

Development Fee Offset Program For Affordable Housing

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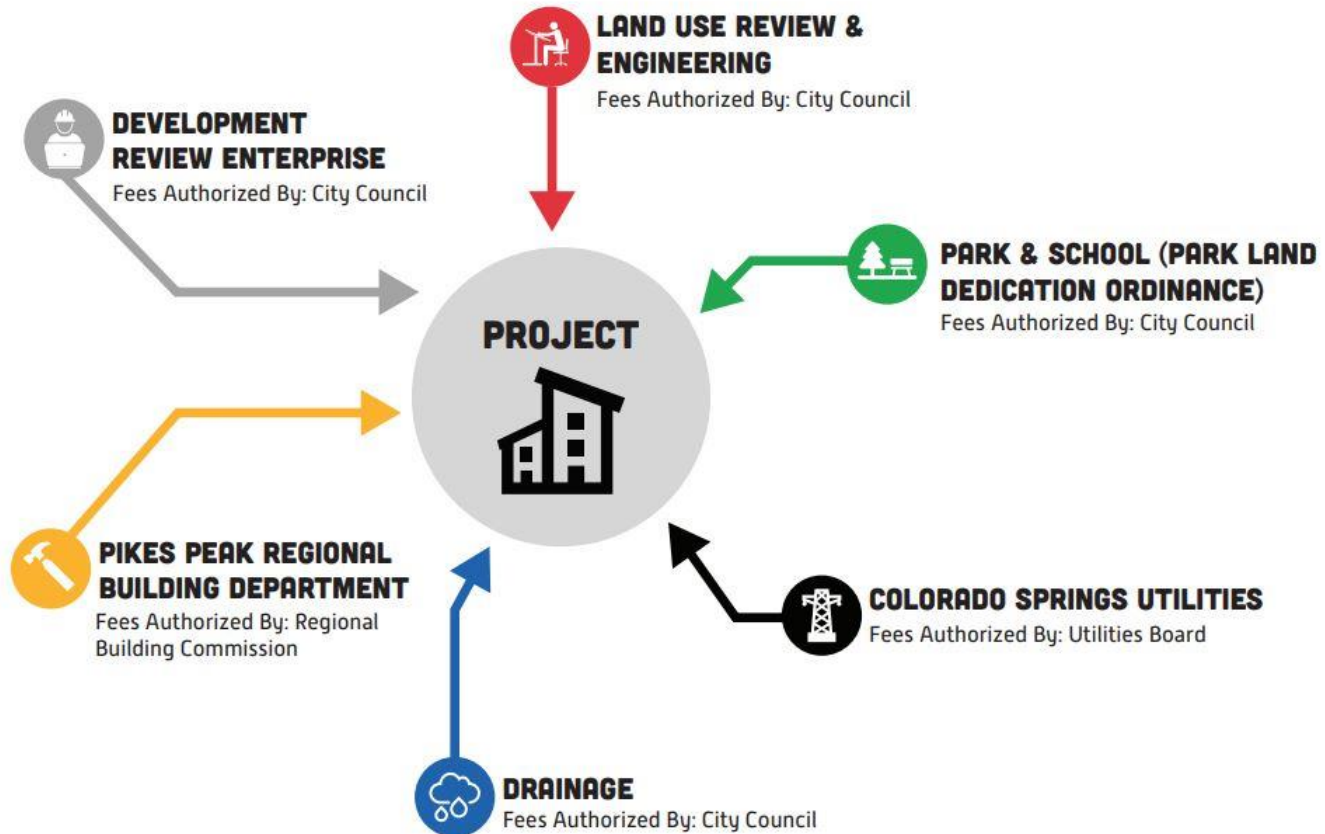


The Affordable Housing Puzzle

WHAT CAN THE CITY DO TO ASSIST AFFORDABLE HOUSING PROJECTS

- Make it a priority/Talk about it
- Zoning/Development standards
- Entitlement process
- Allocate HUD grants
- Support the use of Private Activity Bonds
- Support the use of State and Federal programs such Low Income Tax Credits
- **Development fees and charges**

Development Fees



Development Incentives Task Force Fall, 2019

In order to encourage increased production of housing stock in affordable price ranges, the task force recommends the following approach:

- ⑩ Modify the CSU Affordable Housing Development Fee Deferral program to a fee reduction program offering prorated fees tied to the percentage of units meeting the price points outlined above;
- ⑩ Apply the guidelines for the modified CSU fee schedule to a broader range of project development fees;
- ⑩ Prioritize affordable housing projects in the development review process in order to reduce the administrative burden associated with securing project approvals;
- ⑩ Encourage a wider range of housing types by modernizing the land development code and resolving differences between competing land use regulations and construction standards.

