

Housing Framework

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La Plata County Colorado

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URBANrural continuum

INTRODUCTION

This Housing Framework sets out how La Plata County intends to respond to its documented housing needs. The document articulates a housing vision for La Plata County, identifies three overarching and achievable goals, and describes different strategies that can advance these goals and move the County towards its stated vision. The recommendations are anchored in the current market dynamics and the availability of resources to support new programs, and build on the collaborative work that has been a cornerstone of the housing efforts in the region.

A primary source document for this Housing Framework is the *La Plata County 3-Year Workforce Housing Investment Strategy* (3-Year Strategy), originally published in 2022 and updated in 2024. It documents years of coordinated work across the County, its municipalities, and regional partners including the Regional Housing Alliance (RHA), the Economic Development Alliance (EDA), and HomesFund, and identifies the priority strategies that work has been built around: predevelopment and gap financing, technical assistance to municipalities, employer engagement, and preservation of existing affordable stock, among others. Many of the strategies in this framework are recommendations to broaden these priorities, adapt them to the unincorporated County's specific context, or address where implementation has fallen short of what was originally envisioned.

Two companion documents, one housing agenda

This Framework is one of two documents produced as part of La Plata County's housing planning effort. It should be read alongside the *July 2026 Land Use Code Audit for Barriers to Housing*, which provides a detailed analysis of specific regulatory barriers to housing in the County's Land Use Code and recommends targeted code amendments.

Housing Framework (this document) Sets the County's policy direction, priorities, and strategic approach across four housing elements. Establishes what the County is trying to accomplish and why.	**Land Use Code Audit** Identifies specific regulatory barriers to affordable housing in the Land Use Code and recommends targeted amendments. Serves as the implementation guide for the regulatory reform strategies in Element A: Encourage the Market to Meet More of the Demand, described below.

VISION AND GOALS

In December 2025, the Board of County Commissioners (BOCC) held a goal-setting workshop that built on the work of previous housing conversations to establish the direction for this Housing Framework. The County vision and goals below reflect the priorities and feedback that emerged from that session.

Vision

La Plata County is working toward a future where housing is not a barrier to belonging here; where a teacher can afford to live in the community where they work, a couple can age in place without being priced out, and a young person starting out doesn't have to leave the County to find a home. The County cannot achieve this alone, but it can convene the right partners, remove regulatory barriers, and direct infrastructure investment toward the places where housing can realistically happen. This framework is the County's commitment to doing those things deliberately and well.

Goals

Strengthen partnerships and funding to support housing the market won't deliver.
At this time, La Plata County is not a builder, it is a convener. The County will support the RHA and other partners in delivering and preserving housing for residents at income levels not served by the market, while pursuing funding sources that stretch every public dollar.

Make it easier and less costly to build housing across the County.
Reform the Land Use Code and streamline development review so that workforce and missing-middle housing can be built with greater speed, certainty, and at a lower cost.

Invest in the infrastructure that makes housing possible.
Roads, water, and sewer are not just operational concerns. Along with topography and flood risk these factors determine where housing can realistically be built in La Plata County. The County will prioritize infrastructure investments that unlock housing opportunities near existing municipalities and services.

Missing-Middle Housing
Missing-middle housing refers to homes affordable to households who earn too much to qualify for income-restricted programs, but not enough to afford market rate options. In La Plata County, this gap is most acute for households earning between 80% and 150% of AMI, workers like teachers, healthcare staff, and tradespeople who are essential to the local economy yet increasingly priced out of the housing market.
Note that "missing-middle" also commonly describes moderate-density housing forms such as duplexes and townhomes.

The goals advanced by each strategy are listed below each strategy's description.

WHAT THE DATA TELL US

La Plata County faces a significant and growing housing shortage. The *2025 La Plata County Housing Needs Assessment* (HNA) found that more than 3,200 units are needed County-wide over the next decade, to address overcrowding among current residents and accommodate projected household growth. The rental market is severely undersupplied for households earning below 50% of area median income (AMI), and a two-person household today needs to earn nearly 250% AMI to afford the median-priced home. These conditions are affecting the County's ability to attract and retain the workforce its economy and community services depend on.

County-Wide Gaps

The most acute County-wide gap is in the rental market for households below 50% AMI, where there is a shortage of 964 units. Nearly 1,500 renter households (22% of all renters) earn below 30% AMI but only 795 units are affordable to them, a gap of 652 units at that income tier alone. Households priced out of affordable rentals are "renting up," crowding out supply for those earning up to 60% AMI.

In the for-sale market, affordability gaps are concentrated below 150% AMI (~$120,000 annual income as of 2024): 68% of renter households earn below 100% AMI, yet only 8% of recent home sales were priced within their reach (under $255,000). A two-person household currently needs an income of 246% AMI to afford the median-priced home. Future needs are similarly skewed, of the 2,954 units needed by 2034, the market is expected to deliver ownership units above 150% AMI and rentals above 80% AMI without public assistance; everything below those thresholds will require subsidy or affordable housing production. Additionally, 45 transitional/supportive housing units are needed for chronically homeless residents, and 19% of all new units should be accessible given the County's disability rate.

Unincorporated Area Gaps

Unincorporated La Plata County accounts for 26% of County jobs and is expected to absorb 747 of the 2,871 new households projected by 2034, requiring 903 total units (137 to address current overcrowding and 767 to accommodate projected growth, including vacancy allowances), the second-largest share after Durango. Current catch-up needs in unincorporated areas are concentrated at 0–50% AMI for renters (similar to the County overall) and at higher income tiers for owners, reflecting overcrowding patterns. Infrastructure costs present a distinct barrier in unincorporated areas: unlike incorporated municipalities, developers bear full responsibility for roads, water, and utilities, making affordable project economics particularly difficult. The assessment notes that targeted public investment in infrastructure will be critical to catalyze residential development in unincorporated areas.

Updated Median Income and Housing Cost Data

Median Income for a 2-person household:

$91,800

Median home price:

$707,750

Source: 2026 Colorado Housing and Finance Authority's Rent and Income Limits, Durango Area Association of Realtors 2026 1st Quarter MLS Data Statistics

PROPOSITION 123 POLICY CONTEXT

Colorado's Proposition 123 (Prop 123) is a 2022 voter-approved statewide ballot measure that dedicates a portion of state sales tax revenue to affordable housing programs, giving participating local jurisdictions access to that funding in exchange for voluntarily committing to specific annual increases in their affordable housing stock and to expedited review processes for qualifying affordable housing developments. All four incorporated jurisdictions have opted into the Prop 123 program. The original commitments for each jurisdiction are listed below.

Jurisdiction	Initial Unit Commitment	Target Completion Year	Units Completed as of June 2026
Unicorp. La Plata County	108	2026	125
Durango	184	2026	170
Bayfield	13	2026	14
Ignacio	14	2026	21

In 2026, the Colorado State Legislature passed a bill that replaced the previous flat 3% annual affordable unit growth requirement with a formula tied to each jurisdiction's recent permitting history and local job growth relative to the statewide median. While La Plata County's strong economic activity suggests its jurisdictions would face a moderately demanding multiplier under the new formula, the more consequential shift may be the introduction of a formal Adjustment Waiver process beginning with the 2027–2029 three-year cycle.

Jurisdictions that can demonstrate that annual increases in affordable units are unattainable may apply for a reduced target, provided they have implemented an expedited development approval process and can document the constraints they face. Critically, a local housing needs assessment completed within the past three years qualifies as supporting evidence, meaning the 2025 HNA could serve as a cornerstone of any waiver application. **This pathway is particularly relevant for unincorporated La Plata County, where the HNA itself identifies infrastructure costs as the primary barrier to residential development, and where geographic and service-capacity constraints are well-documented.**

Beyond the waiver process, HB 26-1313 also formalizes a regional collaboration credit that could reshape how unincorporated La Plata County and its smaller jurisdictions approach affordable housing production. Under the new provisions, local governments that jointly fund an affordable housing project may each claim credit toward their individual growth requirements, proportional to their share of total funding contributed. Unincorporated La Plata County could leverage its role as a funding partner in projects sited within incorporated boundaries and receive proportional credit in return. Together, the Adjustment Waiver and regional collaboration provisions offer La Plata County's jurisdictions a more flexible and realistic path to compliance.

