

FIRST READING: September 17, 2019

SECOND READING: October 1, 2019

ORDINANCE NO. 6343

**AN ORDINANCE TO AMEND THE UNIFORM DEVELOPMENT CODE
TO MODIFY AFFORDABLE HOUSING DEED RESTRICTIONS**

WHEREAS, City Council for the City of Loveland, Colorado (the “City Council”) recognized the growing demand for affordable housing and designated one and a quarter percent (1.25%) of the City’s net sales tax to be collected for the provision of affordable housing; and

WHEREAS, City Council directed these tax funds to go to the Community Housing Development Fund as articulated in title 18.16.05.02 of the City’s Municipal Code; and

WHEREAS, the City Code requires that no certificate of occupancy shall be issued for any building for which a fee waiver is granted unless a deed restriction is executed and recorded for such property; and

WHEREAS, the Uniform Development Code (“UDC”) replaced prior versions of the Code and became effective November 20, 2018, and

WHEREAS, there is a need to clarify, harmonize and update certain transferred provisions; and

WHEREAS, City Council wishes to amend the Code to reduce the deed restriction duration for Community Development Block Grant projects that receive \$20,000 or less to five years; and

WHEREAS, City Council finds it in the public interest to make the following changes to the UDC.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE
CITY OF LOVELAND, COLORADO:**

Section 1. The following addition of Section 18.16.05.07(c) “Deed Restriction for Affordable Housing Units Required,” of the Uniform Development Code (“UDC”) is hereby included in the UDC because this was previously adopted by Council and existed in the municipal code and was inadvertently not included in the UDC. The section to be added is as follows:

C. “Not-For-Profit Facilities.” No certificate of occupancy shall be issued for a not-for-profit or public facility building that meets the requirements of Section 18.16.01.03, Waiver of Fees, and that obtains a fee waiver pursuant to this Section unless a deed

restriction or encumbrance has been placed on the property in a form approved by the city attorney, prohibiting the sale of the not-for-profit or public facility to any person or entity for a use that does not meet the requirements of Section 18.16.01.03, Waiver of Fees, for a period of 25 years from the date on which a certificate of occupancy was first issued for the property.

1. The deed restriction or encumbrance shall contain:

a. A provision stating that it is the intent of the parties that the respective rights and obligations set forth in the deed restriction or encumbrance shall constitute covenants, equitable servitudes, and/or liens that run with the land and shall benefit and burden any personal representatives, successors, and assigns of the parties.

b. A provision indicating that it automatically expires:

1. If title to property mortgaged by an institutional lender is transferred to the institutional lender, or to the institutional lender's successor or assign, by foreclosure or deed-in-lieu of foreclosure; or

2. 25 years after the date on which a certificate of occupancy was first issued for the property, provided there is no existing default under the deed restriction or encumbrance.

Section 2. Section 18.16.05.07(D) of the UDC is hereby amended to read as follows:

D. "Community Development Block Grant Recipients." No certificate of completion shall be issued for any Community Development Block Grant bricks/mortar recipients who receive \$20,000 or less, unless all of the following conditions are met:

1. A deed restriction or encumbrance, in a form approved by the City Attorney, is recorded against the property that includes all of the following conditions:

a. It is the intent of the parties that the restriction shall constitute covenants, equitable servitudes, and/ or lien that run with the land, and shall benefit and burden any personal representatives, successors, and assigns of the parties.

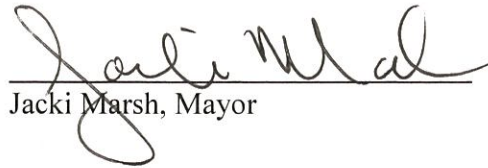
b. The deed restriction automatically expires:

1. If title to property mortgaged by an institutional lender is transferred to the institutional lender, or to the institutional lender's successor or assign, by foreclosure or deed-in-lieu of foreclosure; or

2. 5 years from the date on which the CDBG Recipient signs the City Contract accepting the funds.

Section 3. That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance also complies with C.R.S. section 31-16-204, (2019) which allows for changes or additions to a Code that has been adopted by reference such as the Uniform Development Code. This Ordinance shall be in full force and effect (10) days after publication following final adoption, as provided in City Charter Section 4-8(b).

ADOPTED this 1st day of October, 2019.


Jacki Marsh, Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



Assistant City Attorney

Ordinance 6343

I, Patti Garcia, City Clerk of the City of Loveland, Colorado, hereby certify that the above and foregoing Ordinance was introduced at a regular (or special) meeting of the City Council, held on September 17, 2019 and was initially published in the Loveland Daily Reporter-Herald, a newspaper published within the city limits, in full on September 21, 2019 and by title except for parts thereof which were amended after such initial publication which parts were published in full in said newspaper on October 5, 2019.



City Clerk

Effective Date: October 15, 2019