

PART I ***DEED-RESTRICTED HOUSING CATEGORIES***

Rental rates and sales prices are established in these Guidelines and they apply to employees of Category 1 through RO income levels as related to housing costs in Aspen and Pitkin County. In order to carry out this objective, deed-restricted housing units are categorized with the intent to reflect which income levels they are to service as set forth in Sections 1 and 2 below.

Category 1 low-income level

Category 2 lower moderate-income level

Category 3 upper moderate-income level

Category 4 middle-income level

Category 5, 6, 7 and RO upper middle-income level

SECTION 1 **INCOME CATEGORIES**

Prior to 1990, income categories were designated as low, moderate or middle income in accordance with the applicable guidelines at that time. In 1990, APCA redefined the terms and established four income categories in an effort to create a greater variety of units to serve the community's income levels, along with Resident Occupied (RO). The four income categories were equated to the past income categories and adjusted annually using the Consumer Price Index (CPI). In 2003, Categories 5, 6 and 7 were added.

Current income amounts were derived from 1999 data collected by the APCA including: 1999 Housing Survey of Pitkin County Employees; Colorado Department of Labor and Employment reports; Colorado Department of Employment and Wages reports; U.S. Census Bureau: Flow of Funds Accounts Report and Annual Expenditures Per Child Report; and Housing and Urban Development Data Sets. Increases from these amounts are determined annually based upon the CPI or 3%, whichever is lower, of the existing maximum income levels.

The 1999 survey of employees within Pitkin County determined the median household income for households with zero and one dependent was \$60,000.

The maximum gross household income (defined in the Definitions) for each income category is set forth in Table I.

The following procedure may be utilized by a qualified household with a Category 1, 2 or 3 income level, but net assets greater than Category 4, desiring to rent or purchase a Category 4, 5, 6 or 7 unit:

If the household's net assets exceed the Category 4 net asset limit, each \$45,000 of assets over \$175,000 (the Category 4 asset limit) will be treated as \$4,152 of income and added to the Gross Household Income. However, should a household's net assets exceed \$900,000, that household will be ineligible for deed-restricted housing. THIS PROCEDURE ONLY ALLOWS FOR A HOUSEHOLD TO MOVE INTO CATEGORY 4 OR ABOVE.

**TABLE I
MAXIMUM INCOMES BY CATEGORY**

Maximum rental incomes are different than maximum sales incomes. Due to the nature of the working adult in Pitkin County and the wages that are required to maintain a consistent employee base, the APCA and Board have recognized the need for a higher allowable income adjusted by the number of adults and the bedroom mix. Maximum sales incomes are not attributed to the number of bedrooms, but will remain the same per household, with an adjustment to dependents only.

Maximum Incomes for RENTAL Units Only (See Income Verification, Part II, Section 2, No. 1)				
No. Of Adults	Category 1	Category 2	Category 3	Category 4
One Adult	\$34,000	\$53,000	\$85,000	\$139,000
Two Adults	49,000	78,000	129,000	207,000
Three Adults	59,000	92,000	149,000	242,000
Net Assets not in Excess of	100,000	125,000	150,000	175,000

Maximum Incomes for SALES/OWNERSHIP Units Only (See Income Verification, Part III, Section 2, No. 1)				
No. Of Dependents	Category 1	Category 2	Category 3	Category 4
0 Dependents	\$34,000	\$53,000	\$85,000	\$139,000
1 Dependent	41,500	60,500	92,500	146,500
2 Dependents	49,000	68,000	100,000	154,000
3 or More Dependents	56,500	75,500	107,500	161,500
Net Assets Not in Excess of	100,000	125,000	150,000	175,000

Maximum Incomes for SALES/OWNERSHIP Units Only (See Income Verification, Part III, Section 2, No. 1)				
No. of Dependents	Category 5	Category 6	Category 7	Category RO
0 Dependents	\$148,000	\$162,000	\$179,000	N/A
1 Dependent	155,500	169,500	186,500	N/A
2 Dependents	163,000	177,000	194,000	N/A
3 or More Dependents	170,500	184,500	201,500	N/A
Net Assets Not in Excess of	200,000	225,000	250,000	\$900,000

NOTE: A household can qualify to purchase a unit in a higher category.

SECTION 2 RESIDENT OCCUPIED UNITS

In addition to the income categories for affordable housing units set forth in Table I, affordable-housing units may also be designated "Resident Occupied" (RO) units. Persons shall occupy RO units who qualify as stated in Part III, Section 1 and 3, **Qualifications for Purchase of Resident Occupied Units**. Resident Occupied units with deed restrictions recorded prior to the establishment of the RO Guidelines are subject to their individual deed restrictions. Information on Resident Occupied Units is also found in Part V, Section 6, **Sale or Resale of Resident Occupied Units**; and Part VII, Section 7, **Resident Occupied Units**.