Scoring

Criteria

50 Possible Points	Category	Score	Fee Offset
10	Percent of Units Reserved for 50% AMI and below	46-50	100%
10	Ongoing Affordability	41-45	80%
5	Units Set-Aside for Special Needs Populations	36-40	60%
15	Alignment with City Planning Documents Including PlanCOS and HomeCOS	31-35	40%
5	Located in High Opportunity Neighborhood (Opportunity360 Score)	26-30	20%
5	Alignment with CHFA Green Building Standards, Incorporation of CSU Conservation Programs, and Broadband Infrastructure	25 and below	0%

Greenway Flats

Scoring

50 Possible Points	Category
10 out of 10	All units serve individuals below 50% AMI
10 out of 10	20+ years Ongoing Affordability
5 out of 5	All Units Set-Aside for Special Needs Populations (Chronically Homeless)
15 out of 15	Infill site, existing trail connections, bike priority area, high priority housing (PSH)
2 out of 5	Low housing stability, economic security, and education scores
3 out of 5	Alignment with CHFA Green Building Standards, Incorporation of CSU Conservation Programs
45 Points out of 50	80% Fee Offset

Score	Fee Offset
46-50	100%
41-45	80%
36-40	60%
31-35	40%
26-30	20%
25 and below	0%

Fee Offsets

Greenway Flats

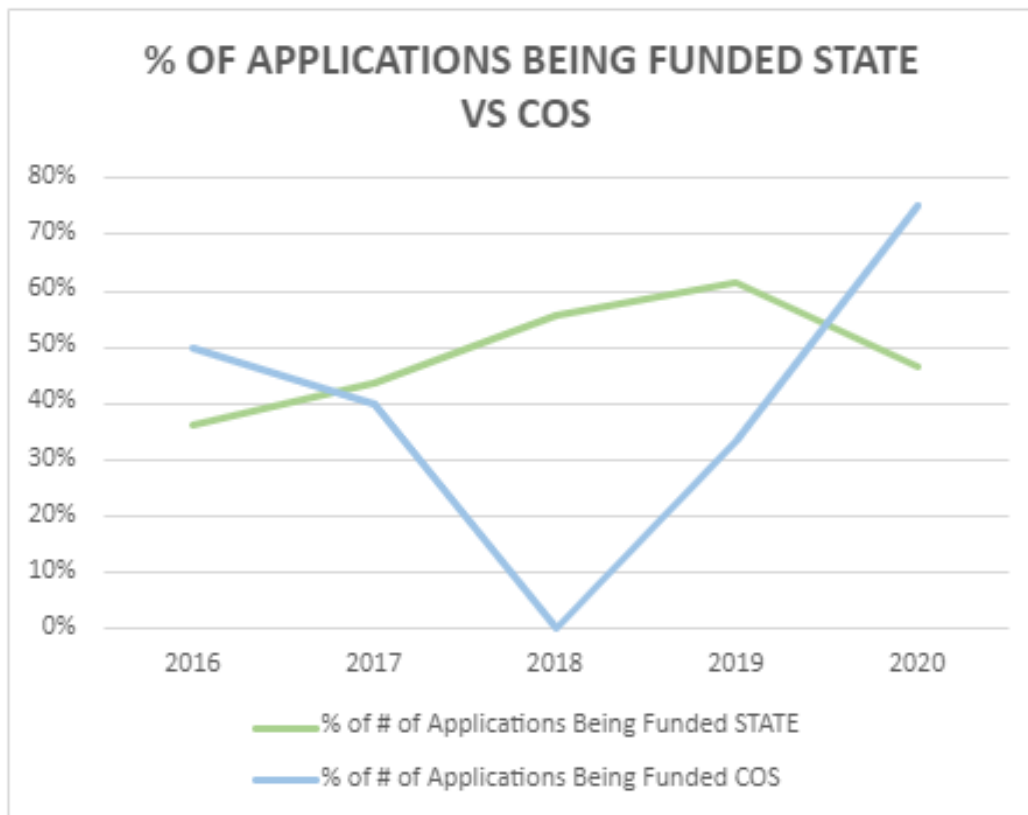
GREENWAY FLATS – Total Fees for Development: \$117,480.85

