Housing Affordability Policy Study:
Material for Table Discussions
Stakeholder Workshop #2 Material

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Table Topic 1

OWNERSHIP HOUSING & COMMUTING

Average Sales Price Change, 2000-2013

(Shown with 2000 as Baseline; Subsequent years show % increase over 2000 Baseline)

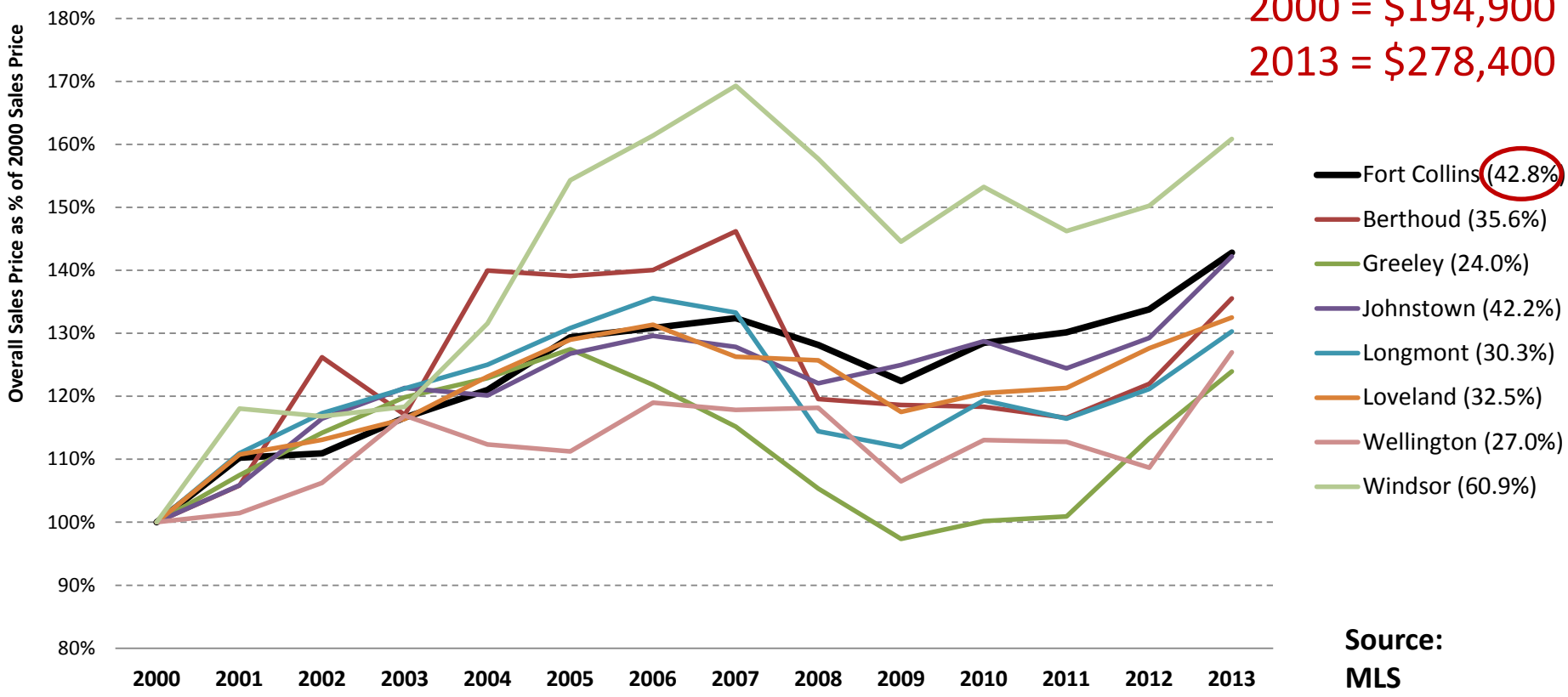
Increase:

+42% (2nd Largest Increase)

