



## City Council Work Session

448 E 1st Street, Room 190 Salida, Colorado 81201  
July 6, 2026 at 6:00 PM

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### Agenda

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Please register, **BY 4:30 pm the day of the Work Session** for City Council Work Session  
[https://zoom.us/webinar/register/WN\\_AlrC-BsIRNiigokU1E5K4w](https://zoom.us/webinar/register/WN_AlrC-BsIRNiigokU1E5K4w)  
After registering, you will receive a confirmation email containing information about joining the  
webinar. To watch live meetings:  
<http://www.youtube.com/@cityofsalidacolorado>

#### Discussion Items

1. Youth Liaison Update
2. Greenhouse Gas Inventory Update

#### Joint City Council Planning Commission Work Session

3. Inclusionary Housing AMI Levels Discussion
4. Chaffee County Housing Authority Update

#### Adjourn

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# City Council Work Session Memo

<b>Department</b> Administration	<b>Presented By</b> Sara Law - Sustainability Coordinator/PIO	<b>Date</b> July 6, 2026
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## Agenda Item

Greenhouse Gas Inventory

## Background

The City of Salida, in partnership with Chaffee County, recently completed the 2024 Community Greenhouse Gas (GHG) Inventory Report, prepared by Lotus Engineering and Sustainability. This work was funded through the Colorado Energy Office's Energy Efficiency and Conservation Block Grant (EECBG) and provides the City with its first comprehensive, data-driven understanding of community-wide emissions. The inventory evaluates emissions across major sectors including transportation, buildings, and waste, and establishes a baseline that can guide future policy decisions and investments.

This effort directly supports implementation of the City of Salida's Climate Action Plan by identifying where emissions are most concentrated and where targeted action will have the greatest impact. The report confirms that Salida's emissions profile is largely driven by transportation and building energy use, with total emissions estimated at approximately 79,864 metric tons of CO<sub>2</sub>e, or about 27 percent of countywide emissions. Emissions from vehicles are primarily attributed to gasoline and diesel use, while building emissions are largely tied to electricity consumption and natural gas use for heating and cooling.

The key takeaway from this inventory is that the most effective strategies moving forward align closely with the priorities already identified in the Climate Action Plan. Reducing transportation emissions will require a combination of approaches, including the electrification of municipal and community fleets as well as expanding multimodal transportation options. This includes continued investment in electric vehicle infrastructure, along with exploring opportunities to expand bicycle and pedestrian infrastructure and investigating regional shuttle or transit options that can reduce vehicle miles traveled, particularly during peak tourism seasons. Improvements in building energy efficiency remain equally critical, with the report emphasizing the importance of expanding local energy efficiency programs, promoting efficient heating and cooling systems, and reducing overall energy demand.

More broadly, this inventory underscores the importance of focusing on long-term greenhouse gas reduction pathways as a core strategy for community resilience. As climate conditions in mountain communities like Salida become increasingly unpredictable, with greater variability in weather, wildfire risk, and resource availability, having a clear emissions baseline and a coordinated roadmap for reduction is essential. This type of planning enables the City to prioritize investments, guide future policy decisions, and better prepare for environmental and economic shifts while maintaining the community's quality of life.

## **Requested Direction from Council**

At this time, staff are seeking Council direction on how to advance the next phase of work. Specifically, staff request feedback on prioritizing fleet electrification within capital planning, expanding and funding local energy efficiency programs, and evaluating opportunities to support multimodal transportation investments, including bicycle infrastructure and regional transit or shuttle systems. Staff also welcome guidance on how Council would like to integrate these findings into broader policy discussions and future updates to the Climate Action Plan.



# CHAFFEE COUNTY 2024 COMMUNITY GREENHOUSE GAS INVENTORY REPORT

Prepared by: Lotus Engineering and Sustainability

Prepared for: Chaffee County and the City of Salida

104 Crestone Avenue

Salida, Colorado 81201

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# Executive Summary

## INTRODUCTION

Chaffee County is committed to reducing greenhouse gas (GHG) emissions and has a vision to steward resources that enhance community resilience and the natural environment for the community and for future generations.<sup>1</sup> Both Buena Vista and Salida have separate commitments and/or models surrounding their dedication to sustainability within their municipalities. To better understand how different activities are contributing to carbon pollution in the community, Chaffee County and City of Salida received shared funding through the Colorado Energy Office Energy Efficiency and Conservation Block Grant to conduct a 2024 GHG inventory. This inventory will inform County, City, and Town staff, policy makers, and residents about the county's community-wide emissions sources, as well as the opportunities to make impactful emissions reductions.

Chaffee County and the City of Salida elected to use the ClearPath 2.0 software for public-facing emissions reporting, while Buena Vista and Poncha Springs retained Lotus' original inventory workbook. As a result, minor differences exist between municipal and countywide totals presented in this report.

## INVENTORY BOUNDARY

The community-wide inventory assesses emissions across five geographic boundaries:

- City of Salida
- Town of Buena Vista
- Town of Poncha Springs
- Unincorporated Chaffee County
- Total Chaffee County (including all three municipalities and unincorporated Chaffee County)

Emissions are analyzed into the five different sectors and related source activities which include:

- Stationary Energy (building fuels and electricity)
- Transportation (on-road vehicles, aviation, waterborne, and electric vehicles)
- Solid Waste and Wastewater (waste decomposition and treatment)
- Industrial Processes and Product Use (refrigerant leakage)
- Agriculture, Forestry and Other Land Use (AFOLU)

## KEY FINDINGS

### TOTAL EMISSIONS BY JURISDICTION

The 2024 Chaffee County GHG inventory emissions are separated by each jurisdiction. Total jurisdiction emissions are as follows:

- Chaffee County: **291,274 metric tons of carbon dioxide equivalents (mt CO<sub>2</sub>e)**
- Salida emissions are **79,864 mt CO<sub>2</sub>e**

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<sup>1</sup> See: <https://www.chaffeecounty.org/government/sustainability/index.php>

- Buena Vista emissions are **54,926 mt CO<sub>2</sub>e**
- Poncha Springs emissions are **12,983 mt CO<sub>2</sub>e**
- Unincorporated Chaffee County emissions are **146,476 mt CO<sub>2</sub>e**

Figure 1 represents the percentage of emissions contributed from each jurisdiction for the entire boundary area.

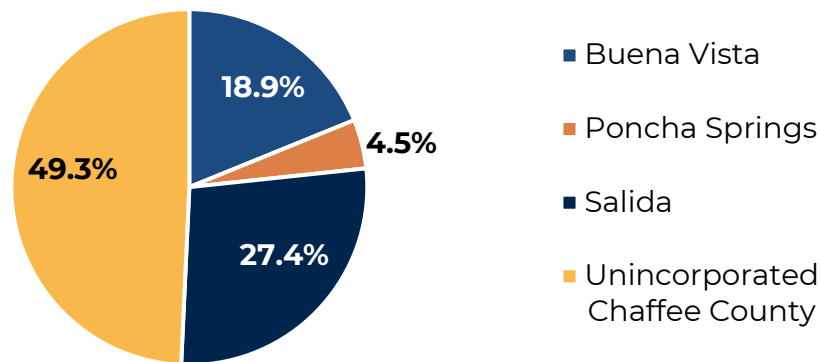


Figure 1: Percentage of Jurisdictional Emissions.

Of the County's emissions, Buena Vista makes up 19 percent, Poncha Springs makes up about 5 percent, Salida is comprised of 27 percent, and the unincorporated areas of Chaffee County made up most Chaffee's emissions at 49 percent of the total emissions. Figure 2 shows the emissions breakdown by sector for each jurisdiction, and Figure 3 illustrates sector emissions for the County as a whole.

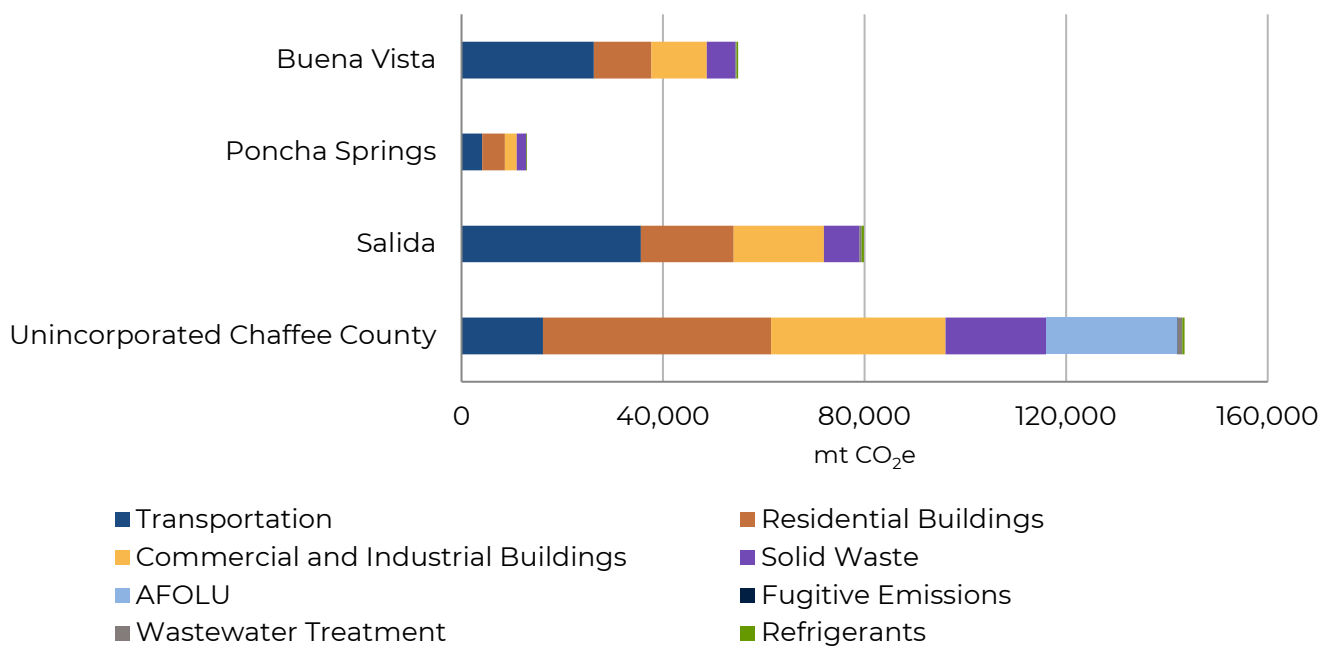


Figure 2: Jurisdictional Breakdown of Sector Emissions.

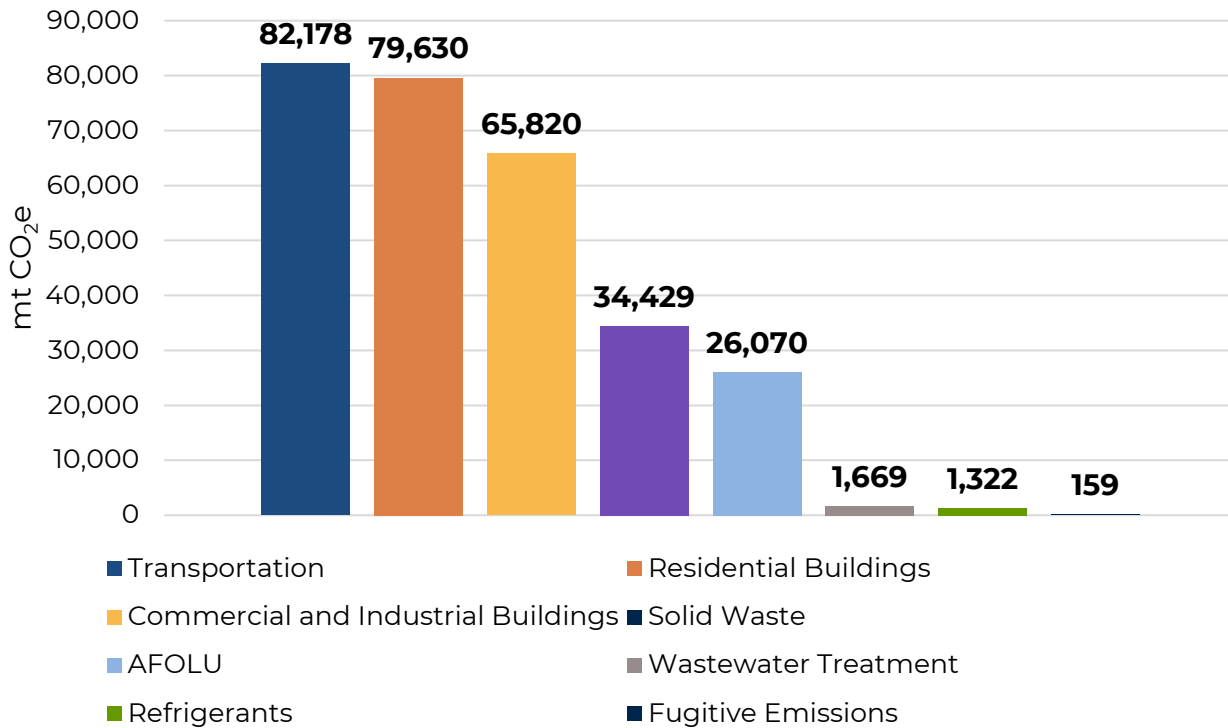


Figure 3: Total Chaffee County Sector Emissions.

### KEY FINDINGS:

- Transportation and residential building energy use are the largest emissions for the region, with Salida being responsible for 43 percent of the transportation emissions and unincorporated Chaffee County being responsible for over half of the residential building energy use emissions.
- Higher transportation emissions are attributed to gas- and diesel-powered vehicles likely due to population density, concentration of goods and services, and tourism. Residential energy use is attributed to building electricity and natural gas usage; high emissions can be caused by inefficient heating and cooling appliances, size of home, and/or residential energy use habits.
- Unincorporated areas of Chaffee County make up just under 50 percent of the county's total emissions profile. With an estimated population of 10,030, their emissions per capita equates to 14.6 mt CO<sub>2</sub>e per resident. Compared to similar communities, like San Miguel County (38.24 mt CO<sub>2</sub>e per resident) or Routt County (12.81 mt CO<sub>2</sub>e per resident), the emissions would be considered mid-range but compared to the United States and Colorado as a whole, per capita emissions are high. See Table 5.
- To put Chaffee County's total emissions into perspective (291,274 mt CO<sub>2</sub>e), it is equivalent to the annual energy use of approximately 39,117 average U.S. homes for one year (enough energy to power all homes in Chaffee County for roughly 3.5 years). It is also equivalent to driving 741,746,589 miles, or ~2.6 million round trips between Denver and Salida, in a gasoline powered car.<sup>2</sup>

<sup>2</sup> See: [EPA GHG Equivalencies Calculator](#)

## **EMISSIONS REDUCTION RECOMMENDATIONS**

### **BUILDINGS**

Building energy use represents the largest share of emissions across the community when residential and commercial sectors are combined (50 percent of total emissions). These emissions primarily come from natural gas, electricity, and propane use. Opportunities to lower emissions include:

- Improving energy efficiency in residential and commercial buildings;
- Adopting the latest building energy codes to promote energy efficiency in new construction;
- Increasing the adoption of high efficiency electric equipment for building heating, water heating, and air conditioning; and
- Expanding access to renewable energy resources.

### **TRANSPORTATION**

Carbon pollution from cars and trucks on the road is the second largest source of emissions within Chaffee County (28 percent). To reduce emissions from the transportation sector, the community may consider:

- Improving transit systems and multimodal transportation options;
- Prioritizing vehicle electrification; and
- Collaborating with entities such as the Arkansas Headwaters Recreation Area (AHRA) and Monarch Mountain to support management strategies for seasonal transportation volume increases.

### **SOLID WASTE AND WASTEWATER**

Emissions created from transporting and landfilling solid waste are also significant (13 percent). Strategies for lowering waste emissions include:

- Prioritizing diverting waste from the landfill through expanded recycling and composting programs; and
- Improving landfill methane management.

### **AGRICULTURE, FORESTRY, AND OTHER LAND USE (AFOLU)**

Though a smaller contributor to emissions than other sectors (nine percent), it is especially relevant for a place like Chaffee County that has a strong ranching culture and large swaths of public lands. Emissions reduction recommendations include:

- Addressing emissions from livestock;
- Applying compost and biochar to soils to help sequester carbon; and
- Stewarding natural assets that act as carbon sinks.

# Full Report

## INTRODUCTION

Chaffee County houses about 20,000 people and includes three municipalities: City of Salida, Town of Buena Vista, and the Town of Poncha Springs. The County is situated in the high desert valley of the Arkansas River near the Sawatch mountains. With much of the County's culture and economy centered on recreating in its vast acreages of public lands, protection of the local environment is imperative. But, like many Colorado mountain communities, the County is faced with intensified climate risks and hazards, shifting economic stress and increasing building and infrastructure vulnerability. These interactions make local climate action and emissions reduction planning especially important for long-term environmental health. Additionally, having a clear understanding of emissions helps communities and decision-makers evaluate risks, meet reporting or funding requirements, and plan for a more resilient and economically stable future.

The County has a long-established commitment to sustainability and the environment. In their 2020 Comprehensive Plan,<sup>3</sup> Chaffee laid out a new vision for the future, with goals and updates to further strengthen civic culture, support innovation and creativity, and act holistically within the lens of sustainability. Within Chaffee County, the City of Salida is also pursuing these efforts as part of their own Climate Action Plan.

Chaffee County's commitment to sustainability goes beyond its creation of a community greenhouse gas (GHG) inventory and Sustainable Development Plan and is also represented by its ongoing efforts to promote energy efficiency, divert waste from landfills, improve transit systems, and support green businesses. Chaffee County and the City of Salida contracted Lotus Engineering and Sustainability, LLC (Lotus) to create the community's first multi-jurisdictional GHG inventory.

<sup>3</sup> [Together Chaffee County: 2020 Comprehensive Plan](#).

### Chaffee County's Community Values

Community values from Chaffee's Comprehensive Plan

- **We are a caring community.** We value our strong sense of community where we know our neighbors, are welcoming and friendly, and support each other when in need.
- **We are good stewards.** We value the natural beauty in our backyard provided by the Arkansas River, surrounding mountains, and valley. We care for the environment that supports our communities and natural systems.
- **We are civically minded and engaged.** We value the willingness of people to work together and collaborate towards the betterment of our community.
- **We are authentic.** We value our rich heritage, distinctive communities and creative residents that contribute to our unique local character that sets us apart from other places.
- **We are a healthy and active community.** We prioritize the physical and mental wellbeing of all community members.
- **We are a great community for children and families.** We value being an ideal place to raise a family where we support young people and parents by providing services, affordable housing, a strong educational foundation and safe environment.
- **We are a safe community.** We value living in a County with close-knit communities where familiarity fosters trust. We respect our diversity, and we strive to ensure everyone has access to economic opportunities that offer financial security.

## THE COMMUNITY INVENTORY: SCOPES, SECTORS, AND SOURCES

This GHG emissions inventory quantifies and distinguishes emissions generated by the community within Chaffee County. As a result, the inventory and report highlight emissions across five geographic boundaries. See Figure 4.

- City of Salida
- Town of Buena Vista
- Town of Poncha Springs
- Unincorporated Chaffee County
- Total Chaffee County (including unincorporated Chaffee County)

Direct and indirect emissions are grouped into three “scopes” based on where the activities they come from physically occur:

- **Scope 1** includes emissions generated directly within the community, such as fuel burned in buildings and vehicles.
- **Scope 2** includes emissions from electricity and other grid-supplied energy used by the community.
- **Scope 3** includes emissions that occur outside the community boundary but that result from local activities, such as fuel consumed for aviation.



Figure 4: Chaffee County Boundary.

Emission sectors are the broad categories of activities that produce greenhouse gas emissions. In this inventory, the following sectors are examined:

- **Stationary Energy:** emissions sourced from buildings and facilities. This includes electricity (including electricity transmission and distribution losses (T&D)) and natural gas usage, and propane and diesel combustion.
- **Transportation:** emissions originating from gas and diesel vehicles, aviation, electric vehicles, and T&D losses from electric vehicles.
- **Solid Waste and Wastewater Treatment:** emissions released from organic material decomposition and treatment. This sector is inclusive of transportation, collection, and waste processing.
- **Refrigerants:** emissions stemming from refrigerant leaks in building heating, ventilation, and air conditioning (HVAC) systems.
- **Agriculture, Forestry, and Other Land Use (AFOLU):** net emissions and removals from natural resource management and land use practices.

