

ORDINANCE NO. 069, 2017
OF THE COUNCIL OF THE CITY OF FORT COLLINS
WAIVING CERTAIN FEES FOR HOUSING CATALYST'S VILLAGE ON REDWOOD
AFFORDABLE HOUSING PROJECT AND APPROPRIATING PRIOR YEAR RESERVES
IN VARIOUS CITY FUNDS TO REFUND SPECIFIED FEES

WHEREAS, Housing Catalyst ("HC"), formerly the Fort Collins Housing Authority, was formed by the City Council in 1970 pursuant to the authority contained in Section 29-4-101, et seq. of the Colorado Revised Statutes, for the purpose of providing affordable, safe and sanitary housing in the City that is within the means of families of low or moderate income; and

WHEREAS, by adoption of Ordinance No. 065, 1999, the City Council exempted from the imposition of the City's capital improvement expansion fees the land development projects of housing authorities formed pursuant to the provisions of Section 29-4-101, et seq., and specified various other City fees from which such projects are also to be exempted; and

WHEREAS, the financial impact of such fee waivers on the City can be substantial, depending upon the size of the project that is exempted, and whether the lost fee revenues need to be replaced by the City; and

WHEREAS, on March 19, 2013, the City Council adopted Ordinance No. 37, 2013 (the "2013 Ordinance"), which made amendments to the City Code and Land Use Code limiting the types of projects for which HC could request fee waivers, and specifying that those waivers are to be granted at the discretion of City Council upon a determination that proposed waivers will not jeopardize the financial interests of the City or the timely construction of capital improvements to be funded by the fees; and

WHEREAS, the 2013 Ordinance also authorized and directed the Mayor to enter into an intergovernmental agreement between the City and HC documenting HC's intent to limit future fee waiver applications to affordable housing projects that meet the criteria established by such Ordinance (the "Intergovernmental Agreement"); and

WHEREAS, the Intergovernmental Agreement was executed on July 3, 2013; and

WHEREAS, the 2013 Ordinance states that the City Council can waive, by ordinance, fees that would otherwise be imposed for an affordable housing project wholly or partially owned by a housing authority only if the City Council determines that: (1) the proposed project is intended to house homeless or disabled persons, as such terms are defined by the Department of Housing and Urban Development (HUD), or households with an annual income that does not exceed 30% of the area median income (AMI) for the applicable household size in the Fort Collins-Loveland metropolitan statistical area, as published by HUD; and (2) the proposed waiver will not jeopardize the financial interests of the City or the timely construction of the capital improvements to be funded by the fees for which a waiver is sought; and

WHEREAS, HC is seeking the waiver of certain development and capital improvement expansion fees it previously paid for the Village on Redwood, a 72-unit affordable housing community being constructed at 1331 Redwood Street in Fort Collins (the "Project"); and

WHEREAS, the City has established affordable housing production goals in the 2015-2019 Affordable Housing Strategic Plan (Plan) with an annual production goal for this five-year plan of 188 units; and

WHEREAS, the Project will deliver 72 units, 38 % of the City's goal; and

WHEREAS, 13 of the Project units (or 18% of the total development) will be dedicated to households making no more than 30% of AMI; and

WHEREAS, HC is therefore requesting waivers equal to 18% of the total fees for the Project based on the number of units eligible for such fee waivers; and

WHEREAS, the Project is partially owned by HC, as HC is the sole member of a limited liability company that has a .009% ownership interest in a limited liability, limited partnership that owns the Project; and

WHEREAS, the Project fits the definition of a project eligible for fee waivers under the City Code and Land Use Code as amended by the 2013 Ordinance, and the Intergovernmental Agreement; and

WHEREAS, because the fees were already paid and any fees waived will have to be refunded to HC, funds to cover the waived fees must be appropriated by the City Council; and

WHEREAS, City Finance staff has determined that waiver of these fees will not jeopardize the financial interests of the City or the timely construction of the capital improvements to be funded by the fees for which the waiver is sought; and

WHEREAS, if City Council grants the fee waivers, staff is requesting the appropriation of \$100,708 from various fund reserves to cover the fees waived; and