Proposed Offset Based on Score	80%
City/DRE/CSU Fee Offset	\$93,984.68
Developer Fees Paid	\$23,496.17
Total Fees For Development	\$117,480.85

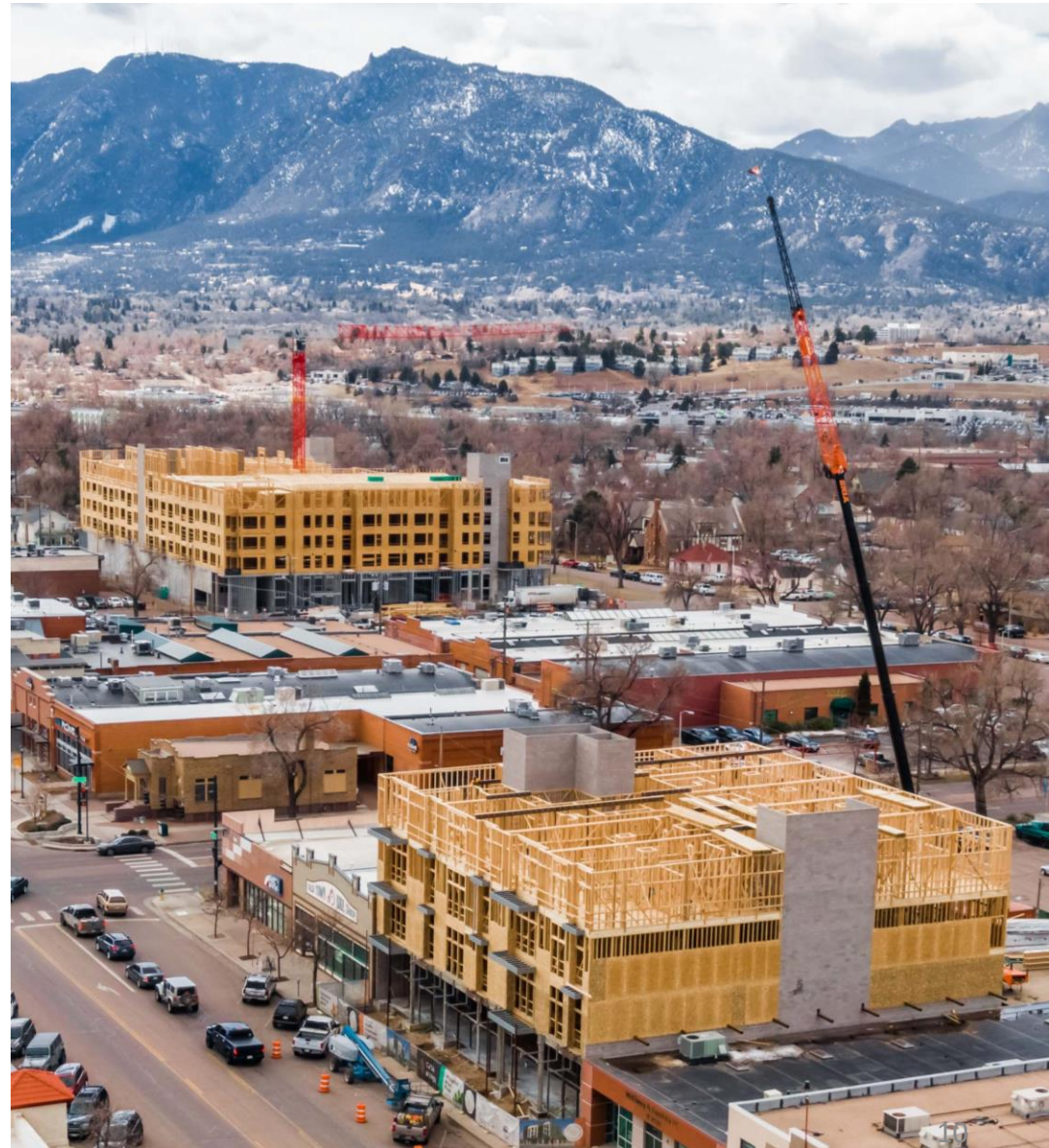
Sustainable Program Funding

- Colorado Springs Utilities: Unrestricted cash on hand
- Community Development: Private Activity Bond issuer fees
- Land Use Review and Development Review Enterprise: % of fees collected
- Outside contributions: philanthropic entities, private individuals

WHY DO THIS?



QUESTIONS?



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