



Town of Paonia
214 Grand Avenue
Tuesday, August 4, 2026 6:30 PM
Board of Trustees Agenda
<https://us02web.zoom.us/j/82440131072>
Meeting ID: 824 4013 1072

A) Work Session

- 1) Beacon Meters FAQ
- 2) Departmental Vehicle Purchases
- 3) SB24 - 174 Housing Addendum
- 4) Discussion of waiving sewer tap fees for septic tank users



Housing Needs Assessment and Housing Action Plan: SB24-174 Compliance Addendum Town of Paonia June 2026



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INTRODUCTION



BACKGROUND AND PURPOSE

A public hearing to consider acceptance of the Town of Paonia Housing Needs Assessment and Housing Action Plan (HNA and HAP) was held during the regular Town Board Meeting on Tuesday, November 14, 2023. The Board of Trustees approved its acceptance and required it to be included in the Paonia Master Plan, which was being developed. The agenda, board packet, and meeting minutes are included in Appendix A.

Colorado Senate Bill 24-174 (SB24-174) was signed into law just over six months later on May 30, 2024. In December 2024, the state released the Housing Needs Assessment Guide for Colorado Communities, which provides guidance on complying with the new statutory requirements.

The Town of Paonia (Town) submitted the housing needs assessment to the Colorado Department of Local Affairs (DOLA) for a SB24-174 compliance review. DOLA provided the Town with a review memorandum dated April 16, 2025, stating “Conditional Approval” and noting that most, but not all, required statutory outputs were included. The Town later resubmitted once the state completed its Housing Action Plan Guide for Colorado Communities. Although the Town of Paonia is not required to have an SB24-174-compliant housing action plan, DOLA provided the Town with another review memorandum dated January 9, 2026, which included a review of the housing action plan.

The purpose of this SB24-174 Compliance Addendum to the 2023 HNA and HAP is to provide the additional information requested by DOLA for the Town of Paonia’s 2023 HNA and HAP to achieve “Substantial Conformity” and “Acceptance” of its HNA and HAP in accordance with SB24-174.

METHODOLOGY

Although this addendum was prepared in the Spring and Summer of 2026. While more recent public data is available, this addendum primarily relies on data from when the HNA and HAP were originally prepared. The purpose of this is to ensure consistency and direct alignment between the original assessment and this supplemental addendum to the extent practicable.

SECONDARY DATA

Numerous sources of published information were referenced or used in the preparation of this SB24-174 Addendum, including but not limited to the following:

- Colorado Senate Bill 24-174 (SB24-174)
- Town of Paonia Housing Needs Assessment and Housing Action Plan (2023)
- State Demography Office, Colorado Department of Local Affairs
- U.S. Census Bureau, 2020 Census
- American Community Survey (ACS) 5-year estimates
- HISTA 3.1 Summary Report. Ribbon Demographics, LLC
- Delta County School District 50(J) Homeless Student Count Data, 2023-2024. Homeless Education Data. Colorado Department of Education
- Colorado Department of Local Affairs, Registered Mobile Home Parks



- “A Snapshot of Homelessness in the Colorado Balance of State Continuum of Care. 2023 Homeless Point-in-Time Study Sheltered and Unsheltered Count.” Colorado Coalition for the Homeless.
- Colorado Balance of State 2025 Point-in-Time County. Regional Breakdown, Delta County. Colorado Balance of State Continuum of Care. <https://doh.colorado.gov/point-in-time-and-housing-inventory-count>
- Vader, Lucas. “Delta holds work session on homelessness; questions, concerns are raised regarding upcoming homeless shelter and The Hangout.” Delta County Independent. May 16, 2025.
- Delta County Assessor data, Mapping (GIS), June 2026
- Town of Paonia Municipal Code





PRE-EXISTING HOUSING NEEDS ASSESSMENT COMPLIANCE



A. DEMOGRAPHIC TRENDS

The 2023 Housing Needs Assessment (2023 HNA) features a “Demographics” section starting on page 14. Notably, population and household projections from the Colorado State Demography Office (SDO) were omitted because the SDO does not provide this data at geographic scales smaller than the county level. Consequently, population and household projections for the Town of Paonia or the Paonia CCD were unavailable at the time of the original assessment and remain unavailable today. Such data is only produced for Delta County as a whole. Despite the lack of municipal-level SDO forecasts, forecasts for Delta County are included herein to satisfy the requirements of SB24-174.

When the 2023 HNA was prepared, SDO’s projections indicated that Delta County would add 667 additional households, or an average annual growth rate of 1.0%, between 2023 and 2028. The most recent SDO data suggests that by 2028, the county will have grown slightly faster (1.1%/yr. on average).

Delta County Total Household Projections

Year	Available for 2023 HNA	Available for SB24-174 Addendum [1]
2023	13,240	13,278
2024	13,342	13,322
2025	13,465	13,605
2026	13,620	13,881
2027	13,763	13,931
2028	13,907	14,003
Change 2023-2028	667	725
CAGR 2023-2028	1.0%	1.1%

[1] Vintage 2024 data

SOURCE: COLORADO DEMOGRAPHY OFFICE, URBAN RURAL CONTINUUM

Historical Delta County population projections prepared by SDO were not available for this addendum. SDO Vintage 2024 projections indicate that the county will grow by about 1,600 people between 2023 and 2028, at an average annual growth rate of 1%.

Delta County Total Population Projections

Year	Population
2023	31,783
2024	32,295
2025	32,776
2026	33,259
2027	33,297
2028 projection	33,371
Change 2023-2028	1,588
CAGR 2023-2028	1.0%

SOURCE: COLORADO DEMOGRAPHY OFFICE, URBAN RURAL CONTINUUM



B. ACCESSIBLE AND VISITABLE UNIT NEEDS

SB24-174 requires HNAs to identify the need for accessible and visitable units, which were not included in the 2023 HNA.

SB24-174's definition of accessible and visitable units:

"ACCESSIBLE HOUSING" OR "ACCESSIBLE UNIT" MEANS HOUSING THAT SATISFIES THE REQUIREMENTS OF THE FEDERAL "FAIR HOUSING ACT", 42 U.S.C. SEC. 3601 ET SEQ., AS AMENDED, AND INCORPORATES UNIVERSAL DESIGN.

"VISITABLE HOUSING" OR "VISITABLE UNIT" MEANS A DWELLING UNIT THAT A PERSON WITH A DISABILITY CAN ENTER, MOVE AROUND THE PRIMARY ENTRANCE FLOOR OF, AND USE THE BATHROOM IN.

Data on existing visitable and accessible units does not exist unless governments specifically track this information. The Town of Paonia does not have or track this data, although it is advisable to begin doing so now to comply with future assessment requirements.

An alternative method for estimating this metric is to identify the share of households occupied by a person(s) with a disability multiplied by the number of housing units needed. This method was used to estimate the number of accessible and visitable units needed through 2028 in the Town of Paonia.

About 22% of households in Paonia have one or more people with a disability, unchanged since the 2023 HNA was prepared. About 14% of the Town's population has a disability. The 2023 HNA indicated that 105 new housing units are needed through 2028 but clearly stated that not all of these units need to be constructed in Town for various reasons. Despite this caveat, the total housing need is multiplied by the share of households with at least one person with a disability (22%), resulting in an estimate of 23 accessible and visitable units needed in Town through 2028.

Estimated Accessible and Visitable Housing Needs through 2028

Metric	Value
Town of Paonia, Total Units Needed	105
Share of households with one or more persons with a disability	22%
Maximum Estimated Accessible and Visitable Units Needed	23

SOURCE: U.S. CENSUS BUREAU, 2017-2021 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES, URBAN RURAL CONTINUUM



C. SUPPORTIVE UNITS

Supportive units combine housing and services to help people live more stable and productive lives.

SB24-174's definition of supportive housing or supportive unit:

"SUPPORTIVE HOUSING" OR "SUPPORTIVE UNIT" MEANS A COMBINATION OF HOUSING AND SERVICES INTENDED AS A COST-EFFECTIVE WAY TO HELP PEOPLE LIVE MORE STABLE, PRODUCTIVE LIVES, AND TYPICALLY COMBINES AFFORDABLE HOUSING WITH INTENSIVE COORDINATED SERVICES TO HELP PEOPLE MAINTAIN STABLE HOUSING AND RECEIVE APPROPRIATE HEALTH CARE.

