

AGENDA

City Council Ad Hoc Housing Committee
Thursday, April 8, 2021, 5:00 – 7:00 p.m.
Location: Virtual

Public is encouraged to listen through Zoom: <https://zoom.us/j/98351510422>
Or Telephone: Dial: (253) 215-8782 or (346) 248-7799 Webinar ID: 983 5151 0422

Committee Members: Ken Summers, District 3
Ross Cunniff, District 5
Emily Gorgol, District 6
Committee Contact: Lindsay Ex, lex@fcgov.com

Note: Per Ord. No 079, the Committee Chair, may in consultation with the City Manager and City Attorney, determine that meeting in person would not be prudent for some or all persons due to a public health emergency or other unforeseen circumstance affecting the city. Committee Chair Emily Gorgol has conferred with the City Manager and the City Attorney and has determined that the Committee will conduct this meeting remotely pursuant to Ord. No. 079. As well, an individual Committee member may request to participate remotely even if the rest of the Committee will be there if the member has a concern about their or others' health or safety by notifying the Clerk at least three hours in advance of the meeting.

Meeting Objective: Conclude the Ad Hoc Housing Committee with (1) a panel of peer cities and experts to explore the housing/climate nexus as we transition to implementation and local builders and developers, (2) review of the Committee's end-of-term draft report.

1. Call Meeting to Order
2. Approval of March 11, 2021 minutes
3. Agenda Review
4. Public Comment
5. Discussion Items:
 - a. Panel discussion to explore the housing/climate nexus (*Courtney Fieldman, Carbon-Free Buildings Associate with the Rocky Mountain Institute; Kumar Jensen, Chief Sustainability Officer with the City of Evanston, Illinois; and Cyndy Comerford, Climate Program Manager with the City of San Francisco, California; facilitated by Jesus Castro, an Our Climate Future Plan Ambassador and with Fuerza Latina*)
 - b. End-of-Term Draft Report
6. Concluding Remarks

There are three or more members of City Council that may attend this meeting. While no formal action will be taken by the Council at this meeting, the discussion of public business will occur and the meeting is open to the public via Zoom.

ATTACHMENTS

1. Meeting Pre-Work Summary to Prepare for the April 8, 2021 Meeting
2. March 11, 2021 Draft Minutes
3. Draft End-of-Term Report

ATTACHMENT 1: MEETING PRE-WORK

Pre-Work Item #1: Housing/Climate Nexus

Description: At the March meeting, Committee members indicated an interest in exploring the connections between housing and climate at their final meeting.

Strategy Alignment:
Housing Strategic Plan: Strategy 9 to advance Phase One of the Land Use Code Audit, amongst others; Our Climate Future Big Move 7: Healthy, Affordable Housing

A panel of local experts and peer cities will offer insights as Fort Collins transitions to implementation with both the Housing Strategic Plan and Our Climate Future, with the following questions as a starting point:

- How are housing and climate connected in your community?
- Where is your work today and how did you get there? (i.e., What kinds of information did you have and what did you need to get to where you are today?)
- What would you recommend to other communities just getting started?

Below is a snapshot of Fort Collins emissions around housing:

- Today, homes (residential uses in all forms) are approximately 25% of the community carbon inventory. As we look toward 2030, while overall emissions will decrease, emissions from housing are projected to decrease proportionately to about 24% of the 2030 inventory; decreases in electricity emissions are balanced out by projected increases in natural gas.
- Transportation emissions are 21% of the community carbon inventory. The Existing Conditions Assessment noted daily population increases by 28% due to commuters. Emissions from commuter vehicles are estimated to be equal to about 13% of Fort Collins community transportation emissions.
- Staff will dive in more deeply in the coming months with Our Climate Future implementation, and particularly with the Land Use Code housing updates, to assess how the various strategies will impact our carbon inventory, e.g., what impact will various scenarios have on emissions such as increasing multi-family/missing middle housing vs continuing with business as usual with existing zoning.

