costs (all expenses must be documented) plus an additional \$50, or the amount stated in Table III, *Maximum Monthly Rent*, of the Guidelines for the number of bedrooms and the category, whichever is greater. (If the tenant does not have access to the entire unit; i.e., has access to one bedroom in a three-bedroom unit, the rent to be charged will be a third of the amount that could be charged if access was to the entire three-bedroom unit.);
4. The owner has the right to choose the qualified tenant;
5. The owner must designate a responsible local person or entity to act on the owners' behalf as property manager if the owner is not available while on the leave of absence;

6. The owner must be current with their HOA dues; if the owner is not current, all rental property shall be remitted to the HOA until such time as the past dues are made current;
7. The owner must continue to utilize the home as a primary place of residence;
8. The owner and tenant must complete and sign a lease agreement that provides rental amount, length of lease, any additional costs associated with the rental, etc.;
9. The tenant must meet the qualifications for a tenant in accordance with these Guidelines, including work 30 hours per week, and not be an owner of residential property within the ownership exclusion zone;
10. It is recommended that the tenant carry adequate renter's insurance covering the period of the lease; and
11. The tenant must complete a rental application form provided by APCA prior to occupancy.

If any of the above conditions are not met as detailed above, 1-11, the lease shall terminate, and the appreciation will stop until the homeowner is brought back into compliance. Such owners are prohibited from recouping the appreciation lost during the period of non-compliance.

Section 4. Special Review Policy and Procedure²

An applicant for a rental or ownership unit, in accordance with Part II, Section 6, may request a Special Review approval for a variance from the strict application of the Guidelines, excluding cases involving compliance and enforcement, if the following can be shown:

- Unusual hardship; and
- Consistency with APCA policies and purposes.

A. Special Review Procedure

A Special Review for a variance from the strict application of these Guidelines may be requested if an unusual hardship can be shown, and the variance from the strict application of the Guidelines is consistent with the Housing Program intent and policies. To request a Special Review, a letter must be submitted to the APCA stating the request, with documentation regarding the unusual hardship. The applicant shall submit any additional information reasonably requested by the APCA and a Special Review meeting will be scheduled with a Special Review Hearing Officer in a timely manner.

² Section 4 and Section 5 have been modified per Resolution No. 10 (Series of 2019)

B. Special Review Hearing Officer

Special review is conducted by a Hearing Officer appointed by the APCA Board for that purpose.

C. Decision

The Hearing Officer may grant the request, with or without conditions, if the approval will not cause a substantial detriment to the public good and without substantially impairing the intent and purpose of these Guidelines, and if an unusual hardship is shown.

Section 5. Enforcement Policies and Procedures

A. Compliance with Applicable Deed Restrictions and APCA Guidelines.

All owners and occupants of deed restricted rental and ownership housing administered by APCA must comply with the requirements of applicable deed restrictions, the APCA Guidelines as amended from time to time, and applicable federal, state and local laws. All violations of such requirements are subject to enforcement as provided herein.

B. Enforcement Procedures.

Enforcement procedures may be initiated by an APCA investigation or a complaint from a third party.

1. Notice of Investigation (NOI)

At the discretion of the APCA, before issuing a Notice of Violation (NOV), the APCA may issue a notice to the person under investigation that APCA is seeking information in order to determine if a violation has occurred and providing such person at least fifteen (15) days from the date of the notice to provide information in accordance with the notice. notice shall be provided by certified mail, regular mail, e-mail, text message, phone to the extent that APCA has been provided with current and accurate mailing address, e-mail address, and phone number. It is the responsibility of program participants (i.e., owners, renters, landlords, homeowners' associations, property managers and property owners) to provide APCA with up-to-date contact information at all times.

2. Notice of Violation (NOV)

a) In the event that APCA, as a result of an independent investigation or based upon a third party complaint as described in Section 5B(2) below, or for failure to comply with a compliance request, audit or affidavit requirement, determines that a violation has occurred, APCA shall serve a Notice of Violation ("NOV") on the person(s) deemed to be in violation. The NOV may be served by regular mail, certified mail, e-mail, text message and phone, to the extent that APCA has been provided with current and accurate mailing address, e-mail address and phone number, or as otherwise provided by the applicable deed restriction or by law for service of process. The NOV shall state the following:

