

**AFFORDABLE HOUSING BOARD
MEETING MINUTES**

January 13, 1994

Council Liaison: Gina Janett

Staff Liaison: Ken Waido

The January 13, 1994 meeting of the Affordable Housing Board began at 4:05 p.m. in the Main Conference Room, 281 North College Avenue. Board members present: Robert Browning, Mary Cosgrove, Susan Fogue, Joanne Greer, Cliff Kight, Christa Sarrazin, Tom Sibbald and Craig Welling. Board members absent: Ann Sanders. Staff members present: Greg Byrne, Gary Diede, Mike Herzig, Felix Lee, Heidi Phelps, Ron Phillips, Mike Pretz, Jon Ruiz, Ken Waido. Council members present: Gerry Horak and Gina Janett. Guests: Libby Glass, Mike Segelquist, Dr. Lani VanEck, Eldon Ward.

I. OPEN PUBLIC DISCUSSION

No one came forward to address the Board.

II. APPROVAL OF MINUTES

Heidi Phelps noted a correction to the December 13, 1993 meeting minutes: Jon Ruiz was inadvertently omitted from the "Staff members present" section.

Member Sibbald moved to approve the December 13, 1993 minutes with the correction as noted. Member Sarrazin seconded the motion.

[Member Craig Welling entered the meeting at this point.]

The motion passed, 8-0.

III. PLANNING FEE INCREASES

Mayor Pro Tem Horak was present for a discussion on planning review fees. He shared that, based on the Cost of Development Study results, the City is currently subsidizing development review costs at \$350,000/year.

In terms of planning review fees, Mayor Pro Tem Horak's suggestion was to divide the planned housing units into three categories -- high, medium and low-priced:

- 1) the high category would receive 0% subsidy
- 2) the medium category would receive 50% subsidy
- 3) the low category would receive 100% subsidy.

Mayor Pro Tem Horak estimated that such a system would generate at least \$150,000 additional revenue over last year, and thereby decrease the overall amount of planning review that the City is

subsidizing.

Mayor Pro Tem Horak said he believed that the revenue generated could perhaps go into the Housing Trust Fund. He added that such a system would be self-perpetuating as a revenue source in dealing with affordable housing concerns. Mr. Horak continued that other fees (e.g., parkland fees) also needed to be addressed in terms of affordable housing.

Member Forgue asked if affordable housing had been defined in terms of dollars per unit or income of occupants.

Mayor Pro Tem Horak said that he was proposing the "straw person" definition -- which is 80% of median income -- and equating that back to what housing costs would be.

Member Sibbald expressed concern about City systems not being able to calculate actual costs for services performed.

Member Forgue said that she liked this plan, since it was a more equitable way to pay for housing and was also an ongoing source of revenue.

Member Browning asked if there were Amendment 1 or legal implications to the proposal.

Mayor Pro Tem Horak said that it was not a tax, but a decrease in subsidies. He added that there would be no differential in fees, and that Council would get the appropriate legal input as the process continued.

There was Board discussion with Mr. Horak about other aspects of the program.

Chair Cosgrove clarified that the planning review fees item would be coming before the Board one more time before Council action in February.

In concluding remarks, Mayor Pro Tem Horak stated that his particular bias on the Housing Trust Fund was:

- 1) staying with items that the City is in charge of (i.e., impact fees) and where the public purpose is known
- 2) dealing with "what" instead of "who" (i.e., "if you meet the rules, you'll get the money").

IMPLEMENTATION ACTIONS

A. Delay Collection of Development Fees

Ken Waido provided a brief history of this implementation action, stating that the impact of development fees on affordable housing was one item which the mini-task forces had studied. One alternative which had come out of that study was to delay the collection of development fees, which are now collected at the time of building permit issuance. The mini-task force had suggested delaying fee collection until a Certificate of Occupancy was issued.

Member Sibbald stated that specifically, the City might consider delaying collection of Storm Drainage, Street Oversizing and Parkland fees, since impact for those items did not occur until time of occupancy.

Felix Lee, Director of Building Inspection and Zoning, said the he did not see the delay in fee collection as presenting a problem administratively.

Mr. Waido noted the fees which would be collected would still represent a significant dollar amount.

Chair Cosgrove asked whether the fee collection deferral needed be for all applications, not just housing units categorized as "affordable housing".

Member Sibbald stated that he did not view the City as having the enforcement tools necessary to deal with a fee system differential.

Member Sibbald shared that he believed there already was an inequity in terms of development fee collection. He said those making applications to build single family dwelling units had the opportunity to apply for a "footer and frame" permit, thereby delaying collection of development fees until Certificate of Occupancy issuance; that option is not currently available to persons making application to build multi-family units.

Councilmember Janett stated that she viewed the longer-term problem as more complex. She said that studies have shown that development impact has actually been tied to housing types, and that fees might be categorized according to that impact.

Mayor Pro Tem Horak said that he was not so much concerned with devising the perfect fee structure, as he was with the City identifying any inequities which were relatively easy to change -- and then acting on them.

Board members decided that more information was needed before taking any formal action. Specifically, Board members wanted input from the City's legal staff regarding the possibility of the City being unable to collect fees, and potential protection measures.

B. Reduce Street Rights-of-Way

1. Local Streets

Ken Waido gave an overview of this implementation strategy which had also come out of the mini-task force studies. The mini-task force had reached two conclusions: 1) street rights-of-way standards (54 feet) were often excessive; and 2) decreasing the right-of-way standard would provide more land to use for development projects, and potentially decrease the cost of development.

