

**MINUTES
CITY OF FORT COLLINS
AFFORDABLE HOUSING BOARD**

Date: Thursday, September 1, 2016
Location: CIC Room, City Hall, 300 Laporte Ave.
Time: 4:00–6:00pm

For Reference

Jeff Johnson, Chair
Ray Martinez, Council Liaison
Sue Beck-Ferkiss, Staff Liaison 970-221-6753

Board Members Present

Jeffrey Johnson, Chair
Terence Hoaglund
Eloise Emery
Diane Cohn
Jennifer Bray
Curt Lyons
Kristin Fritz

Board Members Absent

Staff Present

Sue Beck-Ferkiss, Social Sustainability Specialist
Dianne Tjalkens, Administrative Assistant/Board Support

Guests

Marilyn Heller, League of Women Voters
Andy Smith, Chrisland Real Estate
Chris Johnson, ED Bike Fort Collins
Don Bernholtz, citizen

Call to order: Jeff Johnson called to order at 4:00pm.

Agenda Review: No changes.

Public Comment: Andy Smith, Oakland Crossing update—no appeal filed with P&Z, so are going through final development planning process. Going smoothly; applying for building permit in next few weeks. Last big issue is business park association actively opposing the project. Have stated willingness to address their issues, but issues have been moving targets. Have addressed all specific concerns around parking, sidewalk use, etc. Believe basis of opposition is that proposing senior affordable housing project. May be an opportunity for the public to weigh in on the issues, and urgency of affordable housing, which is an acute problem in Fort Collins. Appreciate what board does for affordable housing and encourage support. Supporters who spoke at P&Z, prominent members of the association, said they were being misrepresented by the business park association.

- Diane: If vocal opposition litigates, will it delay the project start?
 - Andy: Unknown.
- Jeff: Is it an issue of the covenant only allowing business use?
 - Andy: No. New board members. Some think should only be a business park, but can demonstrate that it is a mixed use neighborhood. If count MacKenzie and Cottages, this would be sixth senior residential project there. One issue has been parking. Real

time parking survey shows it is underutilized. Some of the opposition has been disingenuous.

- Kristin: What is the role of opposition if filing building permits?
 - Andy: Private agreement/covenant with association. Trying to gain consent through discussions with the board. Not good for affordable housing in Fort Collins if get reputation that it will be contentious.

ACTION ITEM: Sue will email Diane's presentation to Andy.

Review and Approval of Minutes

Diane moved to approve the August minutes as presented. Jen seconded.
Motion passed, 6-0-1. Terence abstained.

AGENDA ITEM 1: 2017 Work Plan

Sue provided draft in packet. City Clerk's Office would like final in September, but can take more time if necessary.

Comments/Q&A

- Eloise: Pulled straight from the plan, which is good for consistency. Would like to see it tied to dates or an order. Is that realistic to do? These seem like objectives and goals rather than action items.
 - Sue: The board could try to add dates. Most Work Plans are a reflection that the board understands its role. Have been high level in the past, but can be more specific if desired.
 - Eloise: Good to be flexible in order to allow changes to the agenda throughout the year. Before started board, read the work plan and wondered about implementation.
 - Sue: This board is advisory, so action items are ranking CDBG applications and other things the board *must* do. This board would like to give more comment to Council, which it has done. Combination action and goals.
- Jen: Nothing on here about short term rentals.
- Jeff: Last year made more specific than it had been in the past. Linked strategies to the goals. Prior, only really looked at this once a year and had just reacted to what came before the board. This gives some guidance. Land Bank is an item for focus this year. We are an advisory board, so at least part of agenda is dictated by politics of the moment. Rest can be proactive.
 - Terence: Most items remain germane. Support the draft.
- Diane: Add something about monitoring the short term rental issue as relates to impacts to affordable housing. This is a key point the board is getting staff input on and making comment to Council about.
 - Jen: Have general review of proposals, policies, etc., but could be more specific.
 - Sue: Could add statement on providing comment to Council on any matters affecting affordable housing, to keep open to new issues that arise.
- Jeff: Add a check-in on this document once a quarter. Make it a more action driven document.
- Jen: One item is a detailed discussion with the Council liaison once per year.
 - Sue: Have discussed when the best time is to invite liaison, but did not have resolution. Councilman Martinez would be glad to engage.