- i. identify the name of the alleged violator, and
 - ii. the date(s) of the violation if known, and
 - iii. the actions or inactions constituting the violation, and
 - iv. the requirement(s) which have been violated.
- b) The NOV shall, at the discretion of APCA, require one or more of the following:
 - i. the violation be cured within fifteen (15) days of the NOV;
 - ii. the lease (if a rental unit) shall be terminated within a specified period of time;
 - iii. the unit shall be listed for sale (if an ownership unit) within a specified period of time;
 - iv. the owner will forfeit appreciation from the date that the violation occurred, until the violation is cured or the unit is sold, whichever first occurs; and/or
 - v. a fine be paid in accordance with the Schedule of Fines found in the appendices of these Guidelines.
- c) The NOV shall provide that the person charged in the NOV may, within fifteen (15) days of the date of the NOV, request in writing a hearing before the APCA Hearing Officer. The hearing may be requested to appeal the finding(s) that a violation has occurred and/or to appeal the relief demanded in the NOV.
- d) If the alleged violator does not comply with the requirements of the NOV and does not request a hearing before the Hearing Officer within the fifteen (15) day period, the violation identified in the NOV and the relief demanded shall be deemed final. In the event of litigation, the failure to request a hearing as provided above shall be deemed by APCA to constitute a failure to exhaust administrative remedies for the purpose of judicial review. At the conclusion of the fifteen (15) day period, APCA may pursue all remedies as provided by law or in equity, including, where applicable, a requirement that the subject property be sold in accordance with the deed restriction.
- e) If, within the fifteen (15) day period, a hearing is requested before the Hearing Officer, such hearing shall be scheduled to commence no later than thirty (30) days from the date of the request. At such hearing, APCA staff, the person requesting the hearing, and interested members of the public, including witnesses, shall be permitted to present evidence in the form of testimony and documents to the Hearing Officer.
- f) The Hearing Officer shall base its decision ~~based~~ upon the evidence in the record and it shall make its decision in writing within thirty (30) days of the conclusion of the hearing. The Hearing Officer may uphold the NOV in whole or in part, or it may dismiss the NOV. In taking any such action, the Hearing Officer may impose a remedy appropriate to the case, which may include a requirement for the owner to pay a fine and/or sell the subject property or require the occupants to vacate the premises in accordance with paragraph 2(b) above. Where a sale is required, the procedures identified in the applicable deed restriction shall be followed. The determination of the Hearing Officer may direct that legal action be taken to enforce its decision. The costs of such action, including reasonable attorney's fees, shall be assessed against the proceeds of the sale, or tenant's security deposit. In the event

that the decision has been made by a Hearing Officer, that decision is subject to administrative appeal to the APCHA Board as provided in Part E below.

- g) APCHA staff and the alleged violator shall exchange the documentary evidence they wish to present at the hearing at least one (1) week prior to the hearing. The Hearing Officer may accept additional documentary evidence at the hearing for good cause shown and may continue the hearing if it is deemed necessary in the interest of fairness.

3. Complaint Based Investigation

- a) Any person may submit to APCHA a complaint that a violation has occurred. Within thirty (30) days of the receipt of any such complaint, and if sufficient grounds are found to exist, APCHA staff shall commence an investigation and notify the alleged violator of the receipt of such complaint. For good cause and as authorized by law, APCHA may withhold the identity of the complainant.
- b) In connection with its investigation of the complaint, APCHA shall proceed in accordance with Part VII, Section 4B, and shall request that the alleged violator provide written information as may be reasonably necessary for its investigation, and the alleged violator shall be required to provide such information within fifteen (15) days from the date of the request, or such additional time as permitted by APCHA. APCHA shall maintain the confidentiality of any financial or other information provided by the alleged violation which is not required to be disclosed by the Colorado Open Records Act.
- c) APCHA staff shall complete its investigation as soon as possible, and within ninety (90) days from the receipt of the complaint whenever possible. Upon completion of its investigation, APCHA staff shall either notify the parties in writing that there are not reasonable grounds to determine that a violation has occurred, or it shall issue an NOV and proceed in accordance with the subsection 5.B.2 above and follow those procedures.

4. Investigations and Site Visits

In responding to a complaint or in the conduct of any other investigation, APCHA may inspect the subject premises. Any such inspection shall be preceded by at least 24 hours' written notice to the owner and occupants, either by mail or posted on the premises in a conspicuous place. Except in an emergency, all such inspections shall occur between 8:00 a.m. and 5:00 p.m., Monday through Friday.

5. Aspen Municipal Code and Pitkin County Code

Enforcement by APCHA as provided herein does not constitute a waiver by the City of Aspen or Pitkin County of any authority they may have pursuant to their respective ordinances for enforcement with respect to the events described in an APCHA NOV.

C. Grievance Procedure

A “grievance” is any dispute, claim, or request a person may have with APCHA, not covered by Section 5B above, arising out of a deed restriction or the APCHA Guidelines.

1. Any person with a grievance shall first submit such matter to APCHA staff. APCHA staff shall attempt to resolve such matter informally with the aggrieved party, but in doing so, APCHA staff is not authorized to make any determination contrary to a deed restriction, APCHA Guidelines, APCHA policies, or established precedents.
2. At such time as APCHA staff or the aggrieved party determines that the procedure identified in Section C1 above will not resolve the matter, or by agreement of APCHA staff and the aggrieved party, the grievance may be submitted to the Hearing Officer for a determination. All such grievances shall be submitted in writing and shall include the following information:
 - Name, address, telephone number and e-mail address of the aggrieved party; and
 - A summary of the grievance, the relief requested, and identification of the provision of the applicable deed restriction and APCHA Guidelines at issue.
3. Upon receipt of a grievance in accordance with subsection C2 above, the matter shall be set for a public hearing before the APCHA Hearing Officer, at which time the Hearing Officer shall consider the testimony and other evidence presented by APCHA staff, the aggrieved party, and members of the public.
4. APCHA staff and the aggrieved party shall exchange the documentary evidence they wish to present at the hearing at least one (1) week prior to the hearing. The APCHA Hearing Officer may accept additional documentary evidence at the hearing for good cause shown.
5. The APCHA Hearing Officer shall base its determination regarding the grievance upon the evidence in the record and it shall make its determination in writing within thirty (30) days of the conclusion of the hearing. Such determination shall be considered a final administrative determination by APCHA.

