



ANSWERS TO QUESTIONS
Housing and Land Use Committee Meeting on
Residential Workforce Housing Deed Restrictions (HLU-24)

Aspen Pitkin County Housing Authority's (APCHA) goal is to assure the existence of a supply of desirable housing for person currently employed in Pitkin County, persons who were employed in Pitkin County prior to retirement, and other qualified persons of Pitkin County as defined in the Aspen/Pitkin County Housing Authority's Regulations.

Below are the responses from Cindy Christensen, Deputy Director of Housing Operations and Property Management to the questions provided.

1. What is the connection between affordable housing and the local economy, and how could deed restrictions support this? The APCHA program began in the mid 1980's and always required some type of deed restriction. During the first few years, the deed restrictions were not in perpetuity but were based on the life of the County Commissioners/City Council who approved of the development at that time. The language basically was that the restriction remained until 25 years after the death of the last County Commissioner/City Council who approved the development. From the late 1980's to now, all deed restrictions now are in place in perpetuity.
2. How do longer deed restrictions impact communities? What are the impacts on the local and market economies, financing, and potential interest in buying housing units? APCHA has in its inventory over 3,000 deed restricted units – around 1600 are ownership-type units and the others are rentals. This has not adversely affected any financing, sales of free market homes next door to the deed restricted properties, etc. The financial institutions in the area understand our deed restrictions and have no issues with providing funding.
3. How do deed restrictions contribute to the preservation of affordable housing options for future generations? They keep the property affordable, and the majority of the ownership properties have to be listed and sold through APCHA. The ownership properties appreciate at a certain rate also keeping the properties affordable.
4. What are the benefits of having a predictable housing market because of longer-deed restrictions? The community knows that no matter what, there will always be a certain number of units available to employees of Pitkin County.
5. How can deed restrictions prevent gentrification and the displacement of long-term residents? Currently, owners and renters have the ability to remain in their homes after



retiring, as long as a certain number of years have been maintained working, and they are a certain age.

6. How can deed restrictions ensure that essential workers are able to afford housing near their workplaces? The Hospital and School District are two entities that have units specifically designated for them, thereby guaranteeing at least some affordable housing options.
7. What is the average length of an affordability deed restriction in the United States? I do not know. APCHA's is in perpetuity.
8. How do deed restrictions address the inelasticity of the housing market? This does not happen in the Aspen/Pitkin County area.
9. What factors should the Council consider when creating a policy to balance affordability and equity in homeownership? The City of Aspen and Pitkin County both have real estate transfer taxes that go into the development and maintenance of the affordable (deed restricted) housing market. The majority of the deed restricted ownership units can only appreciate at a certain amount each year, along with rental rates in the rental deed restricted units, maintaining affordability in the long run.
10. How can the Council balance deed restriction policies with extenuating circumstances, such as natural disasters or other life-altering events? I wish I had a good response to this question, but Aspen/Pitkin County has not had to deal with this that would take out a high number of units. I do remember that one of the deed restricted rental projects that contain 80 units had a fire and lost one of their buildings. APCHA and the community stepped up to help those displaced until the property could rebuild.
11. What are some risks when buying a deed restricted home and how can they be mitigated? What are the risks of buying an unrestricted home? To answer the first question, a person is buying a home at a subsidized rate. However, maintaining that home up to specific standards requires paying free market prices, which is hard for a lot of families. APCHA properties are seeing massive increases in HOA dues due to property insurance. Aspen and Pitkin County are surrounded by forests. As to the second question, there is currently no property within the Roaring Fork Valley that a working family can purchase. Our program started with the idea that a renter could move from a lower category residence to a higher one, then purchase a deed restricted home, with the hope of eventually selling and moving into the free market arena. That is no longer possible up and down the Roaring Fork Valley.
12. Should properties in different Area Median Income categories have similar or the same deed-restricted time periods? All should be in perpetuity.

