

Town of Rico Memorandum

Date: October 13, 2023

TO: Town of Rico Board of Trustees

From: Chauncey McCarthy

**Consideration of Proposition 123, affordable housing commitment for the Town of Rico**

Included in the packet is the draft commitment Shak Powers presented to the Board of Trustees on October 12, 2023. Communities must opt in by November 1, 2023 to be eligible for funds during 2024. The board will need to determine whether the town should opt in for 2024 or table the decision until next year. If the board decides to opt into the program the town would need to permit 1 home to be sold at or below 199,551 before the end of 2026. If this goal is not achieved, then projects and programs taking place within Rico will be ineligible for funds originating from the State Affordable Housing Fund from January 1, 2027 through December 31, 2027.

**Consideration of a letter of support for the San Juan National Forest, Dolores Ranger District grant proposal to the Colorado Parks and Wildlife**

Included in the packet is a letter of support for the San Juan National Forest, Dolores Ranger District grant proposal. The SJNF applies yearly to the CPW motorized trail grants program to fund projects for the upcoming season. Next year's projects include the East Fork Trail project and the Dozer 25 project. They are often successful in their grant applications and attribute these successes to the letters of support they receive from surrounding communities.

**Consideration of letter to San Juan National Forest to initiate a FERTA easement (for a section of Piedmont Road) to the Town of Rico**

Included in the packet is a letter to the San Juan National Forest to initiate a FERTA easement for road 54.7 that accesses Piedmont. This road was built in 1971 across forest service land without legal permission. Once the FERTA easement is approved this access issue will be resolved. The town will need to work in partnership with the Dolores County BOCC to move through this process.

**General Fund transfer from Dolores State Bank to C-SAFE Account**

The Board of Trustees discussed at the October 12 meeting transferring additional funds from the DSB checking account to our C-SAFE account. The return on investment is higher than in past years due to current interest rates. I am working on creating a policy that allows staff to transfer funds that exceed a threshold amount at the close of each quarter from our checking account to our investment account. This policy/resolution will be presented to the Board at the November meeting.

**Park and Recreation improvements grant update by FMP Consulting**

Anais Spitzer, FMP Consulting, will provide an update on the parks and recreations improvement project.

**2023/24 Rico Center Grant requests submitted by Town of Rico**

FMP Consulting has requested that the town apply for \$40,000 of funding from the Rico Center to help fund portions of the park improvements. In addition to this request the board should discuss if there are any other projects that town staff should pursue funding from this organization for.

**Voluntary lead soils clean up (“VCUP”) status**

Mayor Pieterse to provide an update on the Voluntary lead soils clean up status.

**Discussion of short-term rental owner occupied designation**

During the Board of Trustees September 20, 2023 the board requested of staff to review an owner occupied designation. After further review the owner-occupied designation brings concern. This designation conflicts with the interstate commerce law. The Fifth Circuit court ruled on an owner-occupied case in favor of the plaintiff. Yet a week after the Third Circuit dismissed a similar case. It seems like conflicting rulings may escalate this matter to the supreme court within the next year.

Most major cities in the state of Colorado have either an owner-occupied requirement or allow for both primary and non-primary resident licenses. It must be noted that these ordinances were all adopted prior to the circuit court rulings. The city of Frisco was in the process of amending their STR ordinance to address an owner-occupied designation around the time when these hearings were conducted. They decided to delay their amendment until after the hearings. In October 2022 their town council adopted a new ordinance amending their past ordinance and increasing the cap to 25% of the housing stock. It seems like this amendment did not propose an owner-occupied designation due to the ruling made in court and the uncertainty of this designation.