D. APCHA Eligibility and Qualification – Trusts (Part 2, Section (b)(4)(e))

Applicants for rental and ownership units who are trust beneficiaries may apply to APCHA for an exception to the requirement that trust assets shall be included when considering the maximum net assets of the applicant in accordance with Part II, Section 2(b)(4)(e) of these regulations. The determination shall be made by the Hearing Officer appointed by the APCHA Board.

E. Hearing Officer

1. Establishment

There is hereby established within APCHA the position of Hearing Officer.

2. Appointment

The Hearing Officer shall be appointed by and serve at the discretion of the APCA Board. The Board may appoint more than one Hearing Officer if deemed necessary, based on conflict of interest, availability, or for other good reason. No employee of APCA or member of the APCA Board shall serve as Hearing Officer. The Hearing Officer shall be subject to the same code of conduct/code of ethics as the members of the APCA Board.

3. Powers and duties

The Hearing Officer shall hear and consider those matters specific in these Guidelines. All matters considered by the Hearing Officer shall be conducted in a public hearing and all such hearings shall be recorded. Notice of all such hearings shall be given in the same manner as meetings of the APCA Board. In addition, personal notice shall be given in writing to the appellant and all other persons known by APCA staff to have an interest in the matter.

4. Decisions

The Hearing Officer may approve, approve with conditions, or deny any matter subject to his/her review. The decisions of the Hearing Officer shall include findings of fact and conclusions of law, and shall be made in writing, signed and dated. All such decisions shall be deemed final after 15 days of the date of the decision unless appealed to the APCA Board as provided below. An unappealed decision of the Hearing Officer is not subject to judicial review in accordance with CRCP Rule 106(a)(4), based on the failure to exhaust administrative remedies.

F. Appeals of Hearing Officer decisions

1. General Procedures

- a. Any person adversely affected or aggrieved by a decision of the Hearing Officer may appeal such decision to the APCA Board as provided herein.
- b. Notice of appeal and a written summary of the grounds for the appeal must be submitted to the APCA executive director within fifteen (15) days of the date of the Hearing Officer's decision.
- c. No appeal shall be considered by the APCA Board until the appellant, at its expense, presents the executive director with a transcript of the proceedings before the Hearing Officer, which must occur no later than sixty (60) calendar days after the Hearing Officer's decision unless extended by the APCA Board for good cause shown.
- d. Upon receipt of the transcript, the Board shall schedule the appeal for a public hearing at the earliest date possible, with the consideration to the interests of all parties.

2. Scope of review

- a. The appeal to the Board shall be based solely on the record of the proceedings before the Hearing Officer. The Board shall consider the arguments of the appellant, APCA staff, and other interested parties based on the record.
- b. Based upon the arguments made at the hearing, the Board may affirm, modify or reverse the decision of the Hearing Officer. In addition, the Board may determine that additional evidence is necessary and remand the matter to the Hearing Officer for the receipt of additional evidence and reconsideration based thereon. The Board's decision shall be made in writing and shall include findings of fact and conclusions of law.

3. Judicial review

The decision of the APCA Board shall constitute final agency action subject to judicial review in accordance with CRCP Rule 106(a)(4).

PART VIII

DEFINITIONS

Accessory Dwelling Unit (ADU) - A dwelling unit which must be totally separate from the primary dwelling unit, with a private entrance, a full bath and a kitchen, as further specified in these Guidelines and City of Aspen Land Use Code, Chapter 26.520.070.

Accredited – Accreditation is a process by which an education facility’s services and operations are examined by a third-party accrediting agency to determine if applicable standards are met. If the standards are met, the facility receives accredited status. In the United States, educational accreditation is performed by a private nonprofit membership association.

Affordable Housing/Employee Housing/Work Force Housing - Dwelling units restricted to the housing size and type for individuals meeting asset, income, minimum occupancy and other requirements of the Aspen City Council, Board of County Commissioners and/or the APCHA, whichever shall apply.

Affordable Housing Zone District - See Aspen Land Use Code, Chapter 26.710.

APCHA Senior – An APCHA senior is a person who is 65 years or older, who may have up to 150% of the net assets otherwise allowed at the top of their applicable income category where they are applying to reside or currently residing.

Aspen/Pitkin County Housing Authority – APCHA.

Assets – Real or personal property owned by an individual that has commercial or exchange value. Assets include specific property or claims against others, in contrast to obligations due others. See also definition for Gross Assets and Net Assets.

Basement - As defined by the applicable City or County Land Use Code.

Bedroom – A room in a dwelling unit designed to be used for sleeping purposes that must include closets and access to a bathroom, and that meets applicable City or County International Building Code requirements for light, ventilation, sanitation and egress.

