ORDINANCE NO. 1 AN ORDINANCE AMENDING TITLE 4 "LICENSES AND PERMITS BY 2 ADDING A NEW SECTION 4-20-69 "COOPERATIVE HOUSING LICENSE 3 FEE," AMENDING TITLE 9 "LAND USE CODE" BY AMENDING TABLE 9-6-1 TO MAKE COOPERATIVE HOUSING AN ALLOWED USE IN 4 CERTAIN ZONE DISTRICTS, BY AMENDING SECTION 9-6-3, ELIMINATING THE REQUIREMENT OF A SPECIAL USE PERMIT FOR 5 COOPERATIVE HOUSING, AMENDING TITLE 10 "STRUCTURES" BY ADDING Α NEW CHAPTER 11 "COOPERATIVE HOUSING" 6 **ESTABLISHING** REQUIREMENTS FOR LICENSING HOUSING COOPERATIVES AND SETTING FORTH RELATED DETAILS. 7 BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, 8 COLORADO: 9 **Section 1.** A new section 4-20-69 is added as follows: 10 11 4-20-18. – Cooperative Housing License Fee. 12 The following fees shall be paid before the city manager may issue a rental license or 13 renew a rental license: 14 (a) \$105 per license or renewal. 15 (b) To cover the cost of investigative inspections, the city manager will assess to 16 licensees a \$250 fee per inspection, where the city manager has performed an investigative 17 inspection to ascertain compliance with or violations of chapter 10-11 "Cooperative Housing," 18 B.R.C. 1981. 19 **Section 2.** Table 9-6-1 is amended as set forth in an attachment A. 20 **Section 3.** Section 9-6-3(b) is repealed and subsequent sections are renumbered. 21 **Section 4.** Section 9-8-5 is amended as follows: 22 9-8-5. - Occupancy of Dwelling Units. 23 24 25

- (a) General Occupancy Restrictions: Subject to the provisions of Chapter 10-2, "Property Maintenance Code," B.R.C. 1981, no persons except the following persons shall occupy a dwelling unit:
- (1) Members of a family plus one or two roomers. The quarters that the roomers use shall not exceed one-third of the total floor area of the dwelling unit and shall not be a separate dwelling unit;
 - (2) Up to three persons in P, A, RR, RE, and RL zones;
- (3) Up to four persons in MU, RM, RMX, RH, BT, BC, BMS, BR, DT, IS, IG, IM, and IMS zones; or
- (4) Two persons and any of their children by blood, marriage, guardianship, including foster children, or adoption.
- (b) Accessory Dwelling Unit, Owner's Accessory Unit, or Limited Accessory

 Dwelling Unit: The occupancy of an accessory dwelling unit, owner's accessory unit, or limited accessory dwelling unit must meet the requirements of Subsection 9-6-3(a), B.R.C. 1981.
- (c) Nonconformity: A dwelling unit that has a legally established occupancy higher than the occupancy level allowed by Subsection (a) of this section may maintain such occupancy of the dwelling unit as a nonconforming use, subject to the following:
- (1) The higher occupancy level was established because of a rezoning of the property, an ordinance change affecting the property, or other city approval;
- (2) The rules for continuation, restoration, and change of a nonconforming use set forth in Chapter 9-10, "Nonconformance Standards," B.R.C. 1981, and Section 9-2-15, "Use Review," B.R.C. 1981;

Cooperative housing unit means a dwelling unit in a Private Equity, Limited Equity or Rental Cooperative.

Cooperative Housing Organization means an organization recognized by the city manager as having experience and expertise in the formation, operation and organization of cooperative housing units.

Limited equity cooperative means a cooperative operating on a property owned in part by its occupants. A not-for-profit corporation may own an interest in the property.

Not-for-Profit Rental Cooperative means a rental cooperative owned by a corporation registered with the United States government pursuant 26 U.S.C. § 501(c)(3).

Private equity cooperative means a cooperative operating on a property owned jointly by the residents of the cooperative.

Rental cooperative means a cooperative in which the some or all of the residents do not have an ownership interest in the property in which the cooperative operates.

<u>Section 7</u>. A new Chapter 10-11 is added as follows:

Chapter 11 Cooperative Housing

10-11-1. Legislative Intent

The City Council intends to facilitate cooperative living arrangements. The Council finds that cooperative living arrangements can provide an affordable alternative for living in Boulder. In addition, cooperative arrangements can provide supportive and fulfilling community for their residents. The City Council seeks to balance the benefits of cooperative living against the impacts from the increased density that comes along with cooperative living. The City Council also is concerned about cooperatives competing in a tight housing market with families seeking single family homes.