Individual sources are the specific, emissions-producing activities within each sector. Table 1 summarizes the sectors and emissions sources included in the inventory and identifies the scope under which each source is reported.

Table 1: Emissions sectors, sources, and scopes.

Sector	Source	Scope
Buildings (stationary energy)	Building Electricity Use	2
	Building Natural Gas Use	1
	Building Stationary Diesel Use	1
	Building Propane Use	1
	Transmission & Distribution Losses	3
Transportation	On-road fossil fuel use	1
	On-road energy use for electric vehicles	2
	Off-road vehicle fuel use	1
	Landing and takeoff aviation emissions	1/3
Waste and Wastewater	Solid Waste (including compost) generated and disposed of within the boundary	1
	Wastewater Treatment	1
	Solid Waste (including compost) generated in the boundary and disposed of outside the boundary <sup>4</sup>	3
Refrigerants	Building Refrigerants (Industrial Processes and Product Use)	1
Agriculture, Forestry, and Other Land Uses (AFOLU)	Net flux of carbon emissions and removals	1
	Fertilizer use and livestock emissions	1

Emissions avoided through recycling and composting are not integrated into total emissions. They are noted as “Information Only - Avoided emissions”. Avoided emissions from net carbon removals from land use are also noted as “Information-only.” Solar generation from resident participation in renewable energy credit retaining programs is subtracted from total emissions to avoid counting that electricity use as an emissions source.

<sup>4</sup> Scope 3 emissions only for communities, there are no Scope 3 waste emissions for the overall County.

## METHODOLOGY

Lotus obtained activity data for each sector and emissions factors from the most reputable and best available sources. Estimates from assumptions were made only when necessary and with Chaffee's and the City of Salida's approval.

Chaffee County and City of Salida elected to use ClearPath 2.0,<sup>5</sup> an online emissions reporting platform created by ICLEI and ClimateView, while Buena Vista and Poncha Springs retained a custom workbook-based methodology developed by Lotus. Both inventories follow the Global Protocol for Community-Scale Greenhouse Gas Emissions Inventories (GPC) and were informed by the same datasets. However, since the latter two community inventories were developed independently from the ClearPath 2.0 platform, there are minor differences in calculation methodologies, emissions factors, and data treatment. This may result in some jurisdictional inventory totals not reconciling precisely with countywide inventory totals.

## INVENTORY RESULTS

### CHAFFEE COUNTY

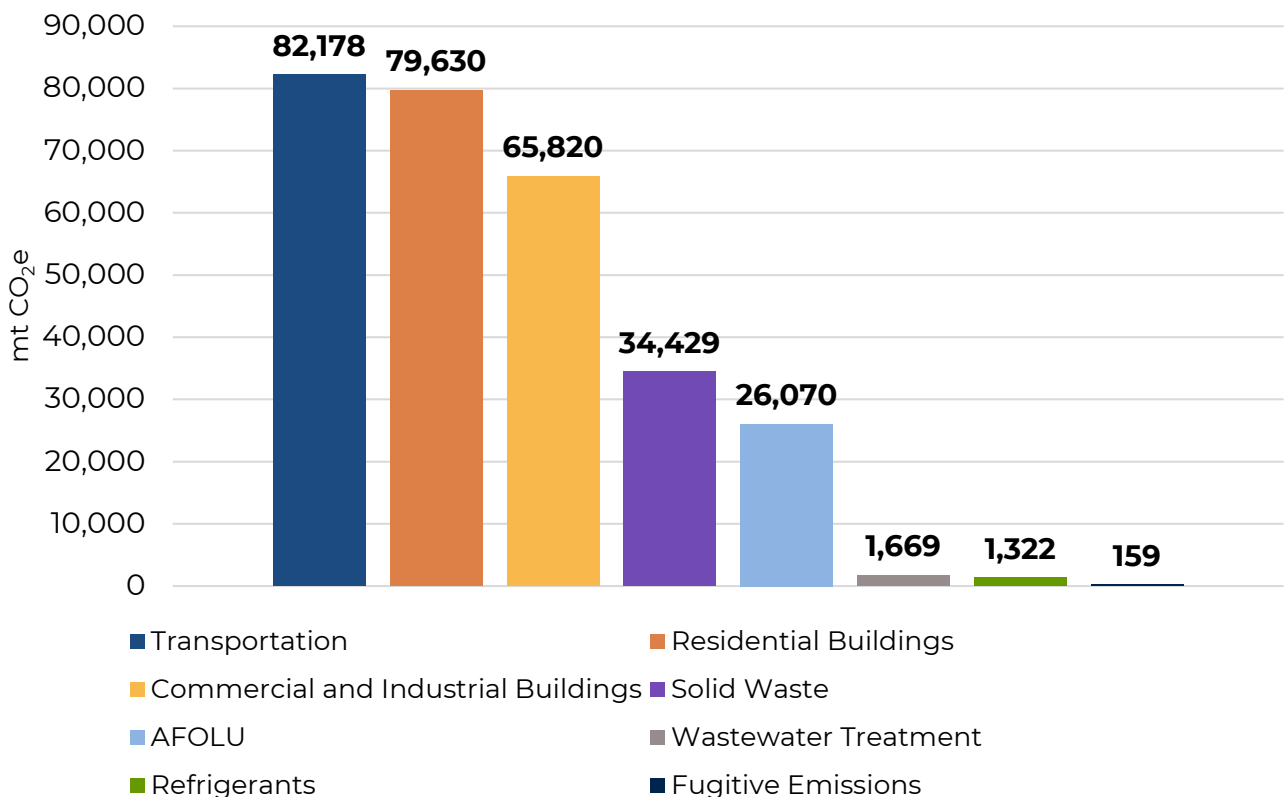


Figure 5: Chaffee County Emissions by Sector.

Emissions for Chaffee County totaled **291,274 metric tons of carbon dioxide equivalents (mt CO<sub>2</sub>e)** for calendar year 2024. Figure 5 represents the contributed emissions by

<sup>5</sup> See: [ClearPath 2.0](#)

transportation, residential and commercial buildings, solid waste, AFOLU (Agriculture, Forestry, and Other Land Use), fugitive emissions, refrigerants, and wastewater treatment.

### TOWN OF BUENA VISTA

Emissions for Buena Vista totaled **54,926 mt CO<sub>2</sub>e** or 19 percent of Chaffee’s total emissions. Figure 6 represents the contributed emissions by transportation, residential and commercial buildings, solid waste, fugitive emissions, refrigerants, and wastewater treatment.

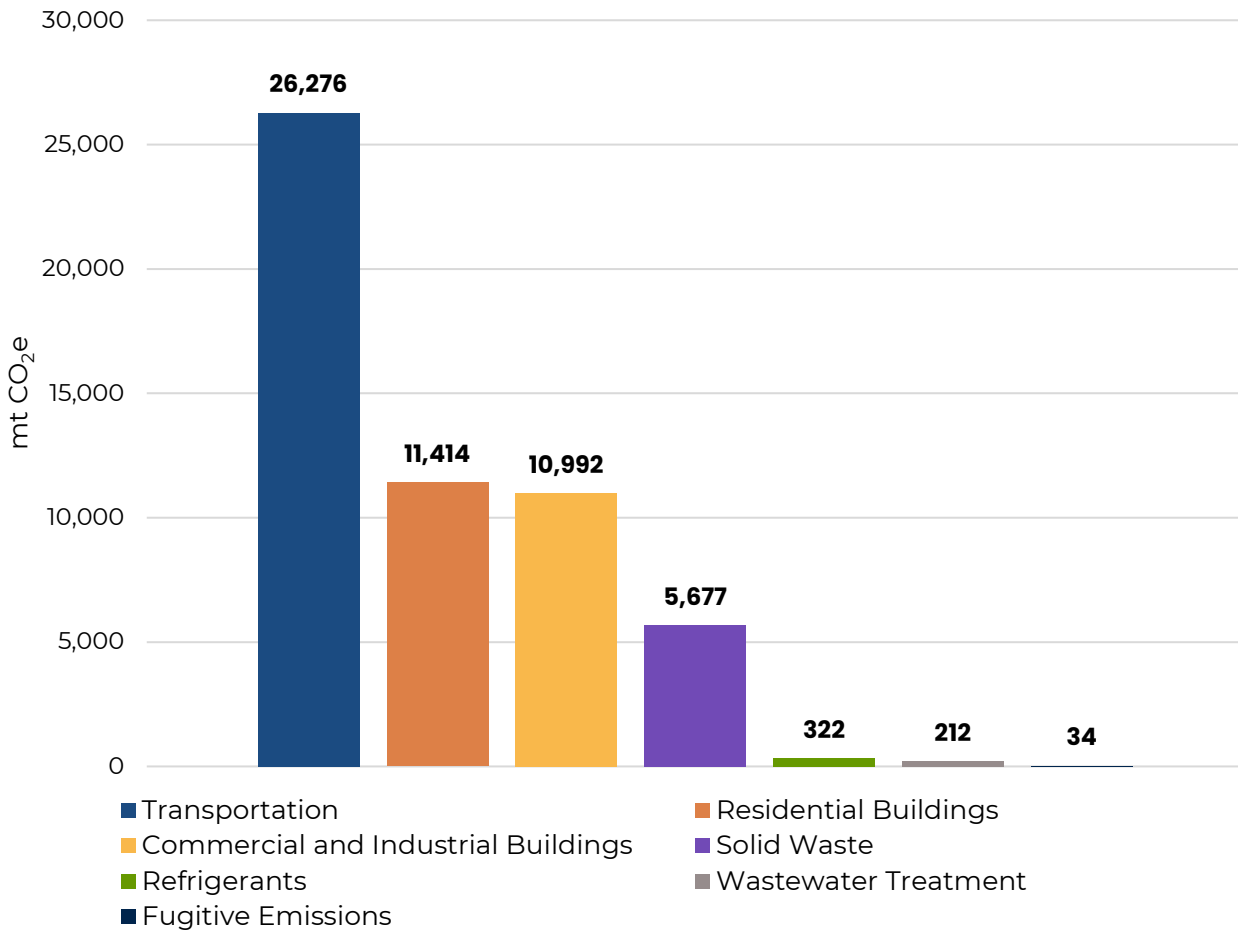


Figure 6: Total Buena Vista Sector Emissions.

### TOWN OF PONCHA SPRINGS

Emissions for Poncha Springs totaled **12,983 mt CO<sub>2</sub>e** or four percent of Chaffee’s total emissions. Figure 7 represents the contributed emissions by transportation, residential and commercial buildings, solid waste, fugitive emissions, refrigerants, and wastewater treatment.

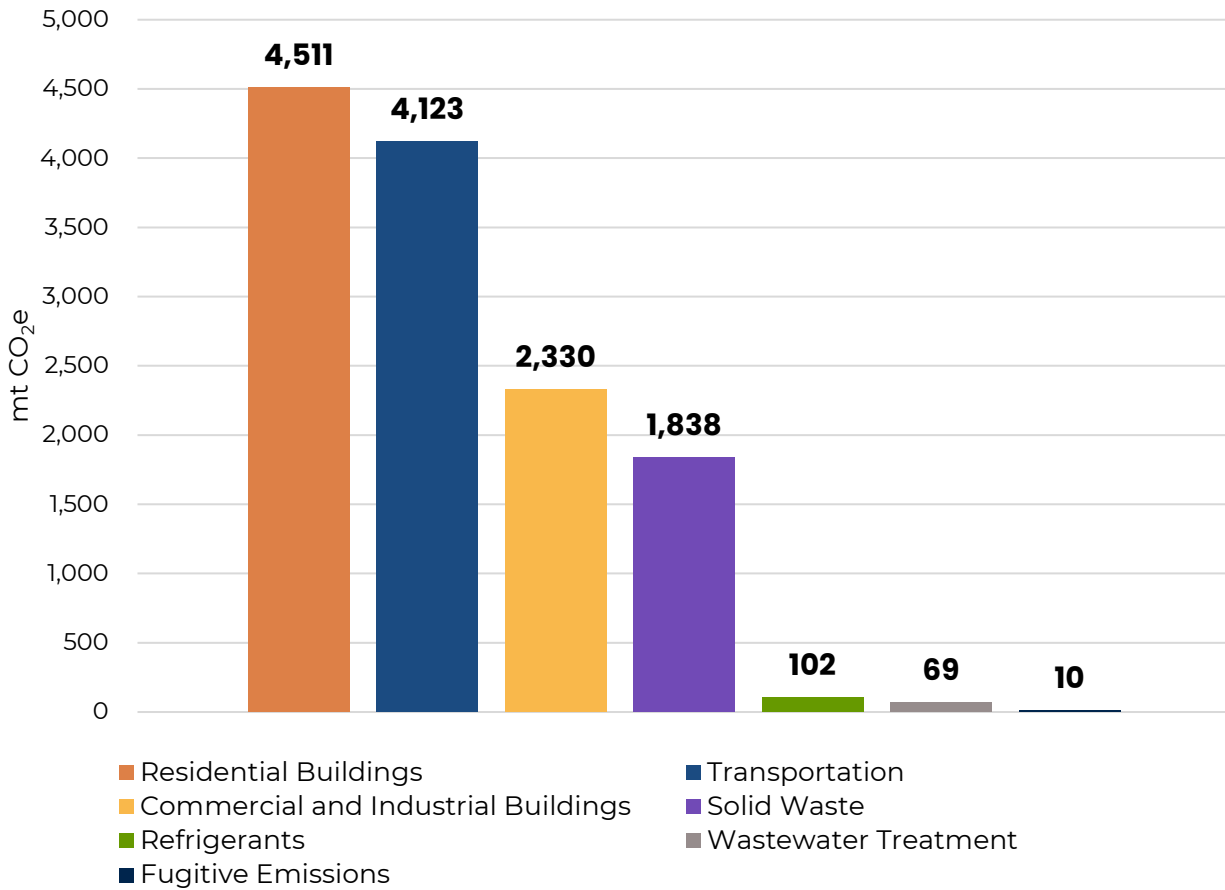


Figure 7: Total Poncha Springs Sector Emissions.

### CITY OF SALIDA

Emissions for Salida totaled **79,864 mt CO<sub>2</sub>e** or 27.4 percent of Chaffee's total emissions. Figure 8 represents the contributed emissions by transportation, residential and commercial buildings, solid waste, fugitive emissions, refrigerants, and wastewater treatment.

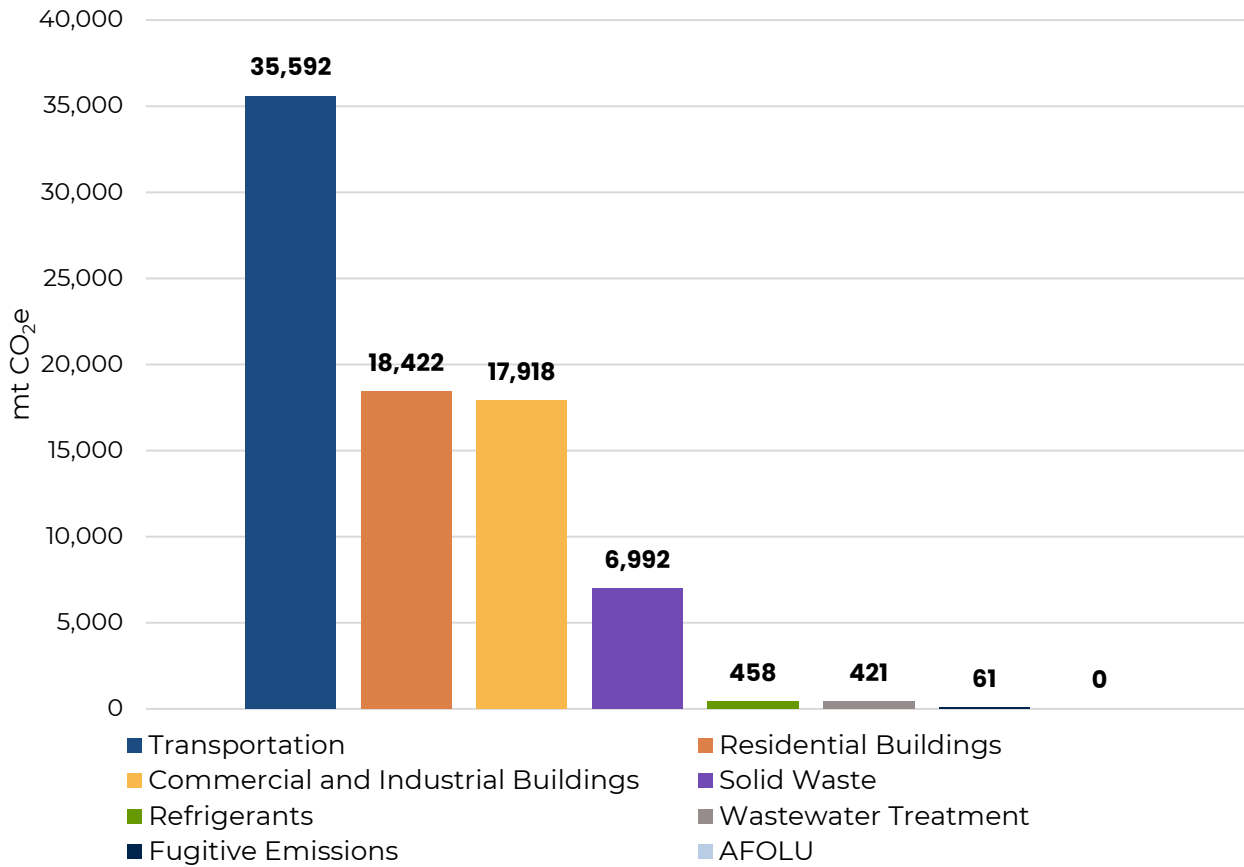


Figure 8: Total Salida sector emissions.

### UNINCORPORATED CHAFFEE COUNTY

Emissions for unincorporated Chaffee County totaled **143,503 mt CO<sub>2</sub>e** or 49 percent of Chaffee’s total emissions. See Figure 9, which represents the proportion of total emissions contributed to Chaffee County from each community and from unincorporated areas.

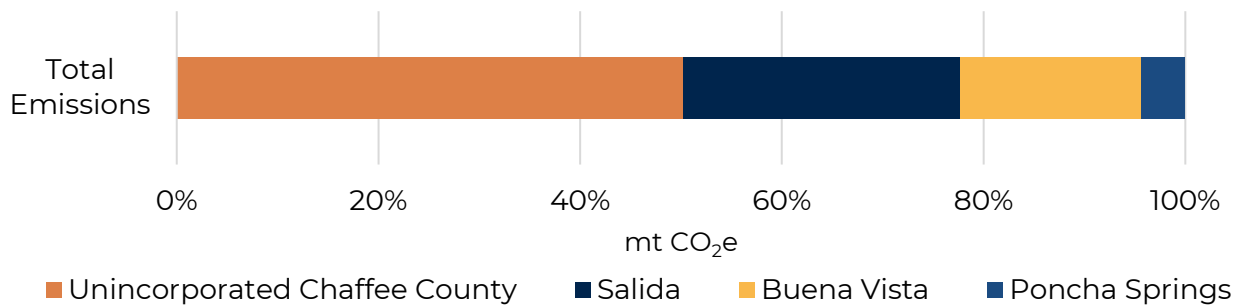


Figure 9: Total Unincorporated Chaffee County Sector Emissions.

Table 2: Scopes and Sources.

Source	Scope	Salida (mt CO <sub>2</sub> e)	Buena Vista (mt CO <sub>2</sub> e)	Poncha Springs (mt CO <sub>2</sub> e)	Unincorporated Chaffee County (mt CO <sub>2</sub> e)	Total Chaffee County (mt CO <sub>2</sub> e)
Electricity (Buildings) <sup>6</sup>	2	17,345	11,337	3,530	35,431	67,643
Natural Gas	1	18,097	10,121	3,032	16,395	47,645
Stationary Diesel	1	0	1	0	0	1
Propane	1	898	34	122	29,107	30,161
Wood	1	N/A	0	0	N/A	N/A
Natural Gas Leakage	1	61	34	10	55	159
Gasoline Vehicles	1	18,042	17,545	2,730	1,901	40,219
Diesel Vehicles	1	16,739	8,053	1,383	13,917	40,092
Other Fuel Vehicles	1	N/A	10	2	353	364
Electric Vehicles	2	66	88	9	15	178
Aviation Jet Fuel	1	563	465	0	0	1,028
Aviation Gasoline	1	182	115	0	0	297
Wastewater - Centralized Treatment	1	421	212	69	745	1,446
Wastewater - Septic	1	0	0	0	223	223
Landfilled Waste	1	5,677	1,838	6,992	19,921	34,429
Refrigerants	1	458	322	102	440	1,322
Enteric Emissions	1	0	0	0	20,658	20,658
Manure Management	1	0	0	0	2,090	2,090
Urea	1	0	0	0	27	27
Biomass Emissions	1	0	0	0	2,938	2,938
Managed Soils	1	0	0	0	357	357

<sup>6</sup> Transmission and distribution (T&D) loss emissions were calculated in the inventory workbook but are not shown separately in this report to maintain consistency with the ClearPath reporting framework used by participating communities.

