

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

**Date:** Thursday, February 1, 2018  
**Location:** Colorado River Room, 222 Laporte Avenue  
**Time:** 4:00–6:00pm

**For Reference**

Diane Cohn, Chair  
Ken Summers, Council Liaison  
Sue Beck-Ferkiss, Staff Liaison 970-221-6753

**Board Members Present**

Diane Cohn  
Curt Lyons  
Eloise Emery  
Jeffrey Johnson  
Jen Bray

**Board Members Absent**

Kristin Fritz  
Catherine Costlow

**Staff Present**

Sue Beck-Ferkiss, Social Policy & Housing Project Manager  
Sylvia Tatman-Burruss, Neighborhood Services  
Brittany Depew, Administrative Assistant/Board Support

**Guests**

Rachel Auldridge  
Christa Timmerman  
Kimberly Baker

**Call to order:** 4:03

**Agenda Review:** Oakridge Crossing Fee Waiver Request has been moved to April meeting

**Public Comment:** None

**Review and Approval of Minutes**

Jen moved to approve minutes. Eloise seconded. Motion passed, 2-0-3. Eloise, Jen and Jeff abstained due to absence last month.
--

---

**AGENDA ITEM 1: Presentations and Discussions**

**A. Consideration of Economic Advisory Commission (EAC) Proposal**

Received updated proposal from Ted Settle (EAC). City Council asked them to participate in the Futures Committee, which is comprised of Council members and the Chief Sustainability Officer. Not quite ready to have the collaborative board move forward, they are now looking for support when they go to Futures Committee (likely in May).

- Diane: I know Jen has expressed interest in representing us. Anyone else interested?
  - Eloise: I think it should be Jen.

- Diane: Great, I'll let them know.

## **B. 2017 Annual Report**

Jen moved to approve the 2017 Annual Report. Eloise seconded.  
Motion passed unanimously, 5-0-0.

## **C. 2018 Work Plan**

Diane sent revised edition with additions and deletions. Took 2017 Work Plan and made a few adjustments. Added that the Board will “work with staff on providing input into the development of City Plan to ensure affordable housing options meet the changing needs of citizens over the next 20 years,” adjusted competitive review piece to reflect change in meeting with CDBG commission and not just providing them with rankings. To liaison component, added that members will “participate in/collaborate with other committees and workgroups convened by the City Council, staff, board members or citizens, in order to advocate and educate on issues related to affordable housing.” Removed review of Housing Authority’s monthly activity report (which is now bi-monthly), as it does not need to be included in Work Plan, but the Board will continue to receive the report from Sue.

- Diane: Do we want to review our work plan quarterly?
  - Sue: We tried to do that last year and often ran out of time.
  - Jen: I think we should continue to try to have quarterly review.
- Sue: They did update the City’s key strategic objectives, so I’ll check that those still align.
  - Eloise: In that section about the City Strategic Objectives, is it objectives from City Plan?
  - Sue: It’s objectives from the strategic plan.
- Diane: Any other additions, omissions, changes?

Jen moved to approve the 2018 Work Plan as amended by Diane. Curt seconded.  
Motion passed unanimously, 5-0-0.

## **D. Board Officer Nominations**

Diane called for vote to extend current officers for another year: Diane as chair, Curt as co-chair. Vote passed unanimously.

## **E. Oakridge Crossing Fee Waiver Request—moved to April meeting**

## **F. Presentations**

1. **Preventing Concentrated Poverty:** Sylvia Tatman-Burruss, Development Review Liaison—Neighborhood Services

This presentation was created by Dr. George Galster, Hilberry Professor of Urban Affairs, Emeritus, at Wayne State University in Detroit. Very analytic-based work, not as focused on social aspects. Fort Collins context, based on Census Tracts by Poverty Rate 2011-2015. Census tract is one way the Census breaks up geographic areas. The size depends on population within those tracts. Also have census blocks that are smaller, and other ways the data is broken down. In Fort Collins, there is a larger portion of tracts that are in the 0-9.9% poverty range. As you get into the higher range, 30-39.9% of people in the tract who live in poverty, there are still quite a few (about 7). This does factor in students. Several census tracts have 50-59.9% rates of poverty.

Dr. Galster's presentation focuses on two main questions:

Why are areas of concentrated poverty undesirable from a City's perspective?

- a. On grounds of inequity—there are neighborhoods with more and less opportunity.
- b. Societal inefficiency—past 20% neighborhood poverty threshold, socially problematic behaviors are encouraged by neighborhood context.
- c. The geography of unequal opportunity—once you pass the 20% poverty threshold, you see higher crime rates, health outcomes, etc.