Averages

2000 = $194,900

2013 = $278,400

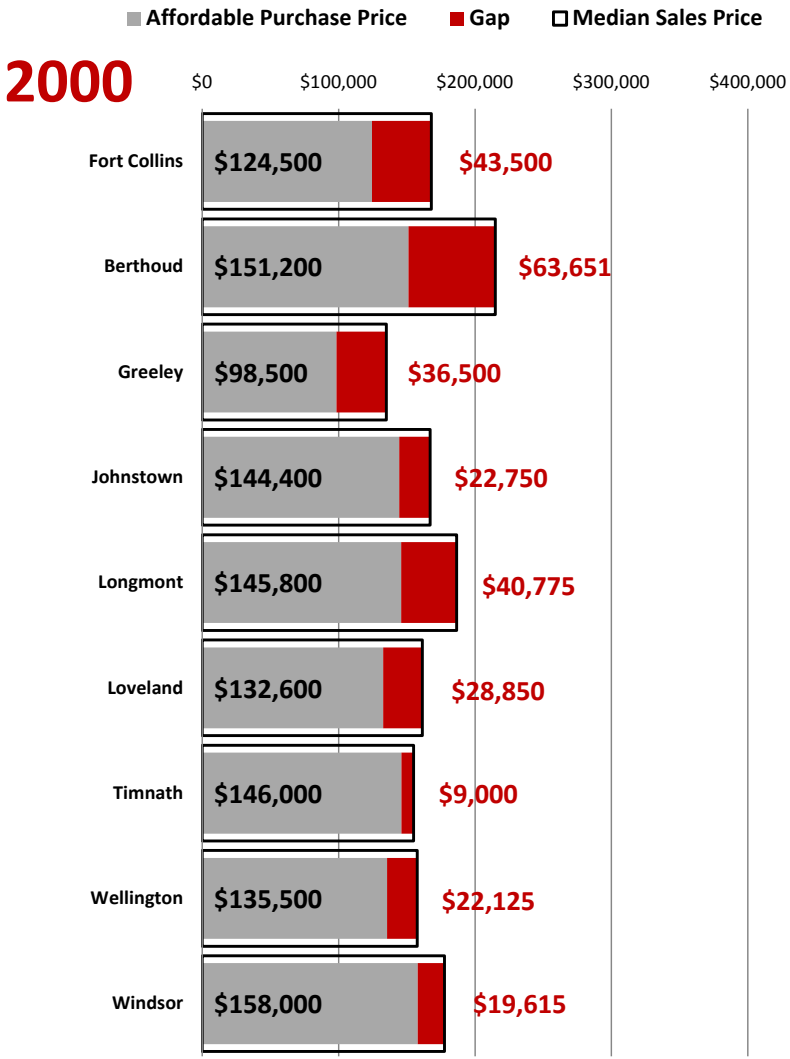


Source: MLS

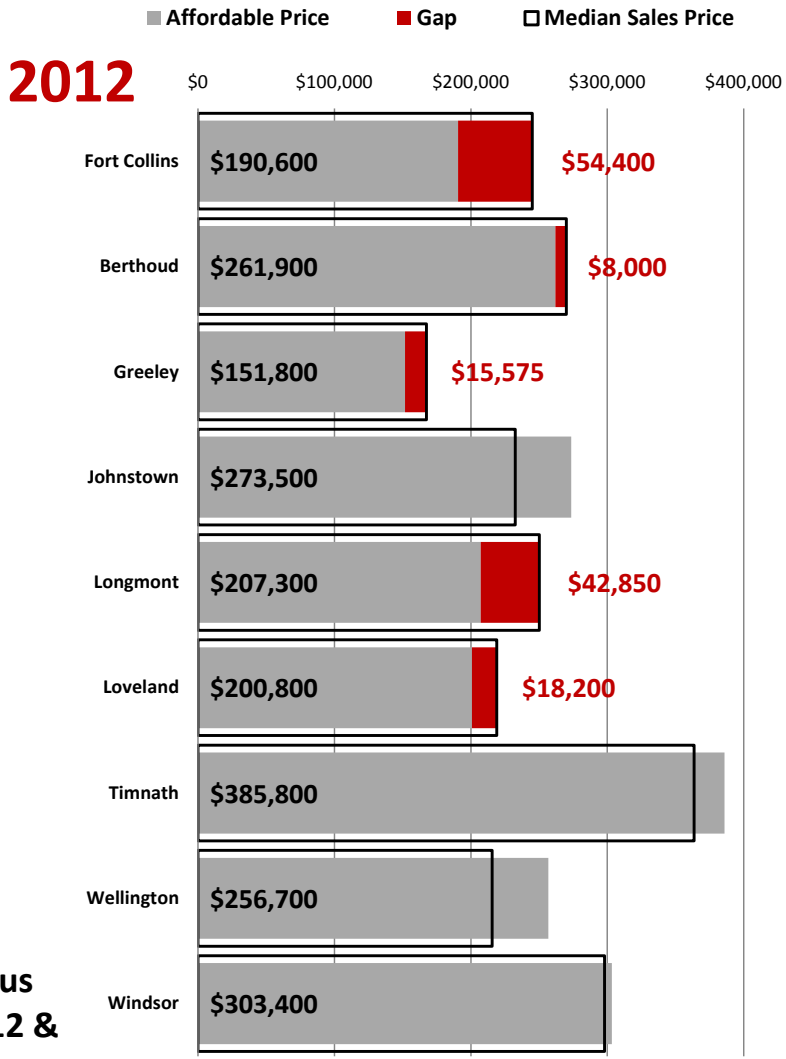
Source: Elevation Real Estate; Economic & Planning Systems