## EMISSIONS BY SCOPE

### CHAFFEE COUNTY

Scope 1 emissions make up the largest share of the emissions within all of Chaffee County, ranging from 57 to 77 percent. These emissions are primarily generated from on-site fossil fuel combustion in buildings, gasoline and diesel-powered transportation, waste disposal in boundary, wastewater treatment, refrigerant leakage from cooling systems, and land uses such as agriculture. Scope 2 emissions, which result from purchased electricity consumption, represent a smaller share overall. Electricity in Chaffee County is provided by Xcel Energy and Sangre de Cristo Electric Association, which sources power from Tri-State Generation and Transmission. Within Chaffee County and its jurisdictions, all Scope 2 emissions range from 21 to 27 percent. Scope 3 emissions accounted for just 0.3 percent of total countywide emissions because only a limited number of Scope 3 sources were included in the inventory. Most waste generated in Chaffee County is processed within county boundaries, so waste emissions are reported as Scope 1 emissions in the countywide inventory. However, when emissions are allocated to individual communities, waste generated in Buena Vista, Poncha Springs, and Salida is classified as Scope 3 because it is transported outside municipal boundaries for disposal at the county landfill. Composting emissions are an exception: because compost is processed within Salida city limits, they are reported as Scope 1 emissions for Salida and Scope 3 emissions for all other communities whose compost is transported there. See Figure 10, Figure 11, and Table 2.

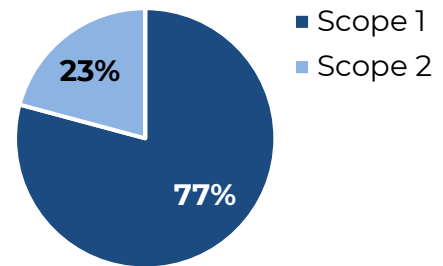
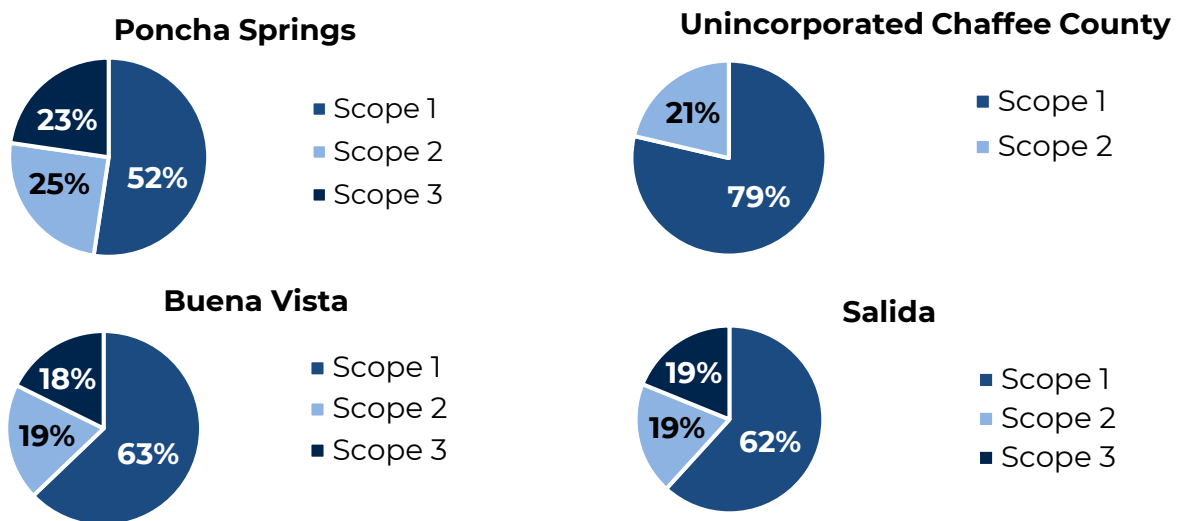


Figure 10: Chaffee County Scope Percentages.

Figure 11: Jurisdictional Emissions by Scope.



## EMISSIONS BY SECTOR

A detailed emissions breakdown by sector and source provides further information on emissions profiles of Buena Vista, Poncha Springs, Salida and unincorporated Chaffee County. Refer to Figure 12 for a jurisdictional breakdown of each sector’s emissions for Chaffee County.

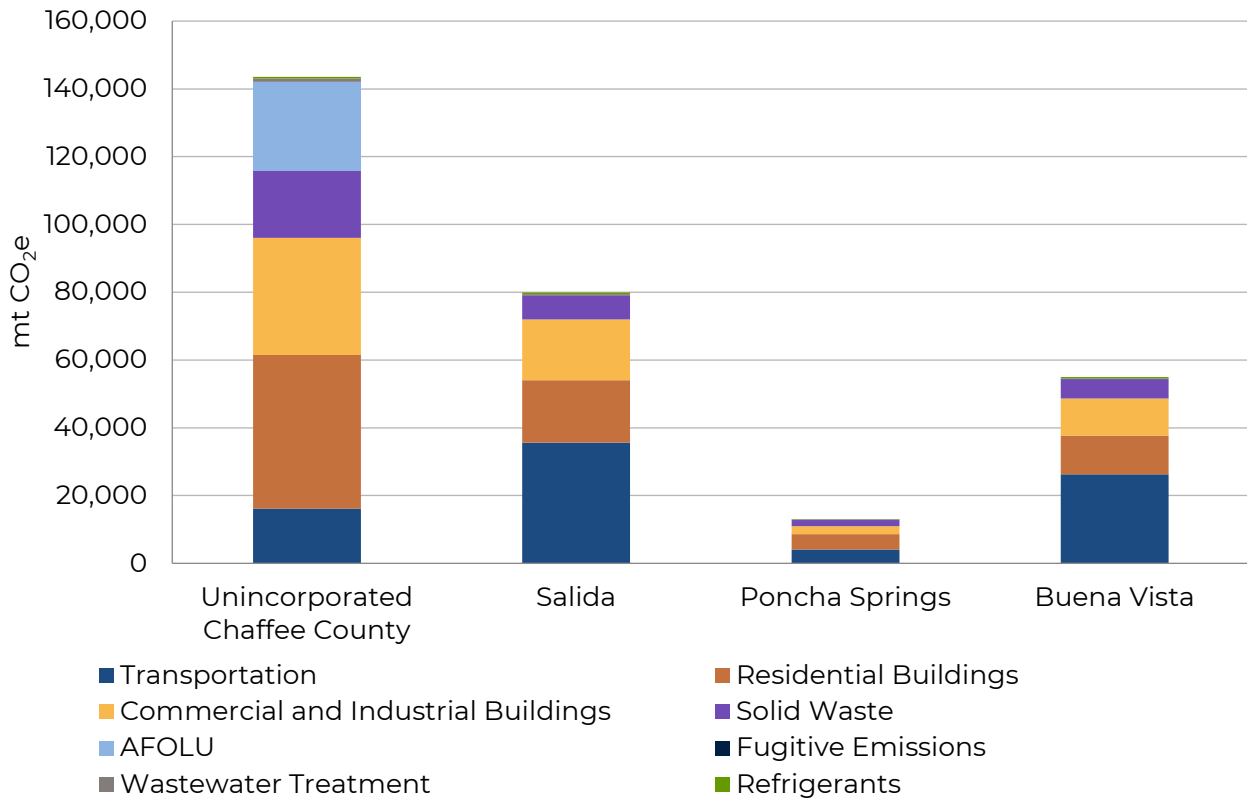


Figure 12. Jurisdictional Emissions by Source.

## BUILDINGS

To calculate emissions from building energy use, Lotus obtained emission factors from the local electric utilities and utilized EPA emissions factors for other fuel sources.<sup>7</sup> The electric emissions factor is a number that represents the amount of greenhouse gases (in carbon dioxide equivalents) released with each unit of electricity that is generated and used. The higher the emission factor, the more fossil fuels are being used to generate electricity. The electricity utilities, Xcel Energy and Sangre de Cristo Electric Association, both provide Chaffee County energy. Sangre De Cristo Electric Association purchases electricity wholesale from Tri-State Generation and Transmission,<sup>8</sup> a wholesale power provider.

<sup>7</sup> See: [EPA Climate Hub](#)

<sup>8</sup> See: [Tri-State Electric](#)

## Chaffee County

Chaffee’s building energy, including residential, commercial, and industrial energy use, makes up about 45 percent of building emissions, with residential building emissions contributing 24 percent and commercial and industrial as 20 percent. Most of these emissions come from building electricity use (67,643 mt CO<sub>2</sub>e), followed by natural gas usage (47,645 mt CO<sub>2</sub>e). See Figure 13.

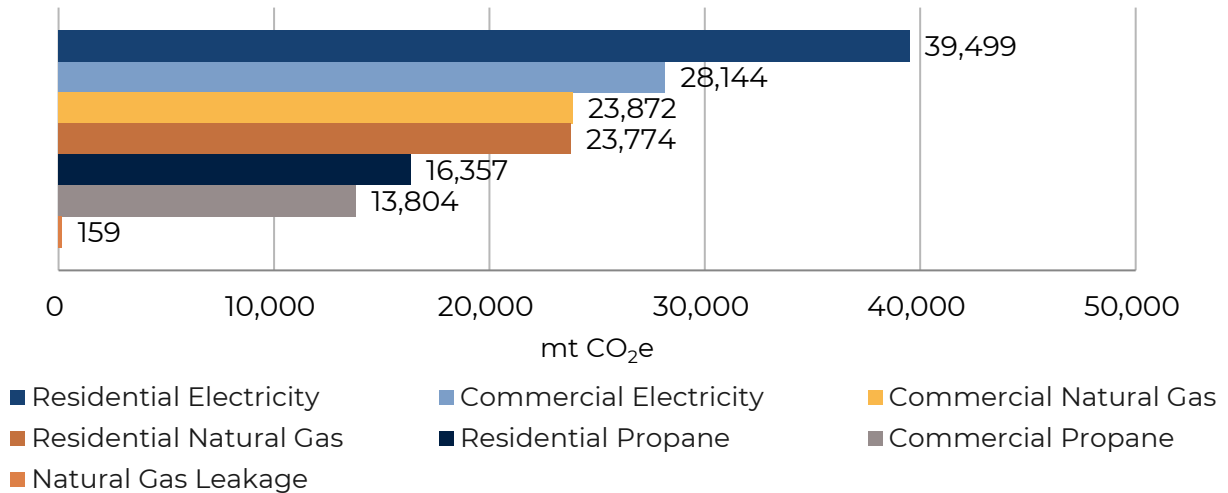


Figure 13: Total Chaffee County Stationary Energy Emissions Detail.

## City of Salida

Building energy usage is a larger share of emissions within the City of Salida, with residential and commercial electricity use comprising 48 percent of its emissions. When separated out into individual sources, residential natural gas usage (10,257 mt CO<sub>2</sub>e) is the highest source of building emissions for the City, then commercial electricity (9,704 mt CO<sub>2</sub>e), commercial natural gas (7,840 mt CO<sub>2</sub>e), and residential electricity (7,641 mt CO<sub>2</sub>e). See Figure 14.

## Town of Buena Vista

In Buena Vista, commercial and residential electricity use comprise over 50 percent of its emissions. This is followed by residential natural gas (5,383 mt CO<sub>2</sub>e) and commercial natural gas (4,738 mt CO<sub>2</sub>e). Natural gas leakage, residential propane, commercial propane, commercial diesel, residential wood, coal, and oil and gas make up the rest of Buena Vista’s stationary energy emissions profile. See Figure 14.

## Town of Poncha Springs

For Poncha Springs, residential electricity use is the largest source of building emissions, comprising about 34 percent of its emissions. When separated into other high emitting sources, residential natural gas (1,988 mt CO<sub>2</sub>e) is next, followed by commercial electricity (1,231 mt CO<sub>2</sub>e), and commercial natural gas (1,045 mt CO<sub>2</sub>e). T&D losses, residential propane, commercial propane, natural gas leakage, residential wood, commercial diesel and coal and oil and gas, make up smaller shares of Poncha Spring’s overall emissions (Figure 14).

## Unincorporated Chaffee County

Building energy usage is the second largest source of emissions within unincorporated Chaffee County, with the residential sector making up 30 percent of its emissions. Out of all the jurisdictions in the County (Salida, Buena Vista, and Poncha Springs), the unincorporated areas of Chaffee have the highest electricity emissions, contributing 35,432 mt CO<sub>2</sub>e. This is followed by residential propane (15,678 mt CO<sub>2</sub>e) and commercial natural gas (10,249 mt CO<sub>2</sub>e). Commercial electricity (11,422 mt CO<sub>2</sub>e) and residential natural gas (6,146 mt CO<sub>2</sub>e) follow behind. Natural gas leakage, commercial propane, and commercial diesel make up smaller shares within the unincorporated areas of Chaffee County. See Figure 14.

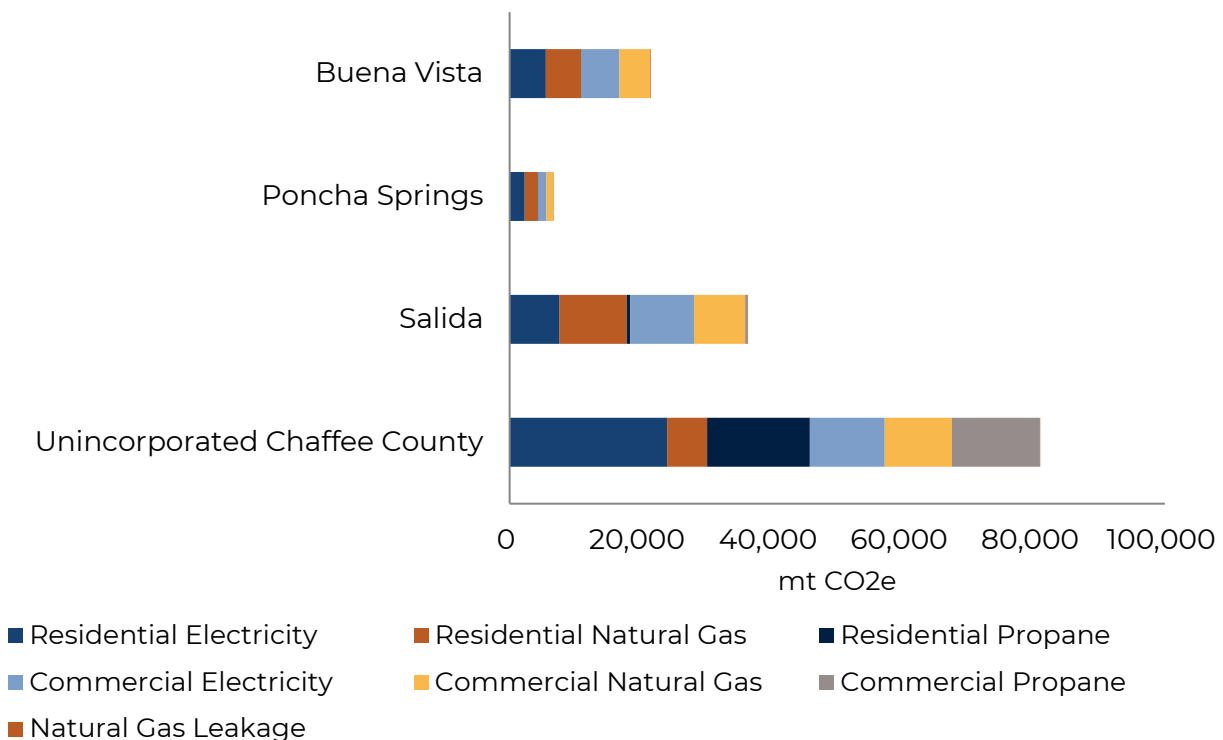


Figure 14: Total Jurisdictional Stationary Energy Emissions Detail.

## Building Emissions Reduction Recommendations

When residential and commercial sectors are combined, building energy use represents the largest share of emissions (45 percent of total emissions). These emissions come from natural gas, electricity, and propane used to operate, heat, and/or cool a building. To reduce carbon pollution from this sector, Chaffee County can focus on the following strategies:

- **Enhance energy efficiency:** The lowest emitting unit of energy is the one that is never used. Ensuring that residential and commercial buildings are actively conserving energy and working efficiently is an important first step to lowering building emissions. The County and its jurisdictions may consider expanding energy efficiency programs for community members.
- **Adopting the latest building energy codes:** Adopting up-to-date energy codes helps to ensure new buildings are built to the latest safety and energy efficiency standards.

- **Prioritize decarbonization:** Shifting away from fossil-fuel reliant infrastructure by increasing the adoption of high efficiency electric equipment for building heating, water heating, and air conditioning.
- **Support renewable energy:** Community participation in renewable energy adoption avoids significant energy emissions. Expanding renewable energy and battery storage programs can help build community resilience and increase avoided emissions from fossil-fuel dependent electricity.

## TRANSPORTATION

Transportation emissions are estimated by first figuring out how far people are driving in a year, using data on vehicle miles traveled (miles that are driven annually and/or daily). For this inventory, a travel model was used as a foundation, combining local data, with regional transportation data to estimate total travel activity. Travel activity includes trips starting in the region and ending outside of it, trips starting outside the region and ending within it, and trips both starting and ending within the region. It does not include trips where someone is just passing through, they would have to stop for the emissions to be counted. Aviation emissions are typically based on fuel use and activity data from airport operations, including flights and ground equipment. All included travel activity is broken down by different types of vehicles, like cars, trucks, and buses, each with different fuel efficiencies, to estimate total fuel use. Standard emission factors are then applied to that fuel used to calculate emissions. For electric vehicles, emissions are based on how much electricity they use and the emissions from generating that electricity. All these sources are combined to produce a total transportation emissions estimate.

### Chaffee County

Gasoline emissions, including ethanol, totaled 34,751 mt CO<sub>2</sub>e, followed by 33,959 mt CO<sub>2</sub>e for diesel vehicles. About two thirds of diesel emissions come from freight and single-unit trucks. Collectively, this sector makes up 28 percent of the County's total emissions. Aviation and airport ground support equipment occurs only in Buena Vista and Salida, totaling 1,325 mt CO<sub>2</sub>e. Off road vehicles make up 11,975 mt CO<sub>2</sub>e, or 13 percent of transportation emissions and is only attributed to the County's emissions. As a result, vehicle transportation represents a larger portion of overall emissions in the county than other jurisdictions where these sources, along with tourism attractions on public lands, are less present (Figure 15).

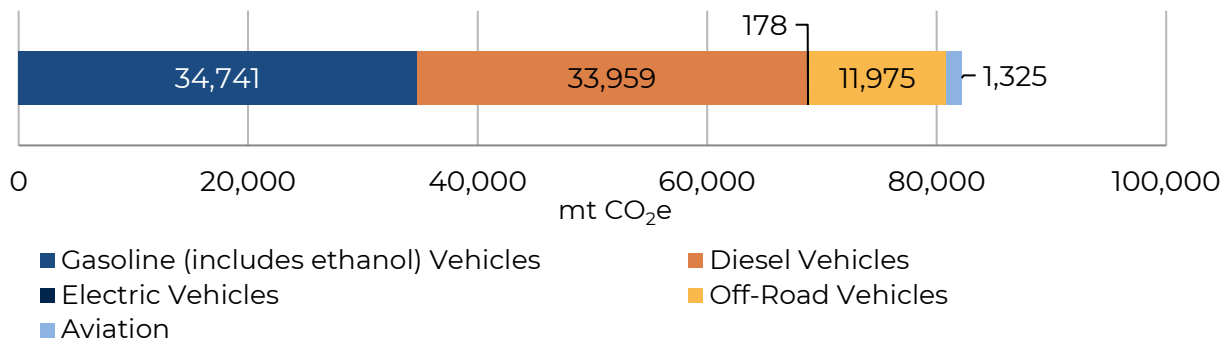


Figure 15: Total Chaffee County Transportation Emissions Detail.

### City of Salida

Gasoline emissions, including ethanol, totaled 18,042 mt CO<sub>2</sub>e, followed by 18,739 mt CO<sub>2</sub>e for diesel vehicles, and 66 mt CO<sub>2</sub>e for electric vehicles. Collectively, the City's on-road gasoline emissions make up 51 percent of the City's transportation sector emissions. Aviation and airport ground support emit 746 mt CO<sub>2</sub>e. See Figure 16.

