

Affordable Housing Land Bank Workshop



Back Perspective



Front Perspective

1. Staff Presentation
2. Small Group Discussions
3. Questions and Answers
4. Polling Pad Exercise
5. Wrap Up and Next Steps

She can teach
your child. Can she
be your neighbor?



Affordable Housing.
It can help educate your child.

FACT: When people can afford to live and work in the same area,
it means **MORE** time, money, and energy. **MORE** time to help your child --
MORE money to spend on field trips -- and **MORE** energy for what's important!
Help make **MORE** housing affordable -- we all benefit.

Please post until:

This public awareness campaign is sponsored by an informal, Northern Colorado cooperative of non-profit, public, and private sector representatives who support affordable housing. Funding provided in part by the National Association of REALTORS® and your local Boards of REALTORS®.

For more info on affordable housing in Larimer or Weld Counties, just dial 211.

Affordable Housing Inventory Examples



Affordable Housing Definitions

Fort Collins definition:

- Dwelling unit available for rent or purchase that would be affordable to households earning 80% or less of the area median income
- For renters, the cost of housing including rent and utilities cannot exceed 30% of their gross income
- For homeowners, the cost of housing including principal, interest, taxes, insurance, utilities and HOA fees cannot exceed 38% of their gross income

Fort Collins AMI Limits

Percent of AMI	AMI	HUD Classification	Maximum Affordable Monthly Rent	Mortgage supported by same monthly payment
100%	\$78,200	Moderate Income	\$1,983	\$301,153
80%	\$62,550	Low Income	\$1,556	\$203,579
60%	\$46,920	Low Income	\$1,190	\$119,669
50%	\$39,100	Very Low Income	\$973	\$70,024
30%	\$24,300	Extremely Low Income	\$606	\$0

¹ Annual income for a household of four.

Sample Occupations

Sample occupations for income-restricted apartments			
(Based on 2016 income limits for 4-person households)			
Restriction	Income limit	Hourly salary	Sample occupations
30% of AMI	\$23,460	\$11.27	Bank Teller or Personal Banker; City Utility Worker; Office Assistant; Sherwin Williams Branch Manager; Certified Nursing Assistant; Housekeeper; FCHA Janitor
40% of AMI	\$31,280	\$15.03	City Office Support Specialist or Transportation Dispatcher; PSD School Custodian; Credit Union Financial Specialist; FCHA Administrative Asst; Forestry Field Worker; Maintenance Technician
50% of AMI	\$39,100	\$18.80	PSD first thru fourth year teacher with BA; Larimer County Accountant I, Civil Engineer I or Health Dept Social Worker; FCHA Administrative Assistant or Accounting Clerk; Landscape Project Manager
60% of AMI	\$46,920	\$22.56	PSD 5 th through 9 th year teacher with BA or 1 st through 6 th year teacher with MA; CSU Pharmacy Technician; CSU Financial Aid Counselor; County Employment Specialist; FCHA Property Manager

Fort Collins Affordable Housing Land Bank

- In Fort Collins – only long range affordable housing incentive
- 5 parcels purchased for Land Bank
 - Hold for 5-15 years
 - Sell to affordable housing developer
 - Vary in size between 4 acres- 17 acres
- Proactive not reactive