Buy-down Unit – A free market unit that the government (City of Aspen, Pitkin County, APCHA) and/or private sector acquires and deed restricts to affordable housing in accordance with these Guidelines.

Capital Improvements – Except as otherwise defined in the applicable Deed Restriction, any improvement to real property excluding repair, replacement and maintenance.

Caretaker Dwelling Unit (CDU) – A dwelling unit that must be a totally separate unit – private entrance, full bath and kitchen, as required in these Guidelines and current Section of the Pitkin County Land Use Code.

Cash-in-Lieu / Fee-in-Lieu / Impact Fee – A monetary exaction imposed by the City and/or County as a condition of, or in connection with, approval of a development project for the purpose of defraying all or some of the costs to mitigate for employee housing generated by the project. Further information can be found in the respective City or County Land Use Codes.

Category – A classification of employees, qualified residents, buyers, and deed restricted dwelling units by income limits, sales prices or maximum rental rates as determined by the APCA based upon household gross income and net assets.

Consumer Price Index (CPI) - The Consumer Price Index that is used for purposes of the Guidelines and for purposes of the Deed Restriction is the *Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in the U.S., Midwest, and West, not seasonally adjusted, All Items (1967=100)*. The U.S. City Average is the one that is used. The information is received on a monthly basis from the U.S. Department of Labor, Bureau of Labor Statistics.

Co-signer - A joint signatory, with a qualified buyer, of a promissory note, who may not occupy the unit unless qualified by the APCA.

Deed Restriction - A contract entered into by the APCA, City of Aspen, and/or Pitkin County and the developer, owner or purchaser of real property identifying the conditions of occupancy and resale as affordable housing.

Dependent – A “dependent” is either a “qualifying child” or a “qualifying relative.” A qualifying child is a child (including stepchild, adopted child), or eligible foster child -- minors), or a sibling (or stepsibling) of the taxpayer, or a descendant of either; who has resided in the principal abode of the taxpayer for ***at least 100 days out of a calendar year***; who has not attained age 19 (or is a student who has not attained age 24 as of the end of the year); and who has not provided more than half of his or her own support for that year. A child who does not satisfy the qualifying child definition may be a “qualifying relative.”

A “qualifying relative” is an individual who (a) is a sibling (including stepsiblings), the taxpayer's father or mother or an ancestor of either of them, a stepparent, a niece or nephew, an aunt or uncle, or an individual, other than a spouse, who resides in the principal abode of the taxpayer and is a member of the household; (b) has gross income in that calendar year not exceeding the exemption amount; (c) receives more than half of his/her support for the year from the taxpayer; and (d) is not a qualifying child of any other taxpayer for the calendar year. Said “qualifying relative” must be listed as a dependent on a tax return to be classified as a valid dependent.

In the case of divorced families with children, each child may be claimed only once for proving minimum occupancy. If both parents enter the same lottery, the top winner only shall be allowed to purchase the unit; the other parent shall be able to claim the child(ren) to qualify for one additional bedroom only.

Disabled Person – See definition for Handicap.

Dormitory – A structure or portion thereof under single management that provides group sleeping accommodations for occupants in one (1) or more rooms for compensation. Standards for use, occupancy, and design of such facilities shall be approved by the APCA. See Part III, Sec. 5.

Emergency Worker³ – An individual who has been verified by his or her department head or human resource officer as meeting one of the following criteria (on-call is defined as a scheduled shift where the individual must stay available to respond to be called in to work):

- Career or volunteer law, fire, EMS, or mountain rescue personnel who are called out to emergencies;
- or

³ Established and approved in Resolution No. 04 (Series of 2019)

- Emergency dispatch staff; or
- On-call responders that give on-scene assistance giving emergency care to victims who have on call shifts of a minimum of 8 hours/day, 14 days a month on an on-going basis throughout the calendar year; or
- Hospital medical personnel with a minimum emergency on-call response time of 30 minutes or less, and are scheduled a minimum of 8 hours/day, 14 days a month on an on-going basis throughout the calendar year.

Employee/Qualified Resident/Buyer - A person who is employed by an employer as defined below to work a minimum of 1,500 hours per calendar year within Pitkin County, an average of 35 hours a week, 10 months a year; or 32 hours a week, 11 months a year. Such person must be working in a Pitkin County location and must reside in the unit a minimum of nine (9) months out of the calendar year. All persons, including the self-employed must satisfy these requirements. Persons employed by businesses that do not qualify as Pitkin County Employers must verify that they perform the minimum work requirements in a Pitkin County location.

Employer (Pitkin County Employer) - A business whose business address is located within Aspen and/or Pitkin County, whose business employs employees (as defined herein) within Pitkin County, who work in Pitkin County, and whose business taxes are paid in Aspen or Pitkin County. If an employer is not physically based in Pitkin County, an employee must be able to verify that they work in Pitkin County a minimum of 1500 hours per calendar year for individuals, businesses or institutional operations located within Pitkin County.

Employee (Non-Profit Organization) – A person who is employed by a non-profit organization. Such employees may include artists, performers, musicians, organizers, bookkeepers, etc., but not construction workers. Non-profit organizations include only certified non-profit organization providing services and located in Pitkin County.