### Town of Buena Vista

Gasoline emissions, including ethanol, totaled 17,555 mt CO<sub>2</sub>e, followed by 8,053 mt CO<sub>2</sub>e for diesel vehicles and 88 mt CO<sub>2</sub>e for electric vehicles. Generally, the Town's on-road gasoline emissions make up 67 percent of the Buena Vista's transportation sector emissions. Aviation and airport ground support emit 580 mt CO<sub>2</sub>e. See Figure 16.

### Town of Poncha Springs

Gasoline emissions, including ethanol, totaled 2,732 mt CO<sub>2</sub>e, followed by 1,383 mt CO<sub>2</sub>e for diesel vehicles, and nine mt CO<sub>2</sub>e for electric vehicles. In total, the Town's on-road gasoline emissions make up 66 percent of the Poncha Springs' transportation sector emissions. See Figure 16.

### Unincorporated Chaffee

Gasoline emissions, including ethanol, totaled 8,852 mt CO<sub>2</sub>e, followed by 8,869 mt CO<sub>2</sub>e for diesel vehicles, and 15 mt CO<sub>2</sub>e for electric vehicles. Collectively, the Town's on-road diesel emissions make up 89 percent of the unincorporated area's transportation sector emissions. See Figure 16.

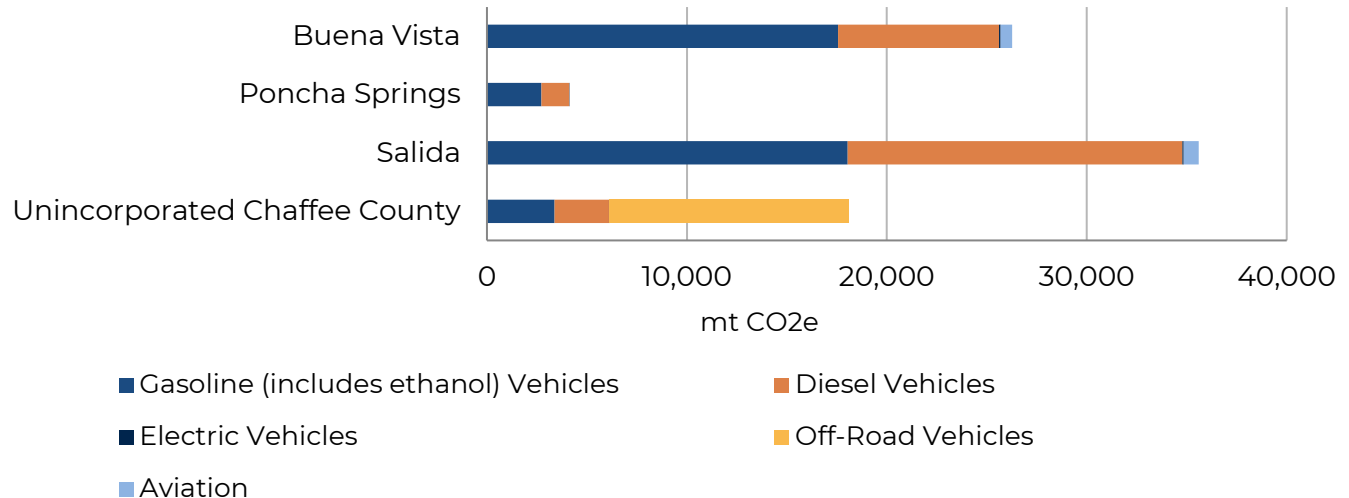


Figure 16: Total Jurisdictional Transportation Emissions Detail.

### Transportation Emissions Reduction Recommendations

The transportation sector, specifically gasoline and diesel cars and trucks on the road, is the second-largest source of greenhouse gas emissions in Chaffee County. Transportation accounts for 28 percent of the total community's emissions. The county's rural geography and tourism economy promotes a reliance on personal vehicles and importing goods via trucking, which creates unique challenges and opportunities for reducing emissions, including:

- **Expand transit and multimodal transportation options:** Providing residents and visitors with alternatives to driving can help reduce vehicle miles traveled and associated emissions. Opportunities include enhancing transit services, improving bicycle and pedestrian infrastructure, and supporting mobility connections between communities and recreation destinations.
- **Prioritize vehicle electrification:** Electric vehicles produce fewer emissions than conventional gasoline-powered vehicles and will become even cleaner as Colorado's electricity grid continues to transition toward renewable energy. Expanding charging infrastructure and supporting electric vehicle adoption can help accelerate emissions reductions. Additional reductions can be achieved by improving freight efficiency and supporting the transition to lower-emission and zero-emission medium- and heavy-duty trucks.
- **Manage tourism-related transportation impacts:** Seasonal tourism contributes significantly to transportation activity within the county. Collaborating with partners such as AHRA, Monarch Mountain, and other recreation providers to support shuttle services, carpooling, transportation demand management, and visitor education efforts may help reduce congestion and transportation emissions during peak seasons.

## WASTE AND WASTEWATER

Most waste in Chaffee County is brought to the Chaffee County Landfill and sorted for landfill, recycling, and compost. Landfill emissions account for 34,429 mt CO<sub>2</sub>e. The rest of the emissions (1,669 mt CO<sub>2</sub>e) are attributed to wastewater centralized treatment and septic systems. Together, waste and wastewater emissions made up 12 percent of Chaffee's overall emissions. Each jurisdiction followed similar emissions

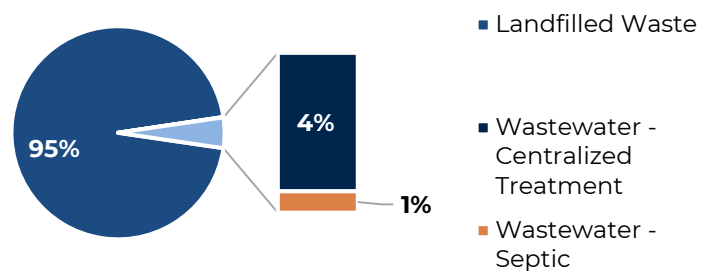


Figure 17: Total Chaffee County Waste Emissions.

themes as the County, with landfilled waste dominating the emissions breakdown, with it being responsible for 95 percent of the waste and wastewater emissions. See Figure 17.

### Solid Waste and Wastewater Emissions Reduction Recommendations

Solid waste and wastewater activities account for 12 percent of community emissions. Most emissions originate from methane generated as organic materials decompose in landfills. Because methane is a potent greenhouse gas, reducing waste-related emissions can provide meaningful climate benefits. To reduce carbon pollution from this sector, Chaffee County can focus on the following strategies:

- **Expand waste diversion programs:** Landfilled waste accounts for 95 percent of the emissions in this sector. Recycling, composting, reuse, and waste reduction programs can decrease the amount of material sent to the landfill and reduce methane generation. Additional opportunities may exist to expand access to diversion programs for residents, businesses, and visitors.

- **Improve landfill methane management:** Capturing, monitoring, and reducing methane emissions from landfill operations can significantly lower emissions from the waste sector. Continued evaluation of landfill management practices may identify opportunities to improve methane mitigation and reduce fugitive emissions.

## IPPU – REFRIGERANTS

Refrigerant use emissions come from estimated rates of refrigerant leakage in commercial buildings. Refrigerant emissions are often categorized as Industrial Processes and Product Use (IPPU) sector emissions, in which the scope is commercial and industrial building types. This inventory assumes roughly 80 percent of commercial buildings use air conditioning, square feet per ton of cooling is 300, and the refrigerant leakage rate is five percent. Refrigerants make up a minuscule number of emissions, accounting for 0.5 percent.

## AGRICULTURE, FORESTRY AND OTHER LAND USE (AFOLU)

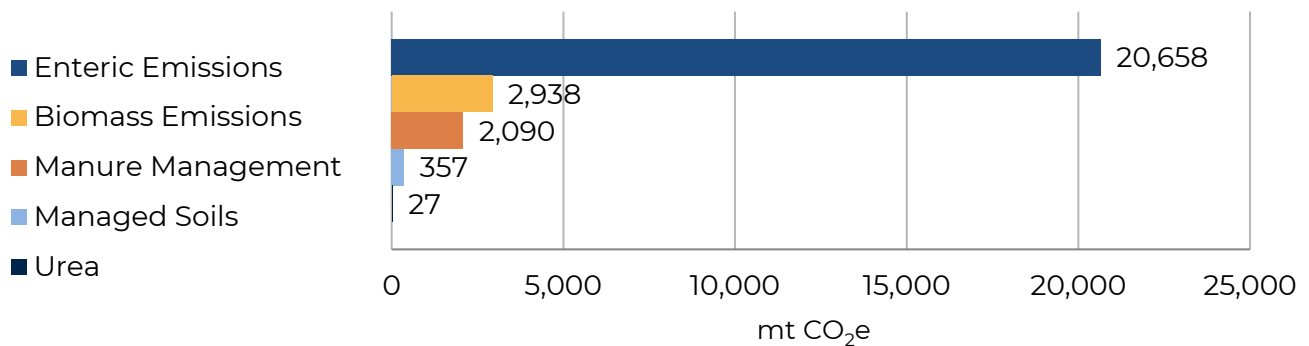


Figure 18: Total Chaffee County AFOLU Emissions.

To calculate the emissions from livestock and agricultural practices within Chaffee County, Lotus used US Agricultural Census data from the United States Department of Agriculture (USDA)<sup>9</sup> and data from the EPA SIT Agriculture Module.<sup>10</sup> Approximately eight percent of AFOLU emissions, or 26,070 mt CO<sub>2</sub>e come from enteric emissions,<sup>11</sup> livestock manure management, urea, biomass emissions (wildfires and controlled burns), and managed soils. Enteric emissions from livestock contributed most of the emissions, resulting in 79 percent of the AFOLU emissions or 20,658 mt CO<sub>2</sub>e. See Figure 18.

To calculate land use emissions, Lotus used the Climate Action Reserve GRASS tool.<sup>12</sup> This annual soil carbon sequestration data provides some insight into the impact of the AFOLU sector on total emissions. The net carbon sequestration occurring from land use change and other natural ecosystems on public or private lands within Chaffee County should not be viewed as offsetting human-caused emissions. Of land in Chaffee County, 82 percent is publicly owned, and 18 percent is privately owned, making the land not only a community

<sup>9</sup> [United States Department of Agriculture. Census of Agriculture. 2022 Census Volume 1, Chapter 2: County Level Data. Colorado.](#)

<sup>10</sup> United States Environmental Protection Agency. [State Inventory Tool](#). Agriculture Module. Version 2024.1.

<sup>11</sup> **Definition:** By-product of natural digestive process occurring in the wild and domesticated animals, such as cattle, goats, sheep, and buffalos. Enteric emissions is one of the important sources of methane from livestock.

<sup>12</sup> [Climate Action Reserve Grassland calculation tool](#)

resource, but a national asset.<sup>13</sup> Emissions are only calculated and attributed to Chaffee County, but reported here as information-only.

**AFOLU Emissions Reduction Recommendations**

While AFOLU is a smaller contributor than buildings and transportation (nine percent of total emissions), it is particularly important in Chaffee County due to its agricultural heritage, ranching community, and extensive public and private lands. The sector also presents unique opportunities to remove carbon from the atmosphere through natural systems. To reduce carbon pollution from this sector, Chaffee County can focus on the following strategies:

- **Reduce emissions from livestock and agricultural operations:** Methane from digestion (enteric emissions) contribute 79 percent of the sector's emissions. Opportunities may include supporting improved manure management practices, grazing management strategies, and other operational improvements that reduce methane and nitrous oxide emissions while maintaining agricultural productivity.
- **Protect and enhance natural carbon sinks:** Forests, grasslands, wetlands, and healthy soils naturally remove carbon dioxide from the atmosphere and store it over time. Chaffee’s land is 82 percent public-owned land making stewarding these natural assets through conservation, restoration, and sustainable land management practices necessary and help increase carbon sequestration while supporting ecosystem health.

**INFORMATION-ONLY EMISSIONS AND INFORMATION-ONLY AVOIDED EMISSIONS**

Emissions benefits from recycling, renewable energy and land-use change were calculated to provide additional insight. Refer to Table 3.

*Table 3: Information-Only Emissions and Avoided Emissions.*

Type	Activity Data	Emissions	Units
Recycling (tons)	3,298	(3,034)	mt CO <sub>2</sub> e
Composted food/green waste (tons)	264	(38)	mt CO <sub>2</sub> e
Renewable energy (kWh)	15,014,518	(2,641)	mt CO <sub>2</sub> e
Avoided Land Use Change <sup>14</sup> (Acres)	61,248	(24,539)	mt CO <sub>2</sub> /yr

**NORMALIZED EMISSIONS**

Normalized metrics,<sup>15</sup> like electricity use per building unit, total emissions per person, help put the GHG emissions into a simpler perspective. These metrics also allow for a more direct comparison across different community sizes or timelines, providing specific

<sup>13</sup> Chaffee County Land Use  
<sup>14</sup> According to the EPA; land use change avoids emissions by increasing carbon storage by using land differently or maintaining carbon storage by avoiding land degradation.  
<sup>15</sup> Normalized metrics are intensity ratios that can be used in GHG emissions accounting to scale the net generated emissions by business metrics or other financial or community indicators, such as emissions per person or emissions per job.

community context. Table 4 represents details of the metrics for Chaffee County, Buena Vista, Poncha Springs, and Salida.

Table 4: Normalized Emissions per Jurisdiction.

Metric	Salida	Buena Vista	Poncha Springs	Chaffee County	Units
Total Jurisdiction emissions per person	14.10	19.24	14.04	14.96	mt CO <sub>2</sub> e/resident
Total emissions per Gross Domestic Product (GDP)	N/A	N/A	N/A	0.00022	mt CO <sub>2</sub> e/\$
Residential electricity per occupied housing unit	6,243.54	6,739.54	12,994.29	7,876.36	kWh/occupied housing unit
Residential natural gas use per housing unit	707.37	668.02	616.21	395.20	Therms/housing unit
Commercial and Industrial electricity use per building floor place	9.30	5.15	5.29	6.77	kWh/sqft

**TOURISM IMPACTS**

Travel and tourism directly influence emissions-generating activities in Chaffee County. The Arkansas River is a nationally recognized rafting and kayaking destination, while Monarch Mountain attracts skiers from across Colorado during the winter season. Although this GHG inventory was not designed as a tourism impact analysis, Lotus examined visitor activity within the Arkansas Headwaters Recreation Area (AHRA) and at Monarch Mountain to better understand the scale and seasonality of recreation-related travel. While the data does not identify transportation modes or travel distances, it still provides useful context for future transportation planning and emissions reduction efforts tied to outdoor recreation.

**ARKANSAS HEADWATERS RECREATION AREA**

Lotus analyzed vehicle count data from AHRA river access sites alongside commercial rafting usage data provided by Colorado Parks and Wildlife. The analysis highlights how visitation and transportation activities fluctuate throughout the year, particularly during peak recreation seasons (see Figure 19). July represented the peak month for overall vehicle activity and commercial river use, indicating that summer recreation places a substantial temporary demand on transportation infrastructure.

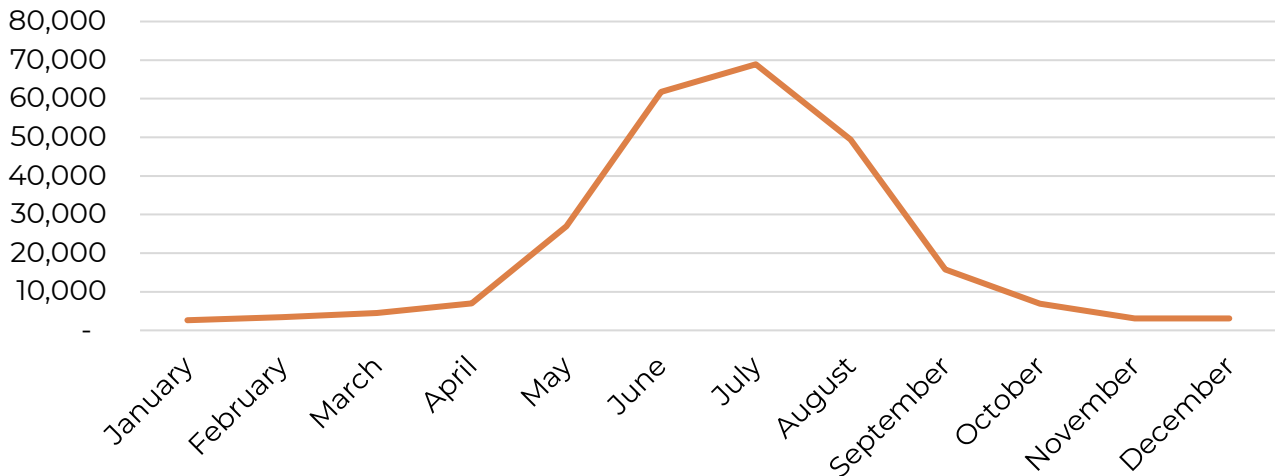


Figure 19: Chaffee County AHRA 2024 Monthly Vehicle Counts.

Using general estimates informed by local rafting companies, Lotus also examined how much vehicle activity may be associated with commercial rafting operations versus other recreational users. This high-level analysis shows that certain AHRA locations experience disproportionately high levels of activity. Vehicle counts are highest at the Salida East location, a popular river access point, then relatively evenly spread among Stone Bridge, Collegiate Peaks, and Ruby Mountain (see Figure 20). However, when commercial rafting activity is incorporated using an assumed average of 12 passengers per commercial vehicle, commercial activity is estimated to account for approximately 20 percent of total vehicle activity within the Fisherman’s Bridge to Stone Bridge section, more than double the estimated share for any other river section identified in the AHRA report.

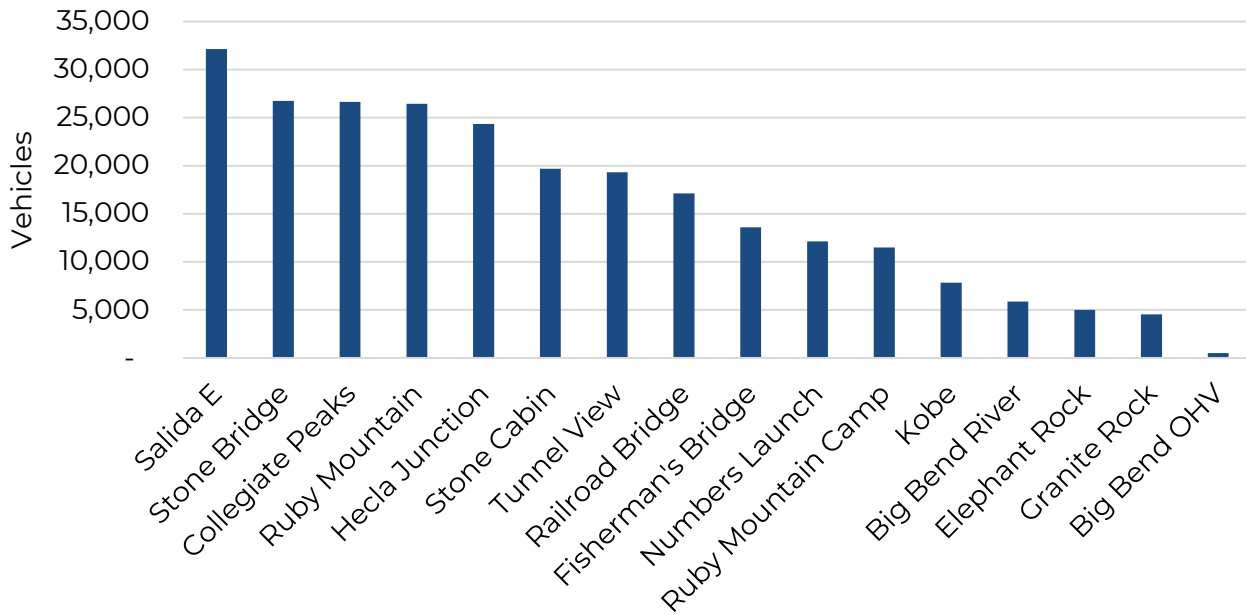


Figure 20: 2024 Vehicle Counts by AHRA Location.

Overall, vehicle count and activity data at AHRA locations in Chaffee County provides additional context on the scale of transportation activity connected to rafting operations, including employee shuttles, client transportation, and personal vehicles accessing popular river recreation sites. Because the analysis relies on limited datasets and broad assumptions, the results should be considered directional rather than definitive, and a more detailed transportation or tourism study would be needed to develop more precise and defensible estimates.