Affordability Gaps for HHs w/ Median Income

(Shown are Affordable Price (Gray); Median Sales Price (Outline); and Gaps (Red)



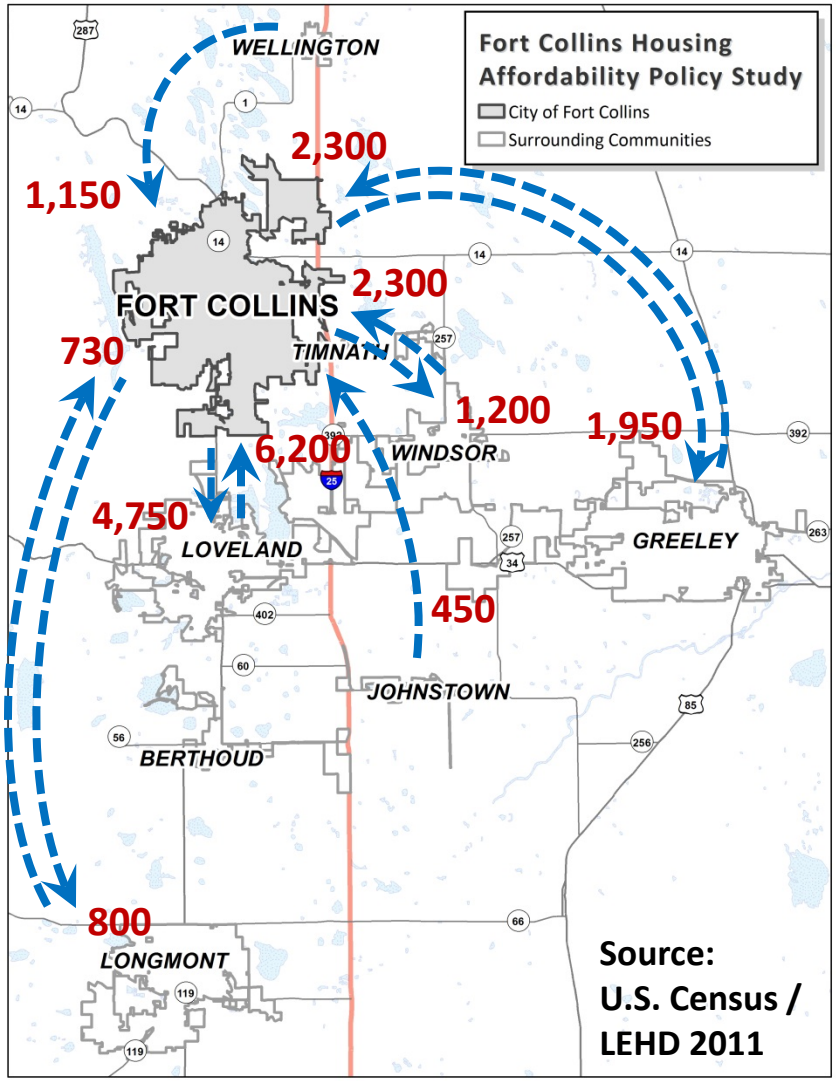
Source: U.S. Census; Economic & Planning Systems



