

City of Boulder Inclusionary Housing
OFF-SITE AFFORDABLE HOUSING AGREEMENT SUMMARY

Updated 11.2013

The Off-site Affordable Housing Agreement documents all requirements and responsibilities when a developer chooses to provide affordable units required through the inclusionary housing (IH) program on a site that is different from the one that generated the requirement. The Off-site Agreement must be executed before the sending site may submit for a building permit and includes details about the following major topics:

- A. The IH requirement is for both the sending and receiving sites.
Both sites are subject to the IH requirement. However, the sending site generated and is responsible for producing the affordable units on both sites. Should the sending site default to cash-in-lieu, the two sites are then considered separately.
- B. Maximum allowable rents and pricing as applicable.
For rental units the maximum allowable rents are determined annually and are based on a household income 60% of the area median income. The maximum allowable rent may be adjusted to make up for deficiencies. Maximum allowable rents are not guarantee and actual rents may vary.
For for-sale units the maximum allowable sales price is determined when the covenant is signed and is based on a household income of approximately 70% of the area median income. The maximum allowable sales price may be adjusted to make up for deficiencies. Maximum allowable sales prices are not guarantee and actual sales price may vary.
- C. Livability Standards.
The affordable units must meet the requirements of the Livability Standards and a Livability Standard checklists are required to be completed for the affordable units. Both may be found on the city website at www.boulderaffordablehomes.com.
- D. Finish Specification Approval.
City approval is required for all appliances, fixtures, flooring, cabinetry, lighting, heating and cooling systems prior to building permit issuance.
- E. Housing Design Review.
City review and approval is required for the site plan, building design, unit design and building materials.
- F. Rehabilitation Requirements. (Deed restricted existing units only)
City review and approval is required for all items to be rehabilitated or replaced including; specifications, required warranty periods, and similar details where appropriate.]
- G. Operation as Rental Units.

The Owner must comply with the rental requirements found in the City of Boulder Housing Division Rental Compliance Manual, as it may be amended. The current manual and all updates are available at: www.boulderaffordablehomes.com.

H. Deed Restricting Covenant Required.

A permanently affordable Covenant and supporting documents are required for all affordable units prior to building permit issuance on the receiving site. For rental units the Covenant must be executed by a housing authority, 501(c)(3) nonprofit corporation or other entity that meets the City requirements for a housing authority or similar agency pursuant to C.R.S. Section 31-12-301(b)(5). The affordable Covenant must be recorded in first position, prior to any other debt on the property.

I. Housing Inspections.

The city will retain an inspector to ensure quality construction and compliance with all housing requirements and agreements. The Sending Site owner is responsible for the costs of the inspector.

J. Financial guarantee.

If a development meets the requirements of IH by providing permanently affordable units (“PA units”) and the off-site PA units will not be completed prior to building permit issuance for the sending site or in the case of on-site units, the PA units will not be completed prior to issuance of any certificate of occupancy for the market units, a financial guarantee is required. Please see the document “Affordable Unit Financial Guarantee Policy” available on the web at www.boulderaffordablehomes.com.

K. Concurrent Construction.

The Affordable Units should receive a final Certificate of Occupancy within twelve months following the issuance of any temporary or final Certificates of Occupancy for the Sending Site.

L. Breach of the Agreement and Remedies.

M. Homeowner Associations (HOA’s).

In off-site developments where greater than 20% of the units are affordable and the units are for-sale the applicant will provide, at its expense, city-approved HOA training to the buyers of the Off-Site Units within one month of closing on the final unit. The HOA budget and management plan shall be based on a reserve study to determine reasonable and accurate reserve levels and shall provide for the use of a professional management company.