

## Exhibit 18 | Draft Affordable Housing Plan and Agreement



## AFFORDABLE HOUSING PLAN AND AGREEMENT Lake Springs Ranch PUD

THIS AFFORDABLE HOUSING PLAN AND AGREEMENT (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, ~~2015~~2018, by and between THE BERKELEY FAMILY LLLP, a Colorado limited liability limited partnership (“Owner”), the GARFIELD COUNTY HOUSING AUTHORITY (“GCHA”), and the BOARD OF COUNTY COMMISSIONERS OF GARFIELD COUNTY COLORADO (“BOCC”).

### RECITALS

- A. Owner owns certain real property in Garfield County, Colorado that is legally described in the Planned Unit Development and Preliminary Plan approvals from the BOCC for the Lake Springs Ranch PUD, as amended (the “PUD”), under the provisions of the Garfield County Land Use and Development Code, as amended (“LUDC”), Resolution 2016-35 recorded at reception number 876660 of the real estate records of the Garfield County Clerk and Recorder and incorporated by this reference (“Development Approvals”).
- B. The Development Approvals require Owner to make available ~~for sale~~ twelve (12) affordable housing (“AH”) units pursuant to Division 3 of Article 8 of the LUDC.
- C. The Final Plat for Filing 2 of the PUD must be approved pursuant to the LUDC.
- D. Article 8 of the LUDC shall govern the AH units, including but not limited to the quantity, size, sale, ~~and~~ re-sale and rent of the units, to be ~~constructed~~ provided by the Owner, or its successors or assigns, in the PUD.
- E. This Agreement has been submitted by Owner and reviewed by the GCHA and the BOCC as part of the Final Plat Application for Filing 2 of the PUD.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Location of AH Units.** The twelve (12) AH units shall be located as set forth on the Final Plat recorded at reception number \_\_\_\_\_ of the records of the Garfield County Clerk and Recorder and incorporated by this reference.
2. **Mix of AH Units.** The number and mix of AH units has been calculated pursuant to Sections 8-102 and 8-301(A) and (B), LUDC, and is as follows:
  - 1 Bedroom Townhouse Units - 4 @ 700sf each (minimum)
  - 2 Bedroom Townhouse Units - 7 @ 950sf each (minimum)
  - 3 Bedroom Townhouse Units - 1 @ 1,200sf each (minimum)

The proposed units will be a mix of one and two-story townhomes depending on the bedroom count. The lot size for each unit will be equivalent to the footprint of the building. Each unit owner will be a member of the Lake Springs Ranch Homeowners Association and will have access to the amenities associated with common area of the PUD, as provided for in the Declaration of Covenants, Conditions, Restrictions and Easements (the “Covenants”) for the

PUD, as amended. The units will be built with exterior materials reflecting the character of the free-market homes within the PUD as defined in the Covenants and the PUD Guidelines for the PUD. Covered parking equivalent to one space per unit will also be provided. Additional on-site surface parking will also be provided in an amount equivalent to one space per dwelling unit plus one-half space per unit for guest parking.

3. **Schedule for Construction and Completion.** The schedule for construction and completion of the AH units in relation to the construction and completion of the overall development is as follows:

The project is intended to be constructed in five filings (excluding the conserved area which constitutes Filing 1), as shown on the Phasing Plan included in the Final Plat submission. The proposed affordable housing units will be constructed in accordance with the following schedule:

- Filing 2: 14 Free-market Lots x 10% = 1 AH Unit (see Para 9 below re: interim unit)
- Filing 3: 27 Free-market Lots x 10% = 3 AH Units
- Filing 4: 20 Free-market Lots x 10% = 2 AH Units
- Filing 5: 37 Free-market Lots x 10% = 4 AH Units
- Filing 6: 19 Free-market Lots (new) x 10% = 2 AH Units

4. **Categories of AH units.** The AH units are assigned the following categories pursuant to 8-302(A) of the LUDC:

- Category #1: 2 - 1 Bedroom Townhomes
- Category #2: 3 - 2 Bedroom Townhomes & 2 - 1 Bedroom Townhomes
- Category #3: 4 - 2 Bedroom Townhomes & 1 - 3 Bedroom Townhome

5. **Deed Restriction.** The initial deed restriction and agreement for these AH units has been recorded as part of the Final Plat approval, at reception number \_\_\_\_\_ of the real estate records of the Garfield County Clerk and Recorder, incorporated by this reference.

6. **Security.** Security for construction of these units is incorporated in the Improvements Agreement for the PUD and Subdivision, recorded at reception number \_\_\_\_ of the records of the Garfield County Clerk and Recorder and incorporated by this reference.

