

**MEETING DATE:** August 11, 2020

**ITEM NUMBER:** 12.N

**SECOND READING:**

{{customfields.ResoOrdNumber}}

**TYPE OF ITEM:** Consent

**PRESENTED BY:**

Kathy Fedler, Housing and Community Investment Division,  
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**SUBJECT/AGENDA TITLE:**

**A Resolution Of The Longmont City Council Approving A Voluntary Alternative Agreement For The Spoke Apartments As Satisfaction Of The City's Inclusionary Housing Requirements**

**EXECUTIVE SUMMARY:**

Boulder County Housing Authority has requested to enter into a Voluntary Alternative Housing Agreement per LMC 15.05.220 § E.6 for a residential housing project located at 518 Coffman Street.

Staff proposes providing the details in this communication for Council's input, direction, and approval and then staff will prepare an Affordable Housing Agreement which will outline the specifics about the development and how it will meet the requirements. The City Manager or his designee will then enter into the Agreement with the developer/builder.

The Boulder County Housing Authority (BCHA) development located at 518 Coffman Street is a mixed-use project development consisting of 73 permanently affordable apartments, a 260-space parking structure for residents and downtown employees and visitors, and 8,800 square feet of commercial office space. The residential portion of the project is a four-story structure with a mix of 73 one, two- and three-bedroom units affordable to families at or below 60% AMI.

The density cap also applies to this project so the following outlines how the number of units to be provided was determined:

**Density Cap Calculation** (§ 15.05.220(Q), L.M.C.):

1.17 acres x 20 du/AC = 24 units that the Inclusionary Housing (IH) requirements would apply to.

**IH requirement Calculation** (§ 15.05.220(E)(1)(a), L.M.C.):

24 x 12% = 3 affordable units required.

**This development is electing to provide more than the minimum number of affordable homes required.**

This project will provide these permanently affordable homes in the following unit mix:

12 units affordable at or below 30% AMI  
3 units affordable at or below 40% AMI  
8 units affordable at or below 50% AMI  
50 units affordable at or below 60% AMI

BCHA has elected to exceed the minimum Inclusionary Housing requirements to coordinate with the Colorado Housing and Finance Authority (CHFA), Longmont Urban Renewal Authority (LURA), and other funding covenants. This project has received 4% Low Income Housing Tax Credits (LIHTC) and State Tax Credits, State CDBG-DR funding, and both Boulder County's and Longmont's allocation of HOME consortium funds.

**Other considerations:**

- Density Bonus – NA – The zoning on this property is Mixed Use Downtown (MU-D) and this zoning district has a minimum density of at least 18 dwelling units per acre. There is no maximum density, and a density bonus is not needed or required.
- Parking Reduction – The developer submitted a Residential Parking Reduction Administrative Modification request to allocate 36 residential parking spaces within the project's parking garage for the 73 dwelling units which was approved. The 36 residential parking spaces will be reserved for residents at all times. Additional parking for the residential units, if needed will be provided within the "pooled" parking spaces available to anyone.
- Fee Waivers – This development is eligible for fee waivers automatically, and for the maximum amount of fee offsets since they will be providing more than the minimum required affordable housing.

Because this is a rental development of apartment buildings, the City will place a deed restriction on the entire parcel requiring permanent affordability for 73 units at or below 60% AMI – 50 units at or below 60% AMI, 8 units at or below 50% AMI, 3 units at or below 40% AMI and 12 units at or below 30% AMI. There is no need to phase the building of the affordable homes or otherwise require or provide for securities as part of the building process. Staff will add a Note regarding the IH requirements to the Site Plan mylars, which are recorded and put all other requirements about number of units, affordability levels, reporting requirements, etc. in the Deed Restriction document and/or Affordable Housing Agreement, which is also filed as a lien on the property.

If this project is approved, 73 new affordable rental homes will be created and will count

toward the City's overall 12% affordable housing goal with 23 of them meeting the needs of very low incomes households/persons.

**COUNCIL OPTIONS:**

1. Approve this Voluntary Alternative Agreement to provide 73 rental homes on-site with 50 units affordable at or below 60% AMI, 8 units affordable at or below 50% AMI, 3 units at or below 40% AMI and 12 units affordable at or below 30% AMI
2. Give other direction to staff to negotiate and bring back other options.

**RECOMMENDED OPTIONS:**

Recommend to approve this Voluntary Alternative Agreement to provide 73 rental homes on-site with 50 units affordable at or below 60% AMI, 8 units affordable at or below 50% AMI, 3 units at or below 40% AMI and 12 units affordable at or below 30% AMI to help meet the City's 12% affordable housing goal.

**FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:**

There is no direct impact to the General Fund for the Inclusionary Housing requirement under this project; however, the Boulder County Housing Authority will be making this project tax exempt.

**BACKGROUND AND ISSUE ANALYSIS:**

NA

**ATTACHMENTS:**

- Att 1 -Resolution
- Att 2 - Initial application letter
- Att 3 – Site Plan