THE COUNTY'S ROLE

Many of the strategies in this framework describe actions the County can take directly: updating regulations, adopting policies, directing capital investments. But a significant share of strategies describe the County's role as facilitator, funder, and partner rather than sole actor. The RHA, EDA, HomesFund, municipalities, and private and nonprofit developers all have essential roles in improving housing outcomes in La Plata County. The County's job is to create the conditions in which those partners can do their work effectively, and to ensure that the County's own regulatory and investment decisions are not getting in the way.

This division of labor is reflected throughout the framework. Where strategies reference existing partners and programs, the intent is not to duplicate or replace that work but to ensure the County is actively supporting and amplifying it.

HOW TO USE THIS FRAMEWORK

This framework is structured across four elements to span the full range of housing need identified in the 2025 Housing Needs Assessment, rather than concentrating on a single income tier or specific incentives and regulations.

A. **Encourage the Market to Meet More of the Demand** addresses the largest single share of unmet need, for-sale and missing-middle housing the market can produce once regulatory and infrastructure barriers are removed.
B. **Support More Households in Accessing Market Rate Homes** targets households who could afford market-rate housing with some assistance, closing that gap through down payment help, rental assistance, and shared housing rather than new construction.
C. **Protect Against Displacement and Poor Housing Conditions** addresses the risk of losing existing affordable housing and displacing vulnerable residents, work the framework treats as equally important to adding new supply.
D. **Create and Preserve Dedicated Affordable Housing Units** reaches the deepest affordability tiers that require public subsidy or deed restriction because the market will not otherwise produce them.

Together, the four elements ensure that no income tier or housing need identified in the assessment is left without a corresponding strategy.

The County has limited staff capacity, a constrained budget, and a political environment that requires careful sequencing of more complex or controversial changes. This framework is intended to be used strategically, not all at once. The goal is to make consistent, meaningful progress over time, building on early wins to develop the political will and institutional capacity for harder work.

Framework Elements	A. **Encourage the market to meet more of the demand**	B. **Support more households in accessing market rate homes**	C. **Protect against displacement and poor housing conditions**	D. **Create and preserve dedicated affordable housing units**
Strategies	1. Adopt a map of identified priority housing areas and pair with the selected method of reducing the process for housing 2. Align capital investment with priority housing areas 3. Coordinate with municipalities at the urban-rural fringe 4. Modernize the Land Use Code to remove barriers to housing 5. Streamline a County-wide ADU policy and support program	1. Support and promote down payment and purchase assistance programs 2. Support tenant-based rental assistance for workforce households 3. Revive and scale Southwest Home Share 4. Promote employer-assisted housing programs 5. Adopt short-term rental regulations to protect long-term housing supply	1. Support mobile home park preservation and resident ownership 2. Support home repair and rehabilitation for low-income homeowners 3. Strengthen housing conditions monitoring and code enforcement 4. Monitor displacement risk indicators and respond proactively	1. Implement an expedited review process for qualifying affordable housing projects 2. Purchase deed restrictions on existing affordable and workforce housing units 3. Evaluate County-owned land for affordable housing potential 4. Grow the dedicated local affordable housing fund 5. Dedicate short-term rental revenue to affordable housing

WHERE TO START

Given the breadth of this framework and the County's capacity constraints, the following near-term actions are recommended as starting points. These were selected because they are either already in progress, have a clear and immediate impact, establish foundations that other strategies depend on, or represent opportunities where the County's action can quickly unlock partner capacity.

A. 1. Adopt a map of identified priority housing areas and pair with the selected method of reducing the process for housing

A. 4 Begin targeted Land Use Code amendments — starting with process reductions for desired housing types

A. 5. Streamline a County-wide ADU policy and support program

B. 3. Revive and scale Southwest Home Share

B. 5. Design and adopt short-term rental regulations

C.1. Support mobile home park preservation and resident ownership

D. 1. Complete the expedited review process for affordable housing



ELEMENT A: ENCOURAGE THE MARKET TO MEET MORE OF THE DEMAND

The largest share of the unincorporated County's housing need, nearly 709 of the 903 units projected through 2034, is for for-sale housing, much of it at price points the market can potentially deliver if conditions are right. This element focuses on removing the regulatory and infrastructure barriers to make it easier, faster, and less expensive to build housing in the unincorporated County.

1. Adopt a map of identified priority housing areas and pair with the selected method of reducing the process for housing

Conduct a County-wide suitability analysis to identify locations in the unincorporated County where housing is most feasible: areas with existing road access, utility infrastructure or realistic extension potential, limited natural hazard exposure, and proximity to services. Formally adopt a priority housing area map through the planning process, establishing these locations as the County's preferred focus for housing growth. This map becomes the geographic foundation for regulatory streamlining, infrastructure investment, and partnership efforts with municipalities and the RHA.

This is a foundational strategy that unlocks several others: infrastructure investment alignment, overlay zoning, and developer outreach all depend on knowing where housing is most feasible.

Goals Advanced

- **Make it easier and less costly to build housing across the County**
- **Invest in the infrastructure that makes housing possible**

An initial discussion (May 2026) explored four regulatory mechanisms for designating areas where additional housing types could be permitted with reduced process. Each approach was evaluated for how much it reduces process and for whether the County or the applicant bears responsibility for identifying where it applies. Staff discussion favored the creation of a mapped overlay or floating zoning district since those approaches could let the County define both the eligible areas and significantly reduce process.

This regulatory work identified *how* housing could be unlocked in designated areas, but not yet *where*. That determination depends on the suitability analysis which should consider road access, utility infrastructure or extension potential, hazard exposure, and proximity to services. The two efforts are designed to converge: the suitability analysis produces the map, and the overlay (or whichever mechanism is ultimately selected) provides the regulatory tool that gives that map legal effect.

Next Steps

1. **Complete the suitability analysis.** Use existing map layers of growth hub locations, distance to municipalities and the Joint Planning Area, utility service availability, road classification and access, hazard overlays and combine them into a draft opportunity areas map.
2. **Bring the draft map to the BOCC.** Because designating areas is politically sensitive, staff should review draft opportunity areas with the BOCC early to confirm appetite before investing further in code drafting.
3. **Confirm the regulatory mechanism.** Use BOCC feedback and the suitability findings to choose between the overlay, floating district, or a hybrid approach (e.g., an overlay for mapped areas plus a floating district for qualifying parcels outside them).

4. **Draft code amendments.** Translate the chosen mechanism into code: allowed housing types and densities, dimensional standards, and removal of compatibility assessment and plan-compliance requirements within designated areas.
5. **Formal adoption.** Take the map and accompanying code amendments through Planning Commission review and BOCC adoption.

2. Align capital investment with priority housing areas

Explicitly incorporate housing feasibility into the County's capital improvement planning process. For County-funded road investments, evaluate whether each project enables housing production in a priority area and weight that benefit accordingly. The County does not own or operate water and wastewater systems, so applying that same lens there means working through the special districts that do: sharing the priority housing area map with them, encouraging them to weight capacity and extension decisions accordingly, and using tools like joint planning agreements, technical assistance, or County co-funding of provider-led extensions where a project would unlock housing but a district can't finance it alone. This creates an ongoing institutional mechanism, both inside the County's own capital planning and through its partnerships with infrastructure providers, for ensuring investment supports housing goals over time.

One way to bring lower cost financing to community serving projects is a targeted infrastructure bond scoped to any unbuilt, but existing subdivisions identified through the priority areas map, parcels already platted and approved, where the remaining infrastructure gap stands between entitlement and construction. This is a market-enabling tool, not a subsidy program: because these lots already carry entitlements, closing the infrastructure gap removes the one cost barrier a private developer cannot finance or design around, without requiring income restrictions or public subsidy on the housing itself. That targets the largest unmet need identified in this element directly, for-sale housing the market can deliver once the conditions are right. Financed at municipal rates well below what an individual developer could secure privately, a bond scoped to this inventory can be the difference between a site that sits vacant another decade and one a builder can move on now. Which sites go first, and whether they're still viable, is a function of the municipal coordination described in the next strategy.