WHEREAS, included in the \$100,708 total amount are appropriations from the following funds:

General Fund	\$20,577
Capital Expansion Fund	
General Gov't.	\$5,805
Police	\$2,368
Fire	\$4,735
Community Parkland	<u>\$18,103</u>
Total Capital Expansion Fund	\$31,011
Neighborhood Parkland Fund	\$21,347
Street Oversizing Fund	<u>\$27,773</u>
Total Request	\$100,708

WHEREAS, Article V, Section 9, of the City Charter permits the City Council to appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, City staff have determined that the appropriations as described herein are available and previously unappropriated in the various funds.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That the City Council hereby finds that 18% of the Project is intended to house households with an annual income that does not exceed 30% of the area median income for the applicable household size in the Fort Collins-Loveland metropolitan statistical area, as published by HUD.

Section 3. That the City Council further finds that the fee waiver requested by HC will not jeopardize the financial interests of the City or the timely construction of the capital improvements to be funded by the fees for which a waiver is sought.

Section 4. That the City Council hereby approves the waiver of \$100,708 in fees that were previously paid to the City upon the issuance of building permits for the Project, consisting of:

Development Review Fees	\$ 4,012
Building Fees	15,913
Capital Improvement Expansion Fees	80,132
Storm Drainage Development Review Fees	<u>651</u>
Total	\$ 100,708

Section 5. That there is hereby appropriated for expenditure from reserves in the General Fund the sum of TWENTY THOUSAND FIVE HUNDRED SEVENTY-SEVEN DOLLARS (\$20,577) to cover the waived Development Fees for the Village on Redwood Affordable Housing Project.

Section 6. That there is hereby appropriated for expenditure from reserves in the Capital Expansion Fund the sum of THIRTY-ONE THOUSAND ELEVEN DOLLARS (\$31,011) to cover the waived General Government, Police, Fire and Community Parkland Capital Improvement Expansion Fees for the Village on Redwood Affordable Housing Project with the intent of this appropriation being to supersede any provision to the contrary in City Code Chapter 7.5.

Section 7. That there is hereby appropriated for expenditure from reserves in the Neighborhood Parkland Fund the sum of TWENTY-ONE THOUSAND THREE HUNDRED

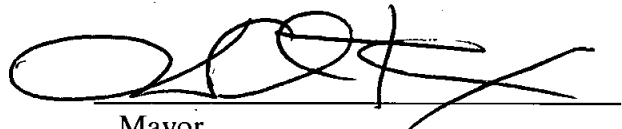
Section 7. That there is hereby appropriated for expenditure from reserves in the Neighborhood Parkland Fund the sum of TWENTY-ONE THOUSAND THREE HUNDRED FORTY-SEVEN DOLLARS (\$21,347) to cover the waived Neighborhood Parkland Capital Expansion Improvement Fees for the Village on Redwood Affordable Housing Project with the intent of this appropriation being to supersede any provision to the contrary in City Code Chapter 7.5.

Section 8. That there is hereby appropriated for expenditure from reserves in the Street Oversizing Fund the sum of TWENTY-SEVEN THOUSAND SEVEN HUNDRED SEVENTY-THREE DOLLARS (\$27,773) to cover the waived Street Oversizing Capital Expansion Improvement Fees for the Village on Redwood Affordable Housing Project with the intent of this appropriation being to supersede any provision to the contrary in City Code Chapter 7.5.

Section 9. That the City Manager is hereby directed to present to City Council later in 2017 a proposal for how much, if any, of the City funds and accounts for the applicable Capital Improvement Expansion Fees waived by this Ordinance should be reimbursed with monies from the City's General Fund.

Introduced, considered favorably on first reading, and ordered published this 16th day of May, A.D. 2017, and to be presented for final passage on the 6th day of June, A.D. 2017.



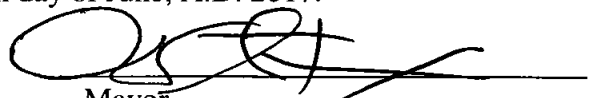

Mayor

ATTEST:


City Clerk

Passed and adopted on final reading on the 6th day of June, A.D. 2017.




Mayor

ATTEST:


City Clerk