



Date: 10/09/2023

To: Mayor Kudron and the Board of Trustees
From: Kimberly White, Community Development Department

Re: Consideration of Ordinance 10-2023, Amending the Grand Lake Municipal Local Employee Residence Program Manual

Purpose:

To Allow Local Employee Residency Program (LERP) designated units to be purchased by employers to rent to qualified local employees.

Background:

In July of 2008, the Board established the Local Employee Residence Program (“LERP”) by passing Resolution 5-2008 and setting forth the Local Employee Residency Requirements and Guidelines (the “LERP Manual”) Exhibit A or follow this link:

[.https://teammunicode.com/webcontent/17004/lerp_manual.pdf](https://teammunicode.com/webcontent/17004/lerp_manual.pdf)

The current LERP conditions do not allow employers to purchase housing for staff, this change would allow this condition under the following conditions.

Proposed LERP additions:

First proposed addition to LERP reads as follows with the proposed addition in *italics* dealing with the eligibility and occupancy of the units:

5. Eligibility and Occupancy

a. Eligibility: In order to be eligible to purchase a home under the Local Employee Residency Program, an interested person must be a full-time employee, as defined, working in the Town of Grand Lake or Grand County or for a business with its principal office located in Grand Lake or Grand County, a retired person who has been a full-time employee in the area for a minimum of four (4) years immediately prior to retirement, a disabled person who has been a full-time employee in the area a minimum of two (2) years immediately prior to their disability, or a person with a bona fide offer of employment in the Town of Grand Lake or Grand County; or the spouse or dependent of any such qualified employee, retired person, or disabled person. It is the responsibility of the individual or household to demonstrate eligibility. All persons working in unincorporated Grand County or other municipalities within Grand County are not excluded from this program. It is the clear preference of this program to first provide attainable units to those persons that are full-time employees in the Town of Grand Lake.

1. A person will not be considered eligible if he owns any improved property.



2. Eligibility for Local Employee Residences will be made without regard to race, color, creed, religion, sex, disability, national origin, familial status or marital status.

3. Notwithstanding any provision the LERP Manual to the contrary, a Grand Lake business that utilizes employees in Grand Lake to operate their business may apply to the Board of Trustees for permission to purchase a LERP unit. Approval of the application by the Board of Trustees shall be expressly conditioned upon the Grand Lake business renting the LERP unit only to its qualifying employees. For purposes of this section, a qualifying employee shall be a person employed full time in Grand Lake with the Grand Lake business who owns the LERP unit and otherwise conforming to the LERP requirements of eligibility set forth in Section 5. The Grand Lake business shall be prohibited from charging monthly rent in an amount greater than the monthly mortgage of the LERP unit.

Second proposed addition to LERP reads as follows with the proposed addition in *italics* dealing with the applicant priority of the units:

5 b. Application and Certification: A person seeking to purchase a Local Employee Residence must apply to the Town of Grand Lake Program Administrator to receive a certification that they are eligible to purchase a unit. Since eligibility is based primarily on an applicant's location of employment, reasonable proof of employment will be required. An applicant will not be required to meet any maximum income requirements.

1. Upon determination of place of employment, the applicant will receive a letter stating; (1) that they are eligible to purchase a Local Employee Residence; and (2) a Tier priority number. The purpose of this is to assure the developer/realtor that the applicant is qualified for the program and what the priority number is. This letter will also serve as notification to the buyer that they are eligible to participate in a lottery that may be held for any of the Local Employee Residences to be sold under this program, if such lottery is deemed necessary. It is the responsibility of the applicant to enter into a contract to purchase a Local Employee Residence.

2. A waiting list for Local Employee Residences will be maintained. The Program Administrator or the Town of Grand Lake will maintain a list of qualified applicants which contains the priority number they were assigned. The waiting list will be based on a first come-first served basis only.

3. Priority numbering is established as follows:

A. Tier I Qualifiers will be those persons who own or are full-time employees of, have retired from employment with, or a person with a bona fide offer of employment from a business within the Town of Grand Lake municipal limits.



B. Tier II Qualifiers will be those persons who own or are full-time employees of, have retired from employment with, or a person with a bona fide offer of employment from a business within 10 (ten) miles of the Town of Grand Lake municipal limits.

C. Tier III Qualifiers will be all other full-time employees, have retired from employment with, or a person with a bona fide offer of employment from a business within Grand County, but more than ten (10) miles from the Town of Grand Lake.

D. Tier IV qualifier will be any bona fide Grand Lake business that, due to the nature of the business, requires additional housing for qualified employees of the Grand Lake business, as the term qualified employee is used in Section 5(a)(3). Such LERP unit may only be utilized as a rental by the Grand Lake business to its employee at a rate reasonable rate to its employee whose main source of income is the Grand Lake business applying for a LERP unit. The LERP unit may only be rented to a qualified employee who meets all the requirements of the LERP Manual as if that employee was applying as an individual.

Recommended Motions:

The Board has the following options:

1. Board motions to instruct The Town Manager to sign Ordinance 10-2023
Or
2. Board motions to instruct The Town Manager to sign Ordinance 10-2023 with the following conditions _____
Or
3. Motion to Deny