

Issue	Denver Metro Home Builders Perspective	City of Longmont Perspective	Optic
# of Affordable Home Purchasers	<p>There are insufficient number of buyers going through the program to allow contracts to be executed before homes are built.</p>	<p>Difficult to get folks through the process since it takes so long to clean up credit issues. This particularly impacts the condo purchases since they often are the lowest income purchasers.</p> <p>Little promotion of AH units/program by RE agents and builders to potential buyers because of a lack of knowledge and for ease and financial benefits.</p> <p>All affordable units sell before the market homes sell out. However, issue for condo buildings where certain % of units in bldg. must be under contract before starting construction or competing insurance.</p> <p>Home builders are doing little to help sales with no marketing of units, changing sales staff, few Spanish-speakers, etc.</p>	<p>Allow potential home buyer purchase contracts before t qualification caveats), then</p> <p>Have one or more "preferre folks can use to access the preferred status would incl program, discounted fees, €</p> <p>Increase credit counseling i and opportunities.</p> <p>Adopt marketing requireme similar to other IZ programs more enthusiastic and cons</p>
Amount of time to sell Affordable Homes	<p>Would like release provision from providing the AH units. Building and holding units is costly. It can hold up ability to begin construction of a condo building and to close out a building to get FHA insurance (must have a % sold at both stages to continue).</p> <p>Most market homes are under contract before construction starts, should be the same for affordable homes.</p>	<p>AH units sell before market homes sell out. Most detached affordable homes are pre-sold (72%) so don't think this is an issue for this product. Willing to look at options for attached homes since those are more difficult to sell and historically only 38% have pre-sold.</p> <p>Experience of program and RE agents is that affordable buyers need to see the product they are going to buy, they cannot/will not buy off a plan.</p> <p>By choosing to set home prices at highest allowable level, builders are narrowing the market of affordable buyers making it more difficult to sell a unit quickly.</p>	<p>Design other mechanisms t affordable sale - i.e. sliding decreases period of afforde increased price, allow a ma of time, but capture some o between affordable and ma</p> <p>Consider using non-profits i units (they could build a rov are affordable, purchase % purchaser)</p> <p>Only construct homes wher contract. Give 60 days fron city of lot availability, must € time or pay \$10,000 releas Builder can then build a ma</p> <p>Allow city or designated noi "purchaser of last resort "</p>

Issue	Denver Metro Home Builders Perspective	City of Longmont Perspective	Optio
<p>Approval by Council required for other than on-site building options</p>	<p>Want to be able to make the decision on how to provide AH without city restraints</p> <p>Concern that different Council may not be as amenable to changes</p> <p>Current system is arbitrary</p>	<p>The current method allows for a thoughtful discussion between Council & developer on reasons and public benefit and for some negotiation to ensure that the needs of both entities are being met.</p> <p>Allowing for discussion with staff and approval by Council ensures that greatest community need is being met and not what is most expedient or cheapest.</p> <p>Our method is fully in line with 90% of other IZ communities who also require Council approval of changes.</p>	<p>Allow staff/City Manager/Ac more of the decisions.</p> <p>Set up more distinct param give builder better idea on v accepted. i.e. specific neig for as a receiving site, must rehab, etc.</p> <p>Allow most or all off-site op % of affordable units, i.e. 1!</p> <p>Allow builder to provide uni approval by Council or staff</p> <p>Allow % of units to be provi automatically if remaining %</p>
<p>Payment in Lieu</p>	<p>Current formula is too costly and unfair. It negatively impacts moderately priced housing projects to the benefit of luxury projects.</p>	<p>No matter what price is established, it will always benefit the higher end developers since they have a greater profit margin.</p> <p>We want to get replacement value so that we are able to get another like unit and not have to provide a rental unit in exchange for a detached home.</p>	<p>Change code and allow dev pay cash instead of providir</p> <p>Change formula to lower PI</p> <p>Allow automatic payment of</p> <p>Allow for automatic paymer remaining % is provided on made for 5% of the units, b provided on-site.</p>