Source: U.S. Census; Economic & Planning Systems

Sources:
U.S. Census 2000, 2012 & MLS

Commuting Patterns
(by location, 2011)



- Out-Commuting (2003-11)
  - Net Change ▲ 560
  - to Denver Metro ▼ 880
- In-Commuting (2003-11)
  - **Net Change** ▲ 9,400
  - from Surrounding Communities ▲ 5,000
    - from Greeley ▲ 780 *
    - from Johnstown ▲ 300 *
    - from Longmont ▲ 360
    - from Loveland ▲ 1,820 *
    - from Wellington ▲ 620 *
    - from Windsor ▲ 1,110
    - from Timnath ▲ 30
    - from Berthoud ▲ 50
  - from Denver Metro ▼ 180

*** Median Sales Price = Lower than Ft. Collins**

Ownership Gaps

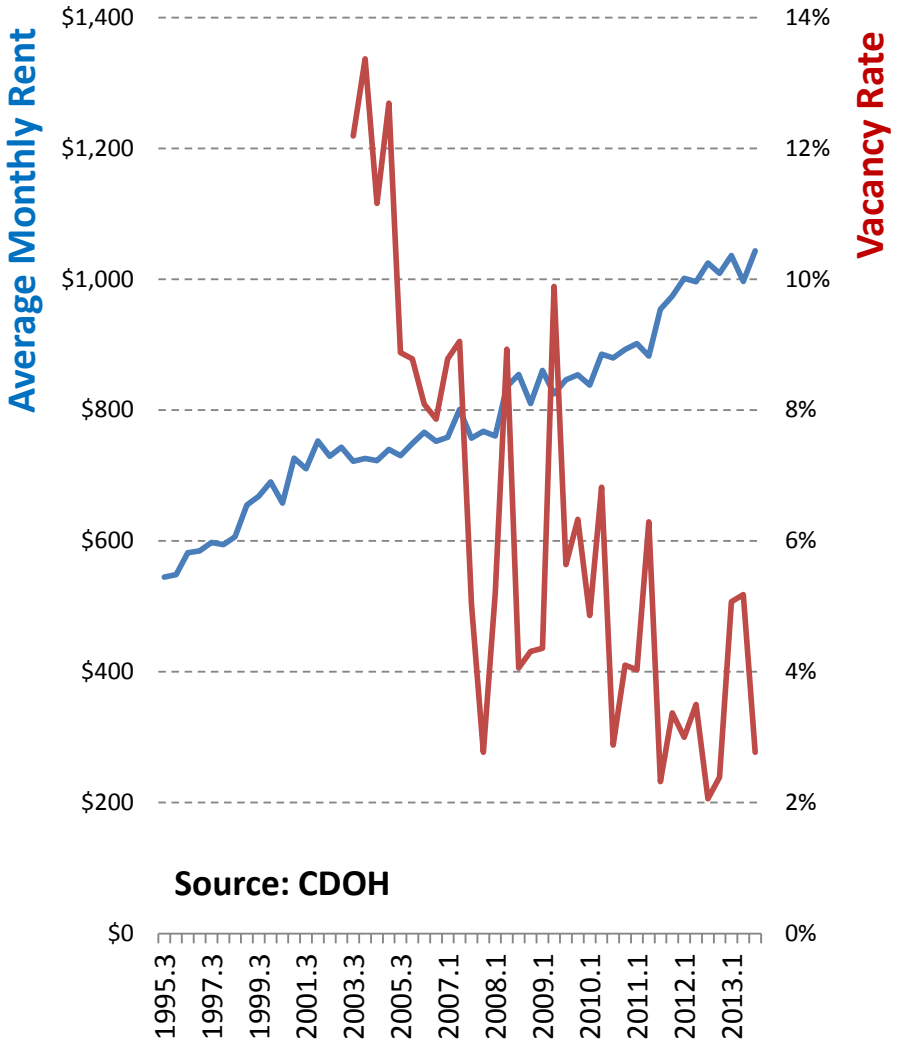
- **A)** What is a gap?
  - It **DOES** identify housing cost-burden at certain income levels
  - It **DOES NOT** just mean that more units need to be built
- **B)** Preliminary Estimates
  - Where are the gaps? i.e. Who is cost-burdened?
    - **2,150 HHs** earning under $25K / year
    - **490 HHs** earning $25K to $50K
- **C)** Who are they?
  - Elderly
  - Disabled
  - Mobile home owners
  - Other?

