

CITY COUNCIL COMMUNICATION



MEETING DATE: May 12, 2015 **ITEM NUMBER:** 4.A.
SECOND READING: N/A
TYPE OF ITEM: Study Session
PRESENTED BY: Kathy Fedler, Housing and Community Investment Manager
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SUBJECT/AGENDA TITLE: Update and discussion on Affordable Housing

EXECUTIVE SUMMARY: Economic and Planning Systems (EPS), consultant for the Longmont Area Comprehensive Plan update is working with Housing and Community Investment and Planning and Development staff on updating information on affordable housing needs in the community, as part of the Council requested next step to the Workforce Housing Task Force (WfHTF) recommendations. The attached PowerPoint and information will be presented to Council in greater detail and a discussion of this information will occur at the May 12 Council meeting. Some discussion items to be explored could include:

- Do we want to try to “catch up” and address existing gaps, or just “keep up” with the housing needs going forward? *
- Is Council more interested in an Incentive-based approach to providing needed housing, or interested in continuing to explore a mandated approach? Is there a hybrid that could be considered – i.e. mandated in one area (rental) and incentivized in another (for-sale)?

* **NOTE:** a range of catch-up/keep up figures will be provided to Council before the meeting. We are still working on determining these, and they will change somewhat as we move through the LACP process.

At the conclusion of this discussion, staff requests that Council provide direction on future affordable housing programs in Longmont taking into consideration the updated market condition snapshot provided in the presentation. Direction might take the form of:

- A numerical goal –
 - Set a number of units that ties in with the catch-up/keep-up figures
 - Set a number of units to reflect the WfHTF goal of 100 units/year for next 10 years (or something more or less ambitious)
 - Set a “no net loss” goal to at least maintain the number of deed restricted units currently in place (1782 units at end of 2014)
- A percentage goal –
 - “X”% of all new housing units. 10% is used pretty consistently throughout the other front range communities that use both mandates and incentive approaches
 - “X”% of total housing stock. Could be tied to permanently affordable (deed restricted) or “market affordable” units. Current deed restricted housing (both owner and rental) was at 5.09% of the total 2014 housing stock. “Market affordable” to 50% AMI and below is about 19.4% of total housing stock according to data in the PowerPoint
 - Other percentage tied to numerical goal we want to achieve by a specific time



After this presentation, discussion and direction, staff will bring back the following information at Council's June 30 Study Session:

- Analysis of regional and national best practices
- Further refine targets for “catching up” and/or “keeping up”
- Further evaluate the incentive and/or mandate approaches based on direction received
- Identify and recommend policy tools and recommend financial tools to address goals
- Develop a strategic housing implementation plan with roles and responsibilities

COUNCIL OPTIONS: Provide direction on method (incentive, mandate or combination) and goals Council wants to work toward.

RECOMMENDED OPTIONS: Provide direction on method and goals Council wants to work toward.

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION: N/A at this time. A thorough analysis of fiscal impacts and fund sources will come later.

BACKGROUND AND ISSUE ANALYSIS: N/A

ATTACHMENTS:

#1 – PowerPoint for Housing Update