Pre-work to prepare for this discussion:

- Review [this article by RMI](#) that describes the nexus between housing and climate
- Explore this [online toolkit](#) from Cool Climate California which includes urban infill as a climate strategy. If you have time, see how urban infill ranks amongst other climate strategies for peer cities such as Palo Alto, Sacramento, and Santa Monica. This tool is based on this 2018 [peer-reviewed article](#) in Urban Planning.
- Review Evanston's [project page](#) for their affordable, resilient, net zero homes effort
- Review San Francisco's section of their [Climate Action Plan](#) on housing

Discussion Question: What feedback or questions do Committee members have on the perspectives and ideas shared by our panelists?

Pre-Work Item #2: Review the Draft End-of-Term Report

Description: When initially discussing “what success looks like” for this committee, Councilmembers identified that an end-of-term report should be developed to report out on the Committee’s accomplishments and lessons learned. At the March meeting, Councilmembers provided feedback on the outline of the end-of-term report, and staff has prepared a draft report as a result (Attachment 3).

Discussion Question: What feedback do Councilmembers have on the draft end-of-term report? What changes would Councilmembers suggest prior to finalizing?

AD HOC HOUSING COMMITTEE

March 11, 2021
5:00pm-7:00pm
Zoom Meeting

Members:

Mayor Pro Tem Cunniff, Councilmember Summers, Councilmember Gorgol

Attendees:

Staff Members: Darin Atteberry, Lindsay Ex, Meaghan Overton, Carrie Daggett, Ingrid Decker, Beth Sowder, Caryn Champine, Sue Beck-Ferkiss, Victoria Shaw, Jackie Kozak Thiel

Panelists: Kristin Fritz, Russ Lee, Robin Bachelet, Jen Bray (Facilitator)

Community Members: Bob Pawlikowski, Affordable Housing Board; Kevin Jones, Chamber of Commerce; Adam Eggleston, Fort Collins Board of Realtors

Call to Order: 5:07

Approval of February Minutes and Agenda Review:

- Councilmember Summers moved to approve February minutes, Councilmember Gorgol seconded. Roll call for vote: 2-0-0. Councilmember Cunniff joined meeting after vote.
- Agenda Review

Public Comment

- None

Discussion Item: Panel Discussion to Support the Transition from Plan to Implementation (*Kristin Fritz, Chief Real Estate Officer with Housing Catalyst; Russ Lee, Ripley Design; Robin Bachelet, Local Developer; facilitated by Jennifer Bray who serves on the Affordable Housing Board*)

- What does it take for you to build a unit of housing?
 - Russ Lee, Ripley Design
 - Communities that are sensitive to their built environment and creative funding mechanisms are all things to consider
 - All housing development requires water, can be extremely expensive
 - Kristin Fritz, Housing Catalyst
 - Some factors do not change when developing affordable housing
 - Challenging to do affordable housing development without competitive tax incentives
 - Competing with market rate developers for funding
 - Currently, can't get contractors to lock in rates for more than 30 days due to changing market conditions
- Key barriers and challenges in developing affordable housing
 - Kristin Fritz
 - Barriers: Looking for land that has the right elements, limited resources
 - More applications than funding every year
 - Density issue is not just an affordable housing issue
 - For modifications, risk and burden currently on developer
 - If City makes changes to Land Use Code and development standards, the risk and burden could be shifted up front to the City
 - Robin Bachelet
 - Finding the right land for the project, lack of land availability
 - Resources, including water, can cause a project to stall out
 - Biggest barrier is initial cost, financial barriers at the outset
 - Political and neighborhood pushback
 - Russ Lee
 - All projects in Fort Collins so far have required a modification, which satisfies a community need

