



## AFFORDABLE HOUSING COMMISSION MEETING MINUTES

The regular meeting of the City of Loveland Affordable Housing Commission was held at the Loveland Municipal Building in the City Manager's Conference Room on October 14, 2010

### PRESENT AT THE MEETING:

**Commissioners:** Wayne Thompson, Marija Weeden-Osborn, Connie Ealey, Vince Ealey, Debbie Doyel, and Chris Jessen  
**Staff Liaison:** Darcy McClure  
**Council Liaison:** Carol Johnson  
**Guests:** Carol Rush, League of Women Voters  
Bob Paulsen, Sr. City Planner

### ABSENT FROM THE MEETING:

**Commissioners:** Peggy Sue Klein and Renee Salza

*These minutes are a general summary of the meeting.*

### **CALL TO ORDER**

Motion to call the meeting to order at 5:15pm was made by Chair Thompson.

### **APPROVAL OF JUNE MEETING MINUTES**

Vice Chair C. Ealey made a motion to approve the September 9th meeting minutes. Commissioner Doyel seconded the motion, which passed unanimously.

### **PUBLIC COMMENTS**

Carol Rush spoke about the Old Fashioned Political Rally the League of Women Voters hosted. She stated that the league is in favor of ranked voting and they would like to have it on the 2011 ballots, there will be an informational meeting November 8th.

### **CITY COUNCIL LIAISON UPDATE**

Councilor Johnson updated the commission on the Art Space proposal of affordable housing for artists; the council passed it with a change in the language, as they will only be spending \$7,500 between now and the election. The Rialto Bridge Project will be reviewed in a couple of weeks on the construction costs.

### **AFFORDABLE HOUSING CHAPTER - DRAFT**

Staff Liaison McClure passed out revised drafts and introduced, Senior City Planner, Bob Paulsen. He went over the background of how the Affordable Housing Chapter evolved. To centralize the Affordable Housing chapter in the code, make it easy to find, use and reference. He stated that they researched other affordable housing codes for ideas, but there are items unique to Loveland.

Most zoning is based on lot size not density, so bringing incentives of a density bonus, we tried to make sure things are predictable, to the extent we can, stated Mr. Paulsen.

The Density Bonus is a two tiered system: 10% density increase or lot size reduction and the 2<sup>nd</sup> tier more

1 discretionary with clear and reasonable standards.  
2 Another concern of the planners is to make sure affordable housing projects are not deficient or sub-  
3 standard. There will be a review procedure a project will go through: the planning commission, city council  
4 or staff will review depending on the type of project. There's no point system for the determination, it will  
5 be more of an art than a science, due to the many variables a project could have.  
6 In section 18.44.070 of the code, are the incentives for affordable housing developments that allow for an  
7 additional bonus of up to 25% to try and achieve compatibility with zoning and surrounding developments.  
8 Design Standards: the more attributes the development has the more likely it can accommodate addition  
9 density and still be functional and compatible with surrounding areas.  
10 Chair Thompson spoke of his concern of taking the predictability out of it; it could be a "can of worms" to  
11 not have a formula.  
12 Mr. Paulsen stated that to have a formula would be impossible. The bigger the project the easier to  
13 achieve top end density bonus, but with smaller projects the reductions make a project that doesn't  
14 function.  
15 Commissioner V. Ealey stated every project is different and should be based on that.  
16 Mr. Paulsen recognized that fairness and equity is a big deal and they aren't avoiding that issue, there's just  
17 not a way to apply a point system.  
18 Chair Thompson asked, if in a meeting would a developer feel confident that an additional percentage is  
19 possible? The numbers can be tight and to spend money to see if they can get the additional 25% incentive  
20 can lose a project.  
21 Mr. Paulsen commented that it takes a lot of negotiation, it takes a long time, and may be hard to achieve  
22 unless it's a big project and in the right location. The main objective is to make affordable housing work.  
23 We can refer your concerns to our consultant.  
24 Chair Thompson would like to take "25%" wording out of the chapter and just say there is an opportunity  
25 for additional waivers at council's discretion based on the ability to simulate to the existing areas.  
26 Commissioner Doyel agreed to take the wording out and stated there is no track record to know what to  
27 expect and that way there isn't an expectation on the part of developers.  
28 The planners are beta testing at 1<sup>st</sup> and Boise which is a complex situation, they are having a difficult time  
29 of figuring out how to get more units in there, it's hard to change block sizes.  
30 Mr. Paulsen said the chapter is a significant boost to development and he is not opposed to looking at  
31 other directions, it's the best effort up to now.  
32 Councilor Johnson stated she likes the idea of more flexibility. She questions what would be the minimum  
33 size of the development for the 10% bonus and could a larger development get more than 10%.  
34 Mr. Paulsen stated it depends on the zoning district, if you can get 9 or 10 units in, you should be able to  
35 add another unit; he is more comfortable with the density than smaller lot sizes. Not comfortable with  
36 above 10%. Have to respect what the zoning is and the expectations of the larger community.  
37 Councilor Johnson stated she wants to see consistency in regard to the BE zone standards.  
38 Garage requirement has been a standard that states you cannot have more garage frontage than 40% of  
39 the house on the front of your lot. It becomes an issue when you start reducing your lot down to 60 feet.  
40 Staff will meet with the consultant and discuss it with Title 18 Subcommittee as well.  
41 Staff opinion counts in the sense that they are working on the type of ordinance that is supported, so the  
42 comments are being taken seriously.