Issue	Denver Metro Home Builders Perspective	City of Longmont Perspective	Optio
<p>"By phase" and "By type" requirement</p>	<p>This requirement should be more flexible. It is costly to the builders.</p>	<p>By phase was added to the code during the middle of the first development to provide AH, to ensure that the units weren't being built at the end of a project and clustered in one area.</p> <p>By type was added to ensure that one or two attached bldgs. weren't added in the middle of a single family detached development to hold all of the AH units required. It also helps to meet the need of the community since not everyone wants or needs a condo or townhome which are less expensive to build.</p>	<p>Allowance to build a large " that would fit the character development, but that woul three attached units.</p> <p>Allow units to be built anyw but locations to be shown o full disclosure can be made</p> <p>Allow some clustering of Af such as smaller homes/lots or allow more (but not all) o a certain type of product.</p>
<p>Level of AMI homes are reaching</p>	<p>The level of AMI should be adjusted to meet the changing market prices.</p> <p>Developments that already have a significant number of market units that meet the affordable price requirements should be exempt from the program.</p>	<p>There already is an adjustment to the maximum sales prices by the type of unit being provided. Further adjustments to the sales price calculations should be considered to better reflect the ups and downs of the market.</p> <p>Builders and owners selling their AH units are not required to sell at the maximum price; rather we expect them to adjust the prices to reflect the affordable market just as should be done in the open market.</p>	<p>Builders should be able to c to sell the homes at, but shi compensation for reaching of providing fewer units. A prepared.</p> <p>An adjustment to the formu maximum sales prices sho reflect the then current mar type of unit.</p>

Issue	Denver Metro Home Builders Perspective	City of Longmont Perspective	Options
<p>Incentives</p>	<p>The incentives included in the Ordinance are not working. Expedited plan processing isn't realized. Builders creating affordable units should realize significantly discounted development fees.</p>	<p>Providing the required AH is one of the "costs" of development and shouldn't be made fully whole when meeting the minimum requirements. Fee waivers are given for meeting the minimum. These increase proportionately for doing more than the minimum and Longmont is the only community that offsets part of the water and sewer system development fees as an incentive.</p>	<p>Waive all development fees</p> <p>Provide meaningful expedited processing.</p> <p>Density bonuses are allowed for those providing AH not at</p> <p>Reduce design standards.</p>
<p>Revitalization of Existing Neighborhoods</p>	<p>The ability to purchase existing homes, rehabilitate them and offer them for sale under the program would revitalize existing neighborhoods and take existing product off the market</p>	<p>This is a good and worthwhile goal, however, the purpose of the program is to economically and geographically disperse the affordable housing so there is not a concentration in already affordable neighborhoods.</p> <p>Finding a way to not concentrate the AH while providing an economic boost to the neighborhood and/or keep the neighborhood from transitioning to rental would be the goal to achieve.</p>	<p>Refine parameters that allow for the purchase and rehab of homes.</p>



City of Longmont Inclusionary Housing Program Survey

November 2006; 17 Survey Respondents

Arlington VA
Boulder CO
Brookline MA
Burlington VT

Cambridge MA
Davidson NC
Davis CA
Denver CO

Eagle County
Frederick Co MD
Lafayette CO
Livermore CA

Montgomery Co. MD
Palo Alto CA
Pleasanton CA
Sacramento CA
Southold NY

1. What is the population of your community? 82,798 - Longmont

Average: 226,689 Smallest: 7,139
Largest: 1,230,700

2. Median Household income, 2000 and 2006? Longmont - \$74,000 and \$81,760

10.49% increase

Averages		Highest	Lowest
2000	\$66,615	\$112,605	\$33,070
2006	\$75,972	\$125,672	\$59,746
% Increase		50%	9%

3. Median prices of the following types of units:

	Longmont	Average	Highest	Lowest
Single Family Detached	\$247,500	\$534,302	\$832,500	\$334,900
Townhome	\$162,000	\$377,251	\$676,108	\$208,706
Condominiums		\$347,159	\$519,000	\$182,000
Median Rents	\$630 - 1BR	\$1093-1 BR	\$1600-1BR	\$642-1 BR
	\$759 - 2 BR	\$1355- 2BR	\$1937-2BR	\$795-2 BR
	\$1,078 - 3 BR	\$1660 - 3BR	\$2428-3 BR	\$1037-3BR

4. IZ requirements - include %, minimum threshold, same type or different, etc.

	% required	By type required?	By Phase required?	Similar Appearance?	Minimum threshold?
Longmont	10%	Yes	Yes	Yes	No *
Others	10%-35%	8	5	13	4 units - 30 units

* No minimum for annexations, 5 or more units require AH compliance for non-annexed development

-- 5% of gross floor area in built on-site, 7.5% - 10% of GFA if built off-site - will allow ADU's

-- 15% on-site for 16+ units, PIL or 15% for 6-15 units

-- 12.5% with non density bonus, up to 15% with density bonus

-- 25% required- 10% must be built on-site, up to 15% allowed to make PIL

-- 20% of du's for 80% -100% AMI when building 4+ units, and if employee/housing linkage - 20% of housing need generate by employees at 60%-80% AMI