- E.g., current development needed modification for height and setback for an alley, Harmony Cottages needed modification for setback from Harmony Rd., project on Drake required 4 modifications mainly related to density
 - Having development review planners who are familiar with affordable housing has been a huge asset
- If the City did just one thing for Housing Strategic Plan implementation, what should it be?
 - Robin Bachelet
 - Ensure board and commission members are well-versed in their subject area, understand the nuance of development proposals being put before them
 - Kristin Fritz
 - No one or two things that will solve for affordable housing
 - Shared [website from Urban Institute](#) showing breakdown of development costs
 - Russ Lee
 - Where can we get some transit-oriented development (TOD) type incentives across the community, regardless of zone district?
 - Land Bank program has been successful – it's not the answer to closing funding gaps, but it's a huge asset
- Discussion
 - If you got all Low-Income Housing Tax Credit (LIHTC) funding you could, how many units per year would that yield?
 - Just using local private activity bonds (PAB), wouldn't get more than 50 units per year
 - Can apply for PAB via local funds, county, and statewide bond cap
 - During process, how do modifications, appeals, etc. affect cost and timeline?
 - Housing Catalyst has never had a project appealed, largely because of attention paid upfront to create a successful project – this diligence likely costs approximately \$50k, but an appeal would be more
 - Should be striving to ensure Land Use Code (LUC) and building code are easy to understand for laypeople, staff, and developer and that the same interpretation happens to all three groups
 - How to design a Land Use Code that isn't either too subjective or too prescriptive
 - Both can cause challenges for designers and developers – not an easy answer
 - Density, height and parking are the three pieces that have a big impact on how developers can pencil out a project and its feasibility
 - Could provide relief to these major challenges for affordable housing developments
 - Interpretation can vary widely
 - How much do parking requirements hurt affordable housing developments?
 - Parking studies have shown that affordable housing requires less parking than other development types; could consider parking reductions for affordable developments
- Summary
 - Major challenges:
 - Tangible: resources, zoning
 - Intangible: tolerance for risk
 - Code updates: desire to remove subjectivity and add options for compliance
 - Implementation: Land Bank, land use code update, training for decision-making bodies

Discussion Item: Review of the Ad Hoc Committee's Quicker Wins

- Assess displacement and gentrification risk
 - In process of creating index and scoring system based on examples from other communities
 - Aiming to share draft map in April Ad Hoc packet
- Implement the 2020 Analysis of Impediments to Fair Housing Choice Action Steps
 - Continue to provide financial support through grants
- Fund foreclosure and eviction prevention and legal representation
 - Applications currently open for additional CARES funding

- Seeking additional resources to extend beyond six months
- Discussion:
 - How do we ensure alignment with funding and goals, and identify other programs for financial literacy that may meet needs and fill gaps? Are there other opportunities we could be looking at?
 - Know our most common partners, but there may be other avenues to explore
 - Finding additional programs would require first identifying largest gaps

Discussion Item: End-of-Term Report Outline

Goal to identify what should be included in the report and how committee members want to review draft.

- Could include: resolution forming committee, who was involved, what was covered, outcomes, next steps
- Month-by-month schedule not necessary
- Full list of topics organized by panelists that addressed them
- Majority of report focused on outcomes and next steps
- Highlight recommendations and key areas of tension and opportunity
 - A few key tensions/opportunities: zoning, land use, infill
- Staff will provide draft for review at April meeting

Next Meeting Focus and Process Check-in:

- Potential Topics:
 - City goals in alignment with climate action
 - Consideration that higher density, multi-family units better work toward these goals, but would like to see if this plays out in the data
 - Future discussion items: Various board and commission representatives share their perspective on affordable housing and how they approach their roles, interpret code, and understand goals

Meeting Adjourned: 6:53

Ad Hoc Housing Committee – Draft End of Term Report

Executive Summary

The Housing Ad Hoc Council Committee was established by [Resolution 2020-0068](#) on July 21, 2020 with an overall purpose to support the development of the Housing Strategic Plan, which was unanimously adopted by City Council on March 2, 2021. The Committee held nine meetings from August of 2020 through April 2021.