- Diane: Develop specific talking points and request his feedback on issues critical to Council that they would like feedback on.
- Sue: Councilmembers self-select liaisons based on interests.
- Sue took note of board edits.

Jen moved to approve the Work Plan as amended. Kristin seconded.
Motion passed unanimously, 7-0-0.

ACTION ITEMS: Chair will draft request to Council liaison to attend meeting. Sue will make requested edits to Work Plan and provide to City Clerk’s Office.

AGENDA ITEM 2: Housing Issues for Seniors/Trends in Aging—Diane Cohn

Population growth compared to age groups—in 2010 had about 40K seniors, in 2040 anticipate 91K in Larimer County ages 65-90. Larger percentage change than other age groups. Ages 75-84 is when people start needing assistance, including home care, benefits, transportation, etc. Survey last year by Larimer County Office on Aging showed that over half of respondents had been in community for 20+ years. 9/10 plan to stay in Larimer throughout their retirements. Older adults rating of available affordable quality housing and variety were much lower than in other communities. Federal study shows half of households 55 and older have no retirement savings. 55-64, 55% have less than \$25K and 41% have zero retirement savings. Among those who have savings, the median amount is \$104K, or ~\$310/mth. Social Security provides most of income for retired seniors. Average cost of assisted living in Fort Collins is about \$4300/mth (\$52K/year). Can see that many will not have enough funds to pay for care through the end of life. Medicare does not pay for assisted living or nursing homes; it only covers medical expenses, not housing. Also does not cover homecare costs over 90 days, which are about \$22-28/hr. Balance cost of assisted living versus in-home care. Goal of aging in place, but tipping point in cost when need more hours of care. Pension plans have disappeared, social security is based on work time. 401Ks were intended to be supplements but have become primary retirement savings as pensions have gone away. Other factors: longer life spans, increasing housing costs with static income. Less costly housing is generally on the outskirts of town, which is isolating and can be dangerous for seniors. Increased costs of chronic disease care like diabetes and COPD. Other expenses: copays, prescriptions, medical equipment, secondary insurance, home maintenance costs, etc. One third of senior households have no money left over each month, or are in debt after meeting essential expenses. 61% of households headed by adult over 60 have some form of debt. Average Social Security does not cover living expenses, even for homeowner with no mortgage. Average Social Security for men is higher than for women by \$5K/year. Median income in retirement for women is \$15K, while for men is \$28K. Minimum living costs is \$18K/year. Cannot make ends meet. In Fort Collins have 12 senior age-restricted properties. Currently none are available and cannot get on a wait list. Have 17 assisted living facilities; only 3 accept Medicaid. When run out of money can apply for long term Medicaid care—must have less than \$2000 in assets with exception of home and car. Even if get enough independent senior affordable housing, will still have issue when need assisted living. Partnership for Age Friendly Communities created a subteam to study local and regional housing. Projected supply and demand. In four years will be short almost 700 age-qualified apartment units. Around 2030 predict will see a lot of senior homelessness because supply is not keeping up with demand for senior housing. Will be many more people receiving Social Security (aging into retirement without savings), will be using Medicaid long term care. Client example: Woman and partner lived together in his home for 30 years. He passed and she found his home had a reverse mortgage. They were unmarried and had not planned financially together. Woman was going to be evicted. Income of \$1080/mth. Applied for all available wait lists. She was evicted, got voucher to live in hotel for 2 weeks. Found market rate apartment in Loveland

for \$750/mth. 13 months later she heard from waitlist and will move. Will start seeing more cases like this. Need to plan for 2030 and make changes in how thinking about seniors and affordability of senior living facilities.

