

ORDINANCE NO. 7

Series 2021

AN ORDINANCE AMENDING CHAPTER 1 OF TITLE 9 OF THE BRECKENRIDGE TOWN CODE, KNOWN AS THE "TOWN OF BRECKENRIDGE DEVELOPMENT CODE," BY AMENDING POLICY 24 (ABSOLUTE) CONCERNING EMPLOYEE GENERATION AND MITIGATION RATES; AND ESTABLISHING THE INITIAL AMOUNT OF THE TOWN'S FEE-IN-LIEU OF PROVIDING EMPLOYEE HOUSING

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BRECKENRIDGE, COLORADO:

Section 1. Subsection D of Section 9-1-19-24A, "Policy 24 (Absolute) Social Community," of the Breckenridge Town Code is amended by the addition of the following:

D. EMPLOYEE GENERATION AND MITIGATION RATES:

(1) The "Employee Generation Rates By Type of Use Table," below, shall be applied to each type of use listed in section (C)(2), above. For any use not listed, the Director shall determine the applicable employee generation rate by consulting the Town's then-current current nexus study.

EMPLOYEE GENERATION RATES BY TYPE OF USE TABLE

Type Of Use	Employee Generation Rate
Hotel/Lodging/Inn, Boarding House, Condominium, Divisible Unit, Timeshare Unit	0.6 employee per room, or 0.6 employee per unit, as applicable
Multi-Family Housing and Townhomes	0.33 employee per unit
Office (including real estate and property management office)	3.2 employees per 1,000 square feet of area
Conference facility	0.8 employee per 1,000 square feet of area
Eating and drinking establishment/restaurants and bars*	10.2 employees per 1,000 square feet of area
Health club	0.96 employee per 1,000 square feet of area
Retail store/personal service/service commercial/repair shop	2.4 employees per 1,000 square feet of area
Spa	2.1 employees per 1,000 square feet of area

*Outdoor dining areas shall not be included in area calculation

(2) If an applicant submits competent evidence demonstrating that the employee generation rates contained in table "Employee Generation Rates By Type Of Use Table," above, do not accurately reflect the number of employees generated by the proposed development or change of intensity of use and the Planning Commission finds that such evidence warrants a deviation from those employee generation rates, the Planning Commission shall allow for such a deviation as the Planning Commission deems appropriate. The Town may, at its discretion, hire an independent third party consultant to verify the evidence provided by an applicant. The cost of such verification shall be paid or reimbursed by the applicant.

(3) Each development shall mitigate its impact on available employee housing by providing new employee housing for thirty five percent (35%) of the employees generated by the project, in accordance with the table "Employee Generation Rates By Type Of Use Table," above, and the requirements of this policy.

For example, for a development proposing two thousand five hundred (2,500) square feet of new area for an eating and drinking establishment/restaurant and bar, the required employee housing would be calculated as follows:

$$([2,500 \text{ square feet} / 1,000 \text{ square feet}] \times [10.2]) = 25.5 \text{ new employees generated} \times 35\% = 8.9 \text{ employees to be housed}$$

(4) If an increase in employee generation is caused by a change in the intensity of a use in existing square footage (e.g. retail to restaurant), the employee housing requirements of this policy shall apply to the difference of new employees generated (e.g. different between retail and restaurant employee generation rate).

Section 2. Subsection F(3)(a) of Section 9-1-19-24A, "Policy 24 (Absolute) Social Community," of the Breckenridge Town Code is amended to read as follows:

a. The fee-in-lieu for each employee required to be housed by this policy shall be established periodically by resolution of the Town Council.

Section 3. Subsection F(3) of Section 9-1-19-24A, "Policy 24 (Absolute) Social Community," of the Breckenridge Town Code is amended by the addition of the following:

(f) The fees in-lieu shall be calculated based on the market affordability gap for a two person household earning 80% Area Median Income (AMI) in Summit County. The fee-in-lieu calculation shall be updated periodically as new AMI information is published by the U.S. Department of Housing and Urban Development.

