

**Town of Basalt, Colorado
Ordinance No. 07
Series of 2013**

**ORDINANCE OF THE TOWN COUNCIL OF BASALT,
COLORADO, RESCINDING THE TOWN'S MEMORANDUM OF
UNDERSTANDING (MOU) WITH THE ROARING FORK
COMMUNITY DEVELOPMENT CORPORATION (CDC) WHICH
CREATED THE BASALT AFFORDABLE COMMUNITY HOUSING
LLC (BACH) AND RECREATING BACH AS A FORMAL
ADVISORY COMMISSION TO THE TOWN COUNCIL**

RECITALS

A. The Town of Basalt approved an MOU on October 13, 2009, with the CDC creating BACH and outlining the structure and work plan by which the Town and the CDC would work together to provide affordable housing for the entire Basalt Community.

B. The CDC purchased the Pan and Fork Mobile Home Park in 2011, immediately sold Lot 2 to the Town of Basalt for a park and began working on a land use application for mixed used development on Lot 1 which the CDC retained.

C. By letter dated April 30, 2013, the CDC notified the Chair of BACH of the resignation of the two members of the CDC serving on BACH as a result of the CDC's status as an applicant to the Town for a development approval placed the CDC in a conflict of interest in serving on the BACH board.

D. The in-town citizen appointees of BACH LLC have met and made recommendations to the Town Council on reformulating BACH as a formal citizen committee to make recommendations to the Town Council.

E. Article VII of the Basalt Home Rule Charter establishes that the Town may establish new Boards and Commissions by ordinance and sets the framework for their creation.

F. At a public meeting held on June 25, 2013, the Town Council heard evidence and testimony as offered by the Town Staff, the Applicant, and members of the public. At the public meeting held on June 25, 2013, the Town Council considered this Ordinance on first reading and scheduled a public hearing and second reading for this Ordinance for July 9, 2013, for a meeting

beginning no earlier than 6:00 pm at the Basalt Town Hall, 101 Midland Avenue, Basalt, Colorado.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BASALT, COLORADO, AS FOLLOWS:

Section 1. The Town Council hereby rescinds the Town's MOU with the CDC as attached in **Exhibit A**.

Section 2. The Town Council hereby reformulates BACH as a formal Town Commission under the parameters established in Section 7.2 of the Basalt Home Rule Charter. The structure, roles and responsibilities of BACH are outlined in **Exhibit B**.

Section 3. The Town hereby authorizes the Town Attorney and Town Manager to take the necessary legal steps to complete the extinguishment of the limited liability company established for BACH and undertake any other step to extinguish BACH LLC. The CDC, which filed the incorporation papers with the State of Colorado is responsible for maintaining all official records of the LLC.

Section 4. The Town Planner will advertise for applications for consideration and formal appointment for the reformulated BACH. The current resident members of BACH LLC may continue meeting informally until all of the appointments are made.

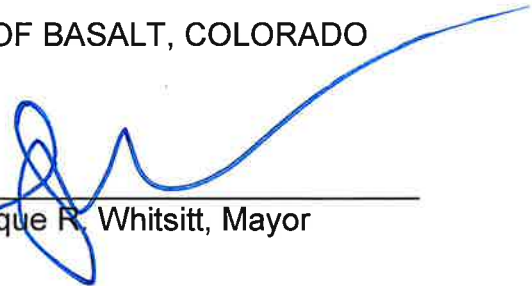
Section 5. If any part, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance and the Town Council hereby declares it would have passed this Ordinance and each part, section, subsection, sentence, clause or phrase thereof regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

READ ON FIRST READING, ORDERED PUBLISHED AND SET FOR PUBLIC HEARING TO BE HELD ON July 9, 2013, by a vote of 7 to 0 on June 25, 2013.

READ ON SECOND READING AND ADOPTED, by a vote of 7 to 0 on July 9, 2013.

TOWN OF BASALT, COLORADO

By


Jacquie R. Whitsitt, Mayor

ATTEST


Pamela K. Schilling, Town Clerk



Date of first publication: Thursday, July 4, 2013

Date of second publication: Thursday, July 18, 2013

Effective date: Thursday, August 1, 2013

Exhibit A
2009 MOU – Rescinded by this Ordinance

Memorandum of Understanding
Between the Basalt Town Council and
The Roaring Fork Community Development Corporation (RFCDC)

This Memorandum of Understanding is entered into by the Town of Basalt (Town) and the Roaring Fork Community Development Corporation (RFCDC) on this 13th day of October, 2009. This MOU expresses the parties mutual goals of developing affordable community housing on town controlled land. This MOU outlines the structure and work plan by which the Town and RFCDC will work together.