Key Committee accomplishments include the following:

- 7 quicker wins identified, including assessing displacement and gentrification risk, extending the City's affordability term, the off-cycle appropriation to advance Phase One of the Land Use Code Audit, creating additional development incentives for affordable housing, foreclosure and eviction prevention funding, and the adoption of the Metro DPA Program.
- Support for and ultimate adoption of the Housing Strategic Plan.

This report includes the following elements the Committee addressed during its tenure:

- Committee composition, scope and process
- Committee topics, speakers, and outcomes
- Lessons learned
- Recommendations for the next City Council, including areas of tension/opportunity to be aware of in implementation.

Committee Composition, Scope and Process

Three members of City Council served on the Committee. Committee members included Councilmember Emily Gorgol (Chair), Mayor Pro Tem Stephens (March-December), Mayor Pro Tem Cunniff, and Councilmember Ken Summers (January-April). Committee membership shifted slightly in January 2021 because Mayor Pro Tem Stephens was elected to the Larimer County Board of Commissioners. The Committee was supported by Lindsay Ex, Interim Housing Manager, and Meaghan Overton, Senior City Planner, in addition to the City's Executive Leadership.

The Housing Ad Hoc Committee met on the 2nd Thursday of every month from 5-7 pm. Agenda and materials, including draft minutes from the prior meeting and background materials for the agenda items were provided in the Thursday Council packet prior to the meeting and were posted on the Committee's [website](#).

When discussing specific topics, the Committee used the following framework to discuss strategies and solutions:

- Quick(er) wins: Were any of the strategies and solutions discussed something that could be moved forward on immediately (within this Council term)? Are additional resources required or can it be moved forward within existing capacity and resources?
- Transitional strategies: Are there any strategies that could be part of the Housing Strategic Plan but cannot be moved forward within the next 5-6 months and should be highlighted in the end-of-term transition report to the next Council?
- Transformational Strategies: Are there strategies that could be part of the plan and will take a longer time (2+ years) to develop an implementation and engagement strategy to address?

Committee Topics, Speakers, and Outcomes

Topics	Speakers	Outcomes
Committee Scope	Councilmembers and Staff	<ul style="list-style-type: none"> • Aug 2020 - Clarified focus on the plan's development and diving deeply on 14 topics, as time allows. • Each meeting – review of progress, pre-work, and next steps to ensure Committee success
Existing Conditions and Greatest Challenges	<ul style="list-style-type: none"> • Julie Brewen, CEO, Housing Catalyst • Kendra Diede, Human Resources, Advanced Energy • Landon Hoover, President, Hartford Homes • John Williams, CEO, Advance Energy • Meaghan Overton, Sr City Planner • Clay Frickey, Redevelopment Manager • Sylvia Tatman-Burruss, City Planner 	<ul style="list-style-type: none"> • Sept 2020 - Clarity around the “problem we’re trying to solve;” understanding of the cost of housing in Fort Collins and drivers/levers for the housing system; and encouragement to test the greatest challenges with the community.
Housing Types and Zoning	<ul style="list-style-type: none"> • Kristin Fritz, Chief Real Estate Officer, Housing Catalyst • Jessica Prosser, Community Development Manager, City of Aurora • Daniel Krzyzanowski, Planning Supervisor, City of Aurora • Sandra Wood, Principal Planner, City of Portland • Paul Sizemore, Interim CDNS Director • Meaghan Overton, Sr City Planner 	<ul style="list-style-type: none"> • Oct 2020 – Initial list of strategies to pursue to support greater diversity of housing types and LUC changes. • Nov 2020 – Refined list of strategies to pursue as quick(er) wins, leading to a recommendation that an off-cycle appropriation for advancing the LUC audit be brought to the full Council. • Mar 2021 – Off-cycle appropriation for housing-related LUC changes and code reorganization unanimously adopted; see transition to implementation section below.
Anti-displacement and housing stability	<ul style="list-style-type: none"> • Clay Frickey, Redevelopment Manager 	<ul style="list-style-type: none"> • Nov 2020 - Identification of three potential quick(er) wins to discuss further at the December meeting. • Dec 2020 – Support for moving the anti-displacement mapping and eviction prevention fund forward
Rental regulations, including occupancy and approaches from other cities	<ul style="list-style-type: none"> • Shelby Sommer, CU Denver Masters Student • Marcy Yoder, Neighborhood Services Manager • Justin Moore, Code Compliance Lead Inspector 	<ul style="list-style-type: none"> • Dec 2020 – review of existing occupancy regulations, peer city research and potential options explored, inclusion of occupancy and rental licensing strategies in the Housing Strategic Plan as a result
Funding and Financing Strategies	<ul style="list-style-type: none"> • Sue Beck-Ferkiss, Social Policy and Housing Programs Manager • Victoria Shaw, Sr Financial Analyst 	<ul style="list-style-type: none"> • Dec 2020 – Review of the existing financial programs and quicker win opportunities moving forward; advanced the MetroDPA (down payment