### MONARCH MOUNTAIN SKI AREA ANALYSIS

Monarch Mountain Ski Area provided data on daily ski pass sales and the home zip codes associated with pass purchasers. This information was used to better understand where visitors were traveling from, and to illustrate the regional draw of winter recreation in Chaffee County. Visitor origins were grouped by country for international guests, while domestic visitor locations were mapped to identify the states, cities, and ZIP codes most associated with ski area visitation. The resulting heat map shown in Figure 21 highlights the geographic concentration of skier origins and demonstrates the broad travel patterns connected to recreation-related transportation activity in the county.

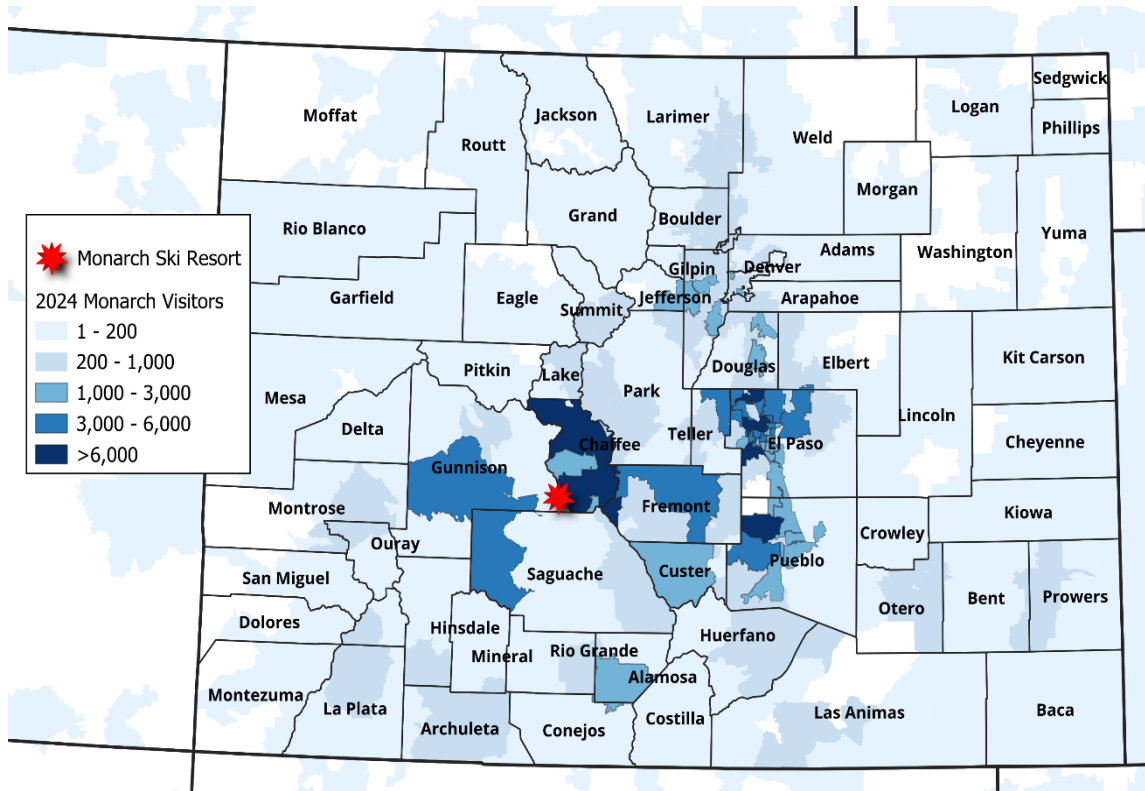


Figure 21: Heat map of Colorado indicating number of Monarch Mountain visitors.

Most 2024 Monarch visitors came from cities and counties surrounding Chaffee, the top 10 being:

- |                                     |                               |
|-------------------------------------|-------------------------------|
| 1. Colorado Springs (49,871 visits) | 6. Buena Vista (3,273 visits) |
| 2. Salida (10,713 visits)           | 7. Cañon City (3,056 visits)  |
| 3. Pueblo (9,693 visits)            | 8. Peyton (3,052 visits)      |
| 4. Denver (8,780 visits)            | 9. Littleton (2,298 visits)   |
| 5. Monument (3,749 visits)          | 10. Golden (2,216 visits)     |

The top 10 locations for visitors to Monarch Mountain are:

- |                              |                               |
|------------------------------|-------------------------------|
| 1. Colorado (143,140 visits) | 6. California (7,427 visits)  |
| 2. Texas (42,755 visits)     | 7. Missouri (5,928 visits)    |
| 3. Kansas (15,242 visits)    | 8. Illinois (3,498 visits)    |
| 4. Oklahoma (9,459 visits)   | 9. Arkansas (2,931 visits)    |
| 5. Florida (7,767 visits)    | 10. New Mexico (2,887 visits) |

## PEER COMMUNITY COMPARISON

Comparing emissions across peer communities provides additional context for understanding local results. Table 5 and Table 6 compare county and municipal emissions across Colorado and the Mountain West, focusing on communities with similar recreation-based economies, climates, elevations, or demographics. While all inventories generally follow the same Global Protocol for Community-Scale Greenhouse Gas Emissions Inventories (GPC) framework used in this inventory, differences in data sources and methodologies may still exist.

One important consideration is the electricity emissions factor used by each utility provider. Communities connected to cleaner electric grids may report lower emissions than similar communities using the same amount of energy from grids with more fossil fuel generation. Emissions profiles are also shaped by factors such as population, infrastructure, economic activity, land ownership, and proximity to metropolitan areas. As a result, comparisons should consider community context, not just total emissions.

*Table 5: Peer County Emissions Comparison.*

County	Population	Community Emissions (mt CO <sub>2</sub> e)	Per Capita Emissions (mt CO <sub>2</sub> e/person)
<b>Chaffee County, CO (2024)</b>	<b>19,476</b>	<b>291,274</b>	<b>14.96</b>
Ouray County, CO (2023) <sup>16</sup>	4,879	127,100	26.05
San Miguel County, CO (2023) <sup>17</sup>	7,874	301,000	38.23
Routt County, CO (2023)	25,064	321,090	12.81
Blaine County, ID (2023)	24,248	433,977	17.8

<sup>16</sup> See: [EcoAction Partners 2023 Regional Greenhouse Gas Inventory](#)

<sup>17</sup> *Ibid.*

Table 6: Peer City/Town Emissions Comparison.

City or Town	Population	Community Emissions (mt CO <sub>2</sub> e)	Per Capita Emissions (mt CO <sub>2</sub> e/person)
<b>Salida, CO (2024)</b>	<b>5,666</b>	<b>79,863</b>	<b>14.10</b>
Steamboat, CO (2023)	13,508	242,362	17.90
Crested Butte, CO (2022) <sup>18</sup>	1,434	23,670	16.51
Durango, CO (2022) <sup>19</sup>	19,300	269,100	19.94
Ketchum, ID (2023)	3,490	89,268	25.58

## FUTURE IMPROVEMENT OPPORTUNITIES

Like with almost any GHG inventory, there are opportunities to refine future data collection and improve estimate accuracy. Several areas for improvement were identified within the transportation, wastewater, waste, and energy sectors.

For wastewater emissions, direct data on populations served by onsite wastewater treatment systems (OWTS) was limited, so OWTS permit records and average household occupancy assumptions were used to estimate septic system usage in unincorporated areas. Similarly, waste generation for individual communities was estimated using population-based assumptions due to limited localized waste data. Additional parcel-level, utility, or waste collection data could help improve the precision of future estimates.

For transportation emissions, limited traffic data required emissions to be estimated using available traffic counts and broader traffic trends rather than a fully calibrated countywide transportation model. Future inventories could benefit from additional measured traffic data and transportation modeling more closely tailored to local travel patterns.

Utility-provided electricity data represented the best available estimates of countywide energy use, though more geographically specific datasets, such as ZIP code-level reporting, could help further refine future emissions allocations.

## CONCLUSION

Chaffee's 2024 GHG inventory highlights that the County's emissions are focused on a few core sectors rather than evenly spread across the County's entire profile. Transportation is the largest source, closely followed by residential building energy use. Solid waste, commercial and industrial buildings, and AFOLU make up the next biggest emissions portion, while wastewater treatment, refrigerants, and fugitive emissions provide relatively small contributions.

Across the inventory sectors, the data points to similar underlying drivers between jurisdictions; on-road transportation and fossil fuel reliant infrastructure for residential and commercial buildings. This baseline GHG inventory is continuing Chaffee's sustainability momentum, and achieving greater emissions reductions will require the County to

<sup>18</sup> See: [Town of Crested Butte Greenhouse Gas Emissions Inventory](#)

<sup>19</sup> See: [Durango 2022 Greenhouse Gas Emissions Inventory](#)

continue progress on vehicle electrification and building decarbonization, where improvements are feasible, meaningful, and sustainable for the years to come.



# City of Salida 2024 County-wide GHG Inventory and Trends

Claire Kantor | Associate  
Lotus Engineering & Sustainability





# Agenda

- **Introduction**
- **GHG Scopes**
- **Methodology**
- **Overview of 2024 GHG emissions results**
- **Sector results**
- **Key findings**
- **Benchmarking**
- **Peer Community Comparison**
- **Opportunities**
- **Questions/discussion**



# Introduction

- **What is a GHG inventory?**
  - A greenhouse gas (GHG) inventory is a way of measuring carbon emissions from different activities (i.e., driving cars, generating waste, running HVAC systems in buildings).
- **Importance**
  - Track progress towards County + City's sustainability commitment.
  - Inform and recommend actions that helps prioritize emissions reduction.
  - Identify the City's largest GHG emitters and sectors.
  - Understand emissions relative to similar communities.



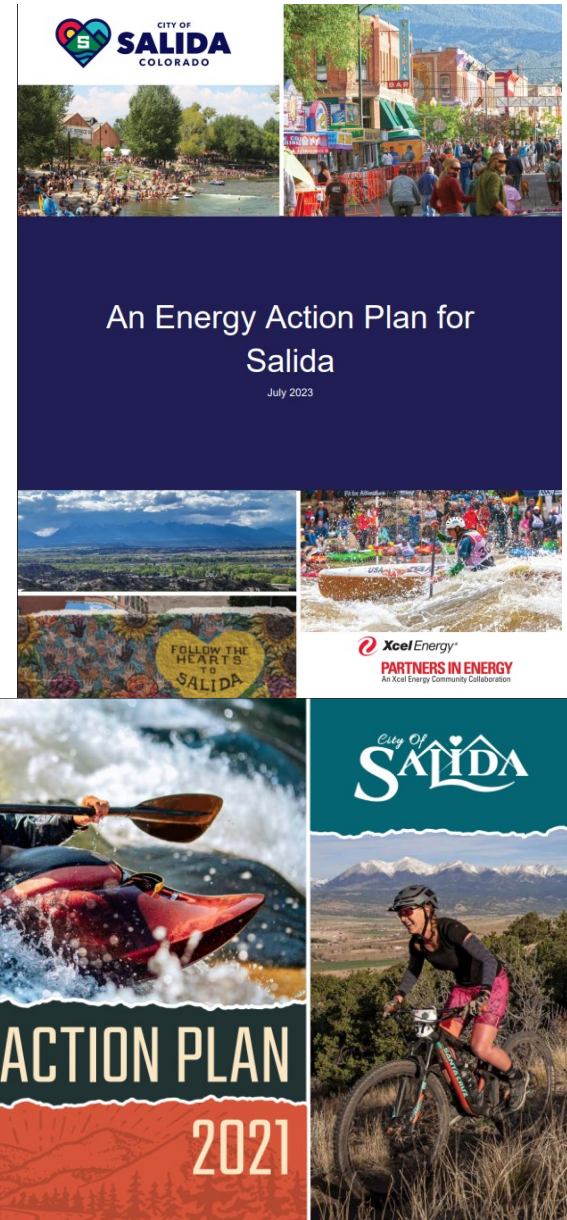
# Chaffee's Efforts

- **Energy Efficiency and Savings**
  - Energy code workshops.
- **Green Business**
  - Colorado Green Business Network.
  - Green Drinks.
- **Landfill and Recycling**
  - Electronic waste recycling events.
- **Transportation**
  - Electric Vehicle Readiness Plan.
  - Drive Clean Colorado.
- **Water**
  - Eye On Water.
  - Buena Vista Water Conservation Plan.

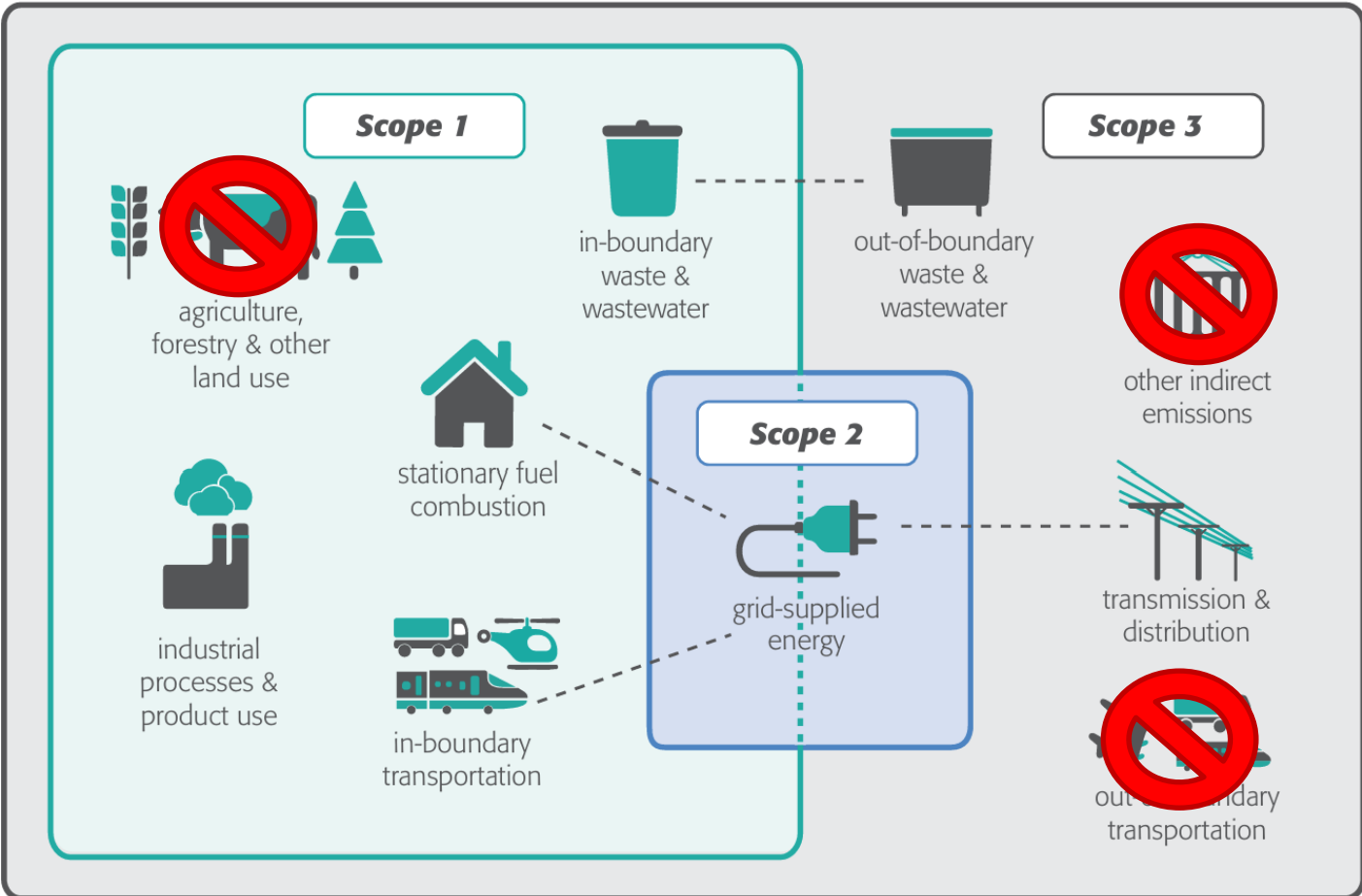


# Salida's Efforts

- **Energy Efficiency**
  - Xcel Partners in Energy Program.
  - Salida Energy Action Plan.
- **Climate Action**
  - 2021 Salida Climate Action Plan.
  - Salida Sustainability Committee.
- **Community Coordination**
  - Cross-jurisdictional partnerships.
- **Funding**
  - City of Salida & County's shared Colorado Energy Office Energy Efficiency and Conservation Block Grant.



# GHG Scopes



Inventory boundary (including scopes 1, 2 and 3)
  Geographic city boundary (including scope 1)
  Grid-supplied energy from a regional grid (scope 2)



# GHG Methodology

- Lotus obtained **activity data** for each sector and **emissions factors** from the most reputable and best available sources.
- The inventory follows the Global Protocol for Community-Scale Greenhouse Gas Emissions Inventories (GPC).