Table Topic 2

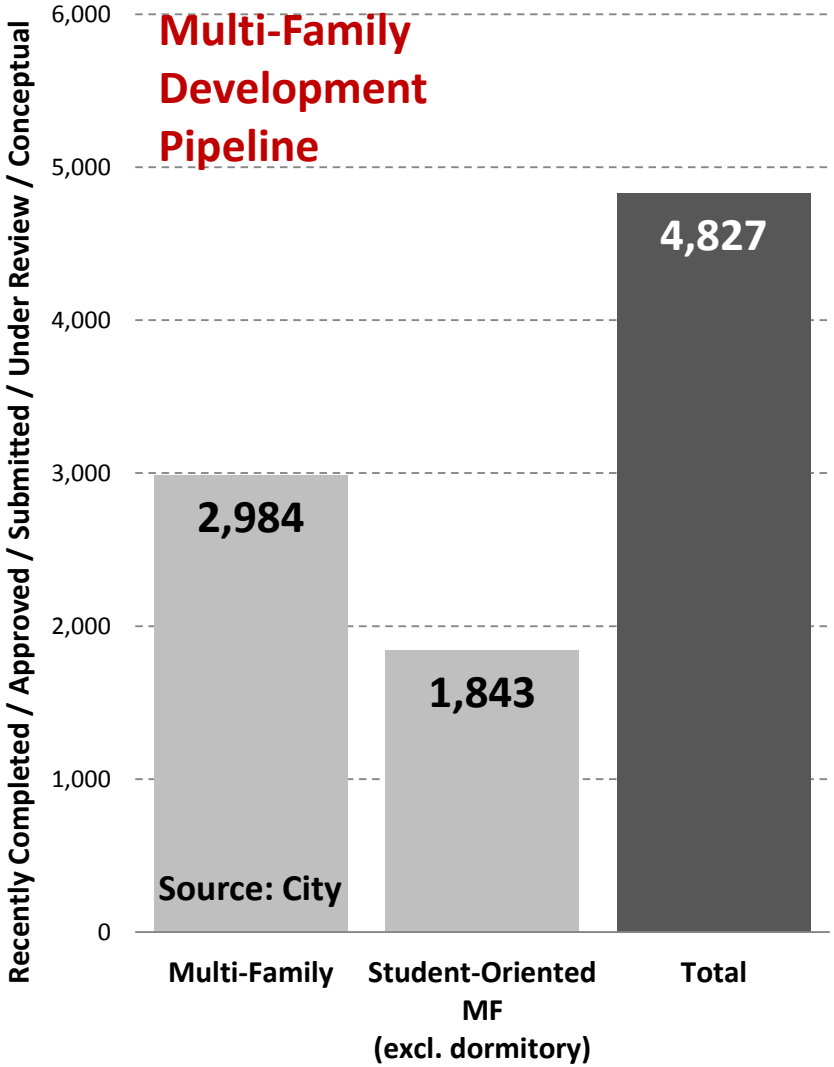
RENTAL & STUDENT HOUSING MARKET

Rental Market (incl. Student) Housing

(and pipeline of development activity)



Source: CDOH; Economic & Planning Systems



Source: City of Fort Collins; Economic & Planning Systems

What is CSU's Housing Capacity?
(Now and Projected)

NOW

- Student Body = 27,000
  - Growing @ 300 students / year
- **On-Campus Housing**
  - Halls = 5,600 beds
  - Apartments = 1,200 beds
  - Total = 6,800 (25% student body)
- **Off-Campus Housing Demand** (75% student body ≈ 20,250)
  - 10% (2,025) Outside Ft. Collins
  - ~5% (1,010) at Home
  - 85% (17,210) in Ft. Collins:
    - @ 2.5 students / unit = **6,885 units**
    - @ 3.0 students / unit = **5,740 units**