		assistance for households making less than \$150K) to the full Council (adopted in Feb 2021)
Innovation	<ul style="list-style-type: none"> • Joe Rowan, Commercial Loan Manager Impact Development Fund • Stefka Franchi, Chief Executive Officer Elevation Community Land Trust • Clay Frickey, Redevelopment Manager 	<ul style="list-style-type: none"> • Jan 2021 – Review of successful housing partnerships and innovative ideas; inclusion of design competition into the Housing Strategic Plan as a result (Strategy 15)
Housing Strategic Plan	<ul style="list-style-type: none"> • Mollie Fitzgerald, Principal with Root Policy Research • Lindsay Ex, Interim Housing Manager • Meaghan Overton, Senior City Planner • Megan DeMasters, Environmental Sustainability Specialist 	<ul style="list-style-type: none"> • Jan 2021 - Review of the initial set of prioritized strategies; adjusted language to the strategies to reflect Committee feedback • Feb 2021 – Deep dive into the draft Housing Strategic Plan, strategy refinement prior to Council adoption
Transition to Implementation	<ul style="list-style-type: none"> • Kristin Fritz, Chief Real Estate Officer with Housing Catalyst • Russ Lee, Ripley Design • Robin Bachelet, Local Developer • Jennifer Bray, Affordable Housing Board Member • Meaghan Overton, Sr City Planner 	<ul style="list-style-type: none"> • Mar 2021 – Increased understanding of the cost of housing and informed development of the Land Use Code Phase One work, e.g., ensuring the Code can be interpreted by all stakeholders; recognition that density, height, and parking are highly impactful on project feasibility; desire to remove subjectivity and explore consistent set of options to allow for flexibility; identified need for training opportunities for decision-making bodies around implementation actions like LUC changes, occupancy, etc.
Housing/Climate Nexus	<ul style="list-style-type: none"> • Kumar Jensen, Chief Sustainability Officer, City of Evanston, IL • Courtney Fieldman, Associate, Rocky Mountain Institute • Additional panelists TBD • Lindsay Ex, Climate Program Manager • Meaghan Overton, Housing Manager 	<ul style="list-style-type: none"> • TBD

Lessons Learned

- There is significant value in Ad Hoc Committees to dive in more deeply on Council Priorities and to have an opportunity to learn and talk together as Councilmembers.
- The structured nature of this committee, e.g., orientation to the plan and planning process, was helpful.

