

**AFFORDABLE HOUSING BOARD
MEETING MINUTES**

March 10, 1994

Council Liaison: Gina Janett

Staff Liaison: Ken Waido

The March 10, 1994 meeting of the Affordable Housing Board was called to order at 4:06 p.m. by Chair Mary Cosgrove in the Main Conference Room, 281 North College Avenue. Board members present: Bob Browning, Mary Cosgrove, Ann Sanders, Christa Sarrazin and Craig Welling. Councilmembers present: Gina Janett. Staff members present: Randy Balok, Leslie Bryson, Ken Waido. Guests: Lou Stitzel.

CITY COUNCIL GROWTH MANAGEMENT ITEMS

Rick Ensdorff, Transportation Director, gave a presentation on the City Council's growth management items. He stated that the Council is looking for feedback from seven or eight Boards as it works through issues.

Mr. Ensdorff said it was the Council's intent to seek to facilitate orderly growth while providing adequate infrastructure. He added that the Council was looking at several approaches to "phasing", especially in terms of providing infrastructure and services.

Chair Cosgrove asked if there was a formula for phasing.

Mr. Ensdorff answered that a change in minimum density requirements was being looked at as one implementation tool for phasing. He shared how it might be implemented using the City's Land Development Guidance System (LDGS).

There was Board discussion on: historical growth management tools, land use issues, lifestyle issues and review requirements on any new policies.

Mr. Waido shared that it would be a concern of the Board that increased land values be balanced with housing affordability.

Chair Cosgrove said that one advantage to an increase in minimum density requirements would be that it would encourage development of multi-family units -- which was good.

Member Browning stated that an increase in density requirements would actually drive people further out and would work against the Council's intent of phased growth.

There was more Board discussion on the issues of land value and development of multi-family and single family housing.

Member Sanders reminded Board members how land values and development activity are also tied to real estate market cycles.

Member Browning stated that higher density does not equal affordable housing.

Chair Cosgrove requested further information on the growth management issues being worked on by Council.

Member Browning said he believed that provision for affordable housing should be a requirement rather than a bonus item in the LDGS.

Mr. Waido said that the Council which was seated 18 months ago had thrown that idea out. He added, however, that it did not mean that the idea could not be revisited.

Board members decided that they would take no formal action on this item at this point.

Councilmember Janett told Board members that even if they did not take formal action on an item, that they should feel free to forward a memo to Council communicating concerns and questions.

OPEN PUBLIC DISCUSSION

Lou Stitzel, guest, stated that she supported more focus on affordable housing, especially permanently affordable housing.

APPROVAL OF MINUTES

Member Welling moved to approve the November 10, 1993; January 13, 1994; February 10, 1994; and February 24, 1994 meeting minutes as submitted. Member Sanders seconded the motion. Chair Cosgrove amended the motion to include a correction to the January 13, 1994 minutes:

[Page 3, Paragraph 5] "Chair Cosgrove stated that asked whether the fee collection deferral needed to be for all applications, not ust housing units categorized as "affordable housing".

The motion, as amended, passed: 5-0.

DEVELOPMENT REVIEW FEES

Mr. Waido provided an informational update on this item for the Board. The newest part of the proposal concerns small development projects. Mr. Waido said that from a housing perspective, a small project was defined as one with less than 100 units.

Mr. Waido shared that there would be a different set of development review fees set up for these small projects. He added that the system did not allow for larger projects being broken down into smaller projects (e.g., phasing) in order to pay less fees.

Mr. Waido summarized City Council action: approved an increase in development review fees to cover 80% of the planning department's review costs; approved a three-tiered system for low-income, moderate-income and other housing; directed staff to develop a process for a different fee structure for small projects; and appropriated \$133,000 from fee collection for affordable housing purposes.

Councilmember Janett noted that staff's initial analysis of this issue indicated that some small projects took more time to review. However, staff's summary of Council action now reflects the idea of a fee structure which helps offset the development review costs for small projects.

Chair Cosgrove said that the idea of making the fee structure fairer to small developers was a valuable concept.

There were some questions and discussion on the \$133,000 allocation.

Chair Cosgrove said that it was her understanding that Mayor Pro Tem Horak's motion specified use of that allocation towards offsetting parkland fees. She stated that even if funds were used for that purpose, there would still be a large portion remaining for other purposes.

Chair Cosgrove asked staff to prepare some rough estimates of affordable housing units which might be completed in the next few years. Mr. Waido said that if every project currently in process were to come on line this year, that the City might be able to use the whole allocation.

[There was no formal action taken by the Board.]

PARKLAND FEES

Leslie Bryson, Parks Planner, stated that there were some revisions to Option B on this item going before Council. She provided an updated version for the Board. The City Attorney's office had advised that the calculations be done in terms of square footage rather than dwelling units per acre.