Comments/Q&A

- Curt: See trajectory of men and women retirement income coming closer together?
 - Diane: There is a change coming, but retirement savings issue still happens as living expenses increase.
 - Sue: If women are bread winners and women make less money, the picture may become worse.
 - Diane: Also racial inequities that make things worse.
- Sue: Does each facility have its own rules?
 - Diane: Independent living, assisted living, and memory care/nursing home all on one campus. Types of facilities have sets of rules they follow.
- Eloise: What are recommendations?
 - Diane: Complex issues of income, housing costs, etc. Need to look at regulations around who gets accepted for Medicaid. Policy issues that would allow more options for assisted living. Continuum of care/core survival being taken over by investors. Not a good idea, especially with vulnerability of population needing the service.
- Sue: Seeing more in-home daycare facilities go away. Not building group facilities, so actually down slots (for children). Is in-home care for seniors something that could help?
 - Diane: Several coming online in community—serve about 6 people each. Still expensive with 24-hour care needed. Looking at shared housing ideas, NORCs (naturally occurring retirement communities), homecare costs, transportation, etc.
 - Sue: Aging in Place APA document about North Hempstead, NY: municipality has taken active role in becoming age friendly community. Have created great public-private partnerships.
 - Diane: Child daycares in senior centers.
 - Sue: Senior housing stacked on top of child care center. Need developer.
 - Curt: And zoning that allows it.
- Jen: Assisted living is for-profit or nonprofit?
 - Diane: For-profit. Answerable to real estate investment trusts. Driving some of the cost. Care is expensive. Higher end assisted living facilities are beautiful; sometimes over the top appearance, but the care is the same. Care takers are paid minimum wage.
 - Eloise: Would rather see money in the care rather than over the top facility.
- Jen: Insurance program for kids to set aside for aging parents?
 - Diane: Long term care insurance—very expensive and is going away.
 - Eloise: Can only qualify for it while you are young and healthy.
 - Sue: Policy premium goes up as you age. Some of these systems have to change.

AGENDA ITEM 3: Land Bank

Had focus groups and received written responses to questions as well. Focus groups had good mix of attendees who were impressed that the City has a Land Bank program. Want to maximize this asset. When activated Horsetooth realized that overall review of 2001 ordinance is good idea. Want to keep parcels as long as possible, but also desire an evergreen program that uses the land for intended purpose and brings in new land for the future. Learned with Horsetooth that rental criteria in ordinance don't match with the tax credit program that meets the needs of the developer. Tweaked

ordinance last year to increase maximum AMI. Since own asset can control deployment through RFP, which is most flexible tool to target projects we want. Existing ordinance has many restrictions, some of which may want to keep, some of which will remove and defer to AHSP. People like the idea of tying deployment of properties to current AHSP. Realize that if too specific in how approach a parcel, could limit interest in development. People want maximum flexibility to do what program is designed to do—keeping properties affordable in perpetuity. But understand 60% AMI is not appropriate cap for ownership. People felt market should dictate the AMI level the project should incorporate. Can use RFP process to meet specific targets for each property. Like competitive process. Focus groups also discussed implementing land trusts and other ideas. Focus groups said time is of the essence—can sell and buy more land, and need is increasing. Need to get product online quickly. Goes to Work Session end of October. Going to boards and commissions. Best time for community outreach is after Work Session. Doing charrette on College Ave. property for mixed use and mixed income consideration. Helpful tools that are currently prohibited. If bringing commercial, could also help overcome opposition.

Comments/Q&A

- Kristin: Should also look at funding mechanisms to make sure does not have conflict.
 - Sue: That is where made changes for Horsetooth.
- Curt: Need is so much greater than availability now, there is no reason to hold land in perpetuity.
 - Sue: There was policy to hold as long as possible before selling. But once sold the property must be affordable in perpetuity.
- Eloise: Will there be staff in house, or money from the deals, to pay for staff to process the deals, or will there be a jam at the door of City Hall.
 - Sue: Have BFO offers to acquire and do due diligence. Don't have request for additional deployment funding.
- Kristin: If self-sustaining program, does 10% land discount help affordability? Is there a conflict in the program?
 - Sue: Misperception that were looking for top dollar for Horsetooth. Have no minimum sales price. Conceivable under existing program that could sell land for zero. But that does not add money to evergreen program to purchase more land.
- Curt: Running out of land to buy.
 - Sue: Always redevelopment. Could buy land with existing structure.
 - Kristin: Aging tax credit property and others with potential to be permanently affordable.
- Jeff: Thought program was to buy properties not ripe for development, and should not be just given to any developer. Get land while you can and wait until developable.
 - Sue: Yes. And feasibility study showed that we don't want to be in competition for land. Other communities use land bank for very restricted properties such as brown field. Original program was 5-15 year hold. Depends on what is going on around the parcel. In disposition study found 3 properties ready, but 2 not yet. Focus group also thought could sell partial properties to get units wanted now.
- Jeff: Beneficial to give program some more flexibility.
 - Sue: Looking for best use of each parcel.
- Jeff: Ordinance should be speaking to funding market more than any other market. Need for housing will continue to be there.
 - Sue: RFP can request ownership, rental, etc. based on the property.
 - Kristin: Market and development community will support flexibility. Will drive best projects. Great news that public supports that concept.

