

PROPOSITION 123

RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT BY AND AMONG THE TOWN OF CASTLE ROCK, DOUGLAS COUNTY HOUSING PARTNERSHIP, DOUGLAS COUNTY, CITY OF CASTLE PINES, CITY OF LONE TREE, AND TOWN OF PARKER REGARDING JOINT MANAGEMENT OF PROPOSITION 123 FUNDING AND CREDITS

TOWN COUNCIL
SEPTEMBER 3, 2024



HISTORY OF PROPOSITION 123

- State-wide program approved by voters in November 2022
- Directs 0.1% of state revenue to affordable housing
- Objective is to increase affordable housing stock by 9% over 3 years
- Programs include: land banking, affordable housing equity, concessionary debt, affordable homeownership, programs for housing instability, and local capacity development

➤ **PROP 123 DOES NOT CHANGE OR SUPERSEDE LOCAL ZONING**

PROPOSITION 123

- September 5, 2023 Town Council approved resolution to participate in Prop 123:
 - Committed to add 277 new affordable units by December 31, 2026 as part of our normal activities with Douglas County Housing Partnership (DCHP)
 - Housings units are counted at time of building permit issuance
 - To date, the Town has issued 42 units
- What happens if Town doesn't issue permits for 277 affordable units by December 31, 2026?
 - Receive excess building credits from another member jurisdiction or;
 - Ineligible for next round of funding in 2027

PROP 123 COLLABORATION

- IGA Formalizes participation in Prop 123 collaboratively with DCHP members.
- Allows any excess units permitted in a DCHP member jurisdiction to be applied towards the commitment of another member jurisdiction.
 - DCHP Member Jurisdictions have issued a total of 302 building permits as of July 29, 2024 out of the total 1020 required.

Jurisdiction	Baseline	Three Year Commitment	Permitted as of 7/29/24
City of Castle Pines	211	19	0
Town of Castle Rock	3,067	277	42
City of Lone Tree	728	66	101
Town of Parker	2,481	224	1
Unincorporated Douglas County	4,820	434	158
TOTAL	11,307	1,020	302

- Town Council would have input on how the excess credits would be allocated.
- DCHP would be charged with tracking and reporting the credits.

RECOMMENDATION

Staff recommends entering into the IGA with DCHP and its member jurisdictions regarding joint management of Prop 123 funding and credits.

- Allows for new affordable housing units to be spread throughout the County
- Approach is in line with the historical approach towards affordable housing within Douglas County
- **Prop 123 does not change or supersede local zoning or land use decisions**

PROPOSED MOTIONS

Recommended Motion:

“I move to approve the Resolution, as introduced by title.”

Alternative Motions:

“I move to approve this resolution as introduced by title with the following conditions:” (list conditions)

“I move to continue the this item to the Town Council meeting on [date], 2024, at time”

QUESTIONS?