Goals Advanced

- **Invest in the infrastructure that makes housing possible**

3. Coordinate with municipalities at the urban-rural fringe

Establish formal intergovernmental coordination with Bayfield and Ignacio, and reassess the intergovernmental agreement with Durango, to align land use planning, annexation policy, and utility extension at the urban-rural interface. The County's role here is to ensure that housing growth near municipalities can access municipal services rather than creating inefficient County-served development at the fringe. This coordination also supports the County's posture of directing density toward municipalities, which are better equipped to support it, while the unincorporated County focuses on enabling the types and scales of housing appropriate to its rural context.

The Durango agreement already provides real structure to build on. Any new development within the Joint Planning Area, the mapped area covering Durango's water service area, including Three Springs, Grandview, and Animas Air Park, is referred to the City for an annexation eligibility and water-service

review, and development within 400 feet of existing City water or sewer infrastructure must petition for annexation outright. That predictability matters to a market-rate builder pricing carrying costs into a project just as much as it matters to a subsidized developer chasing a funding deadline.

But the agreement is over a decade old, and its referral and annexation-review timelines predate the expedited review processes each jurisdiction has since adopted. Reassessing it with Durango should focus on making sure those timelines: the 30-day city review, the 60-day determination on public water systems, the 20-day call-up window, run concurrently with a project's expedited review rather than stacking on top of it as a separate, un-expedited clock. Without that alignment, a for-sale or missing-middle project that qualifies for fast-track review at the County or the City could still lose the time savings to an annexation referral process that was never built with a fast-track deadline in mind.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**

4. Modernize the Land Use Code to remove barriers to housing

For a developer weighing a project in La Plata County, the calculation isn't just how long the process takes, it's whether or not it is predictable. As one stakeholder put it during outreach for this framework: it comes down to the risk; if you jump through the hoops, will you get an answer at the end? In La Plata County, the honest answer today is "maybe," and that uncertainty, more than any single regulation, is why so little has been built. The County's task is to make the code produce predictable outcomes, not just faster ones.

The *July 2026 Land Use Code Audit for Barriers to Housing* reaches the same conclusion from a different angle. It found that the code's flexibility, intended to support performance-based, adaptable review, has instead often produced a process where applicants often don't know what's required until they're deep into the review process. The code requires a case-by-case analysis which adds a perceived inconsistency where subjective standards like "compatible" and "character" invite argument rather than a predictable assessment. The County should pursue the audit's eight staff-identified priorities as the near-term strategy, while recognizing that full predictability depends on the harder, structural changes discussed below.

Staff identified the following priorities from the audit in February 2026, deferring to BOCC leadership on items judged more politically difficult. The BOCC affirmed all eight in April 2026 and split the work between consultants and staff in May.

Code Audit priorities:

- Add an expedited review process for affordable housing under Proposition 123 and refine the definition of "affordable housing" accordingly — *consultant-led; adopted via Resolution R-2026-19, June 30, 2026*
- Reduce process for desired housing types — *consultant-led; draft resolution complete, pending community input and Planning Commission/BOCC review*
- Define areas appropriate for housing, via economic development areas or a new overlay or floating zone district — *consultant-led; recommended approaches sent to staff for incorporation with Strategic Growth Element of the Comprehensive Plan update.*

- Remove the 67% property owner signature requirement to change a plat — *staff-led; adopted via Resolution R-2026-15, May 19, 2026*
- Ensure actionable public notice requirements — *staff-led; adopted via Resolution R-2026-15, May 19, 2026*
- Revise compatibility criteria and adjust applicability — *staff-led; consultant research handed off to staff, May 2026*
- Adjust variance approval criteria to be more flexible — *staff-led*
- Simplify accessory dwelling unit regulations — *staff-led; likely coordinated with short-term rental regulation*

Two of the five staff-led items and the highest-priority consultant item are done. The County should focus next on process reduction and defining areas appropriate for housing, both furthest along and most likely to produce a visible, near-term predictability gain, before taking on compatibility and variance criteria, which touch the more subjective, harder-to-resolve part of the code.

Even fully implemented, these eight items address specific provisions, not the code's underlying issues. The deeper issue is structural: a modified performance-based framework that has become unpredictable rather than flexible, and subjective standards that invite dispute rather than resolution. Because those standards leave room for interpretation, outcomes can shift not just case by case, but as the decision-making body itself changes. A new set of commissioners, applying the same language in good faith, can result in different conclusions. That variability, more than any single provision, is what developers are pricing into their risk. The audit's scope stops at the code text, but these structural patterns apply to the relationships across the Land Use Code, Comprehensive Plan, and District Plans. Closing that gap is what would actually change the risk calculus: not another round of specific fixes, but a BOCC decision about where the code should produce answers, not "maybes." That's a harder, more political conversation than any of the eight priorities above, and the County should treat it as a deliberate next phase.

Goals Advanced

- **Make it easier and less costly to build housing across the County**

5. Streamline a County-wide ADU policy and support program

The County has already invested in making the ADU application process easier to navigate, including through the AI ADU Application Pre-Check pilot, alongside clearer permit-pathway guidance. That work addresses friction within the process, but not the reason many owners never start one: ADUs are expensive to build and offer limited return on investment relative to other housing types.

La Plata County uses the acronym ADU to refer to Additional Dwelling Units. The state of Colorado uses the same acronym for Accessory Dwelling Units. The two terms overlap, but they don’t mean exactly the same thing.
The La Plata County definition for an **Additional Dwelling Unit** is:

- A dwelling unit that is either attached to the principal single-family dwelling unit or is contained in a structure on the same parcel as the principal structure (e.g., in a garage or barn).

The County has a similar use specific to the Animas Valley, **Granny Flats**:

- An additional dwelling unit of no more than one thousand (1,000) square feet that is attached to the principal dwelling unit. The unit may be detached if located on a permanent foundation and the parcel was assessed as agricultural in the most recent county assessment.

Colorado defines **Accessory Dwelling Units** as:

- An internal, attached, or detached dwelling unit that: (a) provides complete independent living facilities for one or more individuals; (b) is located on the same lot as a proposed or existing primary residence; and (c) includes facilities for living, sleeping, eating, cooking, and sanitation.

The State specifies that while jurisdictions do not need to adopt their definition, supportive jurisdictions must include internal, attached, and detached Accessory Dwelling Units.

*This report uses the acronym ADU to refer to Additional Dwelling Units. References to Accessory Dwelling Units will be spelled out.

The code already contains a meaningful housing benefit that gets overlooked, multiple ADUs on a single lot, up to a fourth dwelling on larger or agricultural parcels, are already allowed, calibrated to objective factors like acreage and Ag-assessment status rather than discretionary review. That is more permissive than what many comparable counties allow. The recommendations below are built to preserve and surface that benefit, while also easing the pathway to permitting and building ADUs.

Because the real barrier to uptake is cost and return on investment, not process, the County could pursue policy changes that improve the economics for owners who already want to build:

- **Financing support.** Establish or connect owners to low-interest loan or grant programs for ADU construction, targeting the ROI gap directly.
- **Pre-approved plans.** Offer a set of County pre-approved ADU designs to reduce the architectural and engineering soft costs that fall disproportionately hard on a small structure.
- **Clarify the ADU/granny flat definitions.** Make "ADU" the single County-wide use definition, with granny flat criteria reframed explicitly as an Animas Valley zoning overlay standard rather than a separate definition.
- **Extend the AI Pre-Check to cover eligibility.** Build on the existing tool that verifies completeness with a short guided intake that returns an applicant's permit pathway directly, without the applicant having to interpret where they land on the matrix of lot size, in or out of the Animas Valley, or utility sharing.

