

MEMO

January 20, 2026

To: Craig City Council 
From: Peter Brixius and Marlin Eckhoff
Subject: A resolution establishing expedited review policies for future affordable housing projects.

BACKGROUND / DISCUSSION

In the last quarter of 2024 City Council and the Craig Housing Authority explored options for incentives for affordable housing projects. At this time, we drafted two separate policies. One was a resolution establishing a permit fee waiver/reduction policy for affordable housing, and the other was a resolution establishing expedited review policies for affordable housing projects.

Both policies were discussed at workshops earlier in the year, and the resolution for the fee waiver/reduction policy was brought before council and approved on December 10th, 2024. However, the resolution establishing expedited review policies was never finalized or brought before council.

This policy basically dictates that all Planning Commission reviews and building plan reviews will be done in an efficient and timely manner for all projects that qualify as affordable housing.

Colorado Proposition 123 created the State Affordable Housing Fund to make funds available to local governments for affordable housing. In order to be eligible for Prop 123 funds, local governments must demonstrate they have implemented an expedited review process for affordable housing projects.

The timelines outlined in the policy are fairly common, and typically the city completes planning and building permit reviews in less time than this anyway. So, this policy shouldn't create any unnecessary strain on city staff, and the city shouldn't incur any additional costs when implementing this policy.

I have included the resolution/policy for your review.

RECOMMENDATION

I would recommend City Council to approve Resolution No.4 (2026) as presented.

**CITY OF CRAIG, COLORADO
RESOLUTION NO. 4 (2026)**

**A RESOLUTION ESTABLISHING EXPEDITED REVIEW POLICIES FOR FUTURE
AFFORDABLE HOUSING PROJECTS WITHIN THE CITY OF CRAIG, COLORADO.**

WHEREAS, the voters of Colorado approved Proposition 123 in 2022 creating the State Affordable Housing Fund to make certain funds available to local governments as defined by CRS-29-32-104; and

WHEREAS, the City of Craig, Colorado is a home rule municipality duly and regularly organized and validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado and is eligible for Proposition 123 funding and programming; and

WHEREAS, the City recognizes the importance of allowing affordable and attainable housing to be developed for its workforce and residents; and

WHEREAS, the City has established a baseline and commitment to increase affordable housing as defined in Proposition 123; and

WHEREAS, the City also creates, under this resolution, a policy for expedited review to ensure that affordable housing projects are reviewed, and a final decision is rendered within 90 calendar days of a complete application in accordance with the policy requirements stated here within.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF
CRAIG, COLORADO:**

That the City of Craig creates and recognizes the following expedited review policy for the development of affordable housing projects within the City of Craig, in compliance with Proposition 123 of the State of Colorado.

Section 1. Purpose of the Policy

The purpose of this policy is to establish baseline criteria for expedited review of eligible affordable housing projects within the City of Craig. Applicants wishing to be considered for the expedited review process shall submit necessary information in a form approved and administered by the City Manager to determine eligibility and compliance. In the event of any discrepancies due to statute or guidance changes from the State, the City Manager shall make a final determination on project eligibility and process requirements of this policy.

Section 2. Project Eligibility

Eligible projects are those that contain 50 percent or more of the residential units classified as affordable. Affordable housing is defined to meet the following minimum criteria:

- a. A dwelling unit available for rent or for sale that would be considered

- affordable to households earning at or below 100% Area Medium Income,
and
- b. Projects which cost a household no more than 30 percent of their gross monthly income.

Associated City Planning and Zoning application types, found under Title 16 of the Municipal Code and as amended, include Conditional Use Requests, a Planned Development Overlay District when site-specific development criteria are included, and Site Plans. As well as building permit applications. Each application includes its' own 90 calendar-day timeframe, and the City will make every available effort to process eligible applications concurrently.

Section 3. Process Overview

The City's local process contains multiple steps and applications and the allowance for extensions is outlined in Proposition 123, with guidance provided by the Department of Local Affairs.

- a. Once a project has been deemed eligible and a complete application submitted and accepted for review by the City, a final decision on the application shall be rendered within 90 calendar days.
- b. Exceptions to the 90 calendar days may include an application being withdrawn by an applicant, expired by the City, or extensions authorized by the City consistent with the criteria of Proposition 123 and outlined by the Department of Local Affairs.
 - I. A one-time up to 90 calendar day applicant-initiated extension that allows an applicant to address comments from federal, state, or local agencies with approval authority over the application.
 - II. 30 calendar day City initiated extension(s) for the City and applicant to address substantial comments or due to unexpected delays associated with meeting notification requirements, or a decision-body continuing an application or referring it back for further review.

ADOPTED THIS _____ DAY OF _____, 20___, BY THE CITY COUNCIL OF THE CITY OF CRAIG, COLORADO.

Chris Nichols, Mayor

ATTEST:

Katie Carmody, City Clerk