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No person shall occupy, allow, or offer to allow through advertisement or otherwise, any person to occupy any cooperative housing unit unless the cooperative housing unit has been issued a valid cooperative housing license by the city manager.

10-11-3. – Cooperative Housing Licenses.

- (a) License terms shall be as follows:
- (1) Licenses shall expire four years from issuance or when ownership of the licensed property is transferred.
- (A) In addition to any other applicable requirements, new licenses and renewals shall require that the licensee submit to the city manager a completed current baseline (for a new license) or renewal inspection report, on forms provided by the City. The report shall satisfy the following requirements:
- (i) The section of the report concerning fuel burning appliances must be executed by a qualified heating maintenance person certifying compliance with those portions of Chapter 10-2, "Property Maintenance Code," B.R.C. 1981, for which the report form requires inspection and certification.
- (ii) The section of the report concerning smoke and carbon monoxide alarms must be executed by the operator certifying that the operator inspected the smoke and carbon monoxide alarms in the licensed property and that they complied with the requirements of Chapter 10-2, "Property Maintenance Code," B.R.C. 1981.
- (iii) The section of the report concerning trash removal must be executed by the operator certifying that the operator has a current valid contract with a commercial trash hauler

for removal of accumulated trash from the licensed property in accordance with Subsection 6-3-3(b), B.R.C. 1981.

- (b) Whenever an existing license is renewed, the renewal license shall be effective from the date of expiration of the last license if the applicant submits a complete renewal application by or within ninety days from the expiration date. Licenses not renewed within ninety days will be considered expired, requiring a new baseline inspection report.
- (c) The city manager shall issue no more than fifteen new cooperative housing licenses in any calendar year. Such licenses shall be allocated as follows:
 - (1) No more than five licenses for limited equity cooperatives;
 - (2) No more than five licenses for private equity cooperatives;
 - (3) No more than five licenses for not-for-profit rental cooperatives;
 - $(\underline{43})$ No more than five licenses for rental cooperatives; and
- (54) If an application for a cooperative housing unit exceeds the limits set forth in this subparagraph (c), the city manager will place the applicant on a waiting list. Applicants on the waiting list shall be given priority for consideration of applications in the next calendar year.
 - (d) Cooperative housing licenses shall be limited to the following concentrations:
- (1) Neighborhood Area: In the RL-1, RL-2, RE, RR-1, RR-2, A or P zoning districts, no more than ten percent of the single-family lots or parcels in a neighborhood area contain a cooperative housing unit. For the purpose of this subparagraph:
- (i) The "neighborhood area" in RL-1, RL-2 and P zoning districts is the area circumscribed by a line three hundred feet from the perimeter of the lot line within which any cooperative housing unit will be located.

- (ii) The "neighborhood area" in RE, RR-1, RR-2 and A zoning districts is the area circumscribed by a line six hundred feet from the perimeter of the lot line within which any accessory dwelling unit will be located.
- (iii) If an application for a cooperative housing unit exceeds the ten percent requirement set forth in this subparagraph (a)(2)(A), the city manager will place the applicant on a waiting list for the neighborhood area. At such time as there is room for an additional cooperative housing unit within a neighborhood area, the city manager will notify the first eligible person on the waiting list. Such person on the waiting list shall be required to provide notice of intent to file an application within thirty days and file an application within sixty days of such notice.

10-11-4. - License Application Procedure for Cooperative Housing Licenses.

- (a) Only the fee simple owners of the property on which the cooperative is to be located may be an applicant for a cooperative housing license. If there are multiple fee simple owners, all owners must apply. A prospective tenant may, with the written authorization of all fee simple owners, apply for conversion of a valid rental license to a cooperative housing license.
 - (b) Every applicant for cooperative housing license shall submit the following:
- (1) A written application for a license to the City, on official city forms provided for that purpose, at least thirty days before occupancy of the property including:
- (A) A housing inspector's certification of baseline inspection dated within twelve months before the application. The applicant shall make a copy of the inspection form available to city staff and tenants of inspected units within fourteen days of a request; and

- (B) A report on the condition and location of all smoke and carbon monoxide alarms required by chapter 10-2, "Property Maintenance Code," B.R.C. 1981, made and verified by the applicant; and
- (C) A trash removal plan meeting the requirements of subsection 6-3-3(b), B.R.C. 1981, made and verified by the applicant.
- (D) A parking management plan meeting the requirements of subsection 10-11-11,B.R.C. 1981, made and verified by the applicant.
- (E) A certificate from a Cooperative Housing Organization certifying that the applicant is a valid housing cooperative. Such certificate shall be issued if the applicant meets specified pre-established criteria. The Cooperative Housing Organization shall make available publically the criteria before considering any applications.
- (c) Pay all license fees prescribed by section 4-20-69, "Cooperative Housing Fee," B.R.C. 1981, at the time of submitting the license application.
- (d) Take all reasonable steps to notify any occupants of the property in advance of the date and time of the inspection. The applicant shall be present and accompany the inspector throughout the inspection, unlocking and opening doors as required.