Employee Dwelling Unit – Any deed-restricted dwelling unit that is required to be rented out in accordance with Pitkin County Land Use Code, Section 3-150-120.

Employee Housing – See definition of Affordable Housing.

Family – For purposes of transferring property only, a family (or immediate family) is defined as husband, wife, mother, father, brother, sister, son, daughter, either biologically or by legal adoption of a minor child. Any transfer of a deed restricted unit to a family member must meet this definition in order to be valid.

Family-Oriented Unit – A dwelling unit attached or detached to a principal residence, consisting of 3 bedrooms or more, with direct ground floor access to a useable yard area.

Fannie Mae (FNMA) – Federal National Mortgage Association, a quasi-governmental agency that purchases mortgage loans in the secondary loan market.

Fee Simple Estate – The maximum possible estate that one can possess in real property; complete and absolute ownership of indefinite duration, freely transferable, and inheritable.

Fiduciary – One who owes to another the duties of good faith, trust, confidence and candor, and who must exercise a high standard of care in managing another’s money or property.

Financial Statement – A statement detailing all personal assets, liabilities, and net worth (the difference between assets and liabilities) as of a specific date.

Fixture – 1) A tangible thing which previously was personal property and which has been attached to or installed on land or a structure thereon in such a way as to become a part of the real property; 2) Any non-portable lighting device built in or attached securely to the structure; 3) permanent parts of a plumbing system and fixtures.

Full-Time Work – Full time work, as defined for the APCA program, is someone who is working at least 1500 hours per calendar year within Pitkin County, and earn at least 75% of their income within Pitkin County.

Gross Assets – The total of real and personal property of a person which has tangible or intangible value. This includes among other things, patents and causes of action which belong to any person, as well as any stock in a corporation and any interest in the estate of a decedent; also, the property or estate that is available for the payment of debts. Gross assets shall include funds or property held in a trust or any similar entity or interest, where the person has management rights or the ability to utilize the assets for the payment of debts or for other purposes. Gross assets shall also include 60% of a valid pension plan.

Gross Income – The total income of a person including maintenance and child support, derived from a business, trust, employment, or income-producing property, before deductions for expenses, depreciation, taxes, and similar allowances.

Handicap – With respect to a person, a physical or mental impairment which substantially limits one or more major life activities as demonstrated by a record of such impairment or by being officially recognized as having such impairment. This term does not include current, illegal use of or addiction to a controlled substance. For purposes of these guidelines, transvestitism is not a handicap. Further guidance can be found in the APCA Office.

Household – All individuals who will be occupying a unit regardless of legal or marital status, including a married couple, whether both will be living in the unit or not. For purposes of a lottery all married couples may only enter into a lottery once and neither person may bid separately in that lottery. If two separate households (single, file separate income tax returns as single, etc.) enter together into one lottery bid, the same combined income and assets will be utilized in any future lotteries for a one-year period of time. Should circumstances change within the one-year time frame, a person may request a change in household status (i.e., category) once during that one-year time frame.

Household Net Assets – The combined net assets of all individuals who will be occupying a unit regardless of marital or legal status.

Household Income – The combined gross income of all individuals who will be occupying a unit regardless of marital or legal status. Adjustments/additions to gross income for business expenses are permitted for persons who are self-employed.

In-Complex (In House) Bid – A priority bid granted to person(s) for a unit in the same complex in which they presently reside and have resided for at least one consecutive year. If a new project is built in phases, the in-complex priority does not go into effect until all affordable housing phases of the project are completed. In order to obtain an in-complex bid, the existing ownership unit MUST come up for sale in the lottery system.

Joint Tenancy – A tenancy with two or more co-owners who take identical interests simultaneously by the same instrument and with the same right of possession, and in which each tenant has a right of survivorship to the other's interest.

Kitchen – For Accessory Dwelling Units, Caretaker Dwelling Units and all other deed-restricted units, a kitchen must include, at a minimum, a two-burner stove with oven, standard sink, and a refrigerator plus freezer. The oven must be able to bake and broil and be at least 5 cubic feet; the sink must measure at least 14"WX16"DX5.25"H; refrigerator must be at least 5.3 cubic feet and include at least a .73 cubic foot freezer.

Leasehold Interest – A tenant’s possessory estate in land or premises.

Lottery – A random drawing among competing bidders to select a winner from applicants of the highest priority.

Maximum Bid Price – Unless otherwise defined in the applicable Deed Restriction, an offer to purchase at a price calculated as the owner's purchase price multiplied by the appreciation (as permitted by the Deed Restriction) plus the present value of capital improvement costs, including labor, if professionally provided (sweat equity does not count), and for which verification of the expenditure is provided.

Minimum Occupancy – A requirement that at least one person (with a leasehold or ownership interest) per bedroom must reside in a unit. A minor child or dependent shall be granted equal status as a person for this purpose. In a two-adult household, both adults must be working in Pitkin County in order to qualify for an additional bedroom.

Mortgagee – A lender in a mortgage loan transaction.

Mortgagor – A borrower in a mortgage loan transaction.

Net Assets – Gross assets minus liabilities; 60% of a valid retirement account shall be included as an asset; otherwise, the entire account will be included.