-- Prefer dispersal, require development plan be approved by city, other type allowed with approval

5. Year Adopted

1974 - 2005
1970's - 2
1980's - 1
1990's - 3
2000's - 9

Longmont's IZO was adopted in 1995

One did not report

6. Income Restrictions/Targets

	Owner	Rental
<30%	1	1
31-50%	1	2
51 - 80%	10	9
81 - 120%	8	5

Longmont = 80%AMI for owner units
50% AMI for rental units

Numbers add up to more than # of surveys because many require multiple levels of income targeting

7. Period of Affordability (what mechanism used?)

	Owner *	Rental **
Permanent	7	6
0-15 yrs	2	0
15 - 30 yrs.	2	1
30 - 50 yrs	1	2
50+ yrs	6	5

Longmont = 10 years for owner units
20 years for rental units

* -- One community requires permanent affordability for 80% units and 3 yrs. For 120% units, so counted twice

** -- One community requires only for-sale units to be affordable.

8. Any incentives given to offset costs to meet the minimum requirements?

Density Bonuses	8
Priority Processing	2
Parking Reductions	3
Housing Standards Reductions	2
Fee Waivers *	4
Subsidy	1
None	5

Amts. Of Bonuses: 30%, 25%, 1 for 1, up to 22%,
10% - but must provide 1 add'l AH unit

20% reduction but must add 1 AH per every 10 spaces

One stated that the FW averaged \$2000/unit
\$5500 per unit up to max of \$250,000 per year

Total is more than # of surveys since multiple answers may be given

* Longmont gives fee waivers only, which average \$4597/for-sale unit and \$2282/rental unit

9. Any incentives given to induce more than the minimum requirements?

Density Bonuses	7
Priority Processing	2
Parking Reductions	2
Housing and Design Standards Reductions	5
Fee Waivers	2
Subsidy from AH Fund	2
Allow construction outside of growth area	1
None	3

\$10,000 per unit if affordable at 60% AMI

Total is more than # of surveys since multiple answers may be given

* Longmont gives priority processing, design variances, and water/sewer fee offsets which average additional \$4535 per each for-sale unit

10. Any allowances to do fewer units if affordable for lower AMI or longer POA?

Possible	4
No	10

11. Alternatives to providing units on-site allowed? If so, is it "by right" or does the developer have to request approval? Are there guidelines when considering the request?

Yes, with approval	15
Yes, By Right	0
No	2

One stated that alternatives must be within 1 mile of project

12. Which of the following are allowed and are there any restrictions or requirements to be met?

	Yes, with Approval	Yes, By right	No
Land Dedication/Donations	10	0	7
Off-Site Options If purchase existing, and restrictions/requirements?	11	0	5
Payment-in-Lieu	15	0	2

Land Dedication

- Convey lots within development to Non-profit
- 4-10 AC required with all infrastructure installed and \$3000/market rate unit paid
- If land is sufficient to meet requirement + 20%
- Minimum of 1 AC donated & must get 15 du/AC for owner units and 10 du/AC for rental
- Only up to 1/2 of requirement through land donation
- Must be in same planning area
- If sufficient size, value, zoning & infrastructure to accommodate a minimum of 150% of units required
- Must be appropriately zoned, buildable, not contaminated, provide all AH units, all infrastructure in place, & fees paid

Off-Site

- In same planning area
- If purchase existing, units must be brought up to code and of the same type, size and bedroom/bath mix
- Additional 10% required & in same area
- Only in another new development
- Allowed if providing 2 times the required units
- In adjoining neighborhood, unit must be new
- May build off-site at 25% requirement instead of 20%
- Must be provided concurrent with project development

Payment-in-Lieu

- \$110,000 for each detached unit, \$100,000 for each attached unit
- Only allowed if < 15 units in development
- Must cover cost to produce required AH units + 10% more units
- \$37,690 for each unit in project
- SF/TH = .30 x sales price of market unit x 1.25. Condos = .10 x sales price of market unit x 1.25
- .5 x # of AH units required x avg. sales price of market units in devel. / # AH units required
- \$10,000 per market unit
- Up to 15% of AH units can be covered with PIL at \$50,000/AC needed to provide the units
- \$9393 for each market home over 1500 sq.ft., \$2328 for each multi-family unit & SF under 1500 sq. ft., and \$2.49 per sq.ft. for commercial, office and industrial development
- 50% of the maximum sales price established by city
- PIL at 30% requirement instead of 20% (median cost/SF of market homes x minimum SF for AH = Market Cost per AH unit minus Affordable Purchase price x 15% administrative fee = payment in lieu) * 30% of total units
- Only for developments < 8 units - formula is (# of units x 0.125) x ((1/8) (Land value of 1 acre))