What are appropriate local policies to prevent concentrated poverty areas? Evidence-based implications:

- d. Negative externalities don't occur until % poor > 15-20%
- e. Not all economic mixes are created equal
- f. If we could create more opportunity for people from higher poverty tracts to live in lower poverty tracts, outcomes would be better. Areas can take on 15-20% poverty without seeing negative effects.
- g. Simulation of efficiency gains: If we were able to move people around, so that no census tract has poverty rates over 20%, what would that look like? Aggregate value of owner-occupied housing stock rises \$421 billion (13% increase). Aggregate value of rental stock rises by \$20 billion (4% increase).
- h. Overall principles: Programs are appropriate that expand geographic options for the poor, are voluntary, are gradualist, increase amount of housing for poor in neighborhoods with less than 15% poverty, stabilize housing for poor in neighborhoods with 15-20% poverty (middle neighborhoods—places close to 20% but not over it, not feeling negative effects) and increase housing for non-poor in neighborhoods with over 20% poverty, all without involuntary displacement of original poor population in any case.
- i. Appropriate local policies: Inclusionary housing, impact standards for subsidized housing, affordable housing “lock-ins” in gentrifying areas, LIHTC only in gentrifying and low poverty areas, source of income as new “protected class,” mobility counseling and post-move assistance to voucher holders, public investments focused on 15-25% poverty areas.

### Comments/Q&A

- Curt: This is poverty based on federal definition?
  - Sylvia: Yes. If you meet federal criteria, that's what's captured here.

- Diane: The federal level looks at food costs but it completely misses what it takes to be self-sufficient.
- Diane: How would you describe “socially problematic”?
  - Sylvia: It’s things like crime tick-up, more unemployment, crime, school leaving, duration of poverty as young adult, hours of work, income, wages.
- Diane: “Expand geographic options for the poor” means having affordable housing in those lower-poverty areas?
  - Sylvia: Yes. Having options for housing in all different census tracts.
- Curt: Is there an incentive for a landlord to take a section 8 voucher?
  - Sue: Right now in Fort Collins, the fair market rates HUD publishes will never align fully with actual market rate (it’s two years behind). If someone has a voucher for \$1200 the landlord could take a smaller amount for that one unit, but voucher holders don’t turn over very often, so there’s money saved there. When we had a lot of vacancies, landlords with voucher tenants had consistent tenants and less vacancy overall. You also get benefit of voucher holders’ agency, who you can call on if needed.
- Jeff: Regarding public investment, what’s an example?
  - Sylvia: It depends on the neighborhood. Probably things that would make it a more desirable neighborhood in the long term.
  - Jeff: I typically think of things like parks, not housing stock.
  - Sylvia: There’s public investment in terms of thinking about the neighborhood holistically.
- Diane: Do you have a particular definition of gentrification?
  - Sylvia: Dr. Galster goes through this a lot. I don’t have a specific definition. It’s a tough term to pin down because you’re talking about a lot of things. It’s a very heavy, loaded word.
  - Diane: It’s used all the time, but it feels a little dangerous.
  - Curt: Displacement is definitely in my definition.
  - Sue: I think the work can be seen as positive and negative. A neighborhood with crumbling sidewalks or abandoned buildings being revitalized, for example. If you don’t actively provide strategies to avoid involuntary displacement, that can happen.
  - Jeff: What are those strategies?
  - Sue: Property tax abatement, homestead exemption (over 65 and been there at least 10 years). As the state’s population is aging and people aren’t moving, it’s becoming a big part of state budget. It’s a situation that could become unsustainable overtime.
  - Diane: And the City has a separate program.
  - Sue: A work-off program for low-income seniors.
  - Curt: In Fort Collins, I see gentrification as what used to be middle class city/community is no longer that. Fort Collins has involuntary displacement of middle class with housing prices escalating as they are. If we subsidized the lowest percentage of income-earners and only most affluent can afford market rate, we lose the whole middle.
  - Sylvia: Sometimes it’s more valuable to not use the word gentrification. These dynamics are super complex.