At this point in time, it is hard to gauge where this issue will land at a federal level. I believe the best action the town could take would be to amend the current ordinance to address the staff’s concerns and not amend any other component of the licensing requirements until there's a clear path forward. If the board agrees with this approach the first reading of Ordinance 2023-06 an ordinance of the Town of Rico, Colorado amending the short-term rental restrictions and licensing requirements in the Rico Land Use Code will be held at the November meeting. (This ordinance was discussed at the board past meetings and was included in the September 20 packet)

**Construction impact mitigation rules and regulations**

This was a topic of discussion at last month’s meeting but was continued until October. In the September packet there were examples of what other communities in the state of Colorado have adopted to help guide the conversation. That information, along with a review of past complaints during the last two construction seasons, has been used to compile a draft version of the Town of Rico Construction Rules and Regulations. These rules and regulations have been included in the packet for the Board to review. As mentioned above this is just a draft in which the board should be prepared to discuss and provide feedback and direction to staff. This will then be used as the backbone to the ordinance the Board will need to approve to adopt these rules.

## RICO TOWN BOARD MEETING MINUTES

Date: September 20, 2023

Call to Order 7:01

**Trustees Present:** Mayor Nicole Pieterse  
Mayor Pro Tem Patrick Fallon  
Trustee Joe Dillsworth  
Trustee Benn Vernadakis  
Trustee Jordan Carr  
Trustee Joe Croke  
Trustee Chris Condon (7:04)

**Trustees Absent:**

**Staff Present.** Chauncey McCarthy, Anna Wolf (zoom), Wilton Anderson (zoom)

### Approval of the Agenda

#### Motion

To approve the agenda.

**Moved by** Trustee Benn Vernadakis, seconded by Trustee Jordan Carr.

**Vote.** A roll call vote was taken and the motion was approved, 6-0. Chris Condon not present at vote.

### Approval of Minutes

#### Motion

To approve the minutes.

**Moved by** Trustee Benn Vernadakis, seconded by Trustee Joe Croke .

**Vote.** A roll call vote was taken and the motion was approved, 6-0. Chris Condon not present at vote.

### Consent Agenda

#### Payment of the Bills

Explanation of the Securities deposit return to Todd Herman.

#### Motion

To approve the payment of the bills.

**Moved by** Trustee Joe Dillsworth, seconded by Trustee Benn Vernadakis.

**Vote.** A roll call vote was taken and the motion was approved, 7-0.

### Public Comment:

Skip Zeller: Rico Land collaborative would like to take on Town clean up. Looking into a grant.

Recreational parking West Rico and Mantz Street becomes an issue. Signage to ensure snowplow and EMS access.

### **Presentations**

#### Parks and Recreation proposed budget and site plan

Christine Fischer and Anais give presentation of the budget. They explain the timing on applying for a GOCO grant. This will be a competitive grant season.

Public Comment:

Katie Contillo: brought up a letter that was signed by 19 citizens to add a tennis court that could also be used for pickle ball.

It is expressed that the grant is maxed out already and the 19 signatures out it equal with the skate park popularity. The Skate part committee has provided donations to the project.

Discussions were had on other creative solutions to get funding for a pickle ball court outside of the GOCO grant cycle.

#### Draft wastewater preliminary engineering report

Chauncey gives introduction.

Carolyn Pepin, Justin Logan, and Donsel from Bohannon Huston give presentation.

### **Action Items**

#### Consideration of Memorandum of Understanding (MOU) between Town of Rico and CDOT Regarding Signs along CO 145

Chauncey McCarthy gave summary.

### **Motion**

To approve the Memorandum of Understanding (MOU) between Town of Rico and CDOT Regarding Signs along CO 145

**Moved by** Trustee Benn Vernadakis, seconded by Trustee Joe Dillsworth.

**Vote.** A roll call vote was taken and the motion was approved, 7-0

#### Consideration of liquor license renewal for Rock Laubster LLC, DBA Mountain Top Liquor Town clerk confirms that the application is complete and compliant.

### **Motion**

To approve the liquor license renewal for Rock Laubster LLC, DBA Mountain Top Liquor

**Moved by** Trustee Joe Dillsworth, seconded by Trustee Jordan Carr.

**Vote.** A roll call vote was taken and the motion was approved, 7-0

#### Consideration of an access agreement between the Town of Rico and Atlantic Richfield Company for the purpose of sampling town rights-of-way

They Mayor gives a summary. Chauncey McCarthy gives detailed explanation of the process.