The shortage of supportive units can be roughly estimated from data on people and families experiencing homelessness, although the state acknowledges that this data is not available in sufficient detail for many jurisdictions. The 2023 HNA noted that "The truly unhoused population appears to be very small, but not nonexistent."

Enumerating the homeless population in most jurisdictions, including Paonia, is fraught with challenges. Since the 2023 HNA process did not include a resident survey, which could have provided useful information on this topic, there is little supporting data available.

Without direct, evidence-based information, one often-used source of data on the number of people experiencing homelessness is the Point-in-Time Count by the Colorado Balance of State Continuum of Care. This is part of a nationwide effort required by the U.S. Department of Housing and Urban Development but is not reported at geographies smaller than the county level.

The 2025 count took place on January 28th, 2025. On that night, fewer than 10 unsheltered people were identified in Delta County. This count is often low for many reasons. The undercount is notable since the City of Delta alone has an average of 60 homeless individuals at any given time (Delta County Independent, May 16, 2025). The 2023 point-in-time count indicated that Delta County had no unsheltered people, almost certainly an undercount.

Another source of information is the Colorado Department of Education McKinney-Vento counts. The most recent homeless student count data (2023-2024) indicates that 124 students in the Delta County School District were homeless. Of these, 7 were unsheltered. This data covers the school district but is unavailable for schools in the Town of Paonia.

Delta County School District 50(J) Homeless Student Count Data, 2023-2024

District Name	Delta County 50(J)
PK-12 Total Homeless Count	124
Primary Nighttime Residence: Shelter, Transitional Housing	10
Primary Nighttime Residence: Double-up due to Economic hardship	103
Primary Nighttime Residence: Unsheltered	7
Primary Nighttime Residence: Hotels/Motels	4
Number of Unaccompanied Homeless Youth (Of the total PK-12 Homeless Count)	10

SOURCE: HOMELESS EDUCATION DATA, COLORADO DEPARTMENT OF EDUCATION



There are two primary reasons why the Town of Paonia’s need for supportive units is small. First, the county’s largest community is the City of Delta, and evidence suggests it has the county's largest unhoused population. The city has a Crisis Prevention Unit for this reason. Second, households in the Town of Paonia only represented about 5% of Delta County’s households at the time of the 2023 HNA. Based on this and information gathered during the assessment process, fewer than five supportive housing units are estimated to be needed in Paonia. Due to the very small size and limited capacity of Town staff, addressing this need may be more effective at the county level in partnership with other local governments and non-profit organizations.

Estimated Current Supportive Housing Needs

	Supportive Units
Total Estimated Units Needed	≤5

Note: Data limitations make this number unknown, but the need is small.
SOURCE: COLORADO DEPARTMENT OF EDUCATION, 2025 PIT COUNT, URBAN RURAL CONTINUUM



D. MARKET LIMITATIONS

SB24-174 recommends that market limitations to housing development be assessed in an HNA, including both challenges and opportunities. This can include a review of local zoning and subdivision regulations, planning processes, infrastructure limitations, development costs, and construction labor and material supply challenges. The 2023 HNA covered all these topics.

The capital gap is the difference between the cost to build and the amount of money local households can afford to pay. Plugging this financial shortfall is a major challenge to building affordable housing for local households.

Market factors impacting local housing development are discussed in the 2023 HNA, starting on page 50. This includes the cost of building exceeding the purchasing power of many households earning local wages (the capital gap), as well as labor constraints.

The capital gap was calculated and detailed in the 2023 HNA for a 1,500-square-foot, three-bedroom home and a hypothetical 22-unit multifamily rental project. The capital gap section of the assessment concluded by noting that "... under current market conditions, it is extremely difficult to build housing at price points that are affordable to many local households. This information can provide a basis for future grant requests."

A very detailed review of the Town's land use regulations was conducted as part of the 2023 HNA and HAP (see page 76). The consultant team reviewed the Town's municipal code and interviewed code users to determine how the land use and regulatory environment may be creating barriers to housing production.

The importance of aligning community infrastructure investments with housing production was noted throughout the 2023 HAP & HNA. The water tap moratorium was identified as a critical issue because it essentially fixed the housing supply with few exceptions. This issue received the second-most votes from open house participants. The tool of strategically aligning community infrastructure investments to support affordable housing also received many votes from open house participants and was included in the action plan's 3–5-year time frame (see page 71).



E. DISPLACEMENT RISK

The 2023 HNA did not have a stand-alone section about residents' risk of displacement. This requirement came about with the passage of SB24-174. The December 2024 guidance for assessing displacement risk notes that "The root causes of displacement are both the pressures that push people or communities out and the conditions that make it hard for them to stay."

SB24-174's definition of displacement:

THE INVOLUNTARY RELOCATION OF RESIDENTS, PARTICULARLY LOW-INCOME RESIDENTS, OR LOCALLY OWNED COMMUNITY SERVING BUSINESSES AND INSTITUTIONS DUE TO:

- INCREASED REAL ESTATE PRICES OR RENTS, PROPERTY REHABILITATION, REDEVELOPMENT, DEMOLITION, OR OTHER ECONOMIC FACTORS;
- PHYSICAL CONDITIONS RESULTING FROM NEGLECT AND UNDERINVESTMENT THAT RENDER A RESIDENCE UNINHABITABLE; OR
- PHYSICAL DISPLACEMENT WHEREIN EXISTING HOUSING UNITS AND COMMERCIAL SPACES ARE LOST DUE TO PROPERTY REHABILITATION, REDEVELOPMENT, OR DEMOLITION; OR

INDIRECT DISPLACEMENT RESULTING FROM CHANGES IN NEIGHBORHOOD POPULATION, IF, WHEN LOW-INCOME HOUSEHOLDS MOVE OUT OF HOUSING UNITS, THOSE SAME HOUSING UNITS DO NOT REMAIN AFFORDABLE TO OTHER LOW-INCOME HOUSEHOLDS IN THE NEIGHBORHOOD, OR DEMOGRAPHIC CHANGES THAT REFLECT THE RELOCATION OF EXISTING RESIDENTS FOLLOWING WIDESPREAD RELOCATION OF THEIR COMMUNITY AND COMMUNITY SERVING ENTITIES.

SB24-174 describes the following five displacement risk assessment elements to be included in a housing needs assessment, each covered in more detail below.

1. Analyze data
2. Engage your community
3. Identify the location of manufactured home parks
4. Identify disadvantaged areas through the Climate and Economic Justice Screening Tool (CEJST)
5. Identify areas with increased zoning capacity related to House Bill 24-1313

ANALYZE DATA

Eleven indicators of displacement risk in the Town of Paonia are identified in the table below.

Town of Paonia Displacement Risk Indicators

Displacement Measure	Percent	Estimate (rounded to nearest 5)
Households making at or below 30%, 50%, and 80% AMI [1]	17% 28% 42%	115 190 280
Renter-occupied households [1]	22%	150
Housing cost-burdened occupied housing units with annual incomes less than \$75,000 (30%+ of income spent on housing costs) [2]	42%	70
Persons (age 25+) with no high school diploma estimate [3]	<1%	10
Persons (age 5+) who speak English "less than well" [3]	0%	0



Displacement Measure	Percent	Estimate (rounded to nearest 5)
Single-parent household with children under 18, estimate [2]	8%	55
Housing stock built prior to 1970 [2]	54%	410
Race and Ethnicity (households headed by people who identify as other than non-Hispanic white) [2]	4%	25
Overcrowded (more people than rooms, excluding kitchens and bathrooms) [3]	<1%	≤5
Civilian noninstitutionalized population with a disability estimate [4]	14%	205
Older population (65+) [5]	28%	415

[1] Ribbon Demographics, LLC, HISTA (2023 estimates)

[2] 2017-2021 ACS 5-year estimate (%); Ribbon Demographics, LLC, HISTA (2023 Estimates); Urban Rural Continuum

[3] 2017-2021 ACS 5-year Estimate

[4] 2017-2021 ACS 5-year estimate; 2023 HNA

[5] U.S. Census Bureau, 2020 Census; 2023 HNA

SOURCE: U.S. CENSUS BUREAU, 2020 CENSUS AND AMERICAN COMMUNITY SURVEY 2017-2021 5-YEAR ESTIMATES; RIBBON DEMOGRAPHICS, LLC; 2023 HNA; URBAN RURAL CONTINUUM

These data demonstrate that several displacement risks are present in the Town of Paonia, particularly regarding economic vulnerability and the stability of specialized populations.