43

#### 44 **AFFORDABLE HOUSING FEE WAIVERS**

45 Staff Liaison McClure spoke of the possibility of offering fee reductions on a spot basis, for example, one  
46 or two units could have the fees waived in a market rate development. It would help get affordable  
47 housing dispersed throughout the city. All requirements would be the same as it is under the current code,  
48 but not the 20% of units in development to be affordable. This would apply to both rental and for sale

1 units.  
2 The idea would be to not take a single unit to Council for approval, but give staff or the commission the  
3 authority to approve an affordable housing fee waiver and have a budget cap for the year of so many  
4 dollars. Need to have a system in place in order to be fair, e.g. first come first serve. There is no room in  
5 budget to do this right now, but this would lay the ground work for the next budget season. Councilor  
6 Johnson thinks that council would more likely consider a pool of allocation for lost income, instead of a  
7 pool of money set aside.

8  
9 Staff Liaison McClure spoke of the need to look at changing the code for fee waivers of qualified  
10 affordable housing developments and handed out a paragraph that will be added to the code, Affordable  
11 Housing Ratio (attached). What this added paragraph will do is make sure builders getting the fee  
12 reductions will build the affordable housing units in the ratio agreed to, which is 20% of the units. The new  
13 paragraph would help avoid out of balance percentages or credits being giving without the benefit of  
14 affordable units. This would be added to the code for developments here forward, not retroactive.  
15 It would be required for Wilson Commons.

16 Discussion ensued by the commissioners about: not enough qualified affordable housing buyers at this  
17 time, sells of houses are market driven, look at a year at a time possibly, fees are charged for a reason;  
18 parks, trails, sewers, etc. If the developer waited to build the units at the very end, it may not happen and  
19 the developer would have to pay back the fees waived according to the Development Agreement.  
20 There was a general consensus by the commission for staff to move forward on the code amendment.

21  
22 **NEXT STEPS**

23 This item will be addressed at the November meeting.  
24

25 **NEW BUSINESS**

26 Staff handed out the 2011 AHC grant year schedule. The next meeting will be moved up a week to  
27 November 4<sup>th</sup>, since the City offices will be closed on the 11<sup>th</sup> for Veteran's Day.  
28

29 **ADJOURNMENT**

30 Call for a motion to adjourn was made by Chair Thompson, motion made by Vice Chair C. Ealey and  
31 seconded by Commissioner Jessen, passing unanimously at 6:53 p.m.  
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33 Respectfully Submitted,  
34

35 Beverly Walker