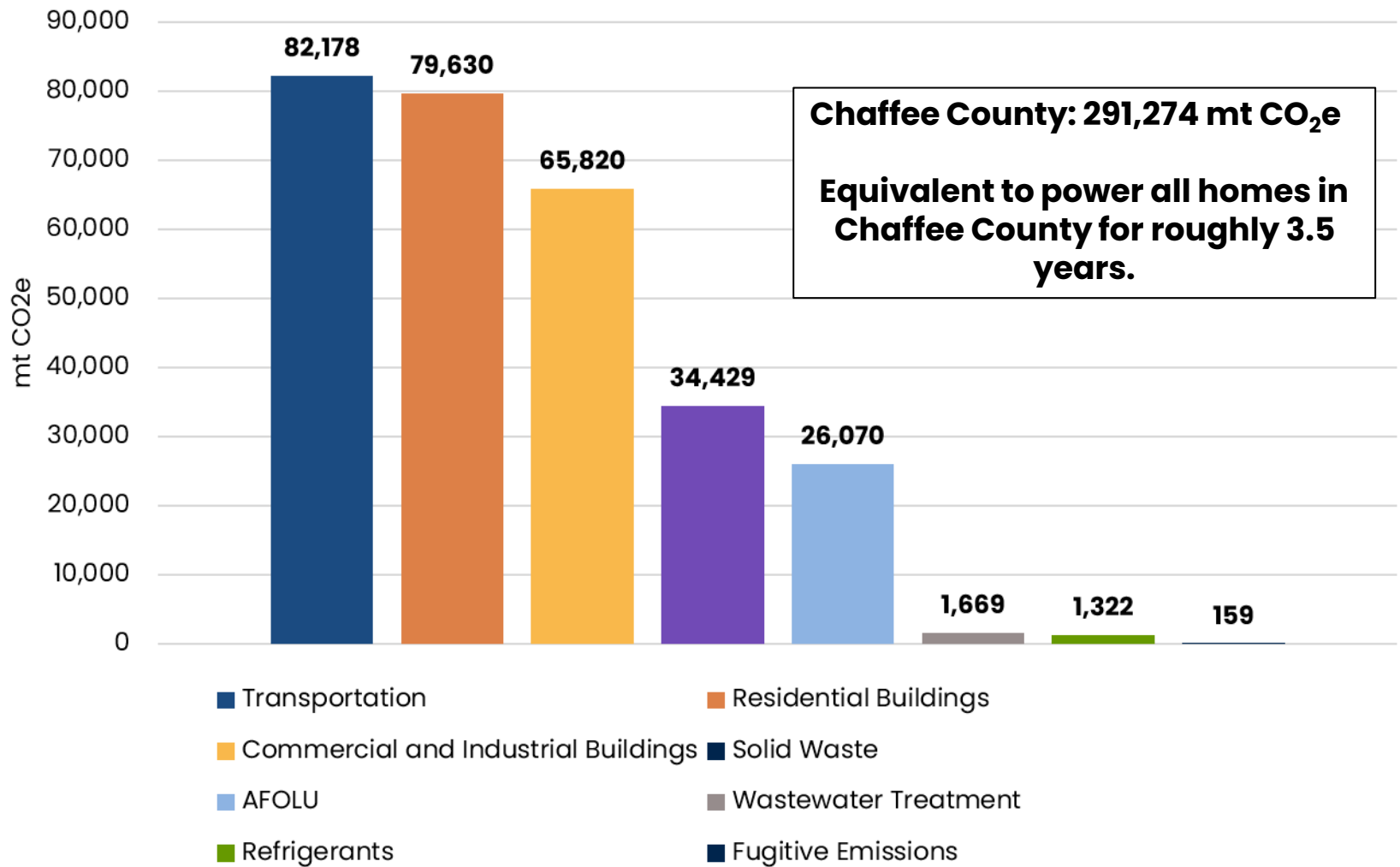


*Global Protocol for  
Community-Scale Greenhouse  
Gas Inventories*

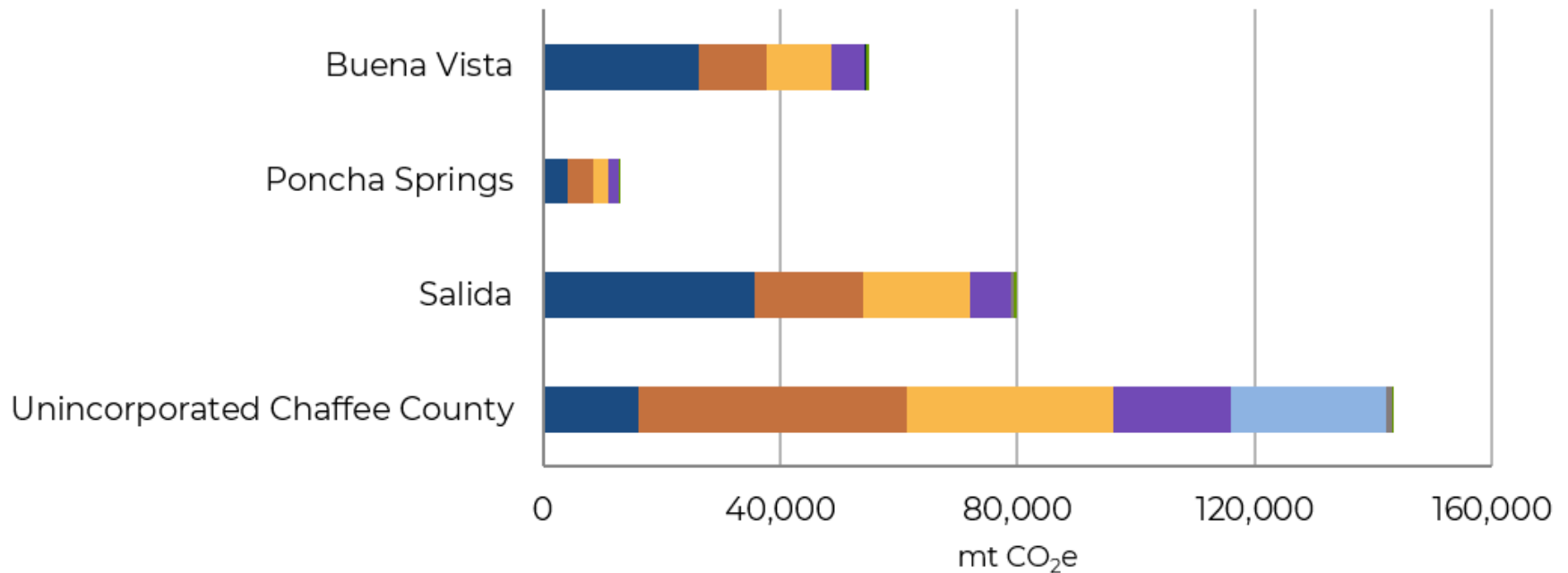
*An Accounting and Reporting Standard for Cities  
Version 1.1*



# Chaffee GHG Overview



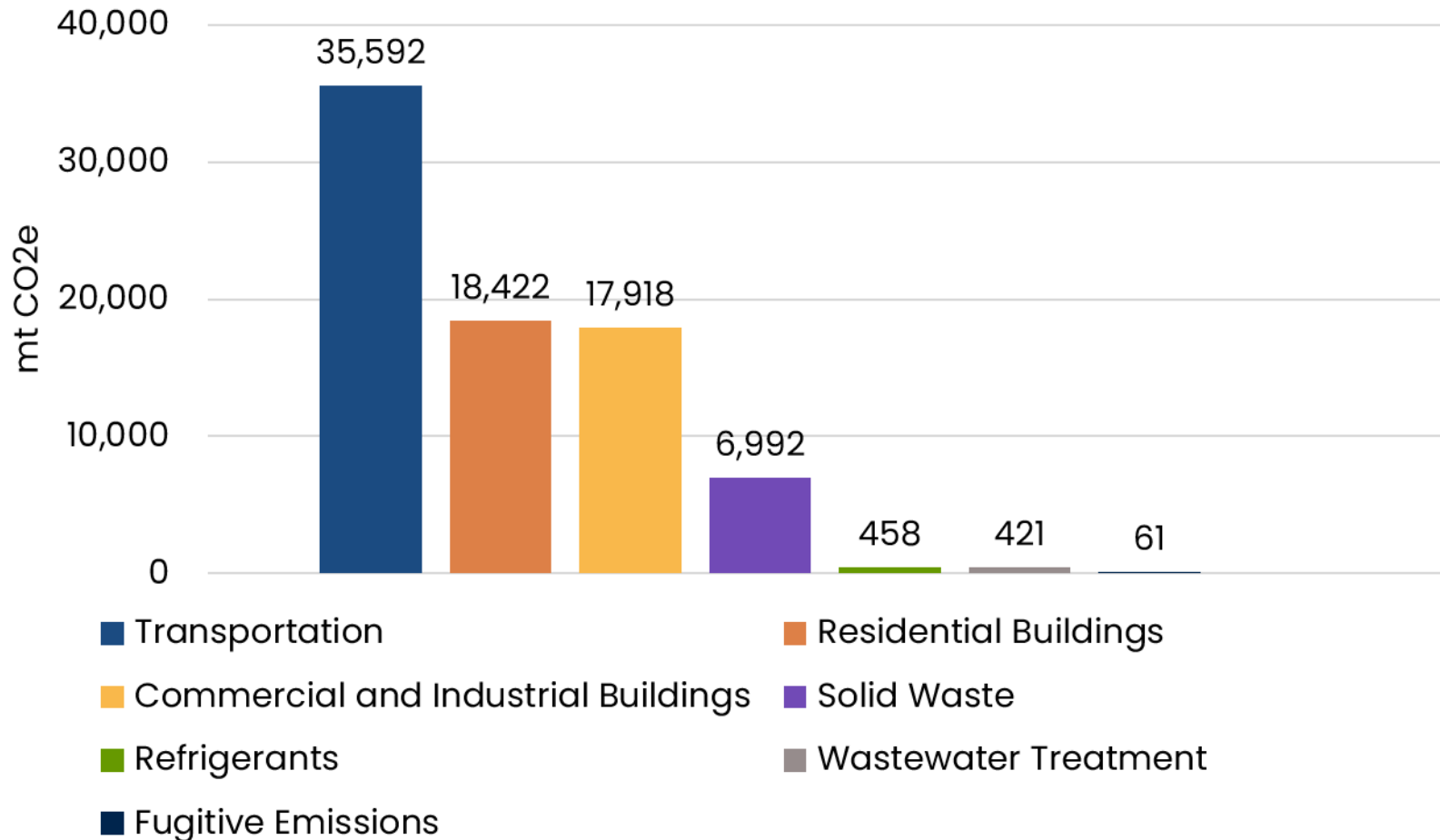
# GHG Jurisdictional Overview



- Transportation
- Residential Buildings
- Commercial and Industrial Buildings
- Solid Waste
- AFOLU
- Fugitive Emissions
- Wastewater Treatment
- Refrigerants



# Salida GHG Overview



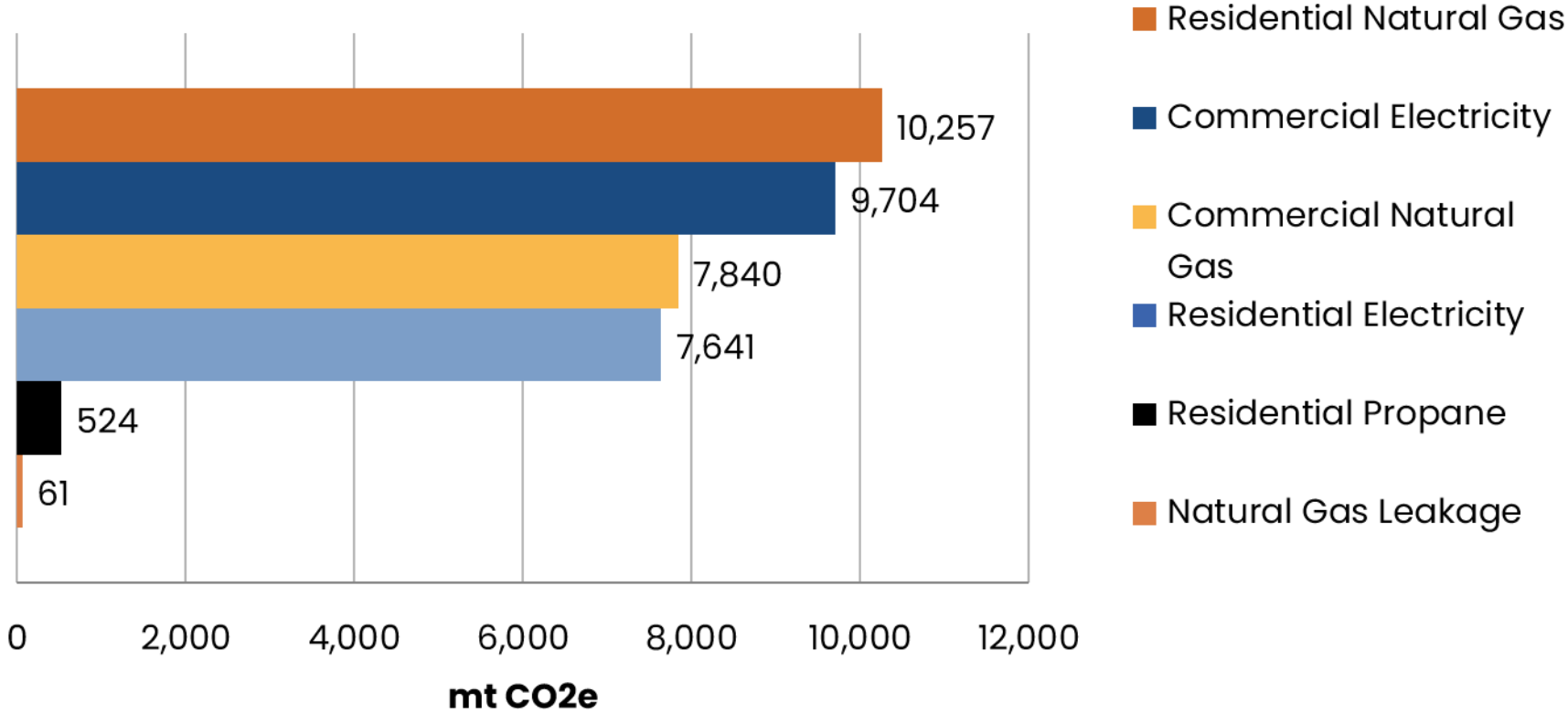


# Sector Breakdown

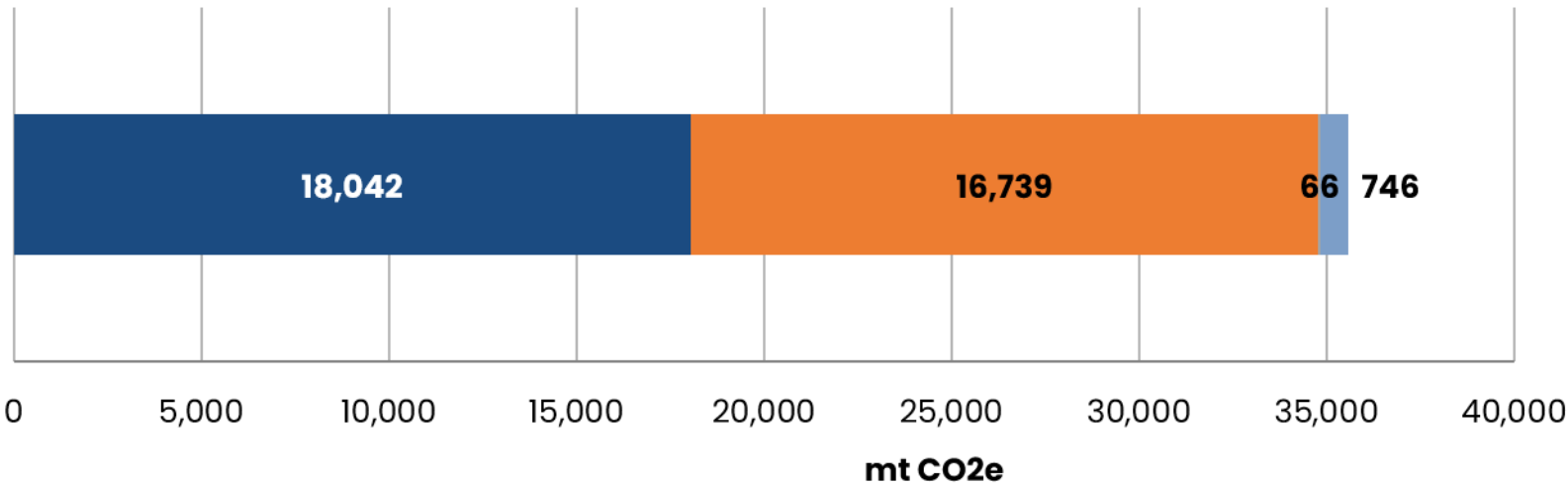
- **Buildings**
- **Transportation**
- **Waste and Wastewater**
- **Agriculture, Forestry, and Other Land Use (AFOLU)**



# Buildings



# Transportation



■ Gasoline (includes ethanol) Vehicles ■ Diesel Vehicles ■ Electric Vehicles ■ Aviation



# Waste and Wastewater

## Emissions

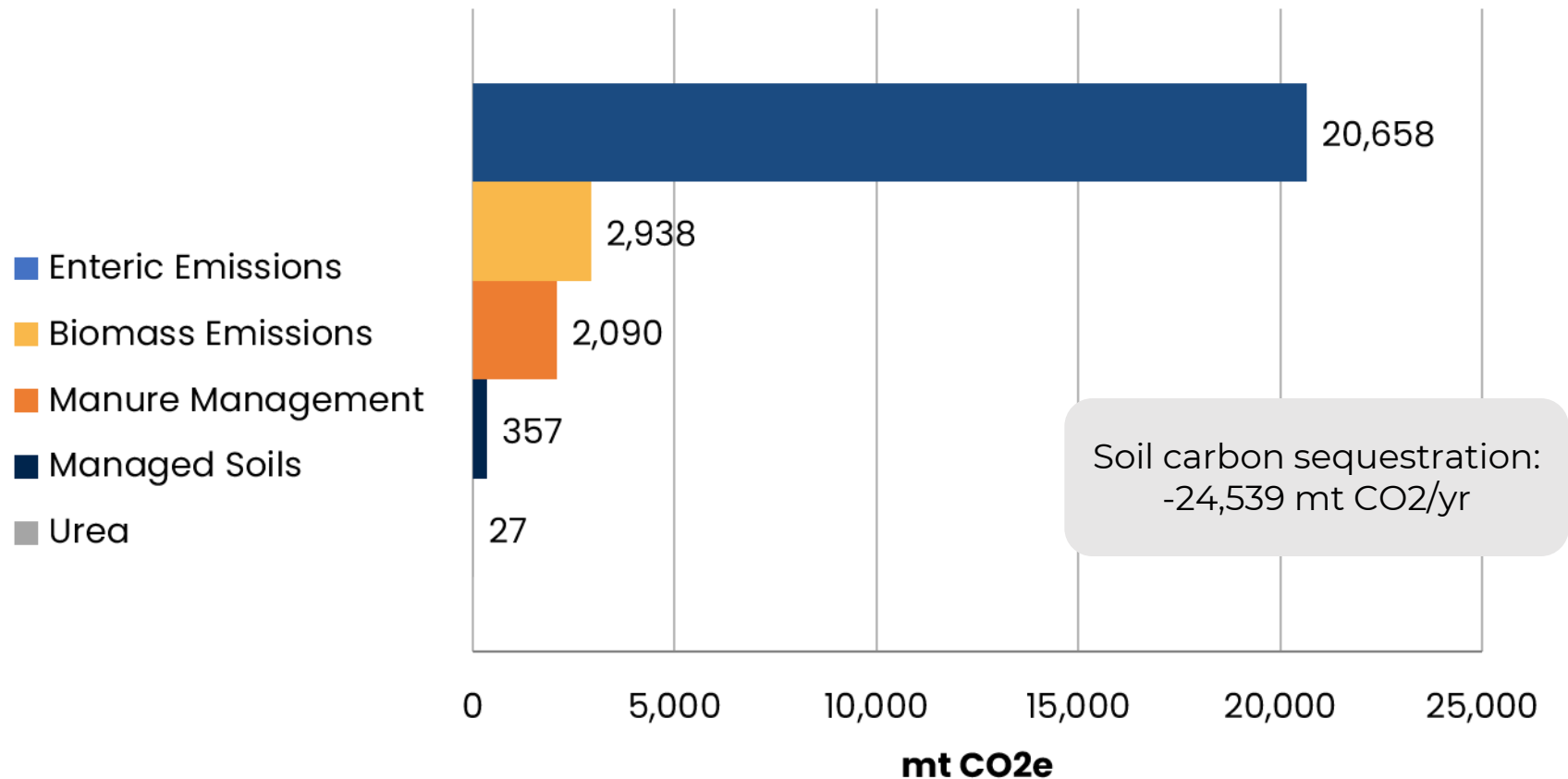
Type	Activity Data	Emissions	Units
Landfilled Waste (tons)	10,660	6,977	mt CO <sub>2</sub> e
Wastewater Treatment	7,500 people served	421	mt CO <sub>2</sub> e

## Avoided Emissions

Type	Activity Data	Emissions	Units
Recycling (tons)	462	(1,310)	mt CO <sub>2</sub> e
Composted food/green waste (tons)	178	(26)	mt CO <sub>2</sub> e



# Agriculture, Forestry, and Other Land Use (AFOLU)



# Key Findings



- **Salida** is the county's most populated town, so high emissions from:

- **Transportation**
- **Residential buildings and commercial (nearly equal)**
- **Solid waste**

- Higher transportation emissions are attributed to **gas- and diesel-powered vehicles**, while residential energy use is attributed to **building electricity and natural gas usage**.



# Benchmarking

Metric	Salida	Chaffee County
Total emissions per capita	<b>14.10</b>	<b>14.96</b>
Residential electricity use per housing unit	<b>6,244</b>	<b>6,268</b>
Residential natural gas use per housing unit	<b>707.37</b>	<b>395.20</b>
Commercial and Industrial electricity use per building floor place	<b>9.30</b>	<b>6.77</b>

**Emissions per capita**  
**United States: 14.2**  
**Colorado: 13.9**  
**Europe: 7.2**



# Peer Communities

County	Year	Population	Emissions (mt CO2e)	Per Capita emissions (mt CO2e/ person)
<b>Salida, CO (2024)</b>	<b>2024</b>	<b>5,666</b>	<b>79,864</b>	<b>14.10</b>
Steamboat, CO (2023)	2023	13,508	242,362	17.90
Crested Butte, CO (2022)	2022	1,434	23,670	16.51
Durango, CO (2022)	2022	19,300	269,100	19.94
Ketchum, ID (2023)	2023	3,490	89,268	25.58



# Salida emission reduction opportunities

- **Transportation:** Salida's largest sector of emissions
  - Vehicle electrification
  - Transit/multimodal transportation options
- **Building decarbonization**
  - Energy efficiency and electrification program expansion
  - Adopt up-to-date building energy codes



# Salida's opportunities for emission reduction

## Transportation

- Fleet Electrification Assessment Program to guide City fleet transition → identifying next steps and procurement strategy
- Pursuing Fleet ZERO grant funding for charging infrastructure
- Aligning infrastructure placement with the County EV Readiness Plan
- Expanding multimodal options: bike infrastructure, CSU Impact Fellow, shuttle exploration

## Building Decarbonization

- Expanding energy efficiency & electrification programs through Partnerships like Energy Smart Colorado
- City deferred maintenance and facility upgrades informed by energy assessments
- Moving toward modern energy codes like Electric Preferred adoption



# ClearPath

- Platform to explore Salida GHG emissions.
- Visual dashboard with drilldown options for each sector.
- Potential to explore various emissions reduction scenarios.