Economic Vulnerability and Unaffordability

- Low-income households: Almost one-third (28%) of Paonia households earn at or below 50% of the Area Median Income (AMI), and 17% earn 30% AMI or less.
- Housing cost burden: Roughly two of every five renter households earning less than \$75,000 in Paonia are cost-burdened (paying >30% of income on housing).
- Renter status: While Census data suggests a higher number, local estimates indicate only 22% of households are renters.
- Fast-increasing housing prices: Home prices more than doubled between 2016 and 2022, increasing by 16% per year on average—a rate 3.6 times faster than local wage growth.

Physical Displacement and Redevelopment

- Older housing stock: The risk is high. 55% of Paonia's homes were built more than 50 years ago (pre-1970), and 34% were built before 1940, making much of the inventory potentially unsuitable for residents with disabilities or requiring significant maintenance.
- Manufactured home parks: The North Fork Trailer & RV Park is a key naturally occurring affordable housing resource located adjacent to the Town, making its preservation important for vulnerable residents.



Household Stability and Specialized Needs

- Older populations (65+): Paonia is rapidly aging; the median age rose from 41 in 2000 to 49 in 2020. About 28% of the population is 65 or older, and 42% of those living alone are seniors, many of whom are on fixed incomes.
- Single-parent households: Approximately 8% of households are headed by single parents with children, a group that is vulnerable to income loss or rent spikes.
- Populations with a disability: More than one in ten residents (14%) has a disability. Many homes are potentially unsuitable for residents with disabilities due to their age, limiting accessible housing options for these residents.
- Regulated housing shortage: There is only one income-restricted property in Town (Creek Vista Senior Living Apartments), which had a 14-person waitlist as of June 2023.

Indirect Displacement

- Neighborhood population changes: High housing costs have created obstacles for local businesses attempting to recruit and retain employees. This shift represents a notable risk of indirect displacement, as the local workforce is increasingly priced out of the market by higher-income residents who earn income outside the local economy and retirees.
- Outcompeted by cash buyers: Locals are at a severe disadvantage, as roughly three out of every five homes sold in Town in 2022 were purchased with cash, often by buyers from higher-priced markets.
- Short-term rentals (STRs): Community members identified STRs as a primary issue reducing housing choice for residents.

ENGAGE YOUR COMMUNITY

Preparation of the Paonia HNA and HAP included numerous public and stakeholder engagement efforts. Interviews, discussions with the Housing Task Force, and an employer survey covered numerous topics, including work location and commutes, business stability, and housing conditions. Targeted outreach was conducted to reach additional segments of the community.

Paonia's engagement process included:

- Housing Task Force: A 12-member informal committee representing the Town Board, local businesses, seniors, local non-profits, property owners, and more met four times to provide input and direction and review drafts.
- Employer Questionnaire: A month-long online survey gathered data from 50 local employers representing roughly 500 jobs (at least 45% of the local workforce) to forecast housing demand and understand recruitment challenges.
- Community Open House: Held on July 13, 2023, where 37 community members used dot-voting to identify pressing issues and tools/actions to address them.
- Stakeholder Interviews: Consultants interviewed 18 individuals, including realtors, property managers, builders, and social service providers, to gather market insights and perspectives on local needs.
- Targeted Outreach: In line with equity best practices, the team reached another 36 community members, including those from marginalized or vulnerable groups—seniors, unhoused persons,



mothers, church members, and members of the LGBTQ+ community—by attending other regularly scheduled meetings and events.

- Board of Trustees Meetings (all open to the public)
 - » July 25, 2023: A Board meeting where optional project add-ons (including specific code update drafts and a development strategy) were approved.
 - » August 22, 2023: A regular Board of Trustees meeting where the consultants presented the draft Housing Needs Assessment for review and feedback.
 - » September 11, 2023: A dedicated work session with the Board of Trustees to review and receive public comment on the draft Housing Action Plan.
 - » November 14, 2023: Public hearing held to consider acceptance of the Housing Needs Assessment and Housing Action Plan, which the Board of Trustees voted unanimously to accept.

IDENTIFY THE LOCATION OF MANUFACTURED HOME PARKS

There is just one mobile home park near Paonia that is registered with the State of Colorado’s Department of Local Affairs—the North Fork Trailer & RV Park. There are no registered parks within the municipal boundary. Details are included in the 2023 assessment (see page 44).

IDENTIFY DISADVANTAGED AREAS

SB24-174 directs local governments to identify areas that qualify as disadvantaged using the Climate and Economic Justice Screening Tool (CEJST). The official version of this tool is no longer available pursuant to an Executive Order issued on January 20, 2025.

INCREASED ZONING CAPACITY RELATED TO HOUSE BILL 24-1313

The Town of Paonia is not subject to the requirements of this statute because it is not within a metropolitan planning organization.





PRE-EXISTING HOUSING ACTION PLAN COMPLIANCE



A. DISPLACEMENT MITIGATION

Residents of the Town of Paonia are at elevated risk of indirect and economic displacement due to rapidly rising housing costs.

- **Vulnerable Communities:** The most at-risk populations are low-income renters and seniors on fixed incomes. Approximately 33%-40% of renters are cost-burdened. Furthermore, 28% of the population is 65 or older, many of whom live in older homes (54% of the housing stock built before 1970) that may require expensive maintenance they cannot afford. Physical displacement due to the cost of maintenance, property taxes, insurance, etc., is a risk.
- **Specific Risk Areas:** A critical geographic area of concern is the North Fork Trailer & RV Park, even though it is not within the municipal boundary. The park is home to low-income households, senior households, and people with disabilities, among others. Residents of manufactured home parks are uniquely vulnerable to displacement, primarily because of the split-tenure model (they own their homes but rent the land beneath them), leaving them at risk if park owners sell the land, raise lot rents, or impose unaffordable fees. Unlike renters and owners of other home types, mobile homeowners often must bear the high cost of finding a new location and relocating their homes, which can be prohibitive. Residents who rent their homes from the park owner face some of the same risks of cost increases and displacement through standard eviction. All but one of the mobile homes in the park was owner-occupied at the time of the HNA.
- **Market Drivers:** The influx of wealthier newcomers, retirees, and remote workers has decoupled home prices from local wages, with three out of every five homes in 2022 sold to cash buyers. Workers earning local wages are being priced out.

Plan to Mitigate Displacement

Paonia's housing action plan helps mitigate displacement risk by generally aiming to increase the supply and diversity of Housing for the Community, including housing priced below market prices. Expanding the supply of affordable housing gives low-income residents more options if they are displaced, mitigating the harm of losing their home. Adding supply can also free up other housing in the market and reduce competition for the limited number of lower-cost units, helping to stabilize rents.

SB24-174 requires the Town's Housing Action Plan to include at least two standard affordability strategies, one long-term affordability strategy, and one displacement mitigation strategy. The state review of the HAP noted that the identification of at least one suitable displacement mitigation strategy, as described in the displacement risk mitigation strategies directory in section 24-32-3706 (4), was missing from the 2023 HAP.

The following table focuses exclusively on the Displacement Mitigation Strategies identified in Section 3 (page 61) of the Colorado Affordability and Displacement Mitigation Strategies Directory and their corresponding location(s) within the 2023 HNA and HAP. The directory notes that "These strategies may have overlapping benefits with affordability strategies, but more specifically work to stabilize households, prevent negative consequences of development, or repair past harms."