### **Motion**

To approve the liquor license renewal for Boulder City Mixology LLC, DBA Enterprise Bar and Grill

**Moved by** Trustee Joe Croke, seconded by Trustee Benn Vernadakis.

**Vote.** A roll call vote was taken and the motion was approved, 7-0

**Staff Report**Clerk's Report

Still only one petition out for the two Trustee seats. Petition is due back to the clerk's office by October 13.

Manager's Report

2024 Budget first reading needs to take place before October 15. A special meeting will be needed to comply with the State. Scheduled for October 12 at 6PM.

Shop project: The hard ceiling came back at 2 million dollars. The Trustees direct staff to move forward with the contract.

Charge Point: The gas station is interested in taking the charge point station. They are working on figuring out the logistics.

Commissioners meeting will be held in Rico on October 2<sup>nd</sup> at 10AM.

Bustang stop has moved to in front of the school. The signs have moved. Progress on a bus shelter is slow but still in the works.

**Discussion Items**Voluntary lead soils clean up ("VCUP") update

Nicole Pieterse gives summary.

Special meeting to be held either the 16<sup>th</sup> or the 23<sup>rd</sup> of October.

Lot 6 Bedrock Subdivision, BDR LLC agenda request

Jason Soules looking for the path forward to condominiumize the lots.

Due to the moratorium on subdivisions this process will have to wait for the moratorium to lift. Discussion was had on how to combine the revision process as the Bedrock subdivision has already submitted many of the documents needed for this process.

Water account online bill pay

Chauncey McCarthy gives summary. The board directs to move forward with the online bill pay process.

Proposed updates of Ordinance 2022-05 An Ordinance of the Town of Rico, Colorado establishing a licensing process for short-term rentals and amending the Rico Land Use Code to remove short-term rentals from special use permit review.

Chauncey McCarthy gives summary. The Board discussed the topic. To discuss owner occupied option in October.

Construction impact mitigation rules and regulations

Discussion was had on dividing single family residence from major developments.

Adjourn 10:29

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Anna Wolf  
Rico Town Clerk

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Nicole Pieterse  
Mayor

## **Proposition 123 - Affordable Housing Commitment**

**Use this form to file a commitment for annual increases in affordable housing to the State of Colorado, Division of Housing. Only authorized officials of county and municipal governments and tribes, or persons acting on their behalf, may submit a filing. You certify that you have the authority to submit a filing on behalf of your jurisdiction by completing this form.**

**The primary purpose of a commitment filing is to capture the intent of a jurisdiction to increase affordable housing along with the extent of its goal, and secondarily to collect supporting information on how the baseline amount of affordable housing was determined by the jurisdiction that feeds into this goal (in addition to criteria that feed into the baseline such as data sources and methods).**

**The following information will be collected in the filing of a commitment, a draft submission can be saved and returned to if you are unable to fill out all of this information in a single session:**

- **1. Set an Affordable Housing Baseline**
  - **The name of your county, municipality, or tribe**
  - **The baseline amount of affordable housing in your jurisdiction**
  - **The type of income limit used to calculate the baseline amount of affordable housing (such as the Area Median Income of your own jurisdiction, or the state household median income)**
- **2. Provide Information Supporting The Baseline**
  - **Select the data source used to calculate the baseline**
  - **Enter information on the county and household size used to determine the income limit (if applicable)**
  - **Describe the methods used to produce the baseline**
- **2.b. Justify a Petition to Use an Alternative Income Limit (not required in all cases, only when a jurisdiction calculates its baseline amount of affordable housing using the state median household income or the Area Median Income of an adjacent jurisdiction)**
  - **Describe how the alternative income limit reflects local housing and workforce needs better than the Area Median Income**
  - **Describe why the Area Median Income is inconsistent with the housing and workforce needs of your jurisdiction**
- **3. File a Commitment**
  - **Describe if and how high-density housing, mixed income housing, environmental sustainability, and the deconcentration of affordable housing will be prioritized**
  - **(Optional) List the jurisdictions that you intend to cooperate with for the purpose of collaborative affordable housing growth.**

## 1. Set an Affordable Housing Baseline

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### Enter the Name of your County, Municipality, or Tribe

[Town of Rico](#)

### Enter your baseline amount of affordable housing

6

### Income limit type used in baseline calculation

If you select the Area Median Income of an adjacent jurisdiction, or the state household median income, as your income limit type then you must submit a petition to the Division of Housing to use these alternative policy options.