Others

- Combinations allowed if get 10% MORE than requirement
- Give credits if more acreage than needed to meet requirement is donated. Can use credits on another project or sell to another developer for project within 1 mile of original project. Credit good for 5 years
- Within 1/2 mile of light or community rail station

13. Set-aside required for very low income (≤50% or ≤30% AMI)?

Yes	3
No	11
Try to, but no requirement	3

- 1/3 of units must go to PHA
- 30% of units for < 50% AMI
- 6% for very low and 3 % for extremely low income

14. Minimum Standards for Affordable Units?

Yes	13	86%
No	2	14%

- Comparable to market units in size and finished
- 1/2 of the AH units must be 3 bedroom, rest comparable to project
- Comparable square footage, # of bedroom and baths, basements, appliances, minimum landscaping, architecturally compatible
- Minimum sq.ft. is established, mix of BRs, contain same features as market homes
- Less luxurious interiors, appliances allowed, can remove fireplaces, nothing else different

15. Restrictions or preferences for Buyers? (i.e. live/work, residency, attend schools, etc.?)

Live and/or Work	13
In local schools	2
Minimum HH size for large homes	1
Families with Children	1
Seniors/disabled	3
Single parent with children	1
None	2

16. Is a "Release Period" allowed if affordable units don't sell? Why or why not? If allowed, what is the time period? Is there a payment to offset the loss of an affordable unit?

Yes	2	14%
No	13	86%

- Reasons why: NO**
- units are priced well below the market
 - County has Right of First Refusal (ROR) and/or buyback option
 - If don't sell, lower prices just like need to do with market homes
 - priced 10% below AMI level and pay only 30% of income for housing payment
 - allow short term rentals if there is an issue

- What is allowed YES**
- 120 days after CO, developer must request City Council to relase deed restrictions - none have because can't show good faith effort in marketing units
 - After 90 day priority marketing period, request permission to sell/rent to non low income, but unit remains AH subject to sales price restrictions, appreciation, shared profit requirement, etc.

17. What are the average DOM for the different types of affordable homes and how do they comare with market homes?

Most answered that this is not applicable because there is a high demand for homes. Others just don't track this.

Comments made include - 30 day open market period, usually under contract, otherwise Non-profit buys

- city has Right of First Refusal
- As long as affordable homes are sold out before the market homes are, we are OK

18. Unique elements or other comments

- Mostly high rise units or garden apartments are provided, very little single family
- Have been sued, but case thrown out.
- Sliding scale for IZ percentages depending on price/rent of market units
- Use Community Land Trust to achieve deeper affordability
- Required for all new residential and **non-residential** developments. Commercial provides units for 20% of housing needs for employees making between 60% - 80% AMI
- Developer must submit an Affordable Housing Plan prior to construction

19. Units produced to date

	# of Units	Year Program Started	Avg. per year	
Arlington VA	0	2005	0	fewer units than buyers - lottery all new construction units sell each year
Boulder CO	400	2000	67	
Brookline MA	29 owner 51 rental	1987	4	
Burlington VT	175 owner 35 rental	1990	13	
Cambridge MA	437	1998	55	generally get 10-30 apps per unit, 21 sold in '06
Davidson NC	13 owner 48 rental 5 rent-to-own	2001	13	
Davis CA	1000 rental 650 other	1987	87	about 100 units produced annually, 6-10% resales too soon to tell about 150-200 units per year, difficult to sell those at 95% AMI + unless they are downtown
Denver CO	721	2002	180	
Frederick Co. MD	8	2002	2	
Lafayette CO	77	2003	26	shortage of buyers to compete
Livermore CA				about 30 per year with about 180 in pipeline
Montgomery Co. MD	12,477	1974	390	about 300 units annually with 1200 certificate holders
Palo Alto CA	179 owner 155 rental	1974	10	about 6 for sale units annually, 4-10 resales - built-out city
Pleasanton CA	56 owner 304 rental	2000	60	12 for sale units per year avg.
Sacramento CA	0	2005	0	
Southold NY	0	2004	0	
Longmont CO	127 owner 455 rental	1995	53	30 for sale units per yr. avg sales, 50 units available
	17,402			

20. How is program administered and by the govt. or an agency?

City Dept.	12
County	2
Housing Authority	2
Non Profit	1

21. Who is responsible for promoting the units/program? Are there any requirements for marketing by the developer/builder?