1. This MOU is the result of work on a number of fronts on the issue of affordable community housing including:
 - The Town established a production goal for 200 deed restricted affordable community housing units to be developed within the next 4 years.
 - The Town of Basalt Citizens Action Group for Community Housing has looked at alternative sites for the development of deed restricted community housing units.
 - The Citizens Action Group brought to Council a matrix of a number of sites representing current potential for the development of affordable deed restricted community housing. Council voted unanimously to move forward.
 - The River Roundtable has developed a phasing plan for implementation of the River Master Plan that includes trailer relocation in its first phase. Council has voted unanimously in conceptual approval of the Roundtable's phasing plan recommendations contained in the Roundtable's January 2009 Interim Report.
 - The Roaring Fork Community Development Corporation has been created as a 501(c)(3) nonprofit development entity that partners with local governments to increase their capacity to finance, build, and manage community focused projects (e.g., affordable housing, multi-tenant nonprofit center).
 - Town Council unanimously approved a Partnership Proposal between the Town and RFCDC at their September 22, 2009 meeting, which suggested creating this MOU.

2. With the approval of this MOU, the Basalt Town Council and the RFCDC will proceed to implement the actions outlined in this MOU on a 50/50 cost sharing basis with a maximum contribution of \$25,000 from each party for this initial phase for a total of \$50,000, or until both parties authorize additional funds. (Both parties understand that these pre-development funds are at risk, but can be reimbursed through the financing and completion of an affordable housing project.)

The Manaus Fund has transferred \$25,000 to the RFCDC. RFCDC will create a Nonprofit LLC bank account and transfer Manaus Funds into it upon the signing of this

MOU and the commitment of \$25,000 from the Town in the 2010 budget. (The Town contribution need not be available until 2010.)

3. The RFCDC will create a Nonprofit LLC (named Basalt Affordable Community Housing LLC) through the nonprofit structure of the RFCDC with approval by Town Attorney.

The Basalt Affordable Community Housing, LLC (BACH) board will consist of seven (7) voting members including: one (1) Town Council Member (and an alternate Town Council member); two (2) RFCDC representatives; and four (4) members selected by the Town Council through an application process. Council may select up to two (2) members from the existing housing committee with future vacancies of town appointments to be selected from town residents. Terms may be assigned by the Town Council for up to three (3) years and the Council may assign terms less than three (3) years in order to provide overlapping terms.

In order to maintain trust in the outcomes, members of the Basalt Affordable Community Housing, LLC board of directors will be subject to the same conflict rules as the Town Council under Article VIII of Chapter 2, Administration of the Basalt Town Code.

The Town will select a Council member and alternate to serve on the BACH, LLC board. It will advertise and select the 4 community representatives for the BACH, LLC board as soon as practical. The RFCDC will help Town staff coordinate the application process and make recommendations to Council.

4. The newly created Basalt Affordable Community Housing, LLC will serve as the development and financing entity for the Town of Basalt. It will manage the completion of an initial work plan (below) for creating affordable housing within the Urban Growth Boundary of the Town of Basalt. BACH will also manage any selection processes needed for additional development services (i.e., engineering, architectural, developer) to complete elements of the work plan.

The initial work plan for BACH includes the following:

- a) Conduct analysis/scenario development for town controlled parcels including the exploration of other partners and parcels connected to implementing Phase I of River Master Plan (relocation of trailer units). (Note: Although BACH will build upon any work available on affordable housing in Basalt to date, it will assume there is no parcel preference for affordable housing development at this stage of analysis.)
- b) Develop strategies for furthering the implementation of the River Master Plan by linking housing strategies with open space and other social capital objectives.
- c) Develop appropriate financing mechanisms for the most promising parcels (tax exempt bonds, grants, loan, etc).
- d) Explore and cultivate partnerships that can support the development of affordable community housing (e.g. Pitkin County, Eagle County)

- e) Address any administrative and management issues related to new deed restricted affordable community housing units created through this partnership by working with the Town's Housing Administrator (currently the Garfield County Housing Authority) and the Town of Basalt.
 - f) Create a set of recommendations/actions for moving forward on affordable community housing development within the context of Town goals for review and action by the Basalt Town Council.
5. The Town Council will review any proposed site plans made by the BACH, LLC board and will review any financing package that includes town funds. Development proposals will be subject to all applicable zoning and land use review requirements, however, the Town will make reasonable efforts to process application in a timely fashion. Nothing herein waives any provision of the Basalt Municipal Code or its Home Rule Charter.
6. The BACH will at least annually and upon request report to the RFCDC and to the Town Council.

