



Cooperative Housing

January 26, 2016



Definition of Terms

- **Market Rate Co-op** – A co-op in which the members own equity shares that reflect the market value of the property.
- **Limited Equity Co-op** – A co-op in which the acquisition and sale price are restricted to allow for more affordability.
- **Rental Co-op** – A co-op in which the members share expenses and resource, but have no equity interest in the property. Generally, the property is owned by a non-profit.



Current Code

- **Allows only Market Rate Co-ops**
 - The articulated purpose was to allow people with lower incomes to participate in Boulder's housing market.
- **Permitted in limited Zone Districts**
 - RE, RR, RL, RM, RMX, RH, MU, IG, IM

Application and Termination



- All property owners within 300 feet must be identified by the applicant and notified by the city manager.
- The application must be renewed every five years. No renewal if the applicant no longer meets the code requirements.
- The permit is terminated upon transfer of the property
- Can be revoked based on quality of life violations.



Ownership

- All owners must be residents
- Not all residents must be owners
- 75% of residents must be owners
- No owner may own less than 5%
- No owner may own more than 49%



Concentration

- **Neighborhood Area**

- RL, RM, RMX, RH and MU
 - 300 feet from lot line
- RR and RE
 - 600 feet from lot line

- **Restrictions**

- RR, RL and RE
 - No more than 10% can be accessory dwelling units, group homes or cooperative housing units.
- RM, MU, RMX and RH
 - No more than 10% can be cooperative housing units.



Occupancy

- RR, RE, RL, RM, RMX or MU = 6
- RH = 4 per dwelling unit if there are multiple dwelling units
- Double lot = 8
- No more than one person per 300 square feet

Transportation



- One off-street parking spot for every two residents
 - The city manager has the authority to reduce by half
- Every resident must have an RTD EcoPass

Existing Legal Co-ops



- **Masala Co-op**
 - RMX Zone
 - Not in a Neighborhood Eco-Pass District
 - Four dwelling units, with up to four unrelated people in each dwelling unit
- **Chrysalis Co-op**
 - RH Zone
 - In a Neighborhood Eco-Pass District
 - Four dwelling units, with up to four unrelated people in each dwelling unit
- **Ostara Co-op**
 - RMX Zone
 - In a Neighborhood Eco-Pass District
 - 18 people in a rooming house, two two-bedroom apartments with a maximum occupancy of 4 unrelated with a total unrelated occupancy of 26



Cooperative A

- 5 bedrooms, 2.5 bathrooms
- 2,165 square feet
- RL district, allowing up to three unrelated
- 14 residents
- Rental license – not SmartRegs compliant
- 5 complaints over 7 different issues



Cooperative B

- 5 bedrooms, 3 bathrooms
- 2,438 square feet
- RL district, allowing up to three unrelated
- 10 residents
- No rental license – owner's address is different
- No record of any complaint

Other Communities



City	Population	Unrelated Occupancy	Co-op Law	Co-ops
Burlington, VT	42,000	4	No	2 limited equity 3 rental
Madison, WI	245,000	By square footage	State Law	22 mostly limited equity
Austin, TX	885,400	4 in single family zone	Limited to higher density zones	24 rental cooperatives
Berkeley, CA	117,000	No limit	State Law	20 rental cooperatives 15 limited equity 2 market rate (plus other rentals)

Questions for Council



- What are your policy goals with respect to cooperative housing?
- Does Council want to change the existing law on market rate cooperatives?
- Does Council want to legalize rental cooperatives?
- Does Council want to legalize limited equity cooperatives?



Market Rate Cooperatives

- The 300 square foot per occupant requirement
- Parking requirements
- The EcoPass requirement
- The six-person limit
- The five-year renewal requirement
- The revocation provisions

Limited Equity Cooperatives

- Equity contribution?
- Impacts on the surrounding community?
- Parking?
- Occupancy?
- Zone districts?
- Transit?



Rental Cooperatives

- Ownership?
- Impacts on the surrounding community?
- Parking?
- Occupancy?
- Zone districts?
- Transit?
- Rent Control?