Town of Paonia Displacement Mitigation Strategies

Displacement Mitigation Strategy (from DOLA Directory)	Location in Paonia 2023 HNA and HAP
3A. Fund rental and mortgage assistance	Section B: Actions to Start Now—Use, Promote, and Build on Existing Resources—noted keeping the existing public housing resources document updated and widely available to the public (developed as part of the 2023 HNA and HAP). The Town did not commit to funding rental and mortgage assistance, but by promoting existing resources, such as USDA Rural Development payment assistance and the Community Resources & Housing Development Corporation's down payment assistance, it indirectly supports such services.
3B. Support legal representation to prevent eviction and foreclosure	Section B: Actions to Start Now—Use, Promote, and Build on Existing Resources—noted keeping the existing public housing resources document updated and widely available to the public (developed as part of the 2023 HNA and HAP). The Town did not commit to direct legal support, but by promoting existing resources, such as the Community Resources & Housing Development counseling and education services for those in foreclosure, it indirectly supports those services.
3C. Establish a housing counseling and navigation program	Section B: Actions to Start Now—Use, Promote, and Build on Existing Resources—noted keeping the existing public housing resources document updated and widely available to the public (developed as part of the 2023 HNA and HAP). The Town did not commit to establishing a program for this purpose, but by promoting existing resources and calling for a "One Stop Shop" resource hub (Section D-Future Actions), it indirectly supports such services.
3D. Create a property tax and down payment assistance program	Section B: Actions to Start Now—Use, Promote, and Build on Existing Resources—noted keeping the existing public housing resources document updated and widely available to the public (developed as part of the 2023 HNA and HAP). The Town did not commit to establishing a program for this purpose, but by promoting existing resources, including Community Resources & Housing Development's down payment assistance, it indirectly supports such services.
3E. Offer technical assistance and financial support for community land trusts	Section B: Allow for Accessory Dwelling Units—references the Fertile Edge Community Land Trust as a potential partner. Section C: Actions to Start Next—Acquire Land/Bank Land—notes that implementation could include partnering with the same land trust.
3F. Preserve existing affordable housing	Section D: Future Actions—Obtain Right of First Refusal on Housing—to preserve naturally occurring affordable housing.
3L. Other: Regulate short-term rentals (STRs)	Section B: Actions to Start Now—Regulating STRs—was identified as the top priority to prevent residents from losing long-term housing.
3L. Other: Allow for accessory dwelling units (ADUs)	Section B: Actions to Start Now—Allowing ADUs—to provide low-maintenance, affordable rental options that help resident owners age in place and/or build equity.
3L. Other: Sweat Equity Programs	Section B: Actions to Start Now—Establishing partnerships for sweat equity program—(e.g., Habitat for Humanity) that allow low-income residents to build home equity.



The Colorado Affordability and Displacement Mitigation Strategies Directory links to additional resources, such as the Innovative Affordable Housing Strategies (an inventory for HB21-1271). Many of the qualifying strategies help increase affordable housing supply and mitigate the risk of displacement. The qualifying strategies included in the 2023 HNA and HAP, along with their locations in the document, are summarized in the following table.

Innovative Affordable Housing Strategies included in the 2023 HNA and HAP

Housing Strategy	Location in Paonia 2023 HNA and HAP
Use of vacant publicly-owned property for affordable housing development	Section B: Actions to Start Now—Explore Public-Private Partnerships to Build Housing for the Community—includes a discussion of ways to implement this by leveraging surplus Town property. The plan also included a list of public sites that could be considered for the development of housing, including the property size, zoning, and notes and considerations.
Subsidize/reduce local government fees	Section B: Actions to Start Now—Explore Public-Private Partnerships to Build Housing for the Community—includes consideration for waiving fees. Section D recommends allowing fee reimbursement or waivers, as well as fee deferrals, for builders/developers of affordable housing.
Expedited development review for affordable housing up to 120% AMI	Section C: Actions to Start Next—Update Land Use Regulations to Remove Barriers and Add Flexibility—includes a note about implementation by referencing the first draft of an expedited review policy submitted by the consultant as part of this project.
Density bonus program for housing needs	Section D: Future Actions— calls for the creation of a density bonus for affordable housing projects meeting defined criteria.
Dedicated funding source to subsidize affordable housing infrastructure costs and fees	Section D: Future Actions— calls for the creation of a dedicated funding stream. Section C: Actions to Start Next—Align Community Infrastructure Investments—calls for filling gaps in infrastructure to opportunity sites with planned infrastructure improvements.
Middle multifamily (duplex, triplex, other) use by right in single family residential zoning districts	Section C: Actions to Start Next—Update Land Use Regulations to Remove Barriers and Add Flexibility—references the land use regulations review in Section E. Section E includes recommended edits, such as allowing additional residential uses in more residential zones (e.g., allow duplexes in R-1, multifamily by right in R-2, and multifamily 6+ units by right in R-3).
ADU use by right in single family zoning districts	Section B: Actions to Start Now—Allow for Accessory Dwelling Units. A first draft of code edits to allow one ADU to all detached single-family units was submitted by the consultant as part of the project.



Housing Strategy	Location in Paonia 2023 HNA and HAP
Allow small square footage residential unit sizes	Section C: Actions to Start Next—Update Land Use Regulations to Remove Barriers and Add Flexibility—references the land use regulations review in Section E. Section E includes recommended code edits that would facilitate smaller square footage residential units by allowing for smaller lot sizes, streamlining setbacks, reducing landscaped open space requirements, and allowing off-site built residential units.
Lessened minimum parking requirements for new affordable housing	Section C: Actions to Start Next—Update Land Use Regulations to Remove Barriers and Add Flexibility—discusses examples for revised parking regulations, including reduced parking requirements for multifamily development and/or residential uses downtown, and reestablishing a fee-in-lieu program. Section E includes a recommendation to reduce parking minimums and to allow for shared and off-site parking.
Land donation/acquisition/banking program	Section C: Actions to Start Next—Acquire Land/Bank Land. The plan discusses numerous approaches the Town could take to implement this, including creating and maintaining a partnership with the local Fertile Edge Community Land Trust.
Other novel, innovative, creative approaches - Housing Authorities	The Delta Housing Authority is a well-established resource in the county with a strong track record of building and managing affordable housing, and of administering and providing other resources (such as Housing Choice Vouchers) and expertise. The plan notes that the authority could even serve as a special limited partner on a future affordable housing development project.

SOURCE: DOLA INNOVATIVE AFFORDABLE HOUSING STRATEGIES, ACCESSED APRIL 2026; 2023 HNA AND HAP; URBAN RURAL CONTINUUM



B. ZONING AND DENSITY ASSESSMENT

SB24-174 requires “An assessment of the effect of existing zoning and density permitted in the local government’s jurisdiction on the development of the number and types of dwelling units identified in the applicable housing needs assessment.” It also requires an analysis of opportunities to develop higher-density and regulated affordable housing within a reasonable distance of major transit stops.

The remainder of this section is devoted to meeting the first requirement. The second, an analysis of opportunities for high-density and regulated affordable housing near major transit stops, was not conducted because there are no major transit stops in the Town of Paonia or nearby.

The HNA identified the need for 105 additional housing units through 2028 but specifically noted that not all of them need to be constructed in the Town of Paonia. The 2023 Housing Action Plan set a new production goal of 25 to 35 units at or below 120% of the area median income (AMI) once the water tap moratorium is lifted. It specified that new units for homeownership and rent are needed to address the community’s housing needs. Specifically, it sets the following goals:

- 5 to 10 homes for sale (generally affordable to households earning from 80% AMI up to 120% AMI)
- 20 to 25 homes for rent (generally affordable to households earning up to 80% AMI)

POTENTIAL PUBLICLY OWNED DEVELOPMENT SITES

The following table and map of public sites in Paonia that could be considered for developing community housing were included in the 2023 HNA and HAP. It is included again in this SB24-174 Addendum because 25 to 35 units can readily be accommodated on these sites based on their acreage, without consideration of zoning compatibility, the owners’ willingness or desire to change the property’s use, or many other potential constraints. A sample development strategy was also included in the 2023 HNA and HAP, which outlined possible roles the Town of Paonia could play in developing Housing for the Community (see page 81), and steps for leveraging Town-owned land/property to meet its housing goals without having to act as the developer (see pages 82-86).



Potential Publicly Owned Development Sites

Site	Location	Owner	Property Size	Building Size	Zone	Notes and Considerations
Old Sewer Lagoon Site/ Twin Lakes	S of Samuel Wade Rd., near river	Town	3.5 ac	NA	I-1	Vacant site. Completed Targeted Brownfields Assessment. [1]
Public Works Warehouse and Property	401, 403, and 405 2 nd St.	Town	0.52 ac (in 2 parcels)	4,000 sf, 2,000 sf, 4,500 sf	C-2	Occupied by Town and EMS. 2021 Capital Improvements Plan states buildings are generally in good shape.
Riverside Estates Lots 12-15	W side of 4 th St., north of library	Town	0.56 ac (all 4 lots)	NA	R-1	Appears to be part of the library's landscaped area.
Public Parking Lot	Main Ave. behind Town Hall	Town	0.8 ac	NA	C-1	Currently used for public and Town Hall parking.
Public Parking Lot	236 Main Ave.	Town	0.153 ac	NA	C-1	Currently used as public parking.
Old Paonia Middle School/Vo-tech building	218 4 th St.	DCSD	5.6 ac (2.53 ac was for sale)	33,860 sf	P	Vacant building. Town has considered purchasing in the past. [1]
School Bus Barn	135 Main Ave.	DCSD	0.23 ac	7,000 sf	R-2	Currently used as the bus barn.
South vacant portion of K-8 Lot	846 Grand Ave.	DCSD	~10 ac	NA	P	DCSD may have plans for the vacant area, and it may be in the floodplain.
USFS	403 Rio Grande Ave.	USA	3.28 ac	NA	DR	The USFS may have plans for the property's vacant area.
USFS	117, 119, 121 Clark Ave.	USA	0.24 ac	710 – 800 sf	R-1	3 small single-family homes currently on-site.

