Affordable Housing Policy

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REPORT TO THE LOVELAND CITY COUNCIL JULY 12, 2016

Discussion

Evolution of fee waivers and current code

10 year spending

Predictable fee waivers

Affordable housing fund

Homelessness

Other resources

Evolution of Fee Waivers

- Fees back-filled as early as 1995
- Habitat for Humanity capped at \$65,000 in 2010
- Request for funding to be predictable.

Current Affordable Housing Code

- Affordable housing designation (16.43.035)
- Fees locked to designation date for 5 years (16.38.085)
- Designation allows fee waiver request (16.38.080) and use tax credit (16.43.100)
- Deed restricted for 20 years or return % of benefit to city (16.43.080)
- FAST TRACK review (16.43.050)
- Design standard modification (16.43.040)
- RATIO not in code

County WORKFORCE DATA

• Greatest number of jobs:

o Retail, Food Preparation, Administration. 17,560 jobs.

Average Median Wage \$11.87/hour or \$24,690/year – 45% AMI

• Fastest growing:

• Food Preparation, Wait Staff, Retail - 1,577 jobs

o Greatest number of current openings:

- Food prep = 341
- o Retail = 324
- o Wait staff = 241

• Living Wage for 1 adult, 2 children:

\$28.09/hour or \$58,427/year – 83% AMI



Loveland HOUSEHOLD DATA

- 33% of residents pay > 30% of income for housing
 24% owned, 51% rented
- LHA waitlist: 1,861 @ 30% AMI, 689 @ 50% AMI

Vacancy rate 1stQ: 3.7% (2.8% – 2013) Average rent 1stQ: \$1,276 (\$1,030 – 2013)

Investment last 10 years

Fee waivers (not backfilled) Back-filled fee waivers (\$) Other City paid incentives (\$) * TOTAL

\$7,888,591 \$878,952 <u>\$1,137,621</u> \$9,905,164

*Lincoln Hotel - \$220,000 ArtSpace - \$917,621

Funding results

New single family homes 127 5

New multi-family homes 589



Predictable

Fee waivers - \$1 million annually

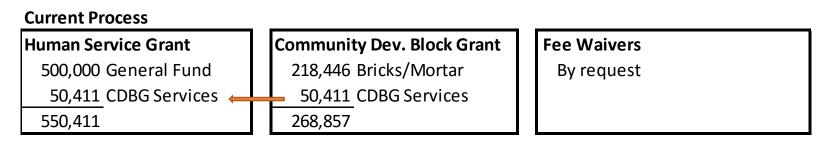
Affordable housing budget - \$450,000. Roll with a cap of \$500,000.

- \$50,000 to HSG, making above amount \$400k/year
- Move public service money from HSG to CDBG

SEE NEXT SLIDE

Supplemental budget in 2017. Increase of \$135,000

Budget Explanation



2017 - supplemental request of \$135,000 added to Habitat \$65,000

2018 - request of \$450,000 - see changes below

Predictable Suggestion

Human Service Grant		
500,000	General Fund	
50,000	General Fund	
550,000		

Community Dev. Block Grant 218,446 Bricks/Mortar 50,411 Homelessness 268,857

Fee Waivers

\$1 million Non backfilled Fees \$400,000 Backfilled fees See next slide

1) Remove CDBG services funding from HSG. Use ONLY for homelessness.

2) Backfill \$50,000 from request of \$450,000 to add back to HSG.

How the money could be used

Habitat for Humanity	Loveland Housing Authority
Back-filled fees (\$65k) + \$150,000: 3 homes + \$650,000: 7 homes	 Back-filled fees (\$400K) + \$110,000: convert 60% unit to 30% unit for 20 years.

- Neighborhood programs
- Transportation
- Homeless housing

Survey gathers data on homeless population: Homelessness at a three-year low in Kansas City

- o Loveland's homeless
- Providers: 137 Connection, Angel House
- o Solving homelessness
- Ending veteran homelessness: functional zero
- Ending homelessness: chronic, families, unaccompanied youth
- Our partners:



Homeless Housing

- Partnership with Lazydays RV
- o 7 to 9 year old RV
- Cost for 4 units:
 - o \$22K 2016 (starting Sept)
 - <mark>o</mark> \$33K 2017

COMMUNITY PARTNERS:

- Loveland Housing Authority
- Volunteers of America, 137 Connection
- Faith Community
- SummitStone (Mental health, substance abuse assistance)
- Goodwill Industries (Job assistance)

LAZYDAYS RV TO ACQUIRE RV AMERICA IN COLORADO MARKET

DEAL EXPANDS LAZYDAYS REACH INTO ROCKIES REGION BY TUCKER | HALL Seffner, FL - October 8, 2015



Other financial resources & tools

- What are other communities doing?
- What would builders say?
- Profit sharing
- Increase length of deed restriction for multi-family
- Other funding:
 - Housing Trust Fund \$3 million
 - Division of Housing TSD/LHA
 - o Larimer County Behavioral Health Center
 - Metro District September Study Session

Questions and discussion