10-11-5. - License Renewal Procedure for Cooperative Housing Units

Every licensee of a cooperative housing unit shall follow the procedures in this section when renewing an unexpired license:

- (a) Pay all license fees prescribed by section 4-20-69, "Cooperative Housing Fee,"B.R.C. 1981, before the expiration of the existing license.
 - (b) Submit to the city manager, on forms provided by the manager:

- (1) A housing inspector's certification of renewal inspection within twelve months before application. The applicant shall make a copy of the inspection form available to city staff and residents of inspected units within fourteen days of a request;
- (2) A report on the condition and location of all smoke and carbon monoxide alarms required by chapter 10-2, "Property Maintenance Code," B.R.C. 1981, made and verified by the operator; and
- (3) A trash removal plan meeting the requirements of subsection 6-3-3(b), B.R.C. 1981, made and verified by the operator.
- (4) A parking management plan meeting the requirements of subsection 10-11-11,B.R.C. 1981, made and verified by the applicant.
- (c) Take all reasonable steps to notify in advance all residents of the property of the date and time of the inspection. The operator shall be present and accompany the inspector throughout the inspection, unlocking and opening doors as required.

10-11-6. - Temporary License.

If the inspection shows that there are violations of chapter 10-2, "Property Maintenance Code," B.R.C. 1981, in the building, and the applicant cannot correct the deficiencies before the housing is to be occupied (in the case of a new cooperative housing unit) or the existing license expires (in the case of a renewal), the applicant may apply, on forms specified by the city manager, for a temporary license. If the manager finds, based on the number and severity of violations, that such a temporary license would not create or continue an imminent health or safety hazard to the public or the occupants, the manager may issue a temporary license. The manager shall specify the duration of the temporary license, for a period reasonably necessary to make the needed repairs and changes. Upon receipt of an additional certificate of inspection

showing correction of the deficiencies, and an additional housing license fee, the manager shall issue the cooperative housing license.

10-11-7. - License Appeals.

Any applicant denied a temporary license, or aggrieved by the period of time allowed for correction, may appeal the denial or the time for correction, or both, as provided in section 10-2-2, section 111 "Means of Appeal," B.R.C. 1981. As to an appeal of the time reasonably required to correct a violation, the board shall either affirm the city manager's originally prescribed time or grant a longer time to correct the alleged violation.

10-11-8. - Time of License Expiration.

Every rental license expires upon the earliest of the following dates:

- (a) The expiration date on the license unless temporary authority is allowed under section 10-11-6, "Temporary License," B.R.C. 1981, of this chapter;
- (b) The effective date of any order or notice to vacate the property issued under any provision of law;
- (c) The expiration of the temporary certificate of occupancy for the property if a permanent certificate of occupancy has not been issued; or
 - (d) The revocation of the certificate of occupancy for the property.

10-11-9. - License Fees.

Applicants for any cooperative housing license, and applicants renewing an existing cooperative housing license, shall pay the license fees prescribed by section 4-20-69, "Cooperative Housing Fee," B.R.C. 1981, upon submission of any license application.

10-11-10. - Availability of License.

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available to anyone within seventy-two hours of receiving a request. Posting of a cooperative housing license at the property is not required.

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10-11-11. – Parking Management Plan Required.

Each applicant for a cooperative housing license shall prepare a parking management plan. Approval of any such plan shall be a condition of issuance of any cooperative housing license. The plan shall be designed to limit the number of automobiles associated with the property parked in the public right of way to no than fourthree vehicles per license. An agreement by the licensee to require that all residents have a local bus pass with the Regional Transit District may be included in such a plan, but is not required.

No person who holds a cooperative housing license shall fail to make the rental license

10-11-12. — Compatibility with Neighborhoods.