History of Program

2001 Land
Bank Program
Established

2002-2006
Five Parcels
Purchased

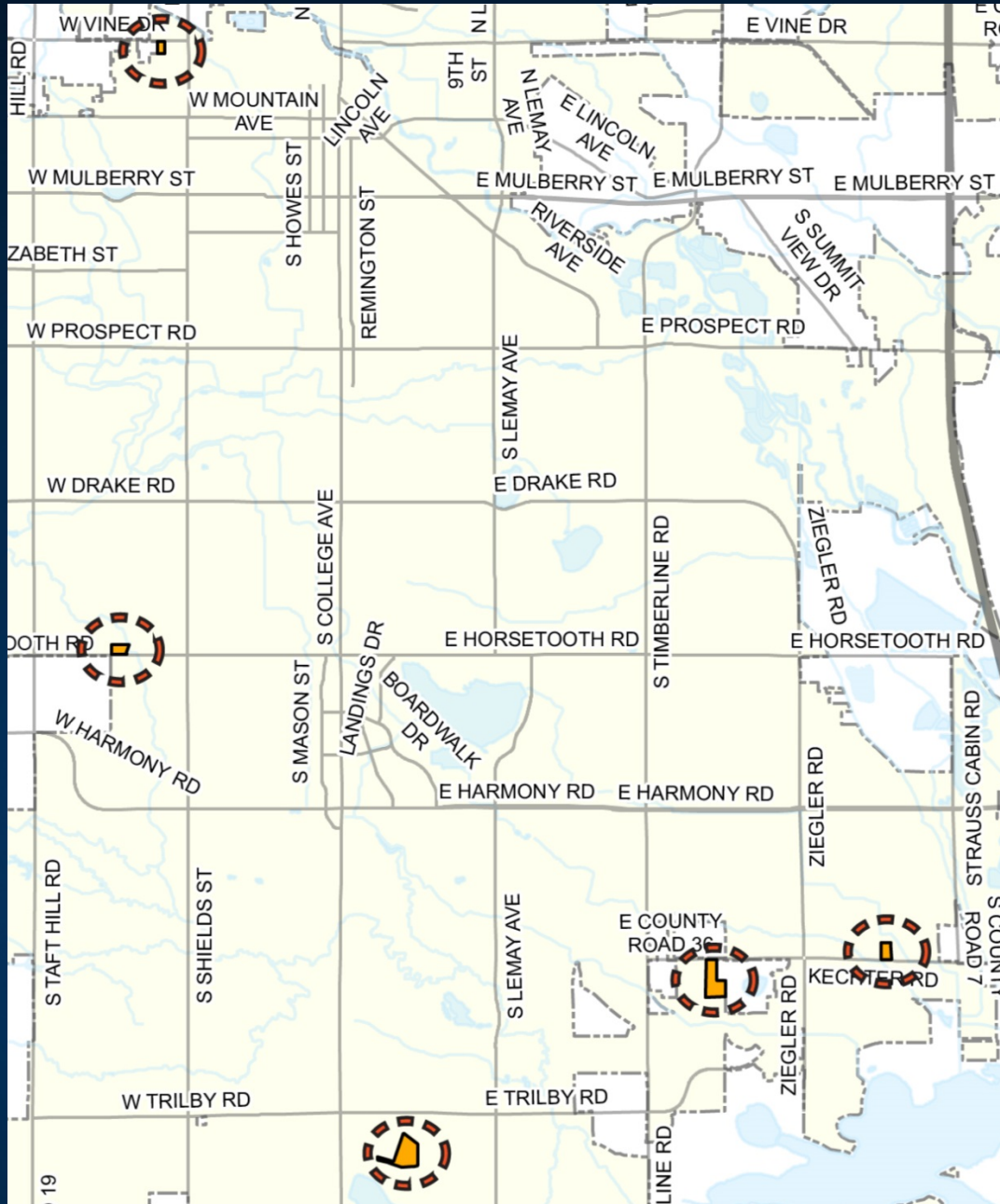
2009
Properties
Assessed

2014
Properties
Assessed

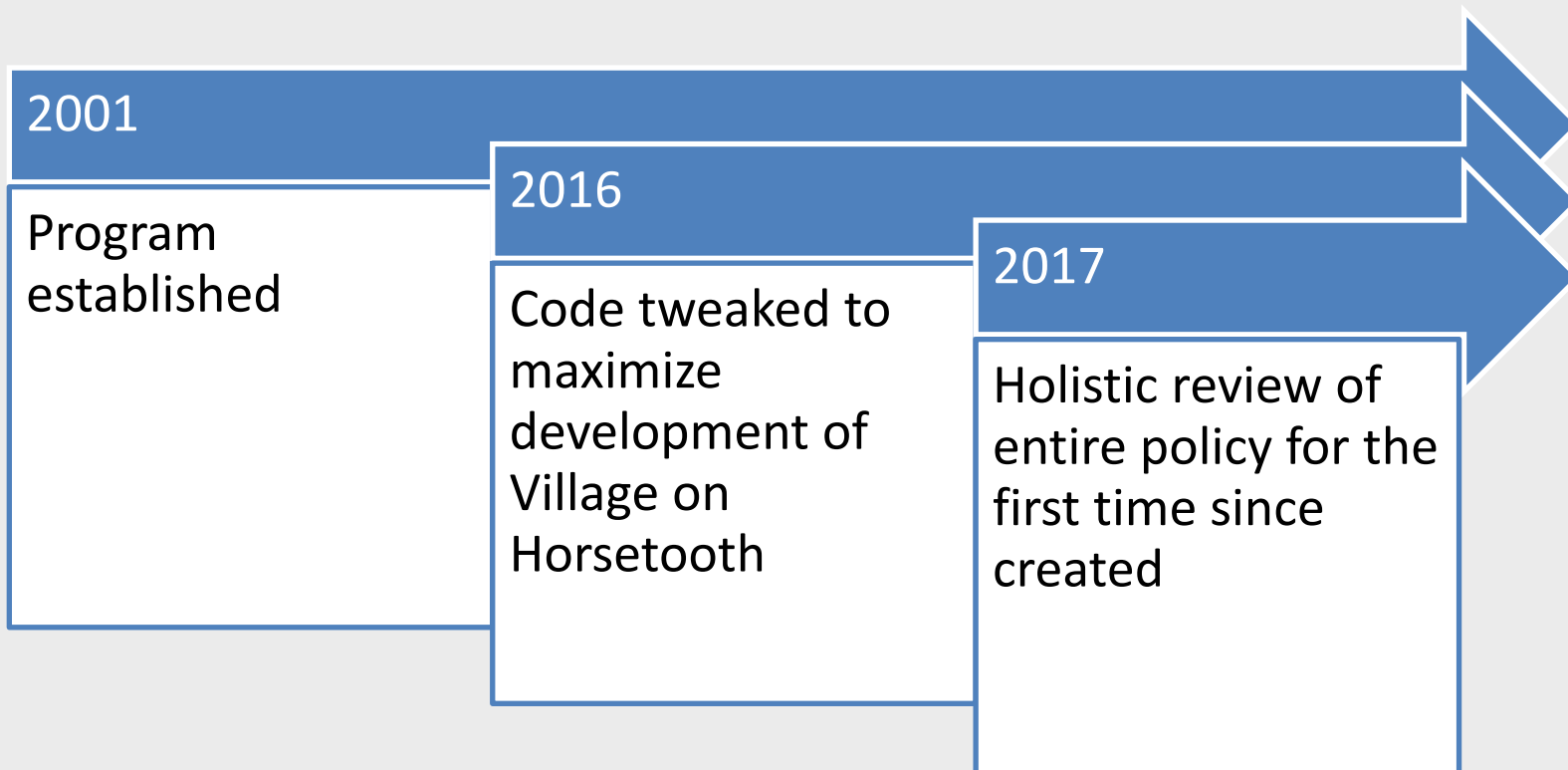
2015 Full
Market
Analysis

2016 RFP
process to sell
parcel for 1st
time

Land Bank Parcels



Policy Refresh





Maximize Development Opportunity by:

Adding Affordable Housing Inventory

And

Use Best Practices for Smart Planning

Current Land Bank Program

- Focus on producing affordable housing
- Current Code allows:
 - 100% Affordable Housing
 - Affordable in perpetuity
 - Specific Area Median Income levels
 - 50% for rental housing
 - 60% for home ownership
- Changes may be needed to provide flexibility to these standards

Purchase Considerations

- ✓ Willing Seller
- ✓ Cost does not exceed fair market value
- ✓ Currently or will be within ½ mile of at least 3 of the following:
 1. Transit Route
 2. School
 3. Park
 4. Employment Center
 5. Commercial Center
- ✓ Located in City Growth Management Area

Sales Considerations

Policy - All three conditions should be met:

- Verifiable need for vacant land
- Appreciation value allows sale for no less than purchase price
- Infrastructure improvements needed to develop the property are minimal

Conditions met on at least 3 parcels

Process to sell

RFP

- Select parcel to deploy
- Competitive process to chose partner

Dev. Rev.

- Contract for sale with conditions
- Full development review process

Sale

- Only after the development has all approvals, does sale become final

Village on Horsetooth

CDBG 2017



Village on Horsetooth Overview

- 96 units total on 8.21 acres
- 9 residential buildings (2-story)
- Community clubhouse
- Playground
- Community gardens
- Dedicated trail connection