PROJECTED

- On-Campus Growth
  - Adding 1,950 beds over 4 years
- Off-Campus Growth
  - 1,843 student-oriented units (5,158 beds) in pipeline
- *CSU projects that "most, if not all, …housing needs will be met" by on- and off-campus developments (SHAP, 2013)*

Permanent Rental Gaps

(with Student Population removed)

- **A)** What is a gap?
  - It **DOES** identify housing cost-burden at certain income levels
  - It **DOES NOT** just mean that more units need to be built
- **B)** Preliminary Estimates
  - Where are the gaps? i.e. Who is cost-burdened?
    - 7,970 HHs earning under $25K / year
- **C)** What about students?
  - Btw. **5,740 and 6,885 HHs** (under $25K) are students
- **D)** And grad/professional student HHs?
  - 1,300 assistants
  - est'd 50% live in HHs above $25K = **650 HHs**
- **E)** Where does that leave the cost-burden estimate?
  - 7,970 – (5,740 or 6,885) + 650 = **1,735 to 2,880 HHs** are cost-burdened
- **F)** Who are they?
  - Elderly
  - Disabled
  - Single-Parent Families
  - Other?

Table Topic 3

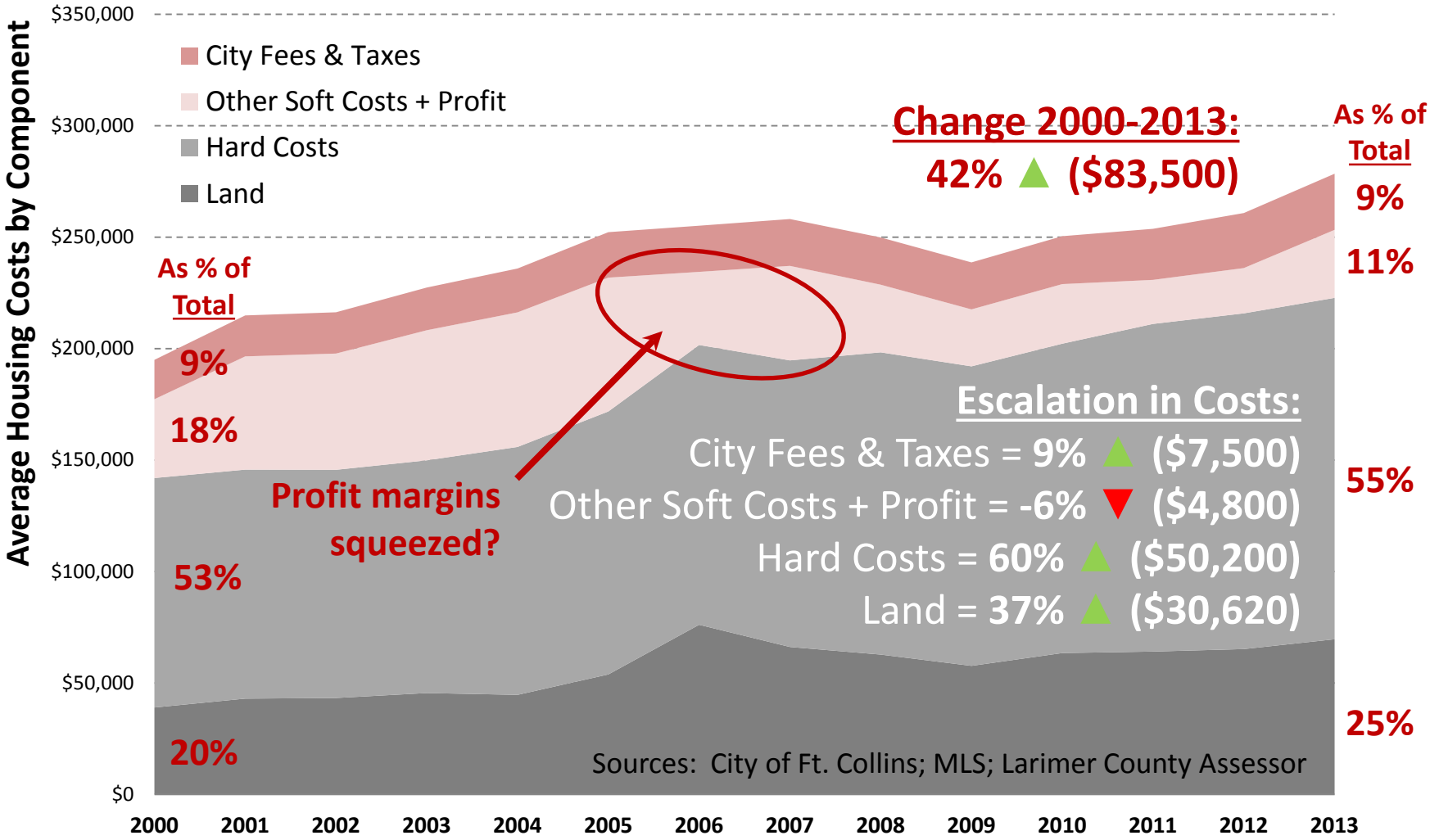
HOUSING COST COMPONENT ESCALATION

Housing Cost Breakdown

- What are the Components of Housing Costs?
  - **1) Land** – 20% to 25%
  - **2) Hard Costs** (materials, labor, etc.) – 55%
  - **3) Soft Costs - City/County Fees & Taxes**
    - Permit fee
    - Plan Check
    - Capital Expansion Fees (Street Oversizing, Fire, Police, General Government, Parks)
    - Utility fees (Water, Wastewater, Stormwater Plant Investment Fees)
    - Use Taxes
  - **4) Other Soft Costs & Profit**
    - Developer Fee / Profit
    - Architectural / Engineering
    - General Contractor
    - Legal
    - Insurance
    - Financing

Overall Cost Trend, 2000-2013

Average
2000 = $194,900
2013 = $278,400