[Dolores County Area Median Income](#)

## 2. Provide Information Supporting The Baseline

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Populate the following information that was used to determine your baseline amount of affordable housing:

### Select the data source for your baseline

[State provided tool.](#)

### Name of the County that Income Limit Corresponds To

[Dolores County](#)

### Income Limit Household Size

2

### Describe the methods used to produce your affordable housing baseline

The [Town of Rico](#) used the [Area Median Income](#) for their own County, [Dolores County](#) for the year 2022. The household size was set to 2. This more accurately reflects the average household size in all of [Dolores County](#) and [Rico](#). It is also a better reflection of the median income. The median household income for a family of two in [Dolores County](#) is \$62,500. With the [Baseline Assistance Tool](#) set to a family of 2, the tool shows the median income to be \$65,800. This number is close and sets the for-sale unit price so low that it will be impossible to build without the State making up the difference in construction cost with [Proposition 123](#) funds. The mortgage interest rate was set to 7.3% which reflects current lending conditions. The original setting of a 5% down payment was used. These selections yielded an affordable for sale price of \$199,551.

According to the MLS data provided by the Colorado Real Estate Network, CREN, only 1 home has sold in Rico below that amount since the beginning of the pandemic. That unit was sold in 2020. The Sale Unit Availability was set to 0.

Finally, the inflation rate was set to 100%. This adjustment was used to show both the difference in wage increases compared to price increases and a more true lack of rental units. There have not been any units at all that have actually rented at or below \$987/month for many many years in Rico.

### 3. File a Commitment

Describe if and how **high-density housing**, mixed income housing, environmental sustainability, **and the deconcentration of affordable housing will be prioritized**

The Town of Rico will try to collaborate with private developers to develop an affordable unit. Because the Town does not have a sanitary sewer system, high-density housing is not an option.

**Optional) List the jurisdictions that you intend to cooperate with for the purpose of collaborative affordable housing growth.**

*The Town will work with Dolores County and, if possible, other neighboring jurisdictions such as Montezuma County, San Miguel County, The Town of Dolores, The Town of Dove Creek, and/or the Town of Telluride.*

**I agree that the three year goal to increase affordable housing in my jurisdiction is 6, and the annualized goal is 0, based on 3% annual increases over the baseline amount of 1.**

The jurisdiction of Sample Only commits to increasing the number of affordable housing units within its territorial boundaries through the new construction or conversion of 1 affordable housing units by December 31, 2026.

This commitment may also be achieved through the new construction or conversion of affordable housing units outside of the boundaries of Sample Only, but only if a written agreement exists with that jurisdiction to so that partial credit for the achievement can be received by each jurisdiction.

If this goal is not achieved, then projects and programs taking place within my jurisdiction will be ineligible for funds originating from the State Affordable Housing Fund from January 1, 2027 through December 31, 2027.

These activities will also be ineligible if my jurisdiction does not submit information to the State of Colorado, Division of Housing evidencing achievements in annual increases, or a lack thereof. Affordable housing units may only be included for this purpose if they meet the definitions at Colorado Revised Statutes 29-32-101(2) and 29-32-105(3)(c).

If my jurisdiction does not achieve its commitment, then grantees, borrowers, or contractors operating or developing within my jurisdiction will not repay funds, or have funds deobligated from them, for the sole reason that the commitment was not achieved.