This Memorandum of Understanding is acknowledged by

Town of Basalt



By: Leroy Duroux, Mayor of Basalt



Roaring Fork Community Development Corporation

Handwritten signature of Michael McVoy in blue ink, with the date "11/12/09" written to the right.

By: Michael McVoy

ATTEST:



Pam Schilling, Town Clerk

Exhibit B

Basalt Affordable Community Housing Commission

Section 1 Creation

Creation. There is hereby created and established a Basalt Affordable Community Housing Commission (BACH).

Section 2 Purpose and Responsibilities of BACH

The BACH provides advice to the Town Council on a variety of housing issues. As an advisory group, the BACH does not have explicit decision-making authority or primary responsibility. The Council looks to the BACH to bring ideas, analysis and perspectives to the table; to highlight opportunities for influence between the Town's housing system and other systems; and to provide a forum for public input on housing issues.

The Council asks the BACH to:

1. Provide a sounding board on significant housing policy issues.
2. Explore and cultivate partnerships that can support the development of affordable housing (e.g. Pitkin and Eagle County).
3. Review and make recommendations on financing mechanisms for the construction of affordable housing.
4. Help make the case for new resources.
5. Update the Housing Chapter of the 2007 Basalt Master Plan; or
Develop an Affordable Housing Capital Improvement Plan once the resources for implementing such a plan have been identified.
6. Act as a referral agency to Council on affordable housing projects or projects referred to BACH by the Town Planner that are required to provide affordable housing according to the then current code.

7. Provide an annual report by the end of January of each year to the Council and meet with the Town Council upon request.

Section 3 Composition and Appointment

(a) Composition. BACH shall consist of seven (7) members who are eligible (each an eligible member) to be appointed by the Town Council as further outlined below:

(1) At least five (5) of the members shall be residents of the Town of Basalt (each a resident member). The determination of residency shall be made by the Town in accordance with the provisions of C.R.S. 31-10-201(3), as amended from time to time.

(2) Although not required, one (1) of the resident members should be a representative of the Hispanic community.

(3) The Council will also seek representation from the business/finance community and the RE-1 School District to serve on the commission, and therefore up to two (2) of the members may be non-resident members so long as they work within the Town limits as part of the business/finance community or RE-1 School District (each a non-resident member).

(b) Change in status. Any member who is appointed as a resident member and no longer meets that definition, shall automatically be removed as member unless the membership can revert to a non-resident member status satisfying the requirements of subpart (a) (3) above. Any non-resident member from the business/finance community or RE-1 School District who no longer works within the Town is automatically removed as a member. The Town Manager after advice from the Town Attorney shall make the interpretation of membership status and members may appeal that decision to the Town Council.

(c) Terms. Terms may be assigned by the Town Council for up to three (3) years and the Council may assign terms less than three (3) years in order to provide overlapping terms. Any member whose term is expiring may apply for reappointment to the Commission. Any appointment or reappointment shall be at the discretion of the Town

Council pursuant to Subsection (a) above. Regardless, an eligible member may serve on BACH until a new appointment or reappointment is made by the Town Council.

Section 4 Conflict Provisions

In order to maintain trust in the outcomes, Commission members will be subject to the same conflict rules as the Town Council under Article VIII of Chapter 2, Administration of the Basalt Town Code.

Section 5 Officers

BACH shall organize and elect from among the appointed members a chairperson and vice chairperson. Such officers shall serve one-year terms and shall be eligible for reelection. Regardless, the officers shall serve until the earlier of a new election or that member no longer is an eligible member.

Section 6 Meetings

Regular meetings shall be held on the second Thursday of each month at a time to be determined by BACH or the Town Manager. Additional or Special meetings may be held as necessary either on the fourth Thursday of every month or on any other date and at a time as determined by BACH or the Town Manager.

Section 7 Funding and Support

The Town Council will establish funding for BACH within the Town's yearly budget or other special appropriations. The Town Manager will be responsible for providing staff services to BACH within the parameters of the Town's approved budget. With the approval, including the necessary appropriation of funds, by the Town Council, the Commission may contract with professional housing advisors, financial experts, architects, engineers and other consultants for such services as BACH may require.