Precedent: Other Colorado jurisdictions have already built successful pre-approved plan programs the County could adapt. Summit County, in partnership with Design Path Studios, offers four free stock ADU designs (shed, single-stack, double-stack, and coop configurations) aimed at cutting design costs and speeding review, paired with fee waivers and a construction-cost reimbursement program to drive adoption. In Denver, the West Denver Renaissance Collaborative's Single Family Plus pilot offers seven pre-approved detached designs, several built to accessible-design standards, bundled with technical assistance, lender partnerships, and discounted construction through Habitat for Humanity, an approach credited with 11% of all ADUs built in Denver since 2021.
Source: DOLA Accessory Dwelling Unit Toolkit

The state has resources for jurisdictions and property owners to support the creation of accessory dwelling units. If the County wants to unlock resources to support the development of additional dwelling units, and make it easier for property owners to build them, it would need to:

- **Make both ADUs and granny flats a Director Determination.** Ensure that a *single additional dwelling unit*, whether reviewed under the general ADU definition or the Animas Valley granny flat standard, is consistently processed as a Director Determination: administrative, staff-level, and reviewed against objective criteria, with no public hearing or referral to Planning Commission or BOCC.
- **Allow granny flats in the Animas Valley to be detached on any parcel with a single-family home where setbacks can be met.** Remove the current restriction limiting detached granny flats to Ag-assessed parcels, and tie eligibility instead to an objective, verifiable standard: a permanent foundation and compliance with setbacks. This removes a restriction that likely conflicts with state law's protection of detached ADUs and brings Animas Valley in line with the rest of the County.
- **Adopt at least one of the Colorado Department of Local Affairs' (DOLA) Accessory Dwelling Unit Supportive Strategies.** The pre-approved plans and financing levers above already double as two of the nine qualifying strategies, so no separate policy is needed, adopting either one, on top of the changes above, satisfies this requirement.
- **Apply for Accessory Dwelling Unit Supportive Jurisdiction certification through DOLA's Land Use and Housing Implementation Portal.** Certification is voluntary and open to any jurisdiction. It unlocks Accessory Dwelling Unit Grant Program (ADUG) *funds the County can use to offset fees or fund the pre-approved plan sets*, and it opens the Colorado Housing and Finance Authority's (CHFA) Accessory Dwelling Unit Finance Programs, low-interest loans, credit enhancements, and interest rate buydowns, to property owners building ADUs anywhere in the County.

Together, these changes target uptake at its actual source, cost and clarity of opportunity, convert the County's existing multi-ADU housing benefit into something state-recognized and fundable, and give the BOCC a concrete, sequenced path rather than an open-ended policy debate.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**
- **Make it easier and less costly to build housing across the County**

ELEMENT B: SUPPORT MORE HOUSEHOLDS IN ACCESSING MARKET RATE HOMES

Even when market-rate housing exists, many La Plata County households face barriers to accessing it, from upfront costs like down payments and deposits, to a shortage of long-term rentals, to a mismatch between available units and household needs. The County's primary role in this element is facilitation: supporting and expanding programs that connect households to housing, partnering with organizations already doing this work, and taking regulatory steps to keep more units available for long-term occupancy.

1. Support and promote down payment and purchase assistance programs

Homeownership remains out of reach for many workforce households in La Plata County due to upfront cost barriers rather than the ability to carry a mortgage. The County might consider actively promoting existing down payment and purchase assistance programs, and work to ensure that awareness of these tools reaches households across the rural County. This includes coordination with employers, schools, healthcare systems, and other major institutions to integrate housing assistance information into employee onboarding and benefits communication.

Existing partner: HomesFund already administers down payment assistance programs serving La Plata County households. The County's role here is amplification and coordination, ensuring HomesFund's programs are well-known, adequately capitalized, and reaching households in more rural parts of the County who may not be aware of available assistance.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**

2. Support tenant-based rental assistance for workforce households

Tenant-based rental vouchers and assistance programs help households afford market-rate rentals without requiring the production of new subsidized units. In La Plata County where rental vacancy is extremely low and rents have risen significantly, portable assistance can be a faster and more flexible tool than waiting for new affordable units to come online. There is nearby experience with this approach: the City of Durango's Leasing for Locals program, launched in 2023 with American Rescue Plan Act (ARPA) funding, subsidized 30 units at the Gauge Apartments for two years to close the gap between local workforce incomes and market rents. That program concluded November 1, 2025, as the limited funding source expired.

Voucher and rental assistance funding is shrinking or being pulled back at both the federal and state levels, which makes standing up a new, sustained, County-funded rental assistance program a costly and uncertain commitment to take on right now.

Given those constraints, this strategy should be treated as a not-right-now item rather than a near-term priority. The County should maintain its existing relationship with Housing Solutions for the Southwest (HSSW), which administers rental assistance regionally and ensures unincorporated residents can access existing federal programs, but without a larger source of local dedicated housing funds, the County is limited in funding additional local vouchers. In the meantime, effort is better directed toward two

lower-cost, more immediately actionable tools: a home share program and employer-assisted housing options, both of which don't depend on the same uncertain and contracting funding streams.

Existing partner: Housing Solutions for the Southwest administers rental assistance programs in the region. County support, including raising awareness and through advocacy, strengthens HSSW's capacity to serve more households and ensures the program is reaching residents in unincorporated areas.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**

3. Revive and scale Southwest Home Share

Home share programs connect homeowners who have underutilized space, often older adults or empty nesters, with individuals or households seeking affordable housing, creating a mutual benefit without requiring new construction. These programs are particularly well-suited to rural communities where large single-family homes on acreage are common, aging homeowners may benefit from companionship or household assistance in exchange for reduced rent, and the housing stock is not easily subdivided.

La Plata County does not need to build this program from scratch. Southwest Home Share, a volunteer-led local effort sustained through community fundraising and grants, matched 24 people with housing in partnership with the Grub Hub at Fort Lewis College. The program partnered with Home Share Online, an Oregon-based platform, to access cost-effective matching and background-check tools rather than building that infrastructure independently, and its results demonstrate both real local demand and a workable operating model. Momentum has slowed, however, in the face of a constrained funding environment and the need to redirect limited volunteer and philanthropic capacity toward emergency services. The County's opportunity is to provide the sustained funding and institutional backing this proven local model needs to continue and grow, drawing on the experience of programs like Sunshine Home Share in Denver or Housing Match in Lake County.

Partnership opportunity: Region 9, the RHA, or a local nonprofit could take on or continue operating Southwest Home Share, handling intake, screening, matching, and ongoing participant support, potentially continuing the partnership with Home Share Online to keep matching costs low. The County's role would be to provide sustained funding, referral infrastructure, and public promotion, particularly to reach rural homeowners who may not know the program exists.

Cost effectiveness: Home share programs are dramatically cheaper to operate than subsidizing new affordable rental units, which typically require $22,000–$72,000 per unit in subsidy. Southwest Home Share could be funded for one to four years for the cost of subsidizing a single affordable rental unit, while stabilizing existing homeowners, creating a needed rental option, and fostering the kind of community and mutual support that can help residents age in place. Actual administrative costs will vary with the level of support provided to renters and homeowners.



Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**

4. Promote employer-assisted housing programs

The 2024 update of the 3-Year Strategy shows employer appetite for housing solutions is real but largely untapped. Its 2024 employer survey found that over 90% of respondents are interested in a collaborative housing investment with other employers, 40% could contribute financial resources, and eight reported having land available for development. Fort Lewis College (FLC) is the one employer that has converted that kind of interest into an actual program, pairing an EDA Catalyst Fund grant for early feasibility work with new Prop 123 equity funding to advance a below-market rental project, and separately seeding a mortgage assistance program with HomesFund for its own faculty. Three years after the plan's original recommendations, no other employer has followed that path. The County's role should be closing that gap between stated interest and delivery.

- **Formalize a multi-employer housing vehicle.** The 3-Year Strategy lists "formalizing a housing coalition with a focused effort for sources of funds for housing" as a general future-consideration strategy, and separately documents that over 90% of surveyed employers want exactly this kind of collaborative option. Pairing those two threads suggests a natural extension: a pooled vehicle that lets smaller employers, who can't replicate FLC's approach alone, combine capital or land toward a shared project. This collective approach to employer assisted housing could be housed at the RHA or EDA and prioritize employees from participating employers.
- **Replicate the FLC feasibility pathway.** FLC's project moved forward specifically because Catalyst Fund predevelopment support was paired with Prop 123 equity once a site was identified. The County could advocate for extending that same funding sequence to the eight employers who reported having land, giving them a concrete, low-risk on-ramp rather than requiring them to build a program from zero.
- **Extend land-use incentives to employer-sponsored projects.** The fast-track review process can be applied to employer-housing projects in addition to those meeting the Prop 123 affordability targets, allowing the County to apply already created pathways to more feasible projects.
- **Connect employers to technical assistance resources for development.** Housing development isn't most employers' line of business, and the expertise gap, feasibility analysis, financing structuring, development partnerships, is a real barrier separate from capital or land. The County can support an employer assisted housing development by applying for the DOLA Local Planning Capacity Grant which can fund third party feasibility and concept planning or they could direct smaller (fewer than 25 units) potential developments to apply for CHFA's Small-Scale Affordable Housing Technical Assistance program which provides early concept planning and financial modeling for affordable housing projects.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**



5. Adopt short-term rental regulations to protect long-term housing supply

Short-term rentals (STRs) remove units from the long-term housing market, reducing availability for residents and contributing to rising rents and purchase prices. The County's HNA estimates STR activity accounts for 1,035 units, or roughly 4% of total housing stock units County-wide. Other estimates have placed the number of STRs even higher. The County is pursuing a consultant to help in the development of STR policies. Regulations should be calibrated to the County's rural context, recognizing that STR activity varies significantly across different parts of the County and that owner-occupied STRs carry different implications than investor-owned whole-home rentals.