Each cooperative shall at all times maintain compatibility with the neighborhood in which the cooperative is located. The licensee shall take all reasonable steps to reduce excessive parking on the public right of way and noise, trash and weeds on the property. A cooperative may be considered incompatible with the neighborhood if the city manager receives multiple complaints relating to parking on the public right of way, noise, trash or weeds in any twelve month period. Complaints from a single person shall not be sufficient to cause a property to be incompatible with the neighborhood. Prior to making any determination that a cooperative is not compatible with the neighborhood, the city manager shall provide written notice to the licensee and encourage the licensee to address the complaints with the residents of the neighborhood.

10-11-13. – Limitation on rent.

As a condition of issuance of any cooperative housing license for a rental cooperative, the applicant shall agree to limit each cumulative rent for the entire property to no more than one

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hundred and ten percent of the average rent for a similar property in the city of Boulder. that which is affordable to households earning no more than the average median income ford families in the city of Boulder. The city manager shall, by rule, establish such maximum rents based on the number of bedrooms using the Colorado Division of Housing's Metro Denver Area Residential Rent and Vacancy Survey. and Finance Authority Income and Rent Tables or another substantially similar resource.

10-11-14. - City Manager May Order Premises Vacated.

- (a) Whenever the city manager determines that any cooperative housing unit is in violation of this chapter or of chapter 10-2, "Property Maintenance Code," B.R.C. 1981, and has caused a summons and complaint requiring the licensee to appear in municipal court to answer the charge of violation to issue, and the summons cannot be served upon the licensee despite reasonable efforts to do so, or, having been served, the licensee has failed to appear in the municipal court to answer the charges or at any other stage in the proceedings, or, having been convicted or entered a plea of guilty or no contest, the licensee has failed to satisfy the judgment of the court or any condition of a deferred judgment, then the city manager may, after thirty days' notice and an opportunity for a hearing to the residents and the licensee, require that the premises be vacated and not be reoccupied until all of the requirements of the Property Maintenance Code and the cooperative housing code have been satisfied and a cooperative housing license is in effect. No person shall occupy any cooperative housing unit after receiving actual or constructive notice that the premises have been vacated under this section.
- (b) Any notice required by this section to be given to a licensee is sufficient if sent by first class or certified mail to the address of the last known owner of the property as shown on the records of the Boulder County Assessor as of the date of mailing. Any notice to a resident

required by this section is sufficient if sent by first class or certified mail to or delivered to any occupant at the address of the premises and directed to "All Residents."

(c) The remedy provided in this section is cumulative and is in addition to any other action the city manager is authorized to take.

10-11-15. - Administrative Remedy.

- (a) If the city manager finds that a violation of any provision of this chapter or Chapter 10-2, "Property Maintenance Code," B.R.C. 1981, exists, the manager, after notice to the operator and an opportunity for hearing under the procedures prescribed by Chapter 1-3, "Quasi-Judicial Hearings," B.R.C. 1981, may take any one or more of the following actions to remedy the violation:
 - (1) Impose a civil penalty according to the following schedule:
- (A) For any violation in the following areas: the area south of Arapahoe Avenue, north of Baseline Road, east of 6th Street and west of Broadway; the area south of Baseline Road, north of Table Mesa Drive, east of Broadway and west of U.S. Route 36 and the area south of Canyon Boulevard, north of Arapahoe Avenue, west of Folsom Street and east of 15th Street:
 - (i) For the first violation of the provision, \$500.00;
 - (ii) For the second violation of the same provision, \$750.00; and
 - (iii) For the third violation of the same provision, \$1,000.00;
 - (B) For a violation in any other area:
 - (i) For the first violation of the provision, \$150.00
 - (ii) For the second violation of the same provision, \$300.00; and
 - (iii) For the third violation of the same provision, \$1,000.00;

- (2) Revoke the cooperative housing license; and
- (3) Issue any order reasonably calculated to ensure compliance with this chapter and Chapter 10-2, "Property Maintenance Code," B.R.C. 1981.
- (b) If notice is given to the city manager by the licensee at least forty-eight hours before the time and date set forth in the notice of hearing on any violation, other than a violation of section 10-11-12 "Compatibility with Neighborhoods," B.R.C. 1981, that the violation has been corrected, the manager will re-inspect the cooperative housing unit. If the manager finds that the violation has been corrected, the manager may cancel the hearing.
- (c) If notice is given to the city manager by the licensee at least forty-eight hours before the time and date set forth in the notice of hearing on any violation of section 10-11-12 "Compatibility with Neighborhoods," B.R.C. 1981, that the licensee has scheduled a community mediation with concerned neighbors, the manager may continue the hearing until the manager receives a report regarding the conclusion of the mediation. If after reviewing a community mediation report, if the city manager is satisfied that the cooperative housing unit meets the requirements of section 10-11-12 "Compatibility with Neighborhoods," B.R.C. 1981, the city manager may dismiss any pending complaint.
- (d) The city manager's authority under this section is in addition to any other authority the manager has to enforce this chapter, and election of one remedy by the manager shall not preclude resorting to any other remedy as well-, provided however, the city manager shall not seek criminal penalties for any violation of this chapter.
- (e) The city manager may, in addition to taking other collection remedies, certify due and unpaid charges to the Boulder County Treasurer for collection as provided by Section 2-2-

12, "City Manager May Certify Taxes, Charges and Assessments to County Treasurer for Collection," B.R.C. 1981.