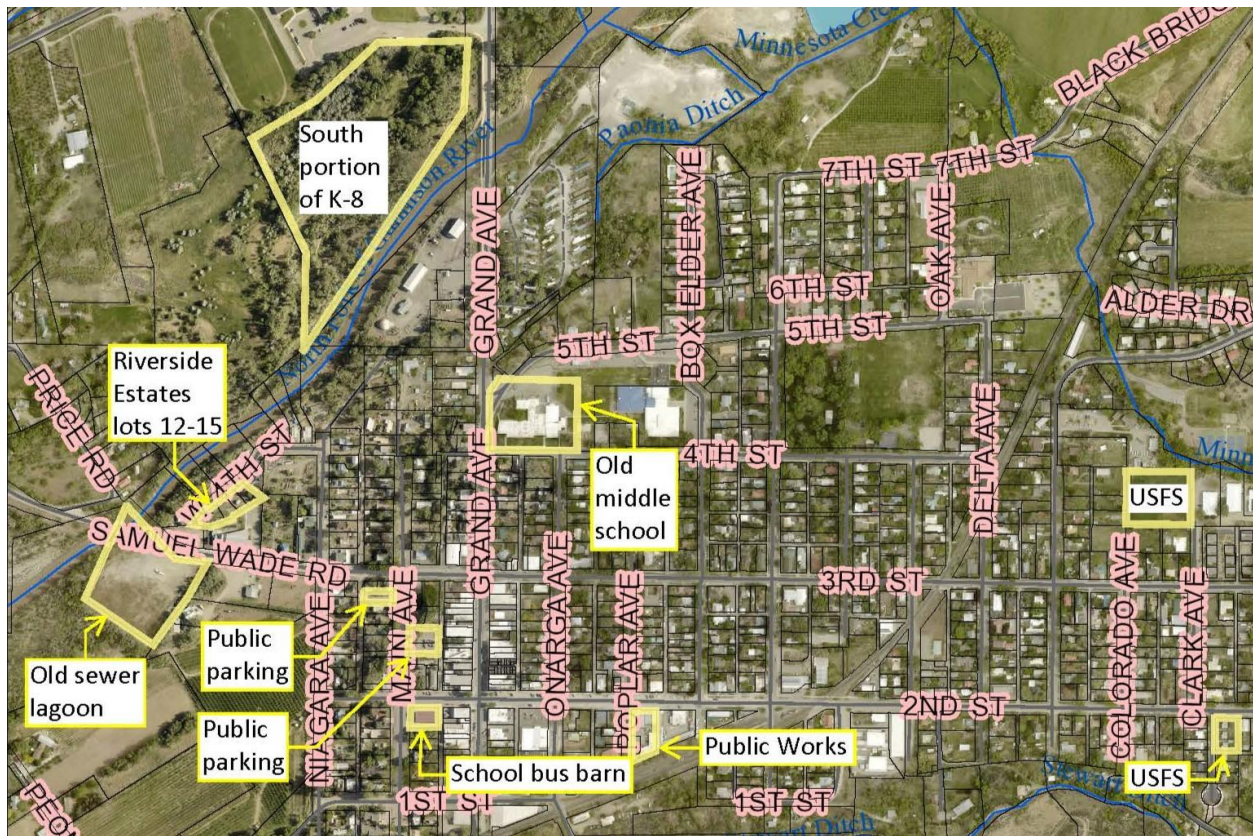
[1] Numerous members of the community identified these sites as top locations for new Housing for the Community during this project.

USFS – United States Forest Service; DCSD – Delta County Joint School District 50J; PW – public works; EMS – emergency medical services; ac – acres; sf – square feet.

SOURCE: DELTA COUNTY ASSESSOR, TOWN OF PAONIA ZONING MAP, CONSULTANT TEAM



Map of Potential Development Sites



SOURCE: DELTA COUNTY GIS, CONSULTANT TEAM

PARCEL-LEVEL ASSESSMENT

A basic analysis of the Town's zoning and density was conducted to comply with SB24-174. A more robust analysis will yield different results.

- The analysis relies on June 2026 Delta County Assessor data and the zone district for each parcel, as shown on the official 2018 zoning map. Two parcels within the town boundary were found to be missing and were manually added. No other changes were made.
- This information is the best available, although the Town is currently updating its official zoning map and corresponding geographic information system (GIS) zoning layer.
- This analysis is based on the roughly 431 zoned acres within the town's larger area, estimated at about 525 acres. This discrepancy is primarily due to the exclusion of public roads.

Residential zone districts (R-1, R-2, R-3, and PUDs) account for 82% of the Town's parcels and 66% of the land area. Almost 40% of the land is zoned R-1, which allows only single-family dwellings, and very little is zoned R-3, the only district that allows more than single-family dwellings and duplexes by right.



Town of Paonia Zone District Summary

Zone District	Number of Parcels	Land Area (acres)	Land Area Distribution
Estate Residential (E-1)	0	0.0	0.0%
Low-Density Residential (R-1)	566	161.5	37.5%
Low-Density Residential Planned Unit Development (R-1 PUD)	16	3.8	0.9%
Medium-Density Residential (R-2)	89	90.9	21.1%
Medium-Density Residential Planned Unit Development (R-2 PUD)	4	13.2	3.1%
Higher-Density Residential (R-3)	76	13.7	3.2%
Mobile Home Park Subdivision (MH)	0	0.0	0.0%
Core Commercial District (C-1)	93	13.0	3.0%
Community Commercial District (C-2)	23	7.7	1.8%
Community Commercial District Planned Unit Development (C-2 PUD)	1	0.5	0.1%
Developing Resource (DR)	7	20.8	4.8%
Light Industrial (I-1)	20	34.7	8.0%
Public (P)	10	71.3	16.5%
Total	905	430.9	100.0%

SOURCE: DELTA COUNTY ASSESSOR, TOWN OF PAONIA 2018 ZONING MAP, URBAN RURAL CONTINUUM

While the distribution of the town's land by zone district is helpful, understanding what can be built by right in each zone is important for identifying how the zoning code creates barriers to constructing new Housing for the Community.

A barrier to additional housing production and home types is that the R-1 zone permits single-family homes by right only. Furthermore, while duplexes are allowed by right in the R-2 zone, many existing lots fall short of the 8,000-square-foot minimum, effectively limiting them to single-family homes.

Key Zone District Details, Town of Paonia

Zone districts that allow residential uses	Residential uses permitted by right	Min. lot area (square feet, unless noted)
E-1 (no land zoned E-1)	Single-family dwellings	3 acres for 1 DU
R-1	Single-family dwellings	6,000 for 1 DU
R-2	Single-family dwellings, Two- family dwellings	6,000 for 1 DU 8,000 for 2 DUs
R-3	Single-family dwellings, Two- family dwellings, Multiple- family dwellings, apartment/ townhouses not exceeding 6 units per lot	6,000 for 1 DU 6,000 for 2 DUs 8,000 for 3 DUs 10,000 for 4 DUs 12,500 for 5 DUs 15,000 for 6 DUs



PRE-EXISTING HOUSING ACTION PLAN COMPLIANCE
B. ZONING AND DENSITY ASSESSMENT

Zone districts that allow residential uses	Residential uses permitted by right	Min. lot area (square feet, unless noted)
MH (no land zoned MH)	Single-family dwellings, Mobile home subdivisions, Mobile home (single unit)	5,000 for 1 DU
C-1	Dwelling units secondary to the business use	Same as R-3
C-2	Dwelling units secondary to the business use	Same as R-3

SOURCE: TOWN OF PAONIA 2018 ZONING MAP AND MUNICIPAL CODE; WILMORE & COMPANY PROFESSIONAL LAND SURVEYING; URBAN RURAL CONTINUUM

Since most Paonia parcels have been developed, an analysis was conducted to identify parcels likely to be vacant and buildable. This analysis was only conducted for the primary residential zone districts. Although some residential development could occur in the town's commercial zones, this is not accounted for in the table below.