Because the County is already planning to develop policies, pathways used by other Colorado jurisdictions are described below and illustrate different paths the BOCC could weigh, each with different tradeoffs for supply and revenue.

- **Restrict to a small, hard-capped number of permits.** The theory is that units above the cap return to the long-term market. Idaho Springs has one of the most restrictive STR policies allowing just 15 in the town. This is the most direct supply intervention, but there's no guarantee capped units convert to long-term rentals rather than sitting vacant.
- **Don't limit STR numbers but treat them as a revenue source instead.** Telluride has allowed its town-wide cap to expire and instead regulates STRs through a cap on the number of cumulative rental nights allowed, a cap on the number of STR properties a single owner can operate, and through fees - depending on the license type. The town layers a fee alongside its excise tax, capturing 2.5% of the tax revenue for affordable housing and a per bedroom fee that also funds affordable housing priorities. The fee acts as both a source of revenue and a deterrent reducing the profitability of STRs and thereby some of the demand. (Revenue application is covered in the Create and Preserve section.)
- **Hybrid: A moderate cap paired with a fee.** Leadville began licensing short-term rentals by allowing a city-wide percentage that was set based on the number of STRs operating when the policy was enacted. This resulted in a 12% cap of STRs, since then the policy has been revised to allow unlimited resident-occupied STR units and 165 non-resident-occupied STRs, both accompanied by a licensing fee and subject to the City’s lodging tax which helps fund affordable housing priorities in the community.
- **Zone Based Approaches.** Summit County's zoned, tiered cap system, has more flexibility in resort zones and numeric caps by basin elsewhere, shows how a partial supply constraint can be calibrated to where housing pressure is highest rather than applied uniformly. The County also charges an annual licensing fee that varies based on the license type. Durango, the closest in-County comparator, uses a similar zone-based approach, requiring owner-occupancy in some areas while allowing non-owner-occupied rentals in others.

Caution: Owner-occupancy and Accessory Dwelling Units
HB24-1152 bars requiring owner-occupancy for Accessory Dwelling Units, except when tied specifically to an STR license application. Any STR owner-occupancy rule that reaches Accessory Dwelling Units must be scoped to STR licensing only, a broader requirement would conflict with state law and limit the County’s ability to become an Accessory Dwelling Unit Supportive Jurisdiction.

ELEMENT C: PROTECT AGAINST DISPLACEMENT AND POOR HOUSING CONDITIONS

Preventing displacement and maintaining housing quality are as important to La Plata County's housing goals as adding new supply. In a rural County experiencing rapid appreciation, the households most at risk are those in the least visible and least protected housing situations, mobile home park residents, low-income homeowners with deferred maintenance needs, seasonal workers in employer-provided or informal housing, and long-term renters with no buffer against rising costs. Many of these households are not well-served by programs designed for urban displacement contexts, so the County's strategies must be tailored to rural realities.

1. Support mobile home park preservation and resident ownership

Manufactured housing parks represent some of the most affordable unsubsidized housing in La Plata County, and their residents face a distinctive form of displacement risk: the land under their homes can be sold or redeveloped even when residents own their units outright. When a park closes, residents face not just the loss of housing but the loss of an asset they cannot easily move. The County has actively supported efforts to preserve existing manufactured housing parks, including by supporting resident ownership conversions. The County can continue this work by ensuring the Land Use Code does not create unnecessary barriers to park rehabilitation or expansion. The County could also track the ownership status and condition of existing parks as an early warning system for closure risk.

Partnership opportunity: When Westside and Triangle's roughly 86 resident families faced displacement by an out-of-state investor in 2022, they organized, and partnered with Elevation Community Land Trust (ECLT) to purchase both parks. The County supported the transition through the annexation of the parks into the City of Durango, provided an earnest money deposit to support the site acquisition, funded initial due diligence, and provided a loan for the purchase. ECLT now holds the land under a ground lease and is replacing the aging mobile homes with new homes on permanent foundations. The new homes will be sold to residents at below market prices with appreciation limits to support future affordability. Construction is planned for 2027. Not every mobile home community needs this kind of rebuild; mobile homes remain one of the last sources of unsubsidized affordable housing. But Westside and Triangle show what's possible when residents, a nonprofit, and local governments coordinate around a shared preservation goal.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won’t deliver**

2. Support home repair and rehabilitation for low-income homeowners

Homeownership is not inherently stable if a household cannot afford to maintain their home. In rural La Plata County, low-income homeowners, particularly elderly residents and long-term rural residents on fixed incomes, often face a slow deterioration of housing conditions driven by deferred maintenance they cannot afford to address. Left unattended, this can lead to habitability failures, health hazards, and ultimately displacement from a home a household has owned for decades. The County should support and help publicize home repair and rehabilitation programs that provide grants or low-interest loans for critical repairs prioritizing households at or below 80% AMI in the unincorporated County.

Existing resources: U.S. Department of Agriculture (USDA) Rural Development's Section 504 Home Repair program provides grants and loans for very low-income rural homeowners. Community Development Block Grant (CDBG) funds administered through the state can also support home repair programs in rural counties. The RHA and HomesFund are potential program partners for administration and outreach. The County should evaluate whether dedicating a portion of future housing-related revenues to a locally funded repair program would be appropriate given demonstrated need.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**

3. Strengthen housing conditions monitoring and code enforcement

Poor housing conditions are a form of displacement risk in their own right, as they can render housing uninhabitable and leave households with no alternatives. In rural unincorporated areas, substandard housing can persist for years without detection because there is no systematic mechanism for identifying it. Colorado has strengthened tenant protections against uninhabitable conditions, including a 2024 law requiring landlords to respond to habitability complaints within 24 hours and giving tenants the right to withhold rent, terminate a lease, or make repairs and deduct the cost, with legal protection against retaliation for reporting. But every one of these remedies depends on the tenant proactively coming forward, and many residents are reluctant to do so out of fear of retaliation, a fear that is particularly acute for households with mixed or no legal status, who may avoid any interaction that could expose them to further risk.

The County should consider developing a proactive approach to housing conditions monitoring, potentially including a rental registration or inspection program for larger rental properties. Enforcement should be balanced with support, households in substandard housing often need repair assistance, not just a violation notice. The County's own Healthy Homes Program is a working model for this: it visits income-eligible homes to provide safety improvements, smoke detectors, cleaning supplies, wildfire-season preparedness, and is explicitly not an inspection, a distinction that has driven strong homeowner uptake.

Context note: Any rental inspection or registration program in a rural County must be designed with proportionality in mind. Small landlords, including those renting a single unit on a rural property, should not face the same administrative burden as larger operators. A tiered approach that focuses inspection resources on properties with complaints or known conditions issues, rather than blanket registration, is likely more appropriate to La Plata's context and more politically achievable.

4. Monitor displacement risk indicators and respond proactively

Displacement in rural counties often happens gradually and without the visible signs present in urban gentrification. Stakeholder interviews conducted in early 2026 reinforced this: La Plata County Human Services, La Plata County Public Health, and HSSW independently noted that displacement risk in La Plata County isn't concentrated in identifiable geographic pockets so much as it tracks specific populations and economic cycles: gig, hospitality, and recreation workers; young families; seniors facing

long waitlists and technological barriers to applying for help; and households one emergency away from losing housing they can currently afford. Public Health also flagged a distinct rural pattern: a visibly wealthy tax base built on second and third homes can mask concentrated poverty among the cleaning staff, line cooks, and service workers who keep those properties running.