- Green building and energy efficient construction
- Vehicle parking spaces: 180
- Bike parking spaces: 212
- Large community green
- Walking paths



Revisions to Consider

Proposed Change	Why?
Allow mixed-use & mixed- income	Best Practice Allows Site Level Considerations
Allow Sale or Trade out of program	Maximizes Program Effectiveness
If Sold - Allow Full Market Value	Most Efficient Use of Resource Leverage
Remove Specific AMI Levels	Tie to AHSP Create Sustainable Communities Still can target lowest possible AMI

Program Assumptions vs. Program performance

Original Assumptions

- It would cost the City money to have a land bank.
- The bank would grow a few acres annually.
- The City would use credit to purchase new parcels.

Performance

- The program has always cashflowed – including maintenance expenses
- 5 parcels were purchased between 2002 and 2006 and held.
- General Fund dollars only.

Changes to Development Landscape

- Post-recession development activity strong
- Price of land, water and labor high
- Little market production of townhomes/condos
- Federal funding for affordable housing flat
- Federal funding for public housing insufficient
- LIHTC funding building most AH developments
- Best practices = mixed uses and mixed incomes
- Housing needs identified in all income levels

Sell or Swap?

What conditions would suggest a parcel is no longer good for Land Bank Program?

- Saturation of Affordable Housing
- Size
- Failure of Amenities to Materialize
- Permanent Development Impediments

Why no longer appropriate?



- Zoning: Current holdings LMN
 - Density with bonus is 12 dwelling units per acre
 - Maximum of 12 units per building
 - Height restrictions
- Funding programs have specific guidelines
 - Allows mixed use and mixed income – adds complexity
- Other regulatory barriers?