(f) To cover the costs of investigative inspections, the city manager will assess operators a \$250.00 fee per inspection, where the city manager performs an investigative inspection to ascertain compliance with or violations of this chapter.

10-11-16. Criminal Penalty.

- \$500.00 and not more than \$2,000.00 per violation, or incarceration for not more than ninety days in jail, or both such fine and incarceration. In addition, upon conviction of any person for violation of this chapter, the court may issue a cease and desist order and any other orders reasonably calculated to remedy the violation. Violation of any order of the court issued under this section is a violation of this section and is punishable by a fine of not more than \$4,0000.00 per violation, or incarceration for not more than ninety days in jail, or both such fine and incarceration.
- (b) It shall be a condition of any deferred prosecution or deferred or suspended sentence under this chapter that the defendant commit no violations of this chapter for at least one year from the date of such deferred prosecution or deferred or suspended sentence.
- (c) Notwithstanding subsection (a) of this section, the following specific sentencing considerations shall apply to fines imposed for violations:
- (1) The court shall consider any evidence presented by the defendant that a potential fine would be confiscatory. A confiscatory fine is a fine that would deprive a normally capitalized owner of the ability to continue operating a rental housing business of the sort involved in the case before the court. No fine that is confiscatory shall be enforced by the court.

- (2) In imposing a fine in any single case or in any consolidated cases, the court may weigh all factors normally and properly considered in connection with the imposition of fines, including the seriousness of the violation, the past record of the defendant, the economic circumstances of the defendant and all mitigating or aggravating factors relevant to the violation or to the defendant. In addition, in determining the amount of any fine, the court may consider:
- (A) The imposition of a fine that would deprive the defendant of any illegal profit collected because of the occurrence of the violation or violations on the rental housing property;
- (B) The imposition of a reasonable penalty in addition to any level of fine that is attributable to illegally obtained profit; and
- (C) The imposition of such additional fine as is determined by the court to constitute a reasonable amount to be suspended in order to ensure compliance with any terms of probation imposed by the court.
- (d) No fine imposed in a single case alleging multiple dates of violation, nor any fine in consolidated cases alleging multiple days of violation, shall exceed the maximum fine that might be imposed for fifteen separate violations unless the court finds special aggravating circumstances. Where special aggravating factors are at issue, the following procedures shall apply:
- (1) The defendant shall be entitled to ten days' notice of any special aggravating factors upon which the prosecution intends to rely at the sentencing hearing or about which, based upon evidence previously presented, the court is concerned. If necessary in order to provide such notice, a defendant shall be entitled to a continuance of the sentencing hearing.

1	READ ON FIRST READIN	NG, PASSED AND ORDERED PUBLISHED BY TITL
2	ONLY this day of April 2016.	
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5		Suzanne Jones Mayor
6	Attest:	
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8	Lynnette Beck City Clerk	
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Attachment A

Zoning District	RR.1,RR.2,RE,RL.1	R L- 2, R M -2	R M - 1, R M -3	R M X- 1	R M X- 2	R H - 1, R H - 2, R H - 4, R H -5	R H - 3, R H -7	R H -6	M	M U -3	M U -1	M U -2	M U -4	B T- 1, B T- 2	B M S	B C - 1, B C -2	BCS	B R - 1, B R -2	D T- 4	D T- 5	D T- 1, D T- 2, D T- 3	I S - 1 , I S - 2	I G	I	I M S	P	A	
Use Modules	R 1	R 2	R 3	R 4	R 5	R 6	R 7	R 8	M H	M 1	M 2	M 3	M 4	B 1	B 2	B 3	B 4	B 5	D 1	D 2	D 3	1	1 2	3	1 4	Р	A	Specific Use Standard
Cooperative housing units	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	*	*	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	<u>C</u> <u>A</u>	*	*	*	*	*	*	*	*	*	*	U	U	*	*	*	9-6-3(b)