- Parcels were identified as vacant if their improved actual value was less than \$10,000.
- Parcels were identified as buildable if the lot size met the minimum square feet required to build at least one dwelling unit (DU).

If a parcel was found to be vacant and buildable, the number of potential dwelling units that could be built was estimated based on the maximum number that could fit on each parcel, determined solely by lot size.

This baseline analysis provides a high-level overview of potential housing buildout in primary residential zones. Because a site-by-site review is outside the scope of this Addendum, these figures represent the theoretical scale of what is possible and should not be treated as absolute.

Many critical factors dictate whether a specific parcel can actually be developed. For instance, this analysis did not evaluate parcel ownership or environmental constraints such as slope gradients and floodplains, nor did it review parcel configuration, infrastructure and utility capacity constraints, or the ability to comply with all local, state, and federal building requirements. It also did not consider whether or how subdivision may occur, or the potential for uses permitted by special review.

The conclusion of this analysis is that there is theoretical capacity for approximately 106 new residential units within the town's residential zone districts. This exceeds the housing production goal set in the Town's HAP and would address the entire housing need identified in the HNA for the Paonia area, not just the Town. As discussed above, while this analysis likely overstates what can be built given the stated assumptions, it also does not account for redevelopment potential.



Potential Dwelling Unit Buildout of Vacant Parcels by Zone

Zone District	Number of Vacant Buildable Parcels	Vacant Buildable Acres	Potential Buildout (Dwelling Units)
R-1	45	23.0	45
R-2 & R-2 PUD	21	43.3	38
R-3	10	1.7	23
Total	76	68.0	106

Note: R-2 row excludes four parcels with a land value of zero (\$0), all homeowner association land; PUD zoning assumed to be the same as the underlying zone district.

SOURCE: TOWN OF PAONIA 2018 ZONING MAP AND MUNICIPAL CODE; WILMORE & COMPANY PROFESSIONAL LAND SURVEYING; URBAN RURAL CONTINUUM

The original 2023 HNA and HAP did not conduct the analysis above but did include a review of the Town’s municipal code and interviews with code users to ascertain whether the land-use and regulatory environment may be creating barriers to housing production.

The review of the Town’s land use regulations at that time resulted in many consultant-recommended edits to better facilitate the creation of Housing for the Community in Paonia. Some, but not all, key recommendations applicable to the development of the number and types of dwelling units identified in the HNA are again listed below. These recommendations remain relevant considering the SB24-174 zoning assessment above.

- **Update zoning map:** Most properties are zoned R-1. Consider changing some to R-2 to allow for gentle density. Properties zoned R-3 are mostly small lots where multifamily housing would be very difficult to develop. This indirectly prohibits multifamily—thus affordable—housing. Once an updated comprehensive plan is adopted, consider rezoning properties to meet the community’s vision.
- **Allow more residential uses in more residential zones:** For example, allow duplexes in R-1, allow multifamily by right in R-2, and allow multifamily 6+ units by right in R-3. Currently, any residential development of more than 6 units is not allowed by right anywhere in Town. Also consider defining additional residential use types, such as cohousing, and allowing them by right in many districts.
- **Add flexibility:** Allow for smaller lot sizes in all districts for all uses. Consider using one front setback requirement per zone, rather than having different setbacks based on the street frontage classification. Consider reducing setbacks for all residential districts. Reduce minimum lot widths. Remove minimum lot coverage. If regulations are not necessary to preserve community character, increased flexibility can improve affordability. Let the building code regulate building spacing and other safety concerns.
- **Expand by right residential uses in C-1 and C-2:** Allow dwellings as part of a business use and multiple family dwellings, especially if part of a mixed-use development. Residential uses on upper floors should be encouraged.

As noted in the 2023 HNA and HAP, changes to the municipal code must follow the Town’s established process. This process gives the community the opportunity to decide which housing recommendations align with the comprehensive plan, support community housing development, and help prevent displacement.





APPENDICES



APPENDIX A

The Town Board unanimously approved acceptance of the HNA and HAP following a public hearing on November 14, 2023. The agenda, agenda packet, and meeting minutes from this regular meeting are included for reference.





TOWN OF PAONIA
REGULAR TOWN BOARD MEETING AGENDA
TUESDAY, NOVEMBER 14, 2023 6:30 PM

Public Participation: Must raise hand and be recognized by the Mayor, come to the podium and state your name and the street on which you live. Time limit is 3 minutes, one time per item. Direct all comments to the Mayor. No responses will be made by staff or Board during the meeting. No derogatory or demeaning statements or public displays. Please be respectful.

Roll Call

Approval of Agenda

Announcements

Public Comment

Any topic not included on the agenda, 3-minute time limit.

Consent Agenda

1. October 24, 2023 Regular Meeting Minutes
2. Liquor License Renewal - 2023 -118 Blue Sage Center for the Arts Inc

Staff Reports

Actions & Presentations

Public comments must be related to the agenda item, 3-minute time limit.

1. Presentation about Safe Routes to Parks Grant - Hannah Stevens with Western Slope Conservation Center

Public Hearing

Public Hearing to Consider acceptance of the Housing Needs Assessment
Consideration of Approval of Signing a Memorandum of Understanding between the Bureau of Land Management and the Town of Paonia as a Participating Agency for the UFO RMPA/EIS.
Consideration of Approval to Apply for DOLA Planning Capacity Grant
Consideration of Approval for Change Orders from K&D Construction
Consideration of Termination of the Contract with Shumscoda Associates

Mayor & Trustee Reports

Trustee Stelter - Report from One Delta County Annual Meeting

Adjournment

I. RULES OF PROCEDURE

Section 1. Schedule of Meetings. Regular Board of Trustees meetings shall be held on the second and fourth Tuesdays of each month, except on legal holidays, or as re-scheduled or amended and posted on the agenda prior to the scheduled meeting.

Section 2. Officiating Officer. The meetings of the Board of Trustees shall be conducted by the Mayor or, in the Mayor's absence, the Mayor Pro-Tem. The Town Clerk or a designee of the Board shall record the minutes of the meetings.

Section 3. Time of Meetings. Regular meetings of the Board of Trustees shall begin at 6:30 p.m. or as scheduled and posted on the agenda. Board Members shall be called to order by the Mayor. The meetings shall open with the presiding officer leading the Board in the Pledge of Allegiance. The Town Clerk shall then proceed to call the roll, note the absences and announce whether a quorum is present. Regular Meetings are scheduled for three hours, and shall be adjourned at 9:30 p.m., unless a majority of the Board votes in the affirmative to extend the meeting, by a specific amount of time.

Section 4. Schedule of Business. If a quorum is present, the Board of Trustees shall proceed with the business before it, which shall be conducted in the following manner. Note that all provided times are estimated:

- (a) Roll Call - (5 minutes)
- (b) Approval of Agenda - (5 minutes)
- (c) Announcements (5 minutes)
- (d) Recognition of Visitors and Guests (10 minutes)
- (e) Consent Agenda including Approval of Prior Meeting Minutes (10 minutes)
- (f) Mayor's Report (10 minutes)
- (g) Staff Reports: (15 minutes)
 - (1) Town Administrator's Report
 - (2) Public Works Reports
 - (3) Police Report
 - (4) Treasurer Report
- (h) Unfinished Business (45 minutes)
- (i) New Business (45 minutes)
- (j) Disbursements (15 minutes)
- (k) Committee Reports (15 minutes)
- (l) Adjournment

* This schedule of business is subject to change and amendment.

Section 5. Priority and Order of Business. Questions relative to the priority of business and order shall be decided by the Mayor without debate, subject in all cases to an appeal to the Board of Trustees.

Section 6. Conduct of Board Members. Town Board Members shall treat other Board Members and the public in a civil and polite manner and shall comply with the Standards of Conduct for Elected Officials of the Town. Board Members shall address Town Staff and the Mayor by his/her title, other Board Members by the title of Trustee or the appropriate honorific (i.e.: Mr., Mrs. or Ms.), and members of the public by the appropriate honorific. Subject to the Mayor's discretion, Board Members shall be limited to speaking two times when debating an item on the agenda. Making a motion, asking a question or making a suggestion are not counted as speaking in a debate.