Gary Diede, Engineering Director, said that staff had sought to address the following question: "Can we move the right-of-way line from 54 feet to 48 feet and still allow for adequate utility easements?". He said the answer was: "Yes."

Mike Herzig, City Engineer, said that utility companies still needed to have the same amount of room for underground utilities. He added that the two primary utilities installed behind sidewalks were underground electric and gas.

Mr. Herzig said that he did not know how the original 54-foot right-of-way measurement had been determined.

Mr. Herzig said that staff also needed to ensure that the six-foot decrease in right-of-way still allowed for a minimum setback from the back of a sidewalk -- in order to allow enough room for vehicles to park in front of a garage/carport or parking space without blocking the sidewalk. He stated that zoning setback requirements would still be in place.

Member Sibbald stated that a developer doing a project using 10 acres would not gain a lot of land from the change in this standard; however, a development on 100 acres might gain extra land for lots.

Member Browning asked if staff saw any "down side" to the possible change in standards.

Mr. Diede said that on collector streets, the change might put gas lines behind fences, making it more difficult for the gas companies to do their maintenance programs.

Mr. Herzig added that gas lines behind fences were already occurring on local streets.

Mr. Waido asked a question on measurements. He said that the measurement from the flow line to the back of the sidewalk was 5'2". However, staff was still recommending a six-foot right-of-way.

Mr. Herzig answered that the six-foot right-of-way allowed for some flexibility in the field when building streets. He added that the new standard would require a greater need for street construction accuracy, especially when building curves and cul-de-sacs.

Chair Cosgrove asked whether there were any issues with the fire department.

Mike Pretz, Fire Marshall, said that the fire department's concern was not with right-of-way, but with actual street width.

Councilmember Janett asked if the mini-task force had considered actual street width reduction.

Member Sibbald replied that the street width issue had been discussed, but that there was strong opposition from the fire department. He added that there were actually opportunities to present development plans with decreased street width through the PUD process.

Mr. Pretz provided clarification on the fire department's concerns when looking at such proposals. He said that he had statistics on how street width standards were tied to housing types, parking requirements, etc.

2. Collector Streets

Member Sibbald said he wanted to hear some information on collector street standards to see if the Board had the ability to make a motion on standard changes for both street categories.

Mr. Waido said that the function of collector streets had changed. He stated that development designs with lots fronting on collector streets were now being discouraged, so that collector streets could truly function as connector streets to arterials. He added that without the need for parking provision, both the street width and the right-of-ways could actually be reduced for collector streets.

Mr. Herzig said that in a recent meeting with affected City departments and utility companies, the option of street width reduction had been discussed, but that there were too many variables to make a recommendation at this time. He summarized some of the issues that the City needed to look at when making such a street width standard change for collector streets.

Mr. Herzig and Mr. Diede said that the street width standard change has been an item that the City has been reviewing for quite some time. Mr. Herzig added that there would need to be an extensive public review process to implement any street width standard changes.

Member Sibbald moved forward a recommendation to City Council regarding the street standards for residential streets: "that the right-of-way be reduced from its current 54-foot standard to a 48-foot standard".

Mr. Herzig suggested including the three-foot utility easement provision, so that there would be no objection from the utility companies.

Member Sibbald amended the motion to add: "and extend the utility easement on each side from nine feet to twelve feet". Member Kight seconded the motion. The motion passed, 8-0.

V. AFFORDABLE HOUSING DATA STUDY

There was Board discussion with Mayor Pro Tem Horak regarding some of the philosophical issues on the Housing Trust Fund as they related to funds allocation.

Dr. Lani VanEck, Larimer County Human Development Department, gave a presentation on the Affordable Housing Consortium's effort to create an ongoing, current, relevant information system for housing demographics.

Dr. VanEck stated that once the system was up and running, it was self-supporting. Dr. VanEck told the Board that the Consortium would be asking the City for \$10,000, a population-based, pro-rated percentage.

Member Sibbald suggested that the Board support a recommendation that an application be made through the City's CDBG program for the necessary funding. He also suggested an application for a lesser amount, with provision for the City to provide matching funding, contingent upon funding allocations by Larimer County and the City of Loveland.

Mr. Waido stated that CDBG funds can be used by the City for planning purposes (studies, etc.).

Member Forgue said she supported Member Sibbald's suggestion.

Mr. Waido said he would ask the Board for a formal recommendation once a package for the application had been completed.

Dr. VanEck answered other Board member questions about the program.

VI. OTHER BUSINESS

A. Larimer Home Improvement Program (LHIP)

Mr. Waido told the Board that the City had the opportunity to participate in the Larimer Home Improvement Program (LHIP), a county-wide housing rehabilitation program. If approved, application is due into the State by March 10; the City is asked to provide matching funds. There are several procedural steps which need to take place before that date.

Chair Cosgrove asked what steps could be taken to support the concept.

Mr. Waido said that the Board could informally support the concept at this point. He added that the Chair could also draft a letter of support for the program, while at the same time not expressing any financial commitments at this point in time. Chair Cosgrove said she would draft a letter.

Board members expressed the need to get an Allocation Plan in place.

B. New Planner

Mr. Waido informed the Board that a new "housing-emphasis" planner, Mike Ludwig, had been hired.

C. Joint Meeting with CDBG Commission and Housing Authority Board Chairs and Representatives

Chair Cosgrove shared that an initial meeting had been set up with the CDBG Chair and Vice-Chair.

The meeting adjourned at 6:15 p.m.

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