

RESOLUTION NO. 2018 - 4

A RESOLUTION ESTABLISHING A TAP FEE WAIVER FOR PHASE ONE OF THE VOLUNTEERS OF AMERICA AFFORDABLE HOUSING PROJECT.

WHEREAS, the South Durango Sanitation District (the “District”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized pursuant to the Colorado Special District Act, C.R.S. §32-1-101, *et seq.* (the “Act”); and

WHEREAS, the Board of Directors (the “Board”) of the District has previously adopted resolutions establishing rules, regulations and fees for the District; and

WHEREAS, a provision of the Act, C.R.S. 32-1-1001(1)(j)(II), authorizes the Board to waive all or part of the tap fees to facilitate the construction of affordable housing on property within the District; and

WHEREAS, the Act requires the District to establish criteria for affordable housing waivers and to condition the waiver on the recording of an instrument against the property requiring payment of any fees waived if the property no longer meets the criteria established by the Board; and

WHEREAS, Volunteers of America (“VOA”) has requested a waiver of tap fees for the first phase of an affordable housing complex for senior (age 62+) to be built in Three Springs; and

WHEREAS, financing for the project will include approval by Colorado Housing Finance Authority (“CHFA”) of Low Income Housing Tax Credits; and

WHEREAS, VOA will restrict rents for 30 years to 30%-60% Area Median Income levels for La Plata County, Colorado; and

WHEREAS, the Board has determined that encouraging the development of affordable housing at his location by providing a tap fee waiver will provide a benefit to the District from tap fee revenue and users fees in amounts greater than would likely be received if the property were developed for other uses.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH DURANGO SANITATION DISTRICT:

1. The District shall waive 25% of the tap fees for phase one of the Volunteers of America affordable housing project in Three Springs, subject to the terms of this resolution.
2. Pursuant to the authority granted to the Board by C.R.S. 32-1-1001(1)(j)(II) “affordable housing” is hereby defined as housing with rents restricted to persons in the 30%-60% Median Income levels for La Plata County, Colorado.

3. This waiver is subject to the following:

a. The District shall record a notice in the La Plata County Clerk's office describing the property and requiring payment of the amount of the fee waiver if at any time within 30 years of the date of recording the notice the property's use as affordable housing is discontinued or no longer meets the definition of affordable housing as established herein.

b. This waiver is for this specific project only. Tap fee waivers for future phases developed on this property or projects developed on other property in the District will require approval by the Board.

4. The District will not begin billing for monthly user fees for the project until a certificate of occupancy is issued or fifteen months after the date the building permit is issued, whichever occurs first.

Adopted this 17th day of May, 2018.

SOUTH DURANGO SANITATION DISTRICT

By *Carl Piccole*
President