13. Should there be different deed-restriction time periods for different types of homes? For example, should a multifamily home and a single-family home be subject to different time periods? What about a one-bedroom single family home and a three-bedroom home? Again, all should be deed restricted in perpetuity.
14. Should the length of the deed restrictions correspond to the amount of County funding a project receives? If so, explain how this should be implemented, including whether the type of housing, such as multifamily or single-family, be considered? It is so important to keep all deed restricted units in perpetuity.
15. What deed-restriction time periods would you recommend the Council Consider? Deed restrict the properties in perpetuity.
16. As it relates to both deed restrictions and the 99-year lease model used by the Department of Hawaiian Home Lands:
 - a. Do longer deed restrictions and 99-year leases prevent homeowners taking out home equity loans? APCHA only has one property where Pitkin County maintains ownership of the land and the owners own their home. The land lease was for 50 years. A few years ago, it went under 30 years and a couple of the homeowners were refinancing. Pitkin County amended their lease back to 50 years. There have been no issues with any of the owners getting financing.
 - b. Do longer deed restrictions and 99-year leases make it more difficult for potential homeowners to secure financing? Not in the Aspen/Pitkin County area. However, we strongly advise that any potential buyer stay within the valley to obtain financing as the lenders are familiar with our program
 - c. Can deed restrictions and 99-years leases specify that the owner is not restricted from refinancing their mortgage or borrowing against the equity in their home? APCHA allows any owner to refinance their home. However, the lenders do contact APCHA asking for the current value of that home. The letter we provide states the current value of the home, that the owner has the approval to refinance, but cannot refinance over that current maximum value provided in that letter.
17. How many affordable units have been created since Chapter 2.96, Maui County Code, was enacted? Not applicable to APCHA.
18. How can the County address and support each resident's need to afford a home? In our area, there is never enough. APCHA is workforce housing for Pitkin County, but we are also the area up and down our valley that has any type of affordable housing options. There are employees who are traveling up to two hours one way to get to their jobs. The



City of Aspen is currently working on a new project that will provide an additional 277 rental units within the new three years.

19. Do you have a preferred managed appreciation formula? Currently, the majority of the ownership units appreciation at 3% or the Consumer Price Index, whichever is less. APCHA is currently recommending a change to this formula to a flat percentage – 4% possibly. This would require any owner interested in this to enter into an updated deed restriction.
20. How can the County prevent investors from buying then selling properties for a profit, primarily properties that contribute to the affordable and workforce housing stock? The City of Aspen and Pitkin County have specific regulations in their Land Use Codes that require employee housing mitigation if the property ever housed employees. Aspen also has had some owners who understand the need and have offered lower prices to the Aspen School District, the Hospital District, as well as the Fire District.
21. How much affordable housing inventory should be isolated from the general housing market through leaseholds, deed restrictions in perpetuity and housing land trust? At one point, the City of Aspen and Pitkin County had set a specific percentage of how many employees should be covered. The numbers have changed over the years to 50% to 60% of employees should be housed in what they consider the urban growth boundary. This changes on what needs to be provided as we do allow people to retire in their units. This is something that is being looked into but right now if you required a retiree to move, they would have to leave the area as there is no place affordable for them to move to and still stay in the valley.

Any questions or any further explanation, please do not hesitate to contact me at 970-920-5455 or cindy.christensen@aspen.gov.

HLU Committee

From: HLU Committee
Sent: Monday, March 10, 2025 7:53 AM
To: HLU Committee
Subject: FW: Invitation to March 10, 2025, Maui County Council Housing and Land Use Committee Meeting
Attachments: WorkforceHsgDisResponses.2025.0310.docx

From: Cindy Christensen <cindy.christensen@aspen.gov>
Sent: Monday, March 10, 2025 7:13:49 AM
To: James G. Krueger
Cc: HLU Committee
Subject: RE: Invitation to March 10, 2025, Maui County Council Housing and Land Use Committee Meeting

Any questions or additional explanation, please do not hesitate to contact me.

Cindy Christensen
Deputy Director of Housing, Operations & Property Management
Aspen/Pitkin County Housing Authority (APCHA)
cindy.christensen@aspen.gov
18 Truscott Place | Aspen, CO 81611
(970) 920-5050 - Main
(970) 920-5455 - Direct