7. **AH Guidelines.** The Affordable Housing Guidelines (Guidelines) set forth in Division 4 of Article VIII of the LUDC, as amended, shall apply to the AH units. The GCHA is responsible for administering many of the provisions under Division 4 of Article VIII of the LUDC and the Owner agrees to cooperate with the GCHA as necessary to ensure compliance with the Guidelines. The Owner will work in cooperation with the GCHA to complete the initial sale of the affordable housing units within the PUD and will provide the GCHA with necessary marketing materials 120 days prior to the estimated completion of any affordable housing units. The Owner will hold at least one open house prior to the lottery for the sale of the units. The Owner understands and agrees that future resale of the units will be handled by the GCHA in accordance with the Guidelines.

8. **Homeowner Association Dues.** Homeowner Association (“HOA”) dues for AH units shall be prorated as compared to HOA dues owed by market rate lot owners. HOA dues for AH units shall be prorated by either average lot size or average unit size in comparison to market rate

lots and/or units, whichever results in the lower cost for the AH units, or by a formula proposed by the applicant and approved by the GCHA and the BOCC. If prorated HOA dues are not possible, then the HOA dues for AH units shall be a maximum of 75 percent of the HOA dues owed by market rate unit owners.

9. Interim Rental Unit for Filing 2. As an interim solution for providing the required affordable housing unit associated with Filing 2, the Owners will deed restrict an existing dwelling unit located on the Lake Springs Ranch property, subject to an inspection of the unit by the Garfield County Building Department and a finding that the unit meets building code requirements and is safe for occupancy. If, for any reason, Filing 2 is not developed, no affordable housing unit will be required and the existing cabin will not be deed restricted. The deed restriction will specify that the existing cabin can only be used as a rental affordable housing unit subject to the requirements and limitations of Article VIII of the LUDC and that it will be managed by the GCHA. The deed restriction will include a provision stating that the restrictions on the cabin will only be lifted when a permanent replacement unit has been completed and is certified for occupancy by Garfield County. The permanent unit will be a one-bedroom for-sale townhome to be constructed on Tract A of the PUD. The existing cabin is a one-bedroom unit, containing 600 square feet and meets all requirements for an affordable housing unit pursuant to Article VIII of the LUDC. The interim unit will be rented at the Category 2 level. The permanent unit will also be a Category 2 unit and will represent one of the two Category 2 townhomes identified in Section 4 (Categories of AH Units) of this Agreement. The deed restriction for the cabin will be executed at the time of building permit submission for the first lot to be developed in Filing 2.

Pursuant to Section 8-201.A.7 of the LUDC, this paragraph includes additional guidelines to address details for the administration and on-going affordability for the interim rental unit. Rental of the interim unit will comply with Sections 8-404.C (2 through 5) and 8-404.E of the LUDC. However, the lease term for the interim unit will differ from Section 8-404.C.4 as follows; the maximum rental period will be 1 year. In addition, the lease for the interim unit will include a provision clarifying the lease can be terminated with 3-months' notice when the permanent unit has been completed and approved for occupancy. The Owner may elect to continue to rent to the current occupant of the interim unit once the permanent unit has been approved for occupancy, and the deed restriction on the interim unit has been lifted, but would be under no obligation to do so and would no longer be bound the limitations of Article VIII of the LUDC. The rental rate for the interim unit will be set by the GCHA pursuant to the considerations identified in Section 8-404.E of the LUDC and input from the Owner. The rental rate will not be allowed to be raised during the initial lease period. The rental rate may be raised by the Owner when the lease is renewed but the increase may not exceed the annual percentage change for rent of a primary residence based on the Consumer Price Index for the Denver-Boulder-Greeley area.

8.10. Modifications. This Agreement may be amended only with the approval and written consent of all parties hereto.

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the day and year first above written.

**BOARD OF COUNTY COMMISSIONERS  
GARFIELD COUNTY, COLORADO**

**ATTEST:**

\_\_\_\_\_  
Clerk to the Board

By: \_\_\_\_\_  
Chairman

Date: \_\_\_\_\_

**OWNER**

**BERKELEY FAMILY LLLP**

By: \_\_\_\_\_  
Miriam Berkeley, General Partner

Date: \_\_\_\_\_

STATE OF \_\_\_\_\_ )

) ss

COUNTY OF \_\_\_\_\_ )

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, ~~2015~~2018, by Miriam Berkeley, as General Partner for the Berkeley Family LLLP, a Colorado limited liability limited partnership.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

**GARFIELD COUNTY HOUSING  
AUTHORITY**

By: \_\_\_\_\_  
Authorized Signatory

Date: \_\_\_\_\_

STATE OF \_\_\_\_\_ )

) ss

COUNTY OF \_\_\_\_\_ )

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, ~~2015~~2018, by \_\_\_\_\_, an authorized signatory for the Garfield County Housing Authority, a Colorado quasi-governmental agency.

WITNESS my hand and official seal.

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Notary Public

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