Section 4. The amount of the fee in-lieu described in Section F(3) of Section 9-1-19-24A, "Policy 24 (Absolute) Social Community," of the Breckenridge Town Code shall be as follows:

Fee In-Lieu Calculation Table	
80% Area Median Income for 2 person Household	\$ 61,440
Affordable Monthly Payment	\$ 1,229
Taxes/Insurance/HOA	\$ 350
Mortgage Payment	\$ 879
Maximum Mortgage Amount	\$ 151,650
Affordable Purchase Price*	\$ 168,500
Average S.F. of Affordable Units	1370
Median Price per S.F. (Market Units)	\$ 513
Cost Per Unit	\$ 702,810
Affordability Gap per Unit in Lieu	\$ 534,310
Gap per Employee (1.4 employees/household on average)	\$ 381,650
Administrative Fee per Employee (2%)	\$ 7,633
Total Gap per Employee	\$ 389,283
Fee per Square Foot per Employee	\$ 279
Administrative Fee per Square Foot per Employee	\$ 6
Total fee in-lieu per S.F.**	\$ 284
* Assumes 5.69% interest rate, 10% down payment, 30 year fixed loan, \$350 for HOA, Insurance, and Taxes. These assumptions will be updated in accordance with the Summit Combined Housing Authority assumption changes.	
** Number will be rounded up or down to the nearest whole number.	

Sample fee in-lieu Calculation:

For example, for an application proposing one hundred (100) square feet of new area for a retail establishment, the required fee-in-lieu would be calculated as follows:

$([100 \text{ square feet of Additional Retail Space} / 1,000 \text{ square feet}] \times [2.4]) = 0.24 \text{ new employees generated} \times 35\% = .084 \text{ employees to be housed}$

$.084 \times 350 \text{ square feet} = 29.4 \text{ total square feet to be assessed fee in-lieu}$

29.4 square feet x Total fee in-lieu per S.F = Total fee in-lieu to be paid

In accordance with subsection F(3)(a) of Section 9-1-19-24A, "Policy 24 (Absolute) Social Community," future changes to the amount of the fee in-lieu shall be made by resolution of the Town Council.

Section 5. The Town Council hereby finds, determines and declares that this ordinance is necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the order, comfort and convenience of the Town of Breckenridge and the inhabitants thereof.

Section 6. The Town Council hereby finds, determines and declares that it has the power to adopt this ordinance pursuant to: (i) the Local Government Land Use Control Enabling Act, Article 20 of Title 29, C.R.S.; (ii) Part 3 of Article 23 of Title 31, C.R.S. (concerning municipal zoning powers); (iii) Section 31-15-103, C.R.S. (concerning municipal police powers); (iv) Section 31-15-401, C.R.S. (concerning municipal police powers); (v) the authority granted to home rule municipalities by Article XX of the Colorado Constitution; and (vi) the powers contained in the Breckenridge Town Charter.

Section 7. This ordinance shall be published and shall become effective as provided by Section 5.9 of the Breckenridge Town Charter.

INTRODUCED, READ ON FIRST READING, APPROVED AND ORDERED PUBLISHED IN FULL this 9th day of February, 2021.

This ordinance was published in full on the Town of Breckenridge website on February 12, February 13, February 14, February 15 and February 16, 2021.

A public hearing on this ordinance was held on February 23, 2021.

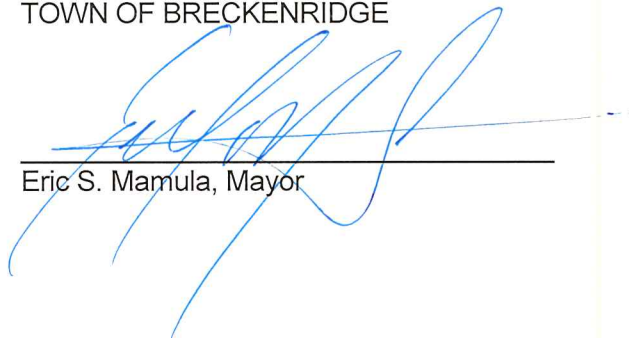
READ, ADOPTED ON SECOND READING AND ORDERED PUBLISHED IN FULL ON THE TOWN'S WEBSITE this 23th day of February, 2021. A copy of this Ordinance is available for inspection in the office of the Town Clerk.

ATTEST:

TOWN OF BRECKENRIDGE



Helen Cospolich, CMC, Town Clerk



Eric S. Mamula, Mayor

APPROVED IN FORM



Town Attorney

2/23/21

Date

This Ordinance was published on the Town of Breckenridge website on February 25, February 26, February 27, February 28 and March 1, 2021. This ordinance shall become effective on March 31, 2021.