I agree with the above statements

- Yes
- No

DRAFT



**TOWN OF RICO**  
**INCORPORATED OCTOBER 11, 1879**  
**2 North Commercial Street**  
**Post Office Box 9**  
**Rico, Colorado 81332**  
**Office # 970.967.2861**  
**Fax # 970.967.2862**  
**[www.ricocolorado.gov](http://www.ricocolorado.gov)**

October 18, 2023

Tom Metsa, OHV Program Manager  
Colorado Parks and Wildlife  
13787 South Hwy 85  
Littleton, Colorado 80125

**RE: CPW Motorized Trail Grants**

Dear Mr. Metsa,

The Town of Rico Board of Trustees is pleased to support the Dolores Ranger Districts' motorized grant request to Colorado Parks and Wildlife. This year the San Juan National Forest Dolores Ranger District Motorized Trails Program will focus on three significant projects within the District:

- The East Fork Trail Project- The District proposes to hire a Southwest Conservation Corp crew for up to 8 weeks of work on the East Fork Trail located north of Rico, Colorado. The trail is a popular motorized route that ties into a number of other motorized trails such as the Calico Trail, Eagle Peak, Stoner Mesa and Priest Gulch trails as well as a number of Forest Service roads and other single-track routes. A section of the trail was formerly a two-track road, but the road was recently decommissioned to accommodate a single track, motorized trail. Proposed work includes stabilization of drainage crossings, signage, tread, and drainage repair to formalize the single-track trail into one contiguous route.
- Dozer 25 Project- This year our Dozer crew completed heavy maintenance on a variety of trails near the communities of Mancos, Dolores, and Rico. The District is requesting funds that will pay the salaries of a returning dozer operator and a swamper. This crew will focus on heavy maintenance of our motorized trail system using the District's trail dozer.
- Good Management Trail Crew 21- Beginning in 2003, the District staffed a trail crew who works on our motorized trails using funds from the motorized trail program. They are the core of our trail program who focus on the district's 220+ miles of motorized routes.

The Town of Rico has many motorized trails on public lands adjacent to our towns. Community members recreate on these lands daily and continue to advocate for reasonable and responsible motorized recreational opportunities. Recreational OHV opportunities are significant to our local economy and lifestyle. For example, dirt bike riders from around the country often frequent the Calico trail network, passing through the town as they complete their ride. During the summer and fall you often see dirt bikes parked in front of local establishments with the riders inside supporting local businesses.

It is critically important to us to protect motorized use as a valued recreational resource. The USFS Dolores Ranger District has effectively tapped into grant opportunities to help sustain the Motorized Trail program.

The USFS Dolores Ranger District has a proven track record converting funding opportunities into successful trail maintenance projects. These projects have had numerous positive impacts within our community and the surrounding area. CPW's partnership in keeping an outstanding recreational network is critical. In the face of declining federal recreational budgets and increased recreational use, CPW's financial commitment to the community is vital and greatly appreciated.

The Town of Rico strongly supports the Dolores Ranger District's Motorized Trail program and the grant request to CPW. The Dolores Ranger District has consistently demonstrated sound project management and delivered outstanding results.

Sincerely,

Nicole Y. Pieterse on behalf of Town of Rico Board of Trustees  
Mayor, Rico Colorado



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October 18, 2023

Daniel Chavez, Realty Specialist  
San Juna National Forest  
29211 CO-184  
Dolores CO, 81323