The County could establish a lightweight but consistent system for tracking leading indicators of displacement risk: manufactured housing park ownership changes, eviction filings, rental vacancy trends, and housing cost burden data by census tract, supplemented with data already being collected by regional partners. HSSW's Community Emergency Assistance Coalition (CEAC) fund is one such source: in 2023, 70% of applicants were local workforce, many in seasonal jobs, a concrete, already-tracked proxy for the seasonal economic strain that eviction filing data alone would miss or lag behind. The County could also track the funding stability of the safety-net organizations residents rely on directly; HSSW's Transformational Homelessness Grant funding ends in 2026, and Manna and Volunteers of America (VOA) have both reported reduced capacity from federal funding cuts, since a thinning safety net raises displacement risk independent of any change in housing conditions themselves.

This information should be reviewed annually and used to prioritize where proactive outreach, code enforcement, and repair assistance resources are directed. On the repair assistance side, the County's own Healthy Homes Program, which visits income-eligible homes to provide safety improvements like smoke detectors and wildfire-season preparedness rather than conducting an inspection, is an existing resource this monitoring system should connect to directly, rather than treating repair assistance as a capacity the County would need to build from scratch. Sharing this data with the RHA and municipalities would help align the region's response.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won’t deliver**

ELEMENT D: CREATE AND PRESERVE DEDICATED AFFORDABLE HOUSING UNITS

Neither the County nor the RHA serves as a housing developer. The County's role in this element is to make it as easy and financially attractive as possible for private and nonprofit developers to produce deed-restricted and deeply affordable housing, to direct the County's limited financial tools toward closing funding gaps, and to ensure the RHA has the partnership and resource base to facilitate affordable housing production across the region. Given the unincorporated County's infrastructure constraints and rural character, the most realistic affordable housing production opportunities are lower-intensity — deed-restricted ADUs, small scattered-site rental developments, manufactured housing communities, and projects in the joint planning area where municipal services make larger projects feasible.

1. Implement an expedited review process for qualifying affordable housing projects

In June 2026, the County adopted a streamlined review track for Prop 123-qualifying affordable housing projects (Resolution No. R-2026-19), substantially reducing approval timelines and soft costs. This was required by the state grant funding this project and included refining the Land Use Code's "affordable housing" definition to align with the state standard, a prerequisite for fast-track eligibility and related funding.

With the required baseline in place, the County could consider two areas of expansion. First, extend expedited review beyond the state minimum to projects serving households between 80-120% AMI, recognizing that workforce housing in this range is also beyond what the unincorporated County's market reliably delivers. Second, consider broadening fast-track eligibility to support other housing priorities identified in this report, such as employer housing projects, which face the same soft-cost and timeline pressures as other small-scale housing projects but might not qualify for the process built around Prop 123's affordability thresholds.

Goals Advanced

- **Make it easier and less costly to build housing across the County**

2. Purchase deed restrictions on existing affordable and workforce housing units

Buying existing units and placing deed restrictions on them is a development-neutral approach: it doesn't depend on new construction being feasible, which makes it particularly valuable in a County where topography, infrastructure availability, or political will can stall new development regardless of demand. This isn't a new idea for the region. The 3-Year Strategy proposed exactly this mechanism, purchasing existing units and placing qualifications on them prior to resale.

That approach was never realized as designed as the one-time funding from the American Rescue Plan Act was deployed to different priorities.

This approach requires a dedicated revenue source, and while purchasing deed restrictions is more cost effective than developing new units, it still isn’t cheap, and unlike land-use reforms, it doesn't work with a small or uncertain budget. That makes it a strong candidate for capitalization by a dedicated, adequately funded local housing trust fund, such as the one the STR revenue recommendation below is designed to build.

Cost effectiveness: Deed restriction purchases typically cost significantly less per unit than new construction, making them an efficient use of limited local housing funds. They are also faster to execute, a willing seller and a straightforward transaction can secure affordability in weeks rather than the years required for new development. DOLA's Preservation and Deed Restriction programs and Colorado Housing and Finance Authority resources may be available to support this work at the regional level.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**

3. Evaluate County-owned land for affordable housing potential

Conduct an inventory of County-owned parcels to identify any properties that may be suitable for affordable housing development or land contribution to a nonprofit or community land trust. Land can be a significant cost barrier to affordable housing development, and a County land contribution, even at reduced value rather than no cost, can significantly improve a project's financial feasibility.

This recommendation builds directly on work the County has already flagged but not yet completed. The 3-Year Strategy identified activating publicly owned sites as an increasingly critical strategy as state and federal funding shrinks.

Rather than conducting this inventory as a standalone effort, the County should align it with the priority housing area suitability analysis recommended above. Folding County-owned parcels into the same suitability review, rather than running a parallel process, ensures publicly owned land gets evaluated against the same criteria being used to identify priority housing areas generally, and avoids duplicating staff and consultant effort across two related but currently separate workstreams.

Where County land is identified as potentially suitable, the County should issue a competitive solicitation to nonprofit and private developers to propose affordable housing projects, with affordability depth and long-term deed restriction as primary evaluation criteria. This will require confirming that the County's land disposition policy explicitly allows land to be sold or contributed below market value for affordable housing purposes, rather than defaulting to a best-price-only standard.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won't deliver**
- **Make it easier and less costly to build housing across the County**

4. Grow the dedicated local affordable housing fund

A dedicated local funding source is one of the most powerful signals a County can send to affordable housing developers and state and federal funders. Local dollars leverage outside investment, satisfy match requirements for state programs like DOLA's Housing Development Grant, and give the County a flexible tool for closing funding gaps on projects that are otherwise ready to proceed.



The 3-Year Strategy's funding source table shows why a directly-held fund fills a different role than either Catalyst instrument. Mapping available sources, local government funds, private capital, employer initiatives, and state and federal programs like Prop 123 and Low-Income Housing Tax Credits (LIHTC), against the uses they can be applied to, the plan identified four persistent gaps: predevelopment, infrastructure, development (gap) financing, and preservation. The Catalyst Fund's grants answer some of those, but additional funds are needed to support infrastructure, development gap financing and preservation funding, covering acquisition, rehabilitation, and the mobile home park investments discussed earlier in this report.

Because the County is already at the 70% ceiling Ballot 1A allows, growing the housing share further means growing the underlying lodgers tax base itself, or re-evaluating the split within that 70% based on how needs may have shifted across housing and childcare; both of which are within the County's control without going back to voters.

Beyond the lodgers tax, the County has several additional paths to grow this fund, at different levels of political lift. Colorado's SB26-001, signed in March 2026 and effective August 2026, removed the prior prohibition on counties using general fund property tax revenue for housing, meaning the BOCC can now appropriate general fund dollars directly into the housing fund without a ballot measure. The same law allows the County to sell public buildings or real property, other than parks, specifically to fund housing development, directly connecting to the County-owned land evaluation recommended earlier in this report: proceeds from any parcel found unsuitable for housing itself can now be legally redirected into this fund. A jobs-housing linkage or impact fee on new commercial and resort development is a similar low-friction, code-based option that ties new demand generation to a funding obligation without requiring voter approval, though it should be paired with a defensible nexus study.

For larger, sustained capitalization, the County could pursue a voter-approved dedicated sales tax or property tax mill levy, although it is clear County residents have little appetite for increased taxes.

Holding these dollars directly, rather than granting them out, also gives the County room to complement the work being done through the Catalyst instruments. As direct administrator, the County can fund uses that neither Catalyst instrument reaches, land acquisition or banking, preservation and rehabilitation, operating or rental subsidies, or gap financing beyond the Revolving Loan Fund's construction-stage scope. It can apply the money as its own local match on competitive state and federal programs. And because the money never leaves County hands, tracking its use at the project level is simpler than when it was granted out, which matters under HB26-1313, where a unit funded by multiple local governments counts toward each government's Prop 123 commitment in proportion to its funding share starting with the 2027-2029 cycle.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won’t deliver**
- **Make it easier and less costly to build housing across the County**
- **Invest in the infrastructure that makes housing possible**



5. Dedicate short-term rental revenue to affordable housing

If the County adopts STR licensing and regulation which was addressed as a supply strategy in the "Support more households in accessing market rate homes" element, it should explore structuring the associated fees or surcharges to generate revenue dedicated to affordable housing production and preservation. This creates a direct and politically coherent policy linkage: operators whose activity contributes to housing cost pressure contribute to the solutions. Revenue could be directed to the local affordable housing fund and deployed by the RHA for deed restriction purchases, gap financing for affordable projects, or down payment and rental assistance programs. The County should evaluate the potential revenue yield of different fee structures as part of the STR regulatory design process, ensuring the fee level is meaningful without discouraging legitimate owner-occupied STR activity.