Section 7. Presentations to the Board. Items on the agenda presented by individuals, businesses or other organizations shall be given up to 5 minutes to make a presentation. On certain issues, presenters may be given more time, as determined by the Mayor and Town Staff. After the presentation, Trustees shall be given the opportunity to ask questions.

Section 8. Public Comment. After discussion of an agenda item by the Board of Trustees has concluded, the Mayor shall open the floor for comment from members of the public, who shall be allowed the opportunity to comment or ask questions on the agenda item. Each member of the public wishing to address the Town Board shall be recognized by the presiding officer before speaking. Members of the public shall speak from the podium, stating their name, the address of their residence and any group they are representing prior to making comment or asking a question. Comments shall be directed to the Mayor or presiding officer, not to an individual Trustee or Town employee. Comments or questions should be confined to the agenda item or issue(s) under discussion. The speaker should offer factual information and refrain from obscene language and personal attacks.

Section 9. Unacceptable Behavior. Disruptive behavior shall result in expulsion from the meeting.

Section 10. Posting of Rules of Procedure for Paonia Board of Trustees Meetings. These rules of procedure shall be provided in the Town Hall meeting room for each Board of Trustees meeting so that all attendees know how the meeting will be conducted.

II. CONSENT AGENDA

Section 1. Use of Consent Agenda. The Mayor, working with Town Staff, shall place items on the Consent Agenda. By using a Consent Agenda, the Board has consented to the consideration of certain items as a group under one motion. Should a Consent Agenda be used at a meeting, an appropriate amount of discussion time will be allowed to review any item upon request.

Section 2. General Guidelines. Items for consent are those which usually do not require discussion or explanation prior to action by the Board, are non-controversial and/or similar in content, or are those items which have already been discussed or explained and do not require further discussion or explanation. Such agenda items may include ministerial tasks such as, but not limited to, approval of previous meeting minutes, approval of staff reports, addressing routine correspondence, approval of liquor licenses renewals and approval or extension of other Town licenses. Minor changes in the minutes such as non-material Scribner errors may be made without removing the minutes from the Consent Agenda. Should any Trustee feel there is a material error in the minutes, they should request the minutes be removed from the Consent Agenda for Board discussion.

Section 3. Removal of Item from Consent Agenda. One or more items may be removed from the Consent Agenda by a timely request of any Trustee. A request is timely if made prior to the vote on the Consent Agenda. The request does not require a second or a vote by the Board. An item removed from the Consent Agenda will then be discussed and acted on separately either immediately following the consideration of the Consent Agenda or placed later on the agenda, at the discretion of the Board.

III. EXECUTIVE SESSION

Section 1. An executive session may only be called at a regular or special Board meeting where official action may be taken by the Board, not at a work session of the Board. To convene an executive session, the Board shall announce to the public in the open meeting the topic to be discussed in the executive session, including specific citation to the statute authorizing the Board to meet in an executive session and identifying the particular matter to be discussed “in as much detail as possible without compromising the purpose for which the executive session is authorized.” In the event the Board plans to discuss more than one of the authorized topics in the executive session, each should be announced, cited and described. Following the announcement of the intent to convene an executive session, a motion must then be made and seconded. In order to go into executive session, there must be the affirmative vote of two thirds (2/3) of Members of the Board.

Section 2. During executive session, minutes or notes of the deliberations should not be taken. Since meeting minutes are subject to inspection under the Colorado Open Records Act, the keeping of minutes would defeat the private nature of executive session. In addition, the deliberations carried out during executive session should not be discussed outside of that session or with individuals not participating in the session. The contexts of an executive session are to remain confidential unless a majority of the Trustees vote to disclose the contents of the executive session.

Section 3. Once the deliberations have taken place in executive session, the Board should reconvene in regular session to take any formal action decided upon during the executive session. If you have questions regarding the wording of the motion or whether any other information should be disclosed on the record, it is essential for you to consult with the Town Attorney on these matters.

IV. SUBJECT TO AMENDMENT

Section 1. Deviations. The Board may deviate from the procedures set forth in this Resolution, if, in its sole discretion, such deviation is necessary under the circumstances.

Section 2. Amendment. The Board may amend these Rules of Procedures Policy from time to time.



TOWN OF PAONIA
REGULAR TOWN BOARD MEETING AGENDA
TUESDAY, NOVEMBER 14, 2023 6:30 PM

1

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Roll Call

Approval of Agenda

Announcements

Public Comment

Any topic not included on the agenda, 3-minute time limit.

Consent Agenda

- [1.](#) October 24, 2023 Regular Meeting Minutes
- [2.](#) Liquor License Renewal - 2023 -118 Blue Sage Center for the Arts Inc

Staff Reports

Actions & Presentations

Public comments must be related to the agenda item, 3-minute time limit.

- [1.](#) Presentation about Safe Routes to Parks Grant - Hannah Stevens with Western Slope Conservation Center

Public Hearing

Public Hearing to Consider acceptance of the Housing Needs Assessment

[Consideration](#) of Approval of Signing a Memorandum of Understanding between the Bureau of Land Management and the Town of Paonia as a Participating Agency for the UFO RMPA/EIS.

[Consideration](#) of Approval to Apply for DOLA Planning Capacity Grant

[Consideration](#) of Approval for Change Orders from K&D Construction

[Consideration](#) of Termination of the Contract with Shumscoda Associates

Mayor & Trustee Reports

[Trustee](#) Stelter - Report from One Delta County Annual Meeting

Adjournment



**TOWN OF PAONIA
BOARD OF TRUSTEES MEETING
STAFF REPORT**

AGENDA ITEM:	Agenda Item #2 - Public Hearing to Consider Acceptance of Housing Needs Assessment
SUBMITTED BY:	Stefen Wynn, Town Administrator
DATE:	11/12/2023
BACKGROUND:	The Planning Commission has recommended Approval of the Housing Needs Assessment. The first step to address affordable housing shortages in Paonia is to complete the Housing Needs Assessment. The process began at the end of April, 2023 and included numerous stakeholder meetings and public outreach sessions. The Paonia Planning Commission held a public hearing on the Housing Needs Assessment on November 1, 2023 and unanimously recommended acceptance of the HNA to the Paonia Board of Trustees. This HNA will become an element within the DRAFT of the Paonia Master Plan. This document will assist the Board, the Commission and staff in addressing the affordable housing crisis in Paonia. The action at this meeting is to accept the HNA and action plan and officially recommend that it become an element for inclusion within the DRAFT of the Paonia Master Plan.
BUDGET:	Original Contract: \$70,150; Contract Amendment to include Add-ons: \$78,910. Reimbursable Expenses to DOLA: \$59,850; Amount requested from DOLA to date: \$32,348.25; Reimbursable Balance Remaining: \$27,501.75
RECOMMENDATION:	Staff Recommends Approval of accepting the Housing Needs Assessment and requiring its inclusion in the DRAFT of the Paonia Master Plan. RECOMMENDED MOTION: I move to approve the acceptance of the Housing Needs Assessment and Action Plan and require its inclusion in the Draft of the Paonia Master Plan.
ATTACHMENT:	Attachment 1: 2023.11.14 Paonia HNA-HAP_ForBoard Attachment 2: 20231012 BoT Public Hearing Notice Attachment 3: Proof BoT PH

**TOWN OF PAONIA, COLORADO
NOTICE OF PUBLIC HEARING**

NOTICE is hereby given that the Town of Paonia Board of Trustees will hold a Public Hearing at 6:30 pm. on Tuesday, November 14, 2023, at the Paonia Town Hall, 214 Grand Avenue, Paonia, CO 81428.

The purpose of the Public Hearing will be to consider acceptance of the Housing Needs Assessment final draft from Urban Rural Continuum.

Any person may appear at the Public Hearing and be heard regarding the matters under consideration. For further information concerning the Public Hearing, please contact the Town Clerk at 970-527-4101 during regular business hours.

Dated the 12 day of October, 2023.

TOWN OF PAONIA, COLORADO
Samira M Vetter
Town Clerk



INTERIM AD DRAFT

This is the proof of your ad scheduled to run in **Delta County Independent** on the dates indicated below. If changes are needed, please contact us prior to deadline at **(970) 249-3444**.

Notice ID: pQh2qpSGCuRT7uIXzcL4 | **Proof Updated: Oct. 12, 2023 at 02:22pm MDT**
Notice Name: Housing Needs Assessment BoT PH

This is not an invoice. Below is an estimated price, and it is subject to change. You will receive an invoice with the final price upon invoice creation by the publisher.