Help us identify other potential regulatory barriers!

Mixed-income

Pros:

- Range of incomes accommodated
- Higher rents on some units help community

Cons:

- Less very low income units

Mixed-Use

Pros:

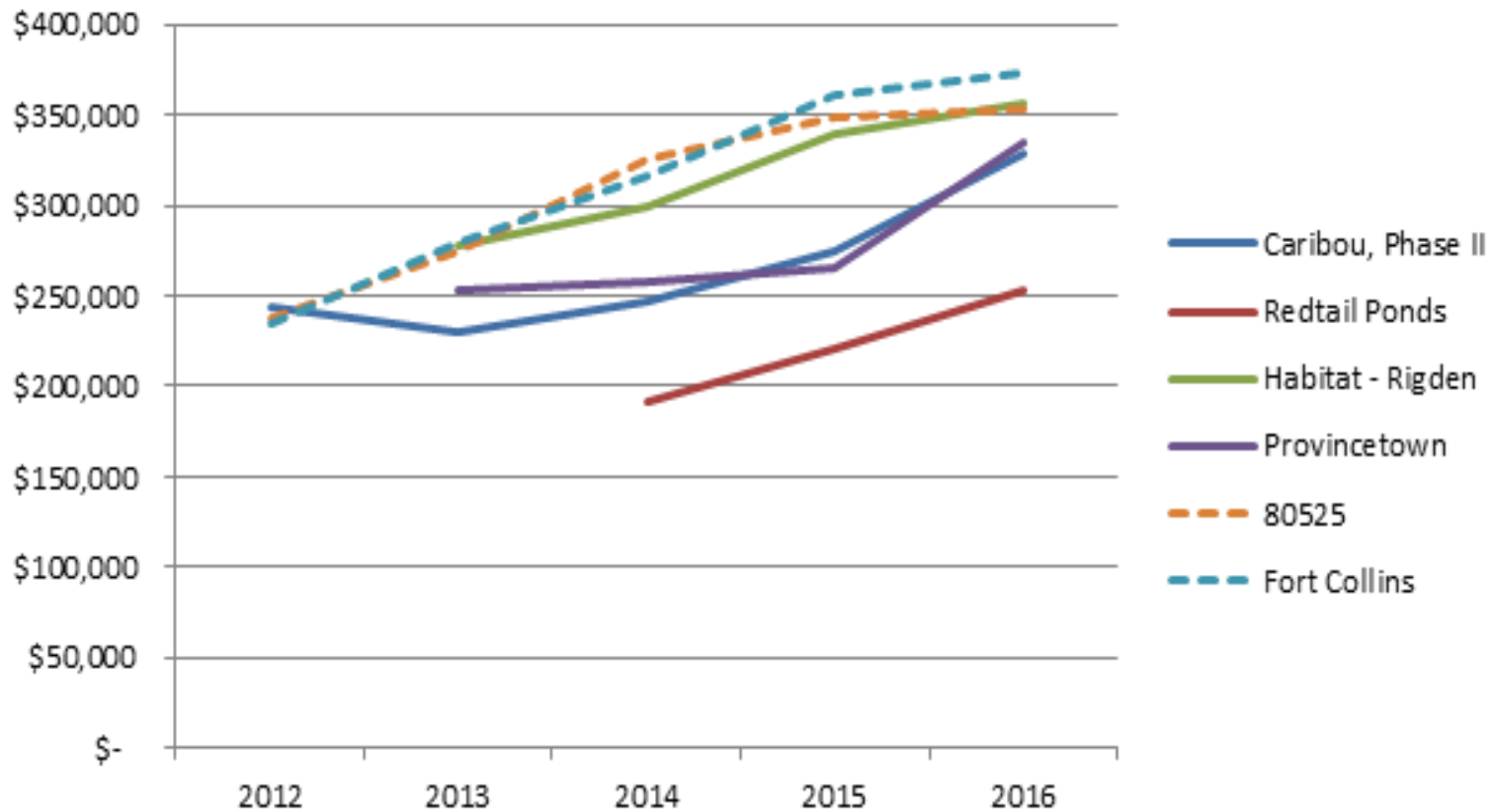
- Greater range of housing types typically
- Compact, walkable, bike able developments

Cons:

- More development risk since both commercial and residential elements must succeed.

Impact to Housing Values

Median Home Prices



Next Steps

- Form recommendations using your input
- Board and Commission outreach
- Community groups outreach
- Council consideration later in 2017

Polling Questions

- Which amenities should be near parcels?
- Who should be our target population for this housing?
- Should we allow for mixed income or mixed use?
- What should we do if a parcel is no longer appropriate for the program?
- Should unique development standards be established for Land Bank parcels?

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