For more information, please see:

<https://www.cityofsalida.com/administration/page/greenhouse-gas-inventory>



# ClearPath Dashboard Preview

**80 TMT CO<sub>2</sub>e**  
**Reported emissions 2024**  
 Reported amount of CO<sub>2</sub>e released into the atmosphere.

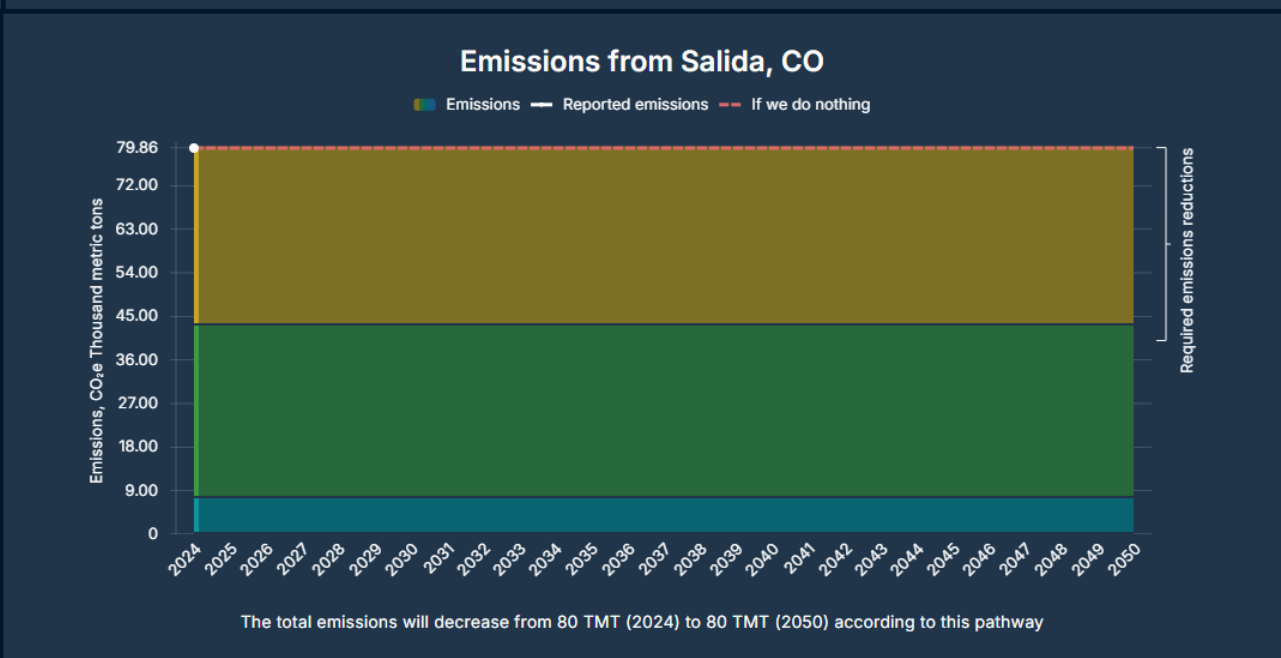
**I - Stationary energy**  
 36 TMT

**II - Transportation**  
 36 TMT

**III - Waste**  
 7 TMT

**IV - Indu...**  
 0 TMT

**0%**  
**Projected change 2050**  
 Percentage change from 2024 in CO<sub>2</sub>e if we do nothing.





**Questions?**

**Thank you!**

**Claire Kantor**  
**Claire@lotussustainability.com**



# City Council Work Session Memo

<b>Department</b> Community Development	<b>Presented By</b> Kristen Hodges - Senior Planner	<b>Date</b> July 6, 2026
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## Agenda Item

Consideration of potential changes to Salida’s Land Use Code: Article 9 Inclusionary Housing.

Discuss whether the City’s Inclusionary Housing program should be recalibrated to prioritize deeper affordability levels while maintaining overall development feasibility, and to seek Council direction before drafting potential code amendments.

## Background

The City of Salida implemented an Inclusionary Housing (IH) ordinance in late 2018 to ensure that a portion of newly constructed housing remains affordable for the local workforce in the long run. Since its adoption, the policy has evolved to respond to changing community needs, housing market conditions, and development feasibility considerations. In 2022, there was a major update that adjusted target Area Median Income (AMI) levels and the proportion of IH units required in a development.

Since adoption, the policy has resulted in commitments for approximately 130 permanently restricted affordable housing units from private developers, with approximately 82 units having ultimately been built (or currently in construction).

Other subsequent amendments have included:

- Modifying the development application types that trigger IH requirements;
- Providing greater flexibility between for-sale and for-rent affordable products;
- Adding incentives for deeper affordability;
- Establishing a sliding-scale fee-in-lieu structure for smaller developments and fractional unit requirements; and
- Updating annual AMI and price schedules to reflect current housing market conditions.

## **Current Policy Overview**

- Applicability: Annexations, planned developments, condominium plats of any size, minor and major site plans, minor and major subdivisions, and multifamily residential rental projects containing five or more units
- 16.7% (1 in 6) of residential units shall be deed-restricted affordable housing
- The proportion of required affordable units, whether for-sale or for-rent, shall generally follow the proportion of market-rate ownership and rental units within the overall development, unless otherwise approved

- For-sale units: 100%, 120%, or 140% AMI, with a required average of 130% AMI or less when two or more affordable units are provided
  - Income Cap: a 19% buffer between the price cap and the income cap to provide flexibility for homebuyers to qualify for financing without being cost burdened
- For-rent units: 80% or 100% AMI, with at least half of affordable units provided at 80% AMI or below
- Development incentives for providing on-site inclusionary housing units

**Existing Challenges**

While the IH Policy has resulted in 130 affordable housing units committed since its adoption, discussions have emerged about whether the program is still achieving its intended objectives with today’s market conditions. As a result, staff is seeking Council’s feedback on whether Salida’s Inclusionary Housing program should shift from producing a greater number of moderately affordable units to producing fewer units, but with deeper levels of affordability.

The gap between current market-rate prices for both for-sale and rental housing and the City’s adopted inclusionary housing price caps has narrowed in recent years. While the increase in market-rate housing prices has generally slowed, Area Median Income (AMI) levels have continued to increase. Based on recent analysis, market-rate rental units are generally comparable to approximately 80%-100% AMI, while for-sale units align more closely with approximately 130%-160% AMI (see attachments).

As a result, there is a reduced differential between market-rate housing costs and the City’s inclusionary housing price caps. This has led to perceptions that inclusionary units are not significantly below market, which can reduce their perceived affordability and competitiveness within the broader housing market.

For-sale units have shown some difficulty in being sold. Prospective buyers may struggle to qualify for financing, while deed-restriction requirements can limit the pool of eligible purchasers. These factors can create additional uncertainty for both developers and homebuyers.

**Potential Policy Direction**

Staff and Chaffee Housing Authority (CHA) have discussed whether future amendments should prioritize deeper affordability levels that better serve households with the greatest housing needs. Any effort to deepen affordability would likely require a corresponding reduction in the required number of inclusionary housing units to maintain project feasibility and encourage continued housing production.

Proposed changes for discussion:

Policy Component	Current Requirement:	Proposed Revised Requirement:
For-Rent Units:	≤80%, ≤100% AMI At least ½ at ≤80%	≤60%, ≤80% AMI At least ½ at ≤60%
For-Sale Units:	≤100%, ≤120%, ≤140% AMI Average at ≤130%	≤80%, ≤100%, ≤120% AMI Average at ≤110%
Inclusionary Rate:	1 affordable unit per 6 market-rate units	1 affordable unit per 8 market-rate units

Staff has discussed these policy changes with CHA to ensure they will meet community needs. They have also requested that we add potential language to our code which encourages developers to work with CHA and CHT early in the construction process to further deepen affordability via potential sales and use tax exemptions.

## **Implementation Considerations**

### Benefits

- Deeper affordability would better serve households with the greatest housing needs.
- Better aligns with state affordable housing policies.
- Would support Proposition 123 commitments.
- Creates a more meaningful affordability gap between affordable and market-rate housing.
- Resources are concentrated on households that are least likely to be served by the private market alone.

### Potential Drawbacks

- Fewer affordable units would be produced over time, which may make it more difficult to achieve long-term affordable housing production goals if market conditions change.
- Reduced unit production may limit the program's overall impact if development activity slows.
- There is uncertainty regarding how developers will respond.

### Policy Timeline Implications

- As discussed previously, Salida has approved development rights for approximately 130 inclusionary housing units, but only 82 units have ultimately been built (or in construction). Entitled units do not necessarily translate into delivered housing inventory, as project timelines, financing challenges, and changing market conditions often delays construction.
- Any changes to the policy at this point would not impact or change agreements that have already been approved/entitled. These changes would only impact future development projects.
- As a result, the current affordable housing inventory reflects a combination of recently delivered units and a pipeline of approved but not-yet-built units under different policies.

### Other Impacts to be Considered

- Implications for South Ark Neighborhood.
- Develop additional fee-in-lieu schedules (one would be needed for both the current policy as well as any new policy)

## **Requested Direction from Council**

Does Council support pursuing code text amendments that would prioritize deeper affordability levels while reducing the required inclusionary housing ratio from one affordable unit per six market-rate units to one affordable unit per eight market-rate units?

If so, are there additional policy considerations Council would like staff to evaluate before bringing forward a formal amendment?

## Attachment: Market-Rate vs Affordable Units

The most recent Colorado Housing and Finance Authority (CHFA) and Housing Urban Development (HUD) numbers for Chaffee County, which the City adopted in June 2026, have the rental prices as described below:

<b>Maximum Affordable Monthly Rent</b>			
(set by Colorado Housing & Finance Authority (CHFA), INCLUDES utilities)			
	<b>60%</b>	<b>80%</b>	<b>100%</b>
<b>Studio (1 person)</b>	\$1,167	\$1,556	\$1,945
<b>1 bed (1.5 person)</b>	\$1,250	\$1,667	\$2,083
<b>2 bed (3 person)</b>	\$1,500	\$2,000	\$2,500
<b>3 bed (4.5 person)</b>	\$1,733	\$2,311	\$2,888
<b>4 bed (6 person)</b>	\$1,933	\$2,578	\$3,222

*Figures in gray represent levels that do not satisfy inclusionary housing requirements.*

Research on market-rate rentals for Salida-specific units (taken between May-June 2026) shows that on average:

- 1-Bedroom unit rents for \$1729\*/month or about 83% AMI
- 2-Bedroom unit rents for \$2309\*/month or about 92% AMI
- 3-Bedroom unit rents for \$3074\*/month or about 106% AMI

(\*These rent numbers include an additional 10% for utilities. HUD uses 12.7% for Colorado, which includes water/wastewater, trash, electrical, and gas. However, some rent prices include some utilities as part of rent price, so a slightly lower number has been utilized for this analysis.)

<b>Maximum Sales Price Affordability Guidelines Formula</b>				
<i>These are maximum sales prices only.</i>				
<i>There is no guarantee that a unit will sell to a qualified buyer for the maximum sales price.</i>				
<i>≤100% Subtract \$250 from affordable monthly rents for taxes, insurance &amp; HOA = principal &amp; interest payment</i>				
<i>&gt;100% Subtract \$350 from affordable monthly rents for taxes, insurance &amp; HOA = principal &amp; interest payment</i>				
<i>Use interest rate of 6.33%* to calculate max affordable sales price, divide by .95 for a 95% LTV</i>				
<i>*Represents 10-year trailing average of FHLMC mortgage loans plus 1.5% affordability factor</i>				
	<b>100%</b>	<b>120%</b>	<b>140%</b>	<b>160%</b>
<b>Studio (1 person)</b>	\$287,345	\$336,338	\$402,283	\$468,228
<b>1 bed (1.5 person)</b>	\$310,739	\$364,479	\$435,171	\$505,863
<b>2 bed (3 person)</b>	\$381,431	\$449,241	\$534,004	\$618,767
<b>3 bed (4.5 person)</b>	\$447,207	\$528,240	\$626,226	\$724,211
<b>4 bed (6 person)</b>	\$503,829	\$596,220	\$705,394	\$814,738

This year's median home value for a Chaffee County market-rate 3-Bedroom unit is \$722,554, while the IH Price for a 3-Bedroom unit at 130% AMI is \$577,233. Depending on bedroom count and housing type, the market seems to be between 130% AMI to 160% for Salida-specific units.

# Consideration of Potential Changes to Land Use Code: Article 9 Inclusionary Housing

City Council/Planning Commission Joint Work Session – 7/6/2026





# Inclusionary Housing Policy History

- Inclusionary Housing (IH) implemented in 2018
- 2022 code adjustments including AMI levels and proportion of IH units per market-rate units (1:8 to 1:6), plus “must-build” requirement
- About 130 affordable units committed from private developers
- Just over 80 of those units built
- Other code changes since implementation such as development flexibility, incentives, sliding scale fee-in-lieu



# Existing Policy Overview

## Current Policy Basics

- 16.7% (1 in 6) units must be built affordable
- For-sale units: 100%, 120%, or 140% AMI;  
(average of 130% AMI or less)
- Rental units: 80% or 100% AMI;  
(at least half at 80% AMI or less)



# Existing Policy Overview

## Challenges

- Narrowing gap between market-rate prices compared to affordable housing price caps
- IH units do not “feel” significantly below market
- IH For-sale units have shown some difficulty in being sold





# Potential Policy Direction

- Should future projects prioritize deeper affordability levels that better serve households with the greatest housing needs?
- A corresponding reduction in the required ratio of inclusionary housing units would likely be required for feasibility

Policy Component	Current Requirement:	Proposed Revised Requirement:
For-Rent Units:	≤80%, ≤100% AMI At least ½ at ≤80%	≤60%, ≤80% AMI At least ½ at ≤60%
For-Sale Units:	≤100%, ≤120%, ≤140% AMI Average at ≤130%	≤80%, ≤100%, ≤120% AMI Average at ≤110%
Inclusionary Rate:	1 affordable unit per 6 market-rate units	1 affordable unit per 8 market-rate units



# CHA/CHT Involvement

- Encourage developers to engage/partner with CHA/CHT early in development
- Opportunity to deepen affordability of units via sales and use tax exemptions in construction





# Implementation Considerations

## Potential Benefits

- Better serve households with the greatest housing needs
- Align with state policies and Prop 123
- More meaningful affordability gap between affordable and market-rate
- Better use of resources

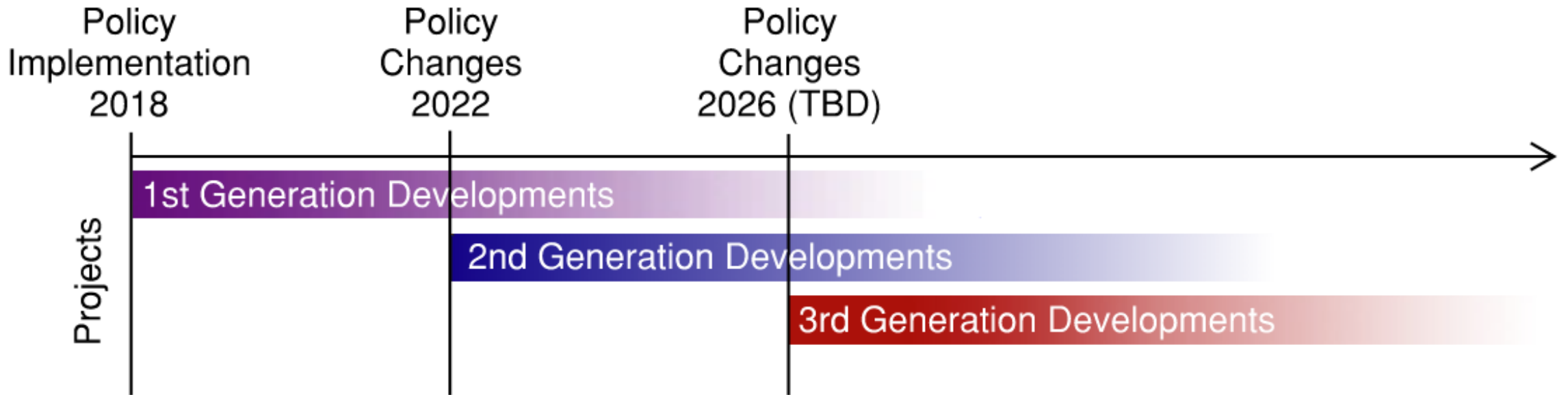
## Potential Drawbacks

- Fewer overall affordable units
- Potential impact to housing production goals
- General uncertainty





# Policy Timeline & Development Applicability





# Requested Council Direction

- Does Council support pursuing code text amendments that would prioritize deeper affordability levels while reducing the required inclusionary housing ratio from 1 affordable unit per 6 market-rate units to 1 affordable unit per 8 market-rate units?
- If so, are there additional policy considerations Council would like staff to evaluate before bringing forward a formal amendment?

# HOW DO WE ANSWER: AFFORDABLE FOR WHO?

We have need in all four tiers:

**TIER 4: MODERATE INCOME/MISSING MIDDLE (101 - 140%)**

**TIER 3: LOW INCOME (80-100% AMI)**

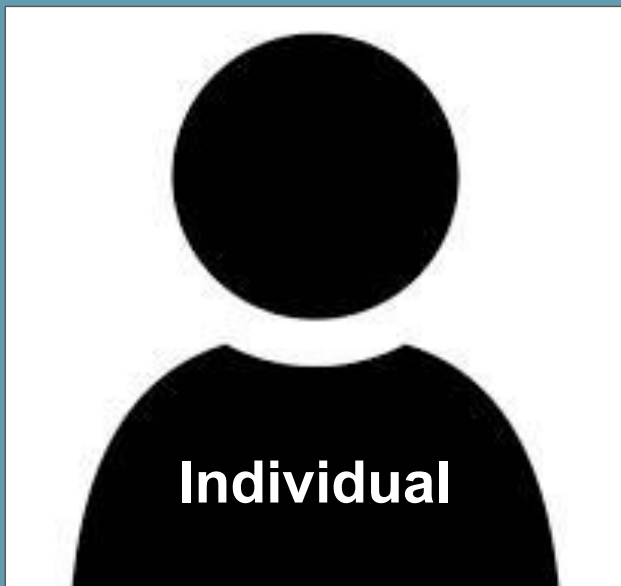
**TIER 2: VERY LOW INCOME (61-79% AMI)**

**TIER 1: EXTREMELY LOW INCOME (<60% AMI)**

**Targeting is trying to prioritize what gets produced in a period of time.**

## **WRITE DOWN....**

- 1. Your ideal for what you consider affordable rent**
- 2. The type of household composition (e.g. 1, 2, 3+ person, family, single, couple, etc.)**
- 3. Type of employment and earnings per person in household**
- 4. The total annual income (gross) plus any other income**



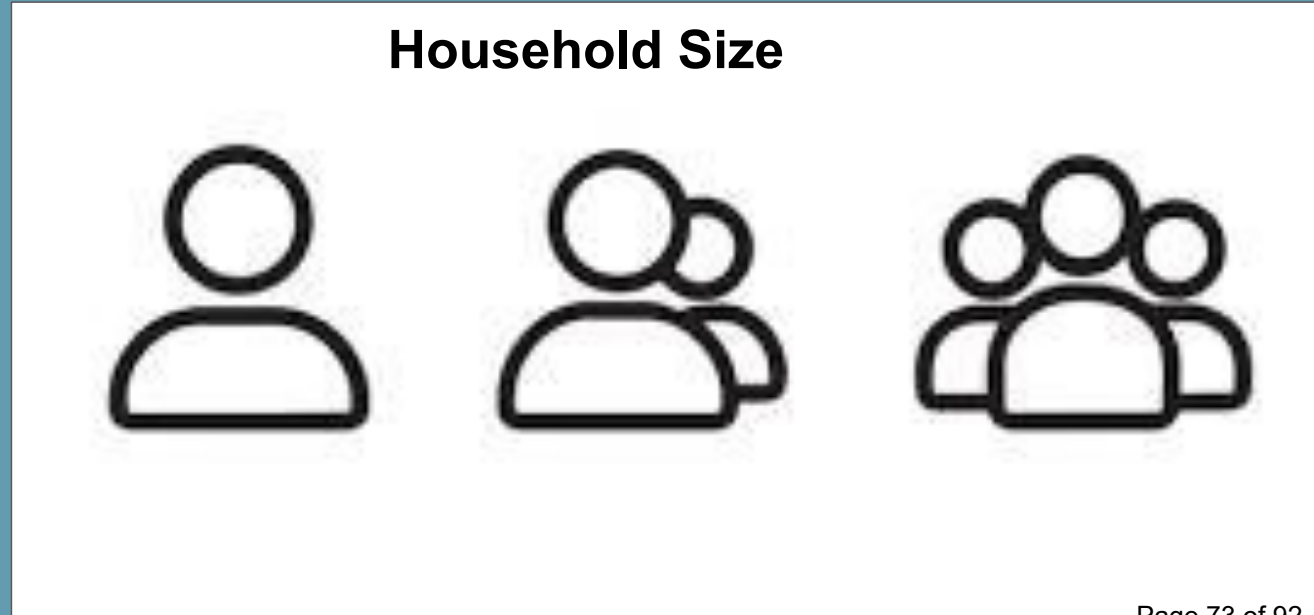
- BLS Occupational Employment Wages & Salary (OEWS)
- Median hourly wage and salary
- Workforce LABOR income for individuals who work for someone only



- Census and American Community Survey
- Median HOUSEHOLD income
- All labor and non-labor sources of income
- Includes income for sole proprietors, business owners, and vulnerable populations (seniors, vets, disabled, etc.)
- Also includes non-labor income (rents, dividends, etc.)
- WHOLE community

# WHY WE USE AMI TO QUALIFY APPLICANTS

We look at the TWO factors



Total household income **\$59,200**

### **HOUSEHOLD 1**

Married with one child  
**3-person** household

Single income  
\$28.46/hour

### **HOUSEHOLD 2**

Two roommates  
**2-person** household

Double income  
\$14.23/hour each

**What is each households qualifying AMI band?**



**2026 Income Limit and Maximum Rent Tables  
for All Colorado Counties**

HUD Effective Date: May 1, 2026

20%-120% of Area Median Income (AMI) [20%-160% AMI for rural resort counties]

**HOUSEHOLD 1**

Married with one child  
**3-person** household

Single income  
\$28.46/hour  
\$59,200 per year

About 60% AMI

in service as of 12.31.2008 to use higher HERA Special limits.