Ms. Bryson explained that the parkland fee proposal was a change in the fee structure, rather than an across-the-board fee increase. She noted that the proposal actually meant a decrease in the multi-family fee.

Chair Cosgrove noted that the major difference between Options A and B seemed to be the adjustability based on density.

Ms. Bryson said that for less dense geographic areas, the City needed to be sure to collect enough fees.

Councilmember Gina Janett had a question on park standards.

Ms. Bryson explained that there were several different standards: 1) One park per residential square mile; and 2) six acres of parkland per thousand people (includes community parks and neighborhood parks). She added that the parkland fee just took into account neighborhood parks; community parks are funded through bond issues or financing mechanisms.

There was Board discussion on the formulas used.

Member Browning said that he did not feel that this was an affordable housing issue at all. He explained that \$150 was insignificant in terms of development costs.

Ms. Bryson said that the Board's concern was the amount of parkland fee for affordable housing. She added that if the Board believed the fees (for affordable housing units) needed to be lower than what was being presented, then the fee system needed to be subsidized.

Ms. Bryson continued that it was not the intent of the proposed parkland fee change to meet any affordable housing criteria, but rather to more equitably distribute the fee (based on actual numbers of people in a unit as opposed to a flat fee).

Member Browning reiterated that he saw it as a separate issue.

Member Browning stated the Board should forward a motion to City Council stating that the parkland fee change item had been reviewed by the Board with no recommendation.

Councilmember Janett shared that the Board would be asked to review any item even remotely connected with housing, and that those proposals would not necessarily be detrimental to affordable housing.

Mr. Waido asked if the item would need to be re-done, should the Council increase the minimum density requirement to 5 du/ac.

Ms. Bryson explained that the fee structure would not change right away; she stated that the City still has a lot of Overall Development Plans (ODP's) at old densities.

Councilmember Janett asked if there was a provision for yearly or bi-yearly review.

Ms. Bryson answered that the ordinance already contained a review provision.

Member Browning moved to communicate to City Council that the Parkland Fees agenda item had been reviewed by the Affordable Housing Board with no recommendation. Member Sarrazin moved to second the motion. The motion passed: 5-0.

AFFORDABLE HOUSING FUND SUBCOMMITTEE REPORT

Member Browning gave the subcommittee report on the Affordable Housing Fund. The committee has been working with staff planner, Mike Ludwig, on developing a document outlining allocation criteria/procedures. He said that the subcommittee was very aware of the fiduciary responsibility in delivering a system that allowed for prudent spending of funds.

Member Browning said the the committee was working on allocation criteria which dealt with some "minimum" requirements, rather than a "points-only" system.

Chair Cosgrove added that the sucommittee had sought to develop Councilmember Janett's suggestion of distributing the funds for different activities (rent/mortagage vouchers, new construction, rehabilitation, etc.) on a percentage basis. However, the subcommittee had not found that approach to be functional -- primarily because they believed they could not determine who in the community would come forward at any point in time to take on what "part of the pie".

HOME-FUNDED PROGRAMS REPORT

Ken Waido reported that the necessary paperwork has been submitted for both the participating jurisdiction program and the Larimer Home Improvement Program (LHIP). He said he anticipated a favorable response from HUD within the next two to three weeks. Mr. Waido said that acceptance into the programs would start a forty-five day clock ticking, whereby the City would need to come up with an estimated program on how those funds would be used.

Chair Cosgrove asked if HUD had asked for any official action from Council.

Mr. Waido answered that the official resolutions from Council had been included as part of the paperwork.

Chair asked whether it had been determined if the CDBG Board would be allocating those funds.

Mr. Waido answered that that had not yet been determined. He added that the CDBG Commission had expressed an initial interest in pursuing the idea of being the avenue for allocation.

CHANGE IN MEETING DATE

Chair Cosgrove shared that a motion had been made by Member Sibbald at last month's meeting to change the permanent meeting time to the first Thursday of the month in order to expedite Board action and recommendations to City Council.

Chair Cosgrove stated that according to the bylaws, the motion effectively only changed the meeting time for the April meeting.

There was Board discussion on changing the permanent meeting time to the first Thursday of the month; Board members believed it would enhance communication with City Council (i.e., being able to get Board recommendations and actions through the proper paper channels in a timely fashion). Chair Cosgrove explained to the Board that a change would mean amending the bylaws.

Member Welling moved to consider the proposal to change the permanent meeting time to the first Thursday of the month at the Board's April meeting. Member Sanders seconded the motion. The motion passed: 5-0.

OTHER BUSINESS

There was no other business.

Member Sanders moved to adjourn the meeting at 5:34 p.m. Member Sarrazin seconded the motion. The motion passed: 5-0.