Source: City of Fort Collins; Larimer County Assessor; Elevations Real Estate; Economic & Planning Systems

What costs have escalated?

- **Overall Housing Cost**
  - Increased at 2.8% / yr
  - Increase = $83,500
- **1) Land Costs**
  - Increased at 4.6% / yr
  - Total increase = $30,620
- **2) Hard Costs** (Materials & Labor)
  - Increased at average of 3.1% / yr
  - Total increase = $50,200
- **3) Soft Costs** – City/County Fees & Taxes
  - Increased 2.8% / yr
  - Increase = $7,500
- **4) Other Soft Costs & Profit**
  - Decreased at -1.1% / yr
  - Decrease = $4,800

Table Topic 4

DISTRESSED POPULATIONS

Ft. Collins Housing Authority

- Under FCHA Management
  - Wellington
  - Fort Collins
  - Housing Choice Vouchers (closed, but opened for disabled)
  - Project-based vouchers
- Waiting List
  - 1,726 as of April 2014
    - Elderly – 207
    - Disabled – 520
    - 53% looking for 1-bedroom; 31%, 2-bedroom
- Income Distribution
  - Less than 30% AMI (2.5 person HH, $18,750) = 84%
  - 30 to 50% AMI (up to $31,250) = 15%

Distressed Populations

- Persons with Disabilities
  - Est'd 10,000 residents w/ one or more disabilities
    - 50% are 18 to 64 years old; 46% seniors; 4% children
  - 47% employed (16% unemployed)
  - Housing Needs (accessible units) - Est'd 350 rental units < $500/month
- Seniors
  - Est'd 12,500 (4,575 with disability)
  - 40% live alone
- Poverty
  - Federal poverty level (2013) = $19,530
  - Est'd 27,200 residents in poverty (56% of which are students)
  - Btw 2005 and 2012, ~4,000 more non-student residents are in poverty
  - ~2,900 families in poverty
  - Overall poverty rate: single dads = 28%; single moms = 36%
- Homeless
  - Est'd 250 to 500
  - 1,000 HHs receiving prevention assistance
  - 60 supportive housing units under development