“harmless” from limit decreases. To be “held harmless,” a project must be in service before 06.15.2026.

Those counties experienced a decrease in 2026 limits and that place in service before 06.15.2026 may continue to

Maximum Rents				2026 Income Limits										
2 Bdrm	3 Bdrm	4 Bdrm		1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person			
1,585	1,831	2,043		49,320	56,400	63,420	70,440	76,080	81,720	87,360	93,000			
1,453	1,678	1,872		45,210	51,700	58,135	64,570	69,740	74,910	80,080	85,250			
1,321	1,526	1,702		41,100	47,000	52,850	58,700	63,400	68,100	72,800	77,500			
1,189	1,373	1,532		36,990	42,300	47,565	52,830	57,060	61,290	65,520	69,750			
1,057	1,221	1,362		32,880	37,600	42,280	46,960	50,720	54,480	58,240	62,000			
792	915	1,021		24,660	28,200	31,710	35,220	38,040	40,860	43,680	46,500			
4,000	4,622	5,156		124,480	142,240	160,000	177,760	192,000	206,240	220,480	234,720			
3,750	4,333	4,833		116,700	133,350	150,000	166,650	180,000	193,350	206,700	220,050			
3,500	4,044	4,511		108,920	124,460	140,000	155,540	168,000	180,460	192,920	205,380			
3,250	3,755	4,189		101,140	115,570	130,000	144,430	156,000	167,570	179,140	190,710			
Chaffee	120%	2,354	2,500	3,000	3,466	3,867	93,360	106,680	120,000	133,320	144,000	154,680	165,360	176,040
Chaffee	110%	2,139	2,292	2,750	3,177	3,544	85,580	97,790	110,000	122,210	132,000	141,790	151,580	161,370
Chaffee	100%	1,945	2,083	2,500	2,888	3,222	77,800	88,900	100,000	111,100	120,000	128,900	137,800	146,700
Chaffee	90%	1,750	1,875	2,250	2,599	2,900	70,020	80,010	90,000	99,990	108,000	116,010	124,020	132,030
Chaffee	80%	1,556	1,667	2,000	2,311	2,578	62,240	71,120	80,000	88,880	96,000	103,120	110,240	117,360
Chaffee	70%	1,361	1,458	1,750	2,022	2,255	54,460	62,230	70,000	77,770	84,000	90,230	96,460	102,690
Chaffee	60%	1,167	1,250	1,500	1,733	1,933	46,680	53,340	60,000	66,660	72,000	77,340	82,680	88,020
Chatree	55%	1,069	1,146	1,375	1,588	1,772	42,790	48,895	55,000	61,105	66,000	70,895	75,790	80,685
Chaffee	50%	972	1,041	1,250	1,444	1,611	38,900	44,450	50,000	55,550	60,000	64,450	68,900	73,350
Chaffee	45%	875	937	1,125	1,299	1,450	35,010	40,005	45,000	49,995	54,000	58,005	62,010	66,015
Chaffee	40%	778	833	1,000	1,155	1,289	31,120	35,560	40,000	44,440	48,000	51,560	55,120	58,680
Chaffee	30%	583	625	750	866	966	23,340	26,670	30,000	33,330	36,000	38,670	41,340	44,010
Chaffee	20%	389	416	500	577	644	15,560	17,780	20,000	22,220	24,000	25,780	27,560	29,340



# HOUSEHOLD 2

Two roommates  
**2-person household**

Double income  
\$14.23/hour each  
Annual \$59,200

About 70% AMI

## Limit and Maximum Rent Tables

### All Colorado Counties

(AMI) [20%-160% AMI for rural resort counties]

2008 to use higher HERA Special limits.

increases. To be "held harmless," a project must be in service before 06.15.2026.

exceeded a decrease in 2026 limits and that place in service before 06.15.2026 may continue to

Bdrms	2026 Income Limits													
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person						
2,043	49,320	56,400	63,420	70,440	76,080	81,720	87,360	93,000						
1,872	45,210	51,700	58,135	64,570	69,740	74,910	80,080	85,250						
1,702	41,100	47,000	52,850	58,700	63,400	68,100	72,800	77,500						
1,532	36,990	42,300	47,565	52,830	57,060	61,290	65,520	69,750						
1,362	32,880	37,600	42,280	46,960	50,720	54,480	58,240	62,000						
1,021	24,660	28,200	31,710	35,220	38,040	40,860	43,680	46,500						
5,156	124,480	142,240	160,000	177,760	192,000	206,240	220,480	234,720						
4,833	116,700	133,350	150,000	166,650	180,000	193,350	206,700	220,050						
Chaffee	140%	2,723	2,917	3,500	4,044	4,511	108,920	124,460	140,000	155,540	168,000	180,460	192,920	205,380
Chaffee	130%	2,528	2,708	3,250	3,755	4,189	101,140	115,570	130,000	144,430	156,000	167,570	179,140	190,710
Chaffee	120%	2,334	2,500	3,000	3,466	3,867	93,360	106,680	120,000	133,320	144,000	154,680	165,360	176,040
Chaffee	110%	2,139	2,292	2,750	3,177	3,544	85,580	97,790	110,000	122,210	132,000	141,790	151,580	161,370
Chaffee	100%	1,945	2,083	2,500	2,888	3,222	77,800	88,900	100,000	111,100	120,000	128,900	137,800	146,700
Chaffee	90%	1,750	1,875	2,250	2,599	2,900	70,020	80,010	90,000	99,990	108,000	116,010	124,020	132,030
Chaffee	80%	1,556	1,667	2,000	2,311	2,578	62,240	71,120	80,000	88,880	96,000	103,120	110,240	117,360
Chaffee	70%	1,361	1,458	1,750	2,022	2,255	54,460	62,230	70,000	77,770	84,000	90,230	96,460	102,690
Chaffee	60%	1,167	1,250	1,500	1,733	1,933	46,680	53,340	60,000	66,660	72,000	77,340	82,680	88,020
Chaffee	55%	1,069	1,146	1,375	1,588	1,772	42,790	48,895	55,000	61,105	66,000	70,895	75,790	80,685
Chaffee	50%	972	1,041	1,250	1,444	1,611	38,900	44,450	50,000	55,550	60,000	64,450	68,900	73,350
Chaffee	45%	875	937	1,125	1,299	1,450	35,010	40,005	45,000	49,995	54,000	58,005	62,010	66,015
Chaffee	40%	778	833	1,000	1,155	1,289	31,120	35,560	40,000	44,440	48,000	51,560	55,120	58,680
Chaffee	30%	583	625	750	866	966	23,340	26,670	30,000	33,330	36,000	38,670	41,340	44,010
Chaffee	20%	389	416	500	577	644	15,560	17,780	20,000	22,220	24,000	25,780	27,560	29,340

# **AMI and RENT are not the same**

**Rent /Sales price dependent upon:**

**Financing debt from construction/acquisition**

**Operating costs for rentals**

**Market**

**The HNA will identify priorities but we can also identify strategies for how to deepen affordability to get to lower rents WITHIN the AMI bands.**

## UPFRONT COSTS (CAPITAL)

- Low interest loans (Prop 123 Equity, CDFIs, private equity)
- Grants (DOLA, HDG, etc.)
- LIHTC (9% and 4%)
- **Mixed income development (inclusionary housing)**

## COST REDUCTION

- Land (land banking, donation, housing trust)
- **Tax abatement**
- Developer incentives (density bonus, fee waiver, etc.)
- Innovations in construction (modular, pre cast concrete, SIP panels, etc.)

## INCOME SUPPLEMENTS

- Housing Vouchers
- Cost of living support - food and energy
- **Homeownership down payment assistance**

**So, how do we get to deeper affordability?**

# CHA TOOL: MJHA Statutory Authority for Public-Private Partnerships

A public-private partnership with CHA can take different forms.

One benefit is tax abatement authorized under **C.R.S. § 29-4-227** that allows **the portion of a project that is occupied by persons of low income and is owned by or leased to an entity that meets specific criteria may be exempt from property tax and, during construction, be exempt from both sales and use tax.**

To qualify the project must be one of the following:

- Wholly owned by a housing authority;
- One in which a housing authority has an ownership interest; (*minimum* requirement is Special Limited Partnership, or SLP, which requires 0.01% ownership interest by CHA)
- or one in which an entity wholly owned by a housing authority has an ownership interest.

# Examples of CHA Public-Private Partnerships

## The Crossing Apartments

- CHA a 10% owner
- Sales/use tax and property tax abatement
- CHA supported writing grants and Prop 123 applications
- Full property management provider
- PILOT in annual fee to CHA

## The Crossing - CHT

- CHA a 0.01% owner
- Sales/use tax abatement
- CHA supported writing grants and Prop 123 applications
- Full property management provider
- PILOT in annual fee to CHA

## The Flour Mill

- CHA a 0.01% owner
- Sales/use tax and property tax abatement
- CHA paid for support for writing grants and Prop 123 applications
- Full property management provider
- PILOT in annual fee to CHA
- HDG 0% loan fee

# Savings to be applied to either deepen affordability or to ensure project “pencils”



# New Proposed Use: Soft Second Mortgage DPA Program

- A silent, deferred, or forgivable subordinate loan.
- The loan remains attached to the property's deed, preserving long-term affordability for the next local buyer when the home resells.
- Transfers to Next Buyer: The soft second stays with the deed. The proceeds or the loan terms pass to the next income-eligible or workforce buyer, keeping the unit affordable when resold.
- Zero-interest with no monthly payments.
- Deferred Repayment: You do not have to pay the loan back until you sell the home, transfer the title, or refinance the first mortgage.
- Equity Sharing: Repay the original balance plus an agreed-upon percentage of the home's appreciation, or the loan may be structured to be fully forgiven over a set period if owners stays in home for 20+ years.

# CHA-IHP DEVELOPER PARTNERSHIP TERMS

## Example for DPA

Primary Developer  
**Developer LLC**

Partner Entity  
**CHD LLC**

### SALES/USE TAX EXEMPTION PROVISIONS FOR RENTALS

The exemption is granted to the Developer under the following terms:

- Developer will track and file for all tax exemptions.
- Final savings will be accounted for and shared with CHA.
- Developer retains X% of total savings to apply toward affordable unit construction costs as incentive to participate.
- Developer pays CHA X% for partnership fee and X% to a CHA soft second DPA fund to sustain subsidies for the inclusionary housing deed restriction term.
- Partnership timing prior to building permit. Payment timing Prior to the release of sale of unit by the City of Salida.

# Savings paid into CHA revolving loan fund for DPA for home sales

Developer submits for exemptions to State of Colorado Dept. of Revenue



\$\$

**SALES/USE TAX SAVINGS**



*Developers keeps a percentage to apply towards construction as incentive to participate*

*Developers pays fee to CHA*



*CHA takes management fee and rest goes into DPA for home sales for specific deed restricted units.*



*Developers pays fee to CHA*



*Buyer signs loan agreement for "soft second" DPA reducing house costs*





[www.chaffeehousingauthority.org](http://www.chaffeehousingauthority.org)

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**Thank you!**



# PARTNERSHIP OBJECTIVES & CRITERIA FOR DEVELOPERS

## The Value of Partnerships

Chaffee Housing Authority (CHA) aims to increase the availability of affordable housing in Chaffee County for community members earning 30% to 140% of Area Median Income. Partnering with mission oriented private and non-profit developers is a key strategy for CHA to achieve our goals. CHA offers developers a deep understanding of local needs, staff expertise in real estate finance, affordable housing property management experience, tenant case management support, and a series of valuable tools.

One tool in the CHA toolbox is application of the statutory “partial ownership participation” where CHA becomes a partner in a private developer driven affordable housing project. Formation of a partnership using this tool provides a developer with an exemption from, in whole or part, property taxes, special assessments, and/or sales and use taxes during construction in exchange for negotiated public benefits.

**CHA has developed this guide to help developers understand our requirements for pursuing formal partnerships for tax abatement.**

# Anticipated Partnership Terms & Benefits

CHA will evaluate all partnership opportunities based on mutual benefits. CHA seeks partnerships that meet some or all of the following:

## Application Period

- An upfront application fee of \$2,000.
- The developer agrees to pay the out of pocket expenses of the CHA related to establishing the partnership including, but not limited to, legal counsel and partnership closing fees.

## CHA Ownership Percentage

- Based on equity contribution by CHA or the minimum 0.01% for a standard Special Limited Partnership (SLP).

## Financial Benefits

- Application Fee of \$2,000
- Right of First Refusal (ROFR) at the end of the compliance period.
- Negotiated benefits commensurate with what CHA brings to project and/or ownership:
  - A minimum Annual Ownership Fee calculated as \$200/unit increasing by 3% per year and/or Facilitation Fee PILOT based on tax savings.
  - Share of Development Fee based on staff time commitment dedicated to the project in financial management, development meetings, entitlement process, and/or grant writing and project management.
  - Participation in cash flows based on equity contribution and ownership percentage, or other arrangement that preserves debt service coverage ratio.
  - Opportunity to earn Fees for Service including but not limited to serving as property manager, leasing agent or sales agent, providing tenant income verification, tenant support services, and/or deed stewardship.
  - Financial Management Fee for any management of debt and/or loan repayment or loan provided by the CHA.

## Risk Management

- CHA is appropriately indemnified and held harmless from actions by other partners.

## Length of the Partnership

- Partnerships of minimum 15 years for LIHTC or other rental projects with preference given to projects with longer term affordability commitments.
- Partnerships on for-sale projects will expire once all units are sold unless otherwise stipulated.

# Eligible Partnerships and Project Applicability

Affordable housing is extremely challenging to build in Colorado's mountain communities. Tax abatement can sometimes make the difference in a project being financially feasible or offering deeper subsidies to meet the need for lower-income households. A partnership is a tool authorized under C.R.S. § 29-4-227 that allows the portion of a project that is occupied by persons of low income and is owned by or leased to an entity that meets specific criteria be exempt from property tax and, during construction, from both sales and use tax.

To qualify the entity must be:

- A project that is owned by, leased to, or under construction by an entity that is wholly owned by an authority;
- an entity in which an authority has at least a minimum ownership interest (SLP), or;
- an entity in which an entity wholly owned by an authority or of which an authority is the sole member has an ownership interest.

CHA can form partnerships through different legal structures, most often a limited liability corporation, which is formalized in an Operating Agreement between the developer and CHA. Tax abatement options and length of partnership will differ depending upon whether a rental project or a homeownership project. If a Partnership is granted by CHA's Board of Directors, it is the Developer's responsibility to actually obtain the tax exemptions from the Department of Revenue.

# Application and Partnership Development Process

1

**Early Coordination.** CHA does not recommend making an unsolicited application for an SLP/partnership or development partnership. CHA prefers to be involved in projects from the beginning to ensure project mission alignment and to allow the CHA to provide support in how to maximize and/or access local and state resources. Please contact the Real Estate Projects Manager to discuss your project and the potential for a partnership with CHA. An SLP is only one possible pathway.

2

**Partnership Application.** In coordination with staff, a developer will complete a Partnership Application. Staff will evaluate the application for timeliness, completeness, alignment with CHA goals, and project viability. CHA will invoice the applicant after an application is submitted. The payment must be received before an application can be placed on a Board agenda for review.

3

**Review by CHA Development Committee.** If staff deem a partnership application viable, it will be forwarded to the CHA Development Committee. They review the application for consistency with the CHA partnership criteria and are responsible for approving or deny a partnership application. Once approved, the staff can enter into formal partnership negotiations and working with the developer. When a project is ready to formalize a partnership, the Operating Agreement is reviewed by the Development Committee for approval and recommendation to the full Board.

4

**Review by the CHA Board of Directors.** The CHA's Board of Directors will have final approval of all final partnership agreements.

5

**Formalization of Partnership.**

# Application Requirements

Submission requirements include:

- A project description including unit mix, AMIs, and rents/sales price.
- Project financing including total developer fee, operating revenue and expenses, development source and use budget, and capital financing.
- Project team bios and experience.
- Proposed ownership structure.
- Estimate of tax abatement savings and value to the project.
- Site plan.
- Market study justifying AMI distribution and need.
- Confirmation of email notification sent to local government(s) of potential tax abatement (approval is not necessary until seeking approval of the operating agreement).
- Other pertinent information either determined by applicant or requested by staff in pre-application consultation.

View the [Partnership Application](#) to review detailed requirements for application materials.

# Application and Partnership Review Criteria

CHA will review a partnership application and the final partnership agreement based on the following criteria.

## **Mission Alignment**

- Application demonstrates alignment with CHA's mission of creating new affordable housing units or preventing loss of existing units.
- The project is located in Chaffee County.

## **Provides Affordable Housing for Priority Populations**

Meet the needs defined in the Housing Needs Assessment and CHA's definition of affordability. Preference will be given to:

- Rental:  $\leq 100\%$  and/or developers who use project averaging to provide some units below 80% AMI.
- Homeownership:  $\leq 140\%$ . Preference given to developers who can provide units  $\leq 100\%$  AMI.
- Includes housing for very low to low income workforce, seniors and/or disabled, veterans, or other underserved populations ( $\leq 70\%$ ).
- Provides a varied unit mix in terms of the number of bedrooms.

## **Developer Experience and Skills**

- Demonstrates capacity and experience to successfully complete the project, lease or sell homes, and manage the project in the future.

## **Site Control and Project Readiness**

- CHA is involved in the project entitlements process or developer has completed or is nearly finished with the entitlement process.

## **Fiscal Soundness**

- Provides an estimate of proposed tax savings.
- Provides justification for tax abatement demonstrates how savings will be applied to make a project financially viable or to deepen unit subsidies, not to increase developer profit margin.
- Project financials (revenue and expenses) demonstrate financial viability and sustainability at specified AMI and rent levels/sales price.
- Commitment letters and terms sheets for proposed sources enhance an application.
- Developer fees are reasonable and do not exceed DOLA and CHFA guidelines (equal to or below 15%).

## **Local Partners**

- Preference given for inclusion of local development and construction partners.
- Willing participation by local governments and tax districts who will be impacted by reduction in tax base. Abatement is considered a local match for most affordable housing financing.

## **Partnership Structure and Term Deals**

- Partnership agreement offers the CHA sufficient financial benefits as identified in the section *Anticipated Partnership Terms and Benefits*.

## **Legal Compliance**

- Applicant statement confirms no threats of legal impediments that could delay or terminate the project.
- The proposal is in compliance with state law with tax abatement proposed only for parcels with affordable housing.
- Demonstrates understanding of how to comply with laws governing tax abatement.
- Developer agrees to restrictive covenants committing housing to affordability for a specified time period or permanently. Preference is given for projects with longer affordability protection greater than 15 years.
- Ensures CHA has no financial exposure in connection with the project unless agreed to by CHA.

## **Risk Assessment**

- CHA has no potential for reputational risk with partnership or project failure due to insufficient financing in the proforma.

# **Contact**

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