- Jeff: Let the market drive the price with 10% discount. The land should not be given away. If it can't be deployed in a logical way, keep it. Program needs to continue.
 - Kristin: Might be a sight that is so cost prohibitive that can't build affordable there, but want it there—keep flexibility in program to sell for less than market.
 - Sue: No ability to sell out of the program at this time. Can only hold for 100% affordable. Don't want it to be too easy to sell out of the program, but if turns out that a property is unsuitable for intended purpose would be good to have flexibility. Ex: saturation issues. Other options: land swap, sell and reinvest within certain time frame, etc.
 - Jeff: Can always amend the ordinance later.
- Diane: Looking at flexibility in zoning on these parcels?
 - Sue: Becoming clearer that this can be an issue. City Plan is being revised and has opportunity to change zoning. However, discussion about upping density of Land Bank wasn't well accepted.
- Jeff: Timing with City Plan?
 - Sue: Could be good.
 - Kristin: The time is now. Could miss an opportunity if wait for City Plan.
 - Diane: Open option to shift/change use/income restrictions.
 - Sue: Variances.
 - Kristin: Amount of risk goes up with each modification.
- Sue: Density bonus with affordability exists, but is limited to first 10 acres. Would need modification to use across a larger parcel. Have been asking for a change on that at least for land bank. Will tell P&Z about this discussion. Can the developer put all the density on part of the land and wait for zoning to change to develop remaining portion of property?
 - Jeff: If push too hard, negative perception will become more of an issue.
 - Diane: For those people who think it will be an eyesore, if we can educate with visuals will get better perception.
 - Sue: Horsetooth property—getting push back that too dense, but not really dense at all.
- Eloise: People are going to start seeing that housing crisis is impacting them. It will be slow, but will have a societal change and housing will change with it. Concern that transportation plan will not accommodate the cars on the streets. Need mass transit that goes more than north-south.
 - Sue: Preference will help us. People are getting tired of large lawns that take a lot of care and water.

AGENDA ITEM 4: Topics & Speakers

Not discussed.

AGENDA ITEM 5: Other Business

Upcoming Agendas

- Curt and Kristin will present on exclusionary zoning in December.
- November Eloise will discuss education.
- Kristin will provide written update on Horsetooth before October meeting and take questions at meeting.
- Housing proposal rankings at October meeting.
- Chris Johnson will present on Bike Fort Collins in November.

Staff Updates

- September 6: Private Activity Bond allocations to CHFA for Oakridge Crossing and DMA Plaza go to Council. On consent.

Council Comments

- Jeff: Monitoring homelessness is in Work Plan. Transient issues in newspaper. Creates confusion on definition of homelessness. Opportunity for education and challenge around public perception. Could make it more challenging to get funding for affordable housing to have transient issues confused with homelessness.
 - Curt: Speaker for homelessness versus transiency?
 - Sue: Vanessa Fenley is leaving Homeward 2020, but possible she could come in to speak. Can add to January 2017 agenda planning. Can add to communication outreach. City is working diligently. Michele Christensen and/or Beth Sowder as potential speakers. Housing homeless requires affordable housing.
 - Curt: In Seattle found direct correlation between increase in rent and increase in homelessness.

Meeting Adjourned: 6:16pm

Next Meeting: October 13