

Affordable Housing Policy

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:
 - 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
- Greatest number of current openings:
 - Food prep = 341
 - Retail = 324
 - 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)	\$7,888,591
Back-filled fee waivers (\$)	\$878,952
Other City paid incentives (\$) *	<u>\$1,137,621</u>
TOTAL	\$9,905,164

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

Funding results

- New single family homes
127



- 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

Current Process

Human Service Grant	Community Dev. Block Grant	Fee Waivers
500,000 General Fund	218,446 Bricks/Mortar	By request
50,411 CDBG Services	50,411 CDBG Services	
<u>550,411</u>	<u>268,857</u>	

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

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

Predictable Suggestion

Human Service Grant	Community Dev. Block Grant	Fee Waivers
500,000 General Fund	218,446 Bricks/Mortar	\$1 million Non backfilled Fees \$400,000 Backfilled fees See next slide
50,000 General Fund	50,411 Homelessness	
<u>550,000</u>	<u>268,857</u>	

- 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
<ul style="list-style-type: none">• Back-filled fees (\$65k)• + \$150,000: 3 homes• + \$650,000: 7 homes	<ul style="list-style-type: none">• 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

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



Homeless Housing

- Partnership with Lazydays RV
- 7 to 9 year old RV
- Cost for 4 units:
 - \$22K – 2016 (starting Sept)
 - \$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
 - Larimer County Behavioral Health Center
 - Metro District – September Study Session

Questions and discussion