Common revenue mechanisms for STRs:

- **Licensing and registration fees.** These are flat, cost-recovery charges for administering the STR program itself. Because these are regulatory fees, not taxes, they generally must stay tied to the actual cost of administering the program. This is a minor, administrative revenue source, not a housing fund driver.
- **Extending the existing lodging or accommodations tax to STRs.** Applying the County's standard lodging tax to STRs the same way it applies to hotels captures STR activity within an existing tax structure rather than creating a new one. Prerequisite: STRs need to be clearly defined as taxable lodging in the tax code.
- **A new STR-specific excise tax, dedicated to housing.** This is the model Denver, Crested Butte, Ouray, and Telluride have used, layering an additional tax on top of the base lodging tax and earmarking it for housing, in Telluride's case combined with a flat per-bedroom regulatory fee. This is the mechanism capable of generating meaningful, dedicated housing revenue. Prerequisite: as a new tax, this requires voter approval. Limitation: revenue scales with STR volume, so this tool is in some tension with supply-restriction approaches (Option A or a tighter version of Option C); the more effectively the County limits STR numbers, the smaller this revenue base becomes.

Cross-reference: The regulatory framework for STRs, licensing requirements, unit caps, and owner-occupancy distinctions, is addressed in the "Support more households in accessing market rate homes" element. This strategy addresses the revenue dimension only, and the two strategies should be designed together to ensure the fee structure serves both goals coherently.

Goals Advanced

- **Strengthen partnerships and funding to support housing the market won’t deliver**

Referenced Documents, Acronyms & Definitions

REFERENCED DOCUMENTS

The draft framework references the following plans, legal instruments, funding programs, partner organizations, and comparable-jurisdiction precedents.

Core Planning Documents

- ***2025 La Plata County Housing Needs Assessment*** **(HNA).** The foundational data source for the framework; conducted by Root Policy Research and covers La Plata County, the City of Durango, and the Towns of Bayfield and Ignacio. Identifies the 3,200-unit County-wide need, the AMI affordability gaps, unincorporated-area gaps, and STR unit estimates.
- ***La Plata County 3-Year Workforce Housing Investment Strategy*** **(3-Year Strategy), 2022, updated 2024.** Commissioned by the Economic Development Alliance, the report was developed by Project Moxie and details regional housing strategies, current initiatives, and how funding sources map on to different development costs. The 2024 Update provides updated project outcomes across the initiatives identified in 2022.
- ***July 2026 Land Use Code Audit for Barriers to Housing*****.** Companion document to this framework; provides the detailed regulatory analysis and the eight staff-identified code-amendment priorities discussed under Element A, Strategy 4.
- **La Plata County Land Use Code.** The set of regulations governing how land in unincorporated La Plata County can be used and developed through its performance based approach.
- **La Plata County Comprehensive Plan.** The County's long-range policy document that establishes overall goals and guiding principles for future growth, land use, and development patterns across the unincorporated County.
- **La Plata County District Plans.** Sub-area plans that apply the Comprehensive Plan's County-wide policies to specific geographic districts within La Plata County, tailoring guidance to local conditions and priorities.
- **Intergovernmental Agreement between La Plata County and the City of Durango (Joint Planning Area).** Governs referral, annexation-eligibility, and water/sewer review near Durango's service area (Three Springs, Grandview, Animas Air Park).

County Resolutions & Local Actions

- **Resolution No. R-2026-19 (adopted June 30, 2026).** Adopted the expedited/fast-track review process for Proposition 123–qualifying affordable housing and refined the Land Use Code's “affordable housing” definition to match the state standard.
- **Resolution No. R-2026-15 (adopted May 19, 2026).** Removed the 67% property-owner-signature requirement to change a plat and adopted actionable public notice requirements.
- **Ballot Measure 1A (lodgers tax).** Existing County lodgers tax with a portion of funds directed to housing.

State Legislation

- **Colorado Proposition 123.** Statewide ballot measure/program. All four incorporated La Plata County jurisdictions have opted into; ties access to affordable-housing funding to commitments on expedited review and affordable-unit growth.
- **HB 26-1313.** Replaced the flat 3% annual affordable-unit growth requirement with a formula tied to permitting history and job growth; created the Adjustment Waiver process (2027–2029 cycle) and the regional collaboration credit for jointly funded projects.
- **HB24-1152.** State law barring jurisdictions from requiring owner-occupancy for Accessory Dwelling Units, except when tied specifically to a short-term rental license application.

- **SB26-001 (signed March 2026, effective August 2026).** Removed the prior prohibition on counties using general-fund property tax revenue for housing, and allows counties to sell public buildings/real property (other than parks) specifically to fund housing development.

Funding & Grant Programs Referenced

- **Colorado Department of Local Affairs (DOLA) programs.** Accessory Dwelling Unit Supportive Strategies (certification criteria); Accessory Dwelling Unit Grant Program (ADUG); Land Use and Housing Implementation Portal; Housing Development Grant; Local Planning Capacity Grant; Preservation and Deed Restriction programs.
- **Colorado Housing and Finance Authority (CHFA) programs.** Accessory Dwelling Unit Finance Programs (low-interest loans, credit enhancements, interest-rate buydowns); Small-Scale Affordable Housing Technical Assistance program (for projects under 25 units); 2026 CHFA Rent and Income Limits (data source).
- **EDA Catalyst Fund.** Economic Development Alliance predevelopment/feasibility grant program; funded Fort Lewis College's early feasibility work.
- **Revolving Loan Fund.** Referenced as the second “Catalyst instrument” alongside the Catalyst Fund; described as limited to construction-stage financing.
- **Low-Income Housing Tax Credit (LIHTC).** Federal/state tax-credit program listed alongside Proposition 123 as a funding source mapped in the 3-Year Strategy's gap-use table.
- **USDA Rural Development Section 504 Home Repair Program.** Federal grant/loan program for very low-income rural homeowners, cited as an existing resource for home repair strategy.
- **Community Development Block Grant (CDBG).** State-administered federal funds that can support rural home-repair programs.
- **American Rescue Plan Act (ARPA) funding.** One-time federal funds referenced as the source for the City of Durango's Leasing for Locals program and for the region's earlier (unrealized) deed-restriction-purchase effort.

Partner Organizations & Existing County/Regional Programs

- **Regional Housing Alliance (RHA).** Regional partner and potential program operator for several recommended strategies (home share matching, employer housing coalition, revenue deployment).
- **Economic Development Alliance (EDA).** Regional partner; administers the Catalyst Fund and is a potential home for a multi-employer housing vehicle.
- **HomesFund.** Existing down-payment and purchase-assistance program administrator; also partnered with Fort Lewis College on a faculty mortgage-assistance program.
- **Housing Solutions for the Southwest (HSSW).** Administers regional rental assistance; operates the Community Emergency Assistance Coalition (CEAC) fund and the Transformational Homelessness Grant (funding ends 2026).
- **Region 9 Economic Development District of Southwest Colorado, Inc. (Region 9 EDD).** A Colorado non-profit community economic development corporation that promotes and coordinates economic development efforts throughout Southwest Colorado.
- **Fort Lewis College (FLC).** Employer that paired an EDA Catalyst Fund grant with Proposition 123 equity to advance a below-market rental project, cited as a replicable model.
- **Elevation Community Land Trust (ECLT).** Nonprofit partner in the Westside/Triangle mobile home park preservation and resident-ownership case study.
- **La Plata County Healthy Homes Program.** Existing County program providing safety improvements (smoke detectors, wildfire prep) to income-eligible homes; explicitly not an inspection program.
- **AI ADU Application Pre-Check pilot.** Existing County tool that verifies ADU application completeness; recommended for extension to cover eligibility screening.