FILER	FILING FOR
Samira Vetter samirav@townofpaonia.com (970) 527-4101	Delta County Independent

Columns Wide: 1	Ad Class: Legals
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10/25/2023: Custom	17.03
11/01/2023: Custom	14.87
11/08/2023: Custom	14.15

Subtotal	\$46.05
Tax	\$0.00
Total	\$46.05

TOWN OF PAONIA, COLORADO
NOTICE OF PUBLIC HEARING

NOTICE is hereby given that the Town of Paonia Board of Trustees will hold a Public Hearing at 6:30 pm. on Tuesday, November 14, 2023, at the Paonia Town Hall, 214 Grand Avenue, Paonia, CO 81428.

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Dated the 12 day of October, 2023.

TOWN OF PAONIA, COLORADO
Samira M Vetter
Town Clerk
Published Wednesday, October 25,
November 1, 8, 2023

Minutes
Regular Town Board Meeting
Town of Paonia, Colorado
November 14, 2023

RECORD OF PROCEEDINGS

Mayor Bachran calls the meeting to order at 6:30 PM

PRESENT

Mayor Mary Bachran
Mayor Pro-Tem Dave Knutson
Trustee Paige Smith
Trustee John Valentine
Trustee Rick Stelter
Trustee Morgan MacInnis
Trustee Kathy Swartz

Approval of Agenda

Trustee Smith makes a motion, seconded by Trustee Swartz, to approve the agenda.

The motion carries unanimously.

Announcements

Trustee Smith makes an announcement that the leaves that Public Works pick up are left at the old sewer lagoon property and are available for pick up.

Trustee Swartz makes an announcement that the Skatepark upgrades are completed and the new and improved Skatepark looks great!

Mayor Bachran makes an announcement that in January, packets for those interested in running for the Town Board of Trustees will be available.

Public Comment

Students from Paonia K-8, Courtney and Amara, make an announcement about an upcoming fundraiser the school will be having, more information to follow soon.

Consent Agenda

Trustee Stelter makes a motion, seconded by Trustee MacInnis to approve the consent agenda.

The motion carries unanimously.

Staff Reports

Town Administrator Wynn highlight the Capital Improvement Plan he has put together that was first started by SGM as an Asset Inventory and is now being turned into a true Capital Improvement plan. He goes through the highlights and funding sources for the projects that have been identified by Department Heads.

Actions & Presentations

1. Presentation about Safe Routes to Parks Grant - Hannah Stevens with Western Slope Conservation Center

Presented by Julie Sapena who is standing in for Ben Graves. She explains the need for support and wanting to partner with the town on this project though they are willing to be the administrative side of things.

Topics discussed: staff training, safety needs, design needs and that it is a competitive grant.

Trustee Stelter makes a motion, seconded by Trustee MacInnis, for the Town to sign a Letter of Support for the Western Slope Conservation Center.

The motion carries unanimously.

Public Hearing

2. Public Hearing to Consider acceptance of the Housing Needs Assessment

Mayor Bachran opens the Public Hearing at 7:20 pm.

Shay & Andrew Coburn from Urban Rural Continuum, present the Housing Needs Assessment and Housing Action Plan

Topics: housing needs, data, steps to move forward when it is time, steps taken to develop and adjust the plan to Paonia's specific needs, surveys, interviews, Housing Task Force, use of the plan for guidance, planning, and community goals, starting point for codification and suggested changes for affordable housing and the removal of barriers to that and development, and the planned receipt of the optional add ons.

Town Administrator Wynn provides highlights of planning commission meeting and their recommendation, as well as his recommendation, to adopt.

Public Comment:

S. Patterson: lot of attention given to the businesses, but businesses are not named, thinks this lacks transparency.

L. McCone: on task force; participated the whole time and was really impressed with the level of care given to putting out a good plan and encourages the town to actually use this plan.

D. Neiremberger: based on numbers instead of real people and situations, real estate in our area is much higher and MLS listings are showing prices that don't seem to match. Neither do the ages of community members mean they are disabled and/or poor. The use of 'sustainable' is also concerning. She also thanks the Town for removing the graffiti from the park.

Mayor Bachran closes the Public Hearing and opens Board deliberations 7:42 PM

Board Deliberations include that they are impressed with the job URC has done since the beginning, Short-term rentals need to be addressed, not stalled because of the moratorium but could be good time to work in our limits and encourage density, private sector vs the town being involved in the housing solution, taking care the hard jobs/controversial items so the next Board can work on progress, One Delta County and their plans and issues, creative problem solving, not shying away from the rough decisions, smaller units, energy efficient housing, keeping unit development costs under the income line.

Mayor Pro-Tem Knutson makes a motion, seconded by Trustee MacInnis, to approve the acceptance of the Housing Needs Assessment and Action Plan and require its inclusion in the Draft of the Paonia Master Plan

The motion carries unanimously.

3. Consideration of Approval of Signing a Memorandum of Understanding between the Bureau of Land Management and the Town of Paonia as a Participating Agency for the UFO RMPA/EIS.

Town Administrator Wynn gives background to how Paonia was asked to become a participating agency.

Board discussion: Paonia needs to be at the table since this area is also our watershed, wonderful opportunity to be involved in decisions that will affect us.

Trustee Stelter makes a motion, seconded by Mayor Pro-Tem Knutson, to approve the Memorandum of Understanding with the Bureau of Land Management.

The motion carries unanimously.

4. Consideration of Approval to Apply for DOLA Planning Capacity Grant

Town Administrator Wynn gives background on the grant, what it does and how it can be used.

Trustee Swartz makes a motion, seconded by Trustee MacInnis, to approve an application for the DOLA Planning Capacity Grant.

The motion carries unanimously.

5. Consideration of Approval for Change Orders from K&D Construction

Town Administrator Wynn provides background on why the change orders were needed, ie: service lines not known about, elevation changes to manholes, asphalt price changes and fill gravel.

Board discussion: documentation was great, changing meeting policy and approvals for change orders in advance, potentially adding padding to some quotes to help cover contingencies that our sewer lines are throwing at us, ordinance to help cover these situations for financial transparency, certain contract additions that can actually help with this situation that other towns do.

Trustee Stelter makes a motion, seconded by Trustee Smith, to approve Change Order #1 in the amount of \$24,606.72 and Change Order #2 in the amount of \$50,045.55 for a total new not-to-exceed contract price of \$373,991.77.

The motion carries unanimously.

6. Consideration of Termination of the Contract with Shums Coda Associates

Town Administrator Wynn provides background on the DOLA grant and new processes to provide better service to the community and better service for planning, building and zoning situations.

Public Comment:

S. Wilson: local contractor; what is the plan going forward if the contract is terminated, it is a big deal to not have a building official.

M. Barnes: Blue Sage Center of the Arts: stuck in the Sage Alley project with the building inspector, asks that the Board get someone who can help and be supportive of people learning the process.

Board: IGA with Delta over a plan reviewer and building official, amount of time spent on these items part-time or full-time, amount of time spent vs amount of time that could be, simple things taking too long, code enforcement could be used for as well, complaints that have come from the public need to be addressed with the new process to make it less frustrating.

Trustee Stelter makes a motion, seconded by Trustee MacInnis, to send notice to Shums Coda Associates of the Town's intent to terminate the agreement between them with the conditions as discussed by the Town Administrator

The motion carries unanimously.

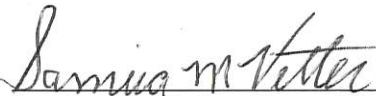
Mayor & Trustee Reports

Trustee Stelter - Report from One Delta County Annual Meeting

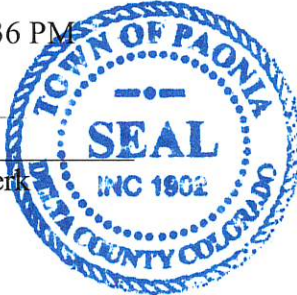
Trustee Stelter expands on the One Delta County meeting overview: need citizen involvement to get it out of Delta exclusively and bring some of it down valley, planning industrial lots, 55-unit housing development, needing creative funding to complete everything, economic development coming in, projects in development and planning stage, grants available for disadvantaged communities.

Adjournment

The meeting Adjourns at 8:36 PM



Samira M. Vetter, Town Clerk



Mary Bachran, Mayor