Net Livable Square Footage – The size of a dwelling unit calculated as the interior living area measured interior wall to interior wall, including all interior partitions. This also includes, but is not limited to, habitable basements and interior storage areas, closets and laundry areas. Exclusions include, but are not limited to, uninhabitable basements, mechanical areas, exterior storage, stairwells, garages (either attached or detached), patios, decks and porches.

Nondiscrimination Policy – A policy which provides that APCA shall not discriminate against anyone due to race, color, creed, religion, ancestry, national origin, sex, age, marital status, physical handicaps, affectional or sexual orientation, family responsibility, or political affiliation, resulting in unequal treatment or separation of any person, or deny, prevent, limit or otherwise adversely affect, the benefit of enjoyment by any person of employment, ownership or occupancy of real property, or public service or accommodations.

Ownership Exclusion Zone (OEZ) – The land area in which is located any developed residential property that has an address within the Roaring Fork Drainage situated in Eagle, Pitkin, Garfield or Gunnison Counties, or within the Colorado River Drainage from and including the unincorporated No Name area to and including Rifle, and including, but not limited to, the incorporated and unincorporated areas of Aspen, Basalt, Carbondale, El Jebel, Glenwood Springs, Marble, Meredith, New Castle, No Name, Redstone, Rifle, Snowmass, Snowmass Village, and Woody Creek.

On-Site / Off-Site – With reference to the location of deed restricted property provided for mitigation purposes, either next to or attached to the development (on-site) or at a separate approved location (off-site).

Prequalification – A borrower’s tentative mortgage approval from a lender.

Present Value - For the purposes of these Guidelines and all Deed Restrictions containing such term, the present value is the cost or price of any capital improvements as established at the time of such improvement, not including appreciation, and depreciated over time.

Primary Residence – The sole and exclusive place of residence of a person. An owner or tenant shall be deemed to have ceased to use a unit as his/her primary residence by accepting employment outside of Pitkin County, or by residing in the unit fewer than nine (9) months out of any twelve (12) consecutive months.

Purchaser – A person who is buying or has purchased a deed restricted unit which is subject to these Guidelines, including any qualifying potential purchaser or past owner of any such deed restricted unit, but only with respect to any issue arising under these Guidelines.

Qualified Resident – A person(s) meeting the income, asset, employment, residency, property ownership and other requirements of these Guidelines and the applicable deed restriction, including retired and handicapped persons, or dependent(s) of any of these as such terms are defined herein.

Qualified Retiree in APCA Housing – A person who has reached the retirement age as defined below and who has for at least four (4) consecutive years immediately prior to retirement met the requirements of an “Employee” and who has owned or leased a deed restricted unit for at least four (4) consecutive years immediately prior to retirement.

Requalification – Requirements which renters/ tenants and owners of affordable housing must meet bi-annually to ensure continued eligibility.

Resale Agreement – A contract entered into by the APCA, City of Aspen, and/or Pitkin County and the developer, owner or purchaser of real property identifying the conditions of resale as affordable housing.

Residential Dwelling Unit – Any residential property that has an address within the Ownership Exclusion Zone.

Retiree – See **Qualified Retiree above**.

Retirement Age for APCA Housing – A current tenant or owner can qualify to become an APCA qualified retiree at such time he/she reaches the age to receive full (100%) benefits as determined by the U.S. Social Security Administration (see below), or as otherwise stipulated in the applicable deed restriction. Any change of the full retirement age approved by the U.S. Social Security Administration will not automatically apply to the APCA program. Any change in full retirement age will require review and approval by the APCA Board, City Council and the BOCC.

<u>Year of Birth</u>	<u>Full Retirement Age</u>
1942 and Earlier	65
1943 – 1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

Roaring Fork River Drainage/Roaring Fork Valley – See the Ownership Exclusion Zone.

Seasonal Employee – A person who works at least 30 hours per week during the Winter Season (generally November through April) and/or Summer Season (generally June through August).

Self-Employed: A person who carries on a trade or business for profit as a sole proprietor or an independent contractor; or a member of a partnership that carries on a trade or business. Such persons must demonstrate a profit on an income tax return for at least three out of every five years. The trade or business is required to provide goods and services to individuals, businesses or institutional operations within Pitkin County.

Senior – See **APCHA Senior** definition.

Special Review Committee – A Committee, as established from time to time by the APCHA, that is composed of three or more persons, one person from City staff, one person from County staff, and a Housing Board member. The Committee shall have the authority to review special circumstances with respect to matters specifically designated in the Guidelines that are eligible for special review, including, but not limited to, the priority system, financial and asset limitations, verifications and qualifications, self-employment, and occupancy.

Storage Space – Space within a dwelling unit intended and commonly utilized as a location for preservation or later use or disposal of items. Such space must be used for storage purposes only and shall not contain plumbing fixtures or mechanical equipment that support the principal residential use.

Student – A student enrolled in an accredited school full-time, and/or an intern who is a student or recent graduate undergoing supervised practical training full-time and working in a temporary capacity for a Pitkin County business; and/or a full-time combination of work in Pitkin County and school; such student shall be 18 years of age or older.