- **City of Durango – Leasing for Locals program (2023–Nov. 1, 2025).** ARPA-funded program that subsidized 30 units at the Gauge Apartments; cited as nearby experience with tenant-based rental assistance.
- **Manna and Volunteers of America (VOA).** Local safety-net organizations cited as reporting reduced capacity due to federal funding cuts.

Comparable-Jurisdiction Policy Precedents (Short-Term Rentals & Home Share)

- **Idaho Springs – hard-capped STR permits (15 town-wide).** Example of the most restrictive supply-side STR approach.
- **Telluride – STR excise tax and per-bedroom fee.** Example of an uncapped, revenue-focused STR approach dedicating funds to affordable housing.
- **Leadville – percentage-based STR licensing cap.** Example of a hybrid moderate-cap-plus-fee STR approach (12% cap, later revised).
- **Summit County – zoned, tiered STR cap system.** Example of a zone-based STR approach calibrated to local housing pressure.
- **Durango – zone-based STR approach.** In-County comparator requiring owner-occupancy in some zones while allowing non-owner-occupied rentals in others.
- **Sunshine Home Share (Denver).** Cited model for a locally operated home share matching program.
- **Housing Match (Lake County).** Cited model for a locally operated home share matching program.
- **Denver, Crested Butte, Ouray – STR excise taxes.** Cited alongside Telluride as jurisdictions using a dedicated STR excise tax for housing.

Data Sources

- **2026 CHFA Rent and Income Limits.** Source for the updated median-income figure ($91,800 for a 2-person household).
- **Durango Area Association of Realtors (DAAR) 2026 1st Quarter MLS Data Statistics.** Source for the updated median home price ($707,750).

ACRONYMS

The table below covers acronyms used in the Housing Framework.

Acronym	Full Term	Context / Definition
ADU	Additional Dwelling Unit	A dwelling unit that is either attached to the principal single-family dwelling unit or is contained in a structure on the same parcel as the principal structure (e.g., in a garage or barn). Note: Colorado uses the same acronym for "Accessory Dwelling Units" — In this framework ADU is only used for Additional Dwelling Unit and uses of "Accessory Dwelling Unit" are spelled out wherever that meaning is intended.
ADUG	Accessory Dwelling Unit Grant Program	DOLA grant program unlocked by Accessory Dwelling Unit Supportive Jurisdiction certification; can offset fees or fund pre-approved plan sets.
AMI	Area Median Income	The midpoint income for a household of a given size in a specific geographic area, used as the standard benchmark for setting eligibility and affordability thresholds for housing programs.

Acronym	Full Term	Context / Definition
ARPA	American Rescue Plan Act	Federal COVID-19 relief legislation; one-time funding source referenced for the Leasing for Locals program and an earlier, unrealized deed-restriction effort.
BOCC	Board of County Commissioners	La Plata County's elected governing body.
CDBG	Community Development Block Grant	Federal grant program administered through the state; can support rural home-repair programs.
CEAC	Community Emergency Assistance Coalition	HSSW-administered emergency assistance fund used as a proxy indicator for seasonal economic strain.
CHFA	Colorado Housing and Finance Authority	State housing finance agency; source of Accessory Dwelling Unit finance programs, small-scale affordable housing technical assistance, and rent/income limit data.
DOLA	Colorado Department of Local Affairs	State agency administering multiple grant and certification programs referenced throughout (Accessory Dwelling Unit strategies, Housing Development Grant, Local Planning Capacity Grant, etc.).
ECLT	Elevation Community Land Trust	Community Land Trust partner in the Westside/Triangle mobile home park preservation case study.
EDA	Economic Development Alliance	A collaborative public-private partnership designed to boost local and regional economic growth.
FLC	Fort Lewis College	Local employer cited as a model for employer-assisted housing.
HB	House Bill	Colorado state legislature bill designation (e.g., HB24-1152, HB 26-1313).
HNA	Housing Needs Assessment	Shorthand used once ("the HNA itself identifies…") to refer back to the 2025 La Plata County Housing Needs Assessment; the acronym itself is never formally introduced.
HSSW	Housing Solutions for the Southwest	Regional nonprofit administering rental assistance.
LIHTC	Low-Income Housing Tax Credit	Federal/state tax-credit program listed as a funding source alongside Proposition 123.
MLS	Multiple Listing Service	Real estate listing data system; source of the DAAR market statistics cited in the median-home-price data box.
RHA	Regional Housing Alliance	Primary regional housing partner referenced throughout the framework.
ROI	Return on Investment	Used in discussing the limited financial return that discourages ADU construction.
SB	Senate Bill	Colorado state legislature bill designation (e.g., SB26-001).
STR	Short-Term Rental	A residential unit rented out to visitors for brief stays, typically less than 30 days, rather than being available as long-term housing.
USDA	U.S. Department of Agriculture	Federal agency administering the Section 504 Rural Development home repair program.

Acronym	Full Term	Context / Definition
VOA	Volunteers of America	Nonprofit cited as a safety-net organization reporting reduced capacity.

DEFINITIONS

Adjustment Waiver

A process created by HB 26-1313 (beginning with the 2027–2029 cycle) allowing jurisdictions to apply for a reduced Proposition 123 affordable-unit growth target if they can demonstrate the standard increase is unattainable and have implemented an expedited approval process; a recent local housing needs assessment can serve as supporting evidence.

Catalyst Fund / Catalyst Instruments

The Economic Development Alliance's predevelopment/feasibility grant program (the "Catalyst Fund") and the related Revolving Loan Fund, together referred to as "Catalyst instruments."

Deed-Restricted Housing / Deed Restriction

Housing where a legal restriction is recorded against the property (the deed) limiting its price, income eligibility, or resale terms to keep it affordable over time.

Director Determination

An administrative, staff-level review pathway decided by a department director against objective criteria, with no public hearing or referral to the Planning Commission or Board of County Commissioners.

Expedited / Fast-Track Review

A streamlined development review track adopted for Proposition 123–qualifying affordable housing projects (Resolution R-2026-19), reducing approval timelines and soft costs.

Granny Flat

An additional dwelling unit of no more than one thousand (1,000) square feet that is attached to the principal dwelling unit. The unit may be detached if located on a permanent foundation and the parcel was assessed as agricultural in the most recent county assessment.

Home Share Program

A program that matches homeowners with underutilized space — often older adults or empty nesters — with individuals or households seeking affordable housing, creating a mutual benefit (companionship or household help in exchange for reduced rent) without new construction.

Joint Planning Area (JPA)

The mapped area covering the City of Durango's water service area (including Three Springs, Grandview, and Animas Air Park) within which new development is referred to the City for annexation-eligibility and water-service review under the County-Durango intergovernmental agreement.

Local (Dedicated) Affordable Housing Fund / Housing Trust Fund

A County-controlled pool of dedicated revenue (e.g., from the lodgers tax, general fund property tax, or STR fees) that can be used directly for land acquisition, gap financing, deed-restriction purchases, or as local match for state and federal programs.

Manufactured Housing Park / Mobile Home Park

Used interchangeably to describe communities of manufactured (mobile) homes, cited as one of the least visible sources of unsubsidized affordable housing and at distinctive risk of displacement when the underlying land is sold or redeveloped.

Missing-Middle Housing

Housing affordable to households who earn too much to qualify for income-restricted programs but not enough to afford market-rate options. In La Plata County, roughly the 80–150% AMI range (teachers, healthcare staff, tradespeople). The term is also commonly used to describe moderate-density housing forms such as duplexes and townhomes.

Nexus Study

An analysis required to legally justify a jobs-housing linkage or impact fee on new development, demonstrating the connection between the development and the housing demand it generates.

Overlay Zone / Floating Zone District

Regulatory mechanisms the framework discusses for designating areas where additional housing types could be permitted with reduced process: an overlay applies added standards to a mapped area, while a floating zone district can be applied to qualifying parcels without being tied to a fixed map in advance.

Priority Housing Area

A location identified through a County-wide suitability analysis (road access, utility infrastructure, limited hazard exposure, proximity to services) and formally adopted through the planning process as a preferred focus for housing growth, infrastructure investment, and regulatory streamlining.

Regional Collaboration Credit

A provision of HB 26-1313 allows local governments that jointly fund an affordable housing project to each claim credit toward their individual Proposition 123 growth requirements, in proportion to their share of the funding contributed.