**RE: Initiate FERTA Easement for RD 54.7**

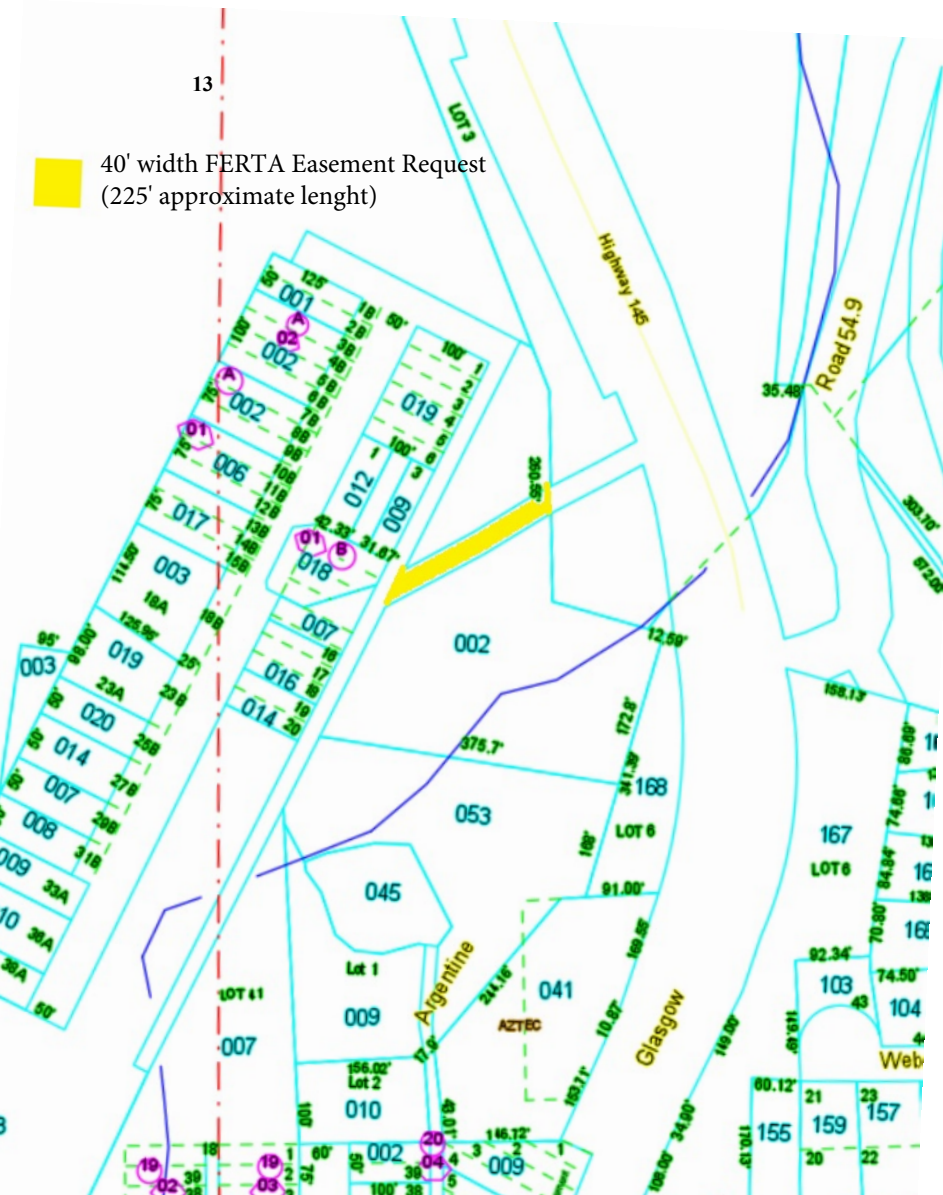
Dear Mr. Chavez,

The Town of Rico Board of Trustees in partnership with the Dolores County Board of County Commissioners would like to initiate the FERTA easement process for road 54.7 locally referred to at the Piedmont St. This road is in township 40, range 11, and is the only access from Highway 145 to the Piedmont neighborhood. Road 54.7 was constructed in 1971, services 21 homesites, and provides access to the National Forest west of the town boundary. There is one section of this road that was built across 225 feet of forest service land. The town has historically maintained this road and has utilities located within this right-of-way. The FERTA easement will ensure that residents of this neighborhood will have access to their land and utilities indefinitely. The town understands that the county will hold the easement but has offered to be the responsible party for the maintenance of this road. The town has historically maintained this road since its construction. An exhibit has been attached to this letter depicting the section of road in question.

Sincerely,

Nicole Y. Pieterse on behalf of Town of Rico Board of Trustees  
Mayor, Rico Colorado

 40' width FERTA Easement Request  
(225' approximate length)



## **Town of Rico Construction Rules and Regulations**

### **A. Purpose**

In order to ensure that any construction activity conducted within the Town is done in the most sensitive manner possible and to minimize impacts to owners and guests, the following Construction Regulations shall be enforced during the construction period. This document shall be known as the "**Construction Rules and Regulations**" and may be referred to herein as the "Regulations." Each Owner shall ensure that all construction activity that is performed on their Construction Site shall be performed in accordance with the following requirements.