Tenancy In Common – A tenancy by two or more persons in equal or unequal undivided shares, each person having an equal right to possess the whole property but not the right of survivorship.

Tenant – For purposes of these Guidelines a person who is leasing or has leased a deed restricted unit which is subject to these Guidelines, and any qualifying potential lessee or past lessee of any such deed restricted unit.

GUIDELINE APPENDICES

APPENDIX A: APCA FEE SCHEDULE

<i>APCHA Fee</i>	<i>Amount</i>
Ownership Application Fee Payable upon submission of application and/or Ownership Application and Bid Packet No Bid Fee for first bid submitted with Ownership Application	\$ 50
Ownership Bid Submission Fee Per-bid amount payable upon submission of bids after initial ownership application	5
First-Time Tenant Long-term Rental Application Fee (Non-Managed, Managed, Tax Credit Properties) / Payable upon submission of application	50
Seasonal/Dormitory Rental Application Fee (per person) Payable upon submission of application	35
Rental Requalification Fee (Non-Managed, Managed, Tax Credit Properties) Payable by APCA tenants and owners upon requalification every two years	35
Sale Listing Fee Non-refundable portion of Transaction Fee payable by seller upon listing	600
Sale Transaction Fee Payable upon closing, includes non-refundable Sale Listing Fee	2% of sale price
Ownership Transfer Fee Payable by transferor upon transfer of ownership unit to immediate family member No transaction fee for immediate family transfers	100
Capital Improvements Review and Site Visit	50
Fee-in-lieu (city fee) and Impact Fee (county fee), Also known as a Dedication Fee charged for private sector property development, Calculated under city and county land use regulations and codes and APCA Guidelines	*

*The fee-in-lieu/impact fee is based on the corresponding sections of the Land Use Codes for the City and County and/or calculated per Table V of these Guidelines.

APPENDIX B
APPROVED BY RESOLUTION NO. 11 (SERIES OF 2019)
EFFECTIVE MARCH 1, 2020

SCHEDULE OF FINES		
#	Stage 1 Violation	Fine Range**
1	Failure to submit accurate and all documentation required to qualify by original deadline set by APCA.	Up to \$150
2	Failure to provide requested information to establish continued compliance by original deadline set by APCA.	Up to \$150
3	Failure to provide Census Information by original deadline set by APCA.	Up to \$150
4	Failure to pay HOA assessments (general or special) after failing to cure delinquency. HOA must follow collections policies and procedures under CCIOA before reporting owner to APCA.	Up to \$150
5	Failure to pay property taxes annually by the deadline imposed by Pitkin County.	Up to \$150
6	Failure to allow the APCA to inspect the property or unit as provided in the deed restriction, after providing Owner with no less than 24 hours' written notice.	Up to \$150
7	Failure to get roommate approved prior to move-in.	Up to \$150
8	Intentionally Left Blank	Up to \$150
<p>**Fines will be adjusted annually based upon the Consumer Price Index, All Items, U.S. City Average, Urban Wage Earners and Clerical Workers (Current Series) published by the U.S. Department of Labor, Bureau of Labor Statistics. Fine amounts shall increase by an amount based upon the CPI effective January 1 of each year. Stage 1 Violations will have 15 days to cure prior to assessing any fines.</p>		

#	Stage 2 Violation	Fine Amount
1	Failure to requalify by Stage 1 NOV deadline.	\$400 to \$480
2	Failure to provide requested information to establish continued compliance by Stage 1 NOV deadline.	\$400 to \$480
3	Failure to provide Census Information by Stage 1 NOV deadline.	\$400 to \$480
4	Failure to pay HOA assessments (general or special) by Stage 1 NOV deadline.	\$400 to \$480
5	Failure to pay property taxes by Stage 1 NOV deadline.	\$400 to \$480
6	Failure to maintain eligibility (generally).	\$400 to \$480
7	Failure to obtain approved Leave of Absence (LOA).	\$400 to \$480
8	Failure to provide APCHA with copy of signed lease prior to occupancy by tenant(s).	\$400 to \$480
9	Failure to notify APCHA in writing of any default within five business days of Owner's notification; e.g., pending foreclosure.	\$400 to \$480
10	Failure to cure Stage 1 Violation.	\$400 to \$480
11	Intentionally Left Blank	\$400 to \$480
12	Intentionally Left Blank	\$400 to \$480

#	Stage 3 Violation	Fine Amount
1	Failure to requalify by Stage 2 NOV deadline.	\$1,000 - \$1,200
2	Failure to provide requested information to establish continued compliance by Stage 2 NOV deadline.	\$1,000 - \$1,200
3	Failure to provide Census Information by Stage 2 NOV deadline.	\$1,000 - \$1,200
4	Failure to pay HOA assessments (general or special) by Stage 2 NOV deadline.	\$1,000 - \$1,200
5	Failure to pay property taxes by Stage 2 NOV deadline.	\$1,000 - \$1,200
6	Failure to get lease approved in advance.	\$1,000 - \$1,200
7	Charging rent up to \$200 in excess of amount permitted by Deed Restriction and/or Guidelines.	\$1,000 - \$1,200
8	Exceeding maximum vacancy period of rental unit.	\$1,000 - \$1,200
9	Failure to cure Stage 2 Violation or Pay Stage 2 Fine.	\$1,000 - \$1,200
10	Intentionally Left Blank	\$1,000 - \$1,200
11	Intentionally Left Blank	\$1,000 - \$1,200
#	Stage 4 Violation	Fine Amount