- Having dedicated staff support was helpful for success, e, g., putting together meeting packets, developing and supporting the panel, and the back work to execute on Council's vision.
- The virtual format of the Committee generally worked well and allowed for the participation of panelists from other parts of the state and country.
- At the request of Committee members, pre-work was included with each meeting to both orient to the meeting topic and allow for in-depth discussion and exploration during the meeting. A mix of media for background materials, e.g., videos and reading, was helpful as Councilmembers expressed different preferences for the pre-work.
- Midway through the process, there was a recognition that a more formal process would be helpful to provide for public comment. Public comment was added to each agenda and staff shared a prepared statement each time that let attendees know chat comments and questions would be a part of the public record.

Recommendations for the next Council

While the Ad Hoc Committee was able to accomplish a great deal in nine months, the work to achieve the vision that “Everyone has healthy, stable housing they can afford” will take decades to achieve. Further, housing is complex and touches nearly every issue and outcome area. Thus, this Committee recommends the next City Council be aware of the following areas of tension and opportunities as we move from plan to implementation:

- *Zoning, density and infill development.* Current zoning capacity is not expected to keep pace with housing needs in Fort Collins and the current low vacancy rate creates a market where housing demand far exceeds supply. How to address this concern will be a critical focus of the Land Use Code (LUC) updates initiated by this Committee with an off-cycle budget appropriation. Key tensions in implementation of these LUC updates will likely include historical and present disparities in who can access housing, how to balance neighborhood and community change with quality of life, identifying strategies to achieve the City's carbon neutral goals while also achieving housing affordability, the tension between open space and housing needs, and evaluating processes to advance housing development along with what and where different housing types are allowed.
- *Renter stability, registration, and occupancy.* Addressing policies and programs to better support Fort Collins's substantial renter population was identified within the Existing Conditions Assessment as one of our remaining questions, as this is a newer space for Fort Collins. Key areas of tension include the need to balance neighborhood quality with right sizing the existing occupancy ordinance for today's community, assessing the best strategies to protect health and safety of rental housing while balancing this with housing affordability, and ensuring all residents feel valued and welcomed in Fort Collins regardless of their housing tenure.
- *Achieving equity in outcomes.* The Housing Strategic Plan was one of two plans adopted in 2021 that were centered in equity (the other plan was Our Climate Future). While the City has advanced with embedding equity in process by ensuring all residents have meaningful opportunities to engage with and influence plan development, how we will embed equity in outcomes is an area of exploration for Future Councils, staff, and the community. Integrating equity considerations into metrics and evaluation of existing and future programs is one important area of emphasis.
- *Financing the Strategies.* As noted in the Existing Conditions Assessment, there is an \$8.8M annual gap in funding for achieving the City's current affordable housing goal of 10% of units

being affordable by 2040. As the City refines its goals to encompass the entire housing spectrum (one of the quicker win strategies identified in the Housing Strategic Plan), how additional funding and financing will be secured to deliver on the units needed to achieve this goal will be a critical area of focus going forward. Tensions that will need to be considered will be how to raise this additional funding and how to address funding needs for housing in a systematic way alongside other needs for transit, parks and recreation maintenance, and other community priorities. Innovative solutions will be needed to work with the public and private sector to adequately fund implementation of the Plan's strategies.

- *Communications and storytelling.* Housing is personal, and changing neighborhoods, demographics, and the community overall will impact how this work is implemented. Critical to success will be communications and storytelling around housing as a community priority, who needs housing, and how new residents and housing types can be successfully integrated into existing neighborhoods. This work will require partnerships beyond the City to succeed. Future Councils may also consider further conversation opportunities similar to the panels the Ad Hoc Committee held. Potential panel topics identified by the Ad Hoc Committee for future consideration include hearing from neighborhood groups, boards and commissions, and other community groups regarding their perspectives on housing.

Conclusion

This Committee recognizes that achieving the vision that “Everyone has healthy, stable housing they can afford” will not be achieved overnight. As the Plan outlines, we will need to stay in learning mode with the work, as no community in the U.S. has solved housing affordability. Thus, finding ways for the next Council (and the next Council) to engage with and influence housing policy at all levels will continue to be important as the work transitions from plan to implementation.