### **B. Access and Parking**

Construction Vehicles shall gain access to Construction Sites only from existing roads adjacent to the Construction Sites. Parking will not be allowed, at any time, on Town roads without prior approval from the Building Official. Special safety precautions are necessary for the road including, but not limited to, safety cones, barriers and flaggers. Access and parking shall be indicated on the Construction Management Site Plan

### **C. Blasting**

No blasting shall be performed on any site without the Building Officials prior consent. Notification shall be provided a minimum of 48 hours in advance of any blasting operations. Blasting must occur only Monday - Friday between the hours of 10:00 AM and 4:00 PM. Blasting may be subject to certain restrictions, which shall be determined by the Building Official in its sole and absolute discretion, and which may vary from Site to Site.

### **D. Construction Equipment and Material Storage**

Each Owner or Owner's Representatives and their contractors shall ensure that all construction material is stored in a designated materials storage area. Such storage area shall be indicated on the Construction Management Site Plan.

### **E. Debris and Trash Removal**

Owners, Owner's Representatives, and their contractors shall be responsible debris and trash removal. The requirements are as follows:

- At the end of each day, all trash and debris on the Construction Site is cleaned up and stored in proper containers or organized piles
- All food trash must either be removed from the site at the end of each workday or bear-proof poly-cart must on-site.
- All trash and debris shall be kept off the road right of way and adjacent property at all times

### **F. Construction Hours**

Construction activity may only take place between 8:00 A.M. 6:00 P.M. Monday – Saturday

**G. Deliveries**

Construction Vehicles must obey all posted speed limits and traffic regulations within the Town. During winter months, construction and delivery trucks must be capable of traveling on snow packed roads and be equipped with chains.

**H. Fencing**

The limits of disturbance shall be fenced. The fencing shall be chain link, six feet tall and covered with green mesh fabric. Fencing shall be installed prior to the issuance of a permit and shall remain in place until final approval is given to remove. Fencing shall be indicated on the Construction Management Site Plan.

**I. Fire Protection**

At least one 10-pound ABC-rated dry chemical fire extinguisher shall be present and available on site.

**J. Prohibited General Practices**

All Owners will be responsible for the conduct and behavior of their contractors, and sub-contractors in the Town. The following practices are prohibited within the Town:

- Changing oil on any vehicle or equipment on the Construction Site;
- Allowing concrete suppliers and contractors to clean their equipment on any Town lot, roadway, right-of-way, ditch, easement, or other property;
- Removing any rocks, plant material, topsoil, or similar items from any property of others within Town;
- Using disposal methods or units other than those approved by the Town;
- Working before or after the scheduled construction hours;
- Driving trucks with uncovered loads the in the Town.

**K. Roadway Maintenance**

Owners and their contractors and sub-contractors shall keep all Town roads and road rights-of-way free and clear of all materials, rubbish, and debris resulting from Owner's Construction Activity and shall repair and revegetate any damage to roads, road rights-of way, landscaping, and other streetscape improvements within the Town caused by Construction Vehicles used in connection with Owner's Construction Activity. Contractors must keep the Site driveway and all adjacent roads clean from dust, dirt, mud, and debris.

**L. Dust and Mud**

Daily mitigation required. Water shall be on site to prevent dust.

**M. Sanitary Facilities**

On-Site, enclosed, chemical toilets must be available at all times when Construction Activity is taking place on a Construction Site. Chemical toilets shall be screened from view and shall be located so as to minimize any adverse impacts on adjacent lots. In no instance shall chemical toilets be placed within any road right-of-way or on the road. Location of sanitary facilities shall be indicated on the Construction Management Site Plan

**N. Signage**

One temporary construction sign not to exceed 20 square feet overall shall be located on the Site fencing and shall be easily visible from the adjacent roadway. The sign must conform generally to the layout shown below with only the name, address and telephone number of the developer, architect, contractor, and location. All information listed must be shown in uniform type style and color.

<p style="text-align: center;"><b>PROJECT LOCATION</b> Building Permit # Developer/Owner: [Name and Phone #] Architect: [Name] Contractor: [Name]</p>
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