1. **Land Bank final staff recommendations and Board advice to Council:** Sue Beck-Ferkiss—Social Sustainability

Land Bank program updates going to City Council on February 20. Hope to have code changes approved right away. Done two rounds of outreach and two work sessions, and for the most part, people like the program and are happy it exists. Talked a lot about AMI levels, and staff has decided to go with 60% which is the rate most funders allow. Through RFPs, lower AMIs could be encouraged, but the code itself should offer the most generosity and flexibility. Going to allow mixed-use, but only when the City asks for it. Determined on site-by-site basis. Will be explicit about being able to sell part/all of parcel if no longer appropriate for the program. People felt uncomfortable with mixed-income because of the idea of subsidizing market rate housing. If it really seems the whole parcel cannot be used for affordable housing, a portion could be sold at market rate to a developer.

**Comments/Q&A**

- Curt: Would the developer or City ask for mixed use?
  - Sue: City, through the RFP process. Could ask for specific requests or requirements. Could issues bonus points. Depends on site and what we need there.
  - Curt: Would there be an option for a developer to say, “I could make this work, but want to make mixed use”?
  - Sue: We would say in RFP whether or not we would even consider mixed use. For smaller parcels, we probably wouldn’t consider it.
- Curt: Is City staff currently considering any new Land Bank properties?
  - Sue: We are actively seeking properties.
- Diane: Do we have any restrictions on what types of land, what buildings are on it, anything like that? For example, could we buy an old grocery store and make that affordable housing?
  - Sue: We could do adaptive reuse. I don’t believe there are restrictions to the type of property, but it does matter in terms of having to manage the property in the meantime. For example, if it was a live supermarket, we would have to manage that until we were ready to deploy.
  - Diane: So you’d have to manage the costs with the benefits of that land.
  - Sue: Yes, and I do think we will eventually have to look more at properties like that.
  - Jen: Does the City compete with everyone else in these properties?
  - Sue: Yes and no. Our best parcels are other people’s worst parcels. We’re looking for development impediments that probably will be relieved over time. Very often they have been sitting around.
  - Jen: What about properties bought in the growth management area (GMA)?
  - Sue: It would have to be annexed. We can own it in the GMA, but when it’s developed it has to be annexed.
- Jeff: What was the decision on zoning preference for the City? There was a discussion in December: “In this ordinance, should we suggest that there could be some zoning preference for Land Bank?”
  - Sue: I don’t think that’s going into the code itself, but it may go into the whereases. To support the idea that specific standards could be provided to Land Bank parcels to give more flexibility.

- Jeff: What was the outcome of that?
- Sue: I think people are open to it, but it's continuing work. Deciding should it be Land Bank specific, or more general for affordable housing?
- Jeff: That discussion would be brought forward primarily in City Plan?
- Sue: It could be. Could also be brought forward by the Internal Housing Task Force in June. It would be good to have it at least in a whereas clause. The work session we originally had, Council talked a lot about higher density. It becomes a neighborhood compatibility issue.

Jen motioned that the Affordable Housing Board recommends supporting staff recommendations to Land Bank changes to City Council. Curt seconded. Passed unanimously, 5-0-0.

**2. Lift Restrictive Covenant on Timberline apartments at Rigden Farm: Sue Beck-Ferkiss—Social Sustainability**

Agreement of restrictive covenant filed with county assessor's office for Rigden Farm subdivision. In 2006, Colony in Ridgen Farm development plan approved for a total of 48 dwelling units, did not specify rental or homeownership. Someone from Advanced Planning negotiated restrictive covenant so 5 of 48 units would be affordable for 20 years and this restrictive covenant was filed in anticipation of that. Project changed; two separate developments built in 2007 and 2013, all rental and no affordable. It's being sold and owners want to clear title to say the original development never happened. Restrictive covenant was not triggered because conditions had changed. They want to release the burden on the title. No inventory is lost because it never happened, this is a clean-up matter. Sue will take to Council to ask to have it removed.

Eloise motioned to approve the support of the release of the restrictive covenant on Timberline apartments at Rigden Farm. Jen seconded. Passed unanimously, 5-0-0.

---

**AGENDA ITEM 2: Board Business**

- A. **Council Comments**—not discussed
- B. **Review 2017 Work Plan**—not discussed
- C. **Liaison Reports**—not discussed

---

**AGENDA ITEM 3: Fee Work Group Discussion—Diane (no meeting this month)**

---

**AGENDA ITEM 4: Future AHB Meetings Agenda**

February 20 – Council Meeting

March 1 – No Affordable Housing Board meeting

March 7 – Meet with CDBG Commission

March 20 – Housing Developers Presentations

April 5 – Regular Affordable Housing Board meeting

---

**AGENDA ITEM 5: City Council Six-Month Planning Calendar**—not discussed

---

**Meeting Adjourned:** 6:13

**Next Meeting:** April 5