1	Failure to requalify by Stage 3 NOV deadline.	\$2,500 - \$3,000
2	Failure to provide requested information to establish continued compliance by Stage 3 NOV deadline.	\$2,500 - \$3,000
3	Failure to provide Census Information by Stage 3 NOV deadline.	\$2,500 - \$3,000
4	Failure to pay HOA assessments (general or special) by Stage 3 NOV deadline.	\$2,500 - \$3,000
5	Failure to pay property taxes by Stage 3 NOV deadline.	\$2,500 - \$3,000
6	Failure to occupy unit as sole and exclusive place of residence.	\$2,500 - \$3,000
7	Failure to use and occupy unit exclusively to house persons who meet the definition of Qualified Resident(s) (owner(s)) and their families.	\$2,500 - \$3,000
8	Failure to work full-time in Pitkin County as required by Deed Restriction and/or Guidelines.	\$2,500 - \$3,000
9	Owning other developed residential property in OEZ in violation of Deed Restriction and/or Guidelines.	\$2,500 - \$3,000
10	Use of premises for other than residential purposes.	\$2,500 - \$3,000
11	Advertising rental without APCHA approval as required by Deed Restriction and/or Guidelines.	\$2,500 - \$3,000
12	Charging more than \$200 in rent in excess of amount permitted by Deed Restriction and/or Guidelines.	\$2,500 - \$3,000
13	Failure to cure Stage 3 Violation or Pay Stage 3 Fine.	\$2,500 - \$3,000
14	Intentionally Left Blank	\$2,500 - \$3,000
15	Intentionally Left Blank	\$2,500 - \$3,000

#	Stage 5 Violation	Fine Amount
1	Failure to requalify by Stage 4 NOV deadline.	\$5,000 – \$6,000
2	Failure to provide requested information to establish continued compliance by Stage 4 NOV deadline.	\$5,000 - \$6,000
3	Failure to provide Census Information by Stage 4 NOV deadline.	\$5,000 - \$6,000
4	Failure to pay HOA assessments (general or special) by Stage 4 NOV deadline.	\$5,000 - \$6,000
5	Failure to pay property taxes by Stage 4 NOV deadline.	\$5,000 - \$6,000
6	Failure to occupy unit as sole place of residence during time unit is owned by Stage 4 NOV deadline.	\$5,000 - \$6,000
7	Failure to use and occupy unit exclusively to house persons who meet the definition of Qualified Resident(s) (owner(s)) and their families by Stage 4 NOV deadline.	\$5,000 - \$6,000
8	Failure to work full-time in Pitkin County as required by Deed Restriction and/or Guidelines by Stage 4 NOV deadline.	\$5,000 - \$6,000
9	Failing to list other developed residential property in OEZ in violation of Deed Restriction and/or Guidelines by Stage 4 NOV deadline.	\$5,000 - \$6,000
10	Selling or conveying a property or unit without APCA approval.	\$5,000 - \$6,000
11	Encumbering property with debt in any form which exceeds at any time the Maximum Resale Price of the Unit.	\$5,000 - \$6,000
12	Permitting any use or occupancy of Unit not in compliance with the Deed Restriction and/or Guidelines.	\$5,000 - \$6,000
13	Making unauthorized improvements and/or failing to obtain building permit or certificate of occupancy with respect to capital improvements.	\$5,000 - \$6,000
14	Creating an additional dwelling unit as defined in the Pitkin County or City of Aspen Land Use Codes, in or on the property.	\$5,000 - \$6,000
15	Rental of all or part of a unit in violation of the Deed Restriction and/or Guidelines.	\$5,000 - \$6,000
16	Submitting false/inaccurate information.	\$5,000 - \$6,000

17	Failure by Non-Qualified Transferees to transfer Property or Unit to a Qualified Buyer.	\$5,000 - \$6,000
18	Using deed restricted property as income producing property.	\$5,000 - \$6,000
19	Failure to list home by deadline after NOV becomes final.	\$5,000 - \$6,000
20	Accepting any consideration which would cause an increase in the purchase price above the bid price to induce an Owner to sell to a prospective buyer.	\$5,000 - \$6,000
21	Fraud (as defined in Guidelines).	\$5,000 - \$6,000
22	Selling or otherwise transferring Unit not in accordance with the Deed Restriction and/or Guidelines.	\$5,000 - \$6,000
23	Sell or otherwise transfer Unit for use in a trade or business.	\$5,000 - \$6,000
24	Purchasing other developed residential property in O EZ while owning an APCA deed restricted property.	\$5,000 - \$6,000
25	Failure to Cure Stage 4 Violation or Pay Stage 4 Fine.	\$5,000 - \$6,000
26	Intentionally Left Blank	\$5,000 - \$6,000
27	Intentionally Left Blank	\$5,000 - \$6,000