Developer	8
City/County	9

Comments

- City responsible for owner units, developer for rentals
- City provides guidelines to developer for marketing requirements
- Developer pays for ads
- City promotes, developer responsible for filling units
- Developer pays fees to city to cover administration of the program
- PHA works with the developer to promote
- Developer must market units and hold open houses
- Developer is responsible - follows a marketing effort incl. MLS, open house

22. How are resales handled? Do you allow appreciation (how much)? Do you allow realtor's fees to be added to the resale price? How do resales sell compared to the new affordable units?

- Appreciation = 1/3 of CPI increase, no realtor fees, Non-profit manages resales
- Appreciation tied to AMI increase, allow reasonable realtor fees
- Sales price increases as AMI increases
- Appreciation is greater of change between CPI and AMI up to a maximum of 3%. 70% of resales sell in 30 days, 20% sell in 60 days. Allow realtor fee to be added
- Haven't had any yet
- Appreciation follows AMI
- City has first right of refusal, no broker fees allowed, owner is allowed their investment + small return + capital improvements made
- City has first right of refusal and non-profit does all resales
- Appreciation is = CPI, no realtor fees since sales handled by County
- 3% appreciation allowed, owner is responsible for resales
- No realtor fees allowed
- First right of refusal to PHA (about 99% were purchased). No realtors used
- Must go through County and pay 2% fee from sale, appreciation tied to average wage in area - max. of 6%
- Resale by owner. After 90 days PHA buys or allows owner to sell at market, but the sales price above the affordable price goes to the PHA with some equity to owner
- City handles

23. What programmatic changes have occurred over the years?

- Added construction standards
- More intricate pricing structure
- Because had low PIL, fewer units produced. Changed to strict formula so developers know what they have to do. Raised PIL to make more economical to do on-site
- Extended POA from 2 years to limit appreciation, added first right of refusal, eliminated sweat equity requirement, added staff position
- Increased income limits, adjusted sales prices, lengthened POA
- Increased PIL from \$10,000 to \$37,690 per market unit, raised percentage of AH units required from 10% - 15%, strengthened comparable standards
- Extended control period from 5 to 10 to 30 years, reduced no. of units that trigger AH from 50 to 35 to 20.
- Removed some things from ordinance to rules/regs to allow for flexibility, added option to site near transit, added functional equivalency for amenities as provided to market units

24. If PIL is allowed, what is it used for?

- AH loans to non-profits and for profits
- Buy existing units and make them permanently affordable
- Loan to develop AH units on land dedicated sites
- Build AH, Down Payment Assistance, offset fees
- Pays financial incentive, provide AH in LMI neighborhoods, used to pay staff costs
- 70% of fees used to purchase land, 30% to finance AH on dedicated sites

25. Do you have an Affordable Housing Trust Fund? Is there a dedicated funding source? If so, what is it?

Yes	11
No	3

- \$5.5 million budget - local, federal funding, recording tax
- No dedicated source - PIL and additional General Funds when available
- City tax
- DPA payments and loan payments
- 2% of property tax collected goes to Trust Fund
- Commercial linkage fee

26. General description of how Trust Fund is used

- Acquisition, rehab, new construction
- Supports redevelopment of existing rentals to make them permanently affordable
- Finance preservaton and creation of AH units
- Create AH beyond IZ requirements
- Gap financing for rental units
- Program administration, contract with non-profit to administer, development of new rental and acquisition/rehab of rental units
- Development and retention of AH units
- Land acquisition, construction, rehab and stabilization to expand AH opportunities

Summary of Inclusionary Zoning Program Changes

January 26, 1999

- For all affordable housing programs, approved changing the 4 person income limit definition to use the appropriate income limits by family size.
- Lowered the income limit for rental units from 80% to 60% of the area median income
- For owner housing units, agreed that they would be considered affordable if they are priced and sold at the appropriate amount to the first purchaser only
- Agreed that each phase of development under the annexation program should have 10% of its units affordable
- A payment in lieu (PIL) of providing some or all of the affordable housing units should be allowed for all annexed land – also directed to look at and allow for other alternatives

March 23, 1999

- For the Fee Waiver program, agreed that all should be income qualified and the units priced and sold or rented at appropriate determined amounts and that the current 5 year period of affordability should apply to owner units and 10 year to renter units
- For annexations, agreed that all should be income qualified and the units priced and sold or rented at appropriate determined amounts and that the 5 year period of affordability should apply to rental units.

July 27, 1999 – First Reading

- For annexations, 10% of the units by type and phase must be affordable.
- PIL should be replacement cost for each type of unit and updated annually.
- Allowance for transfer of affordable units to another approved property if developed concurrently.

August 10, 1999 – Second Reading

- All proposed code changes approved as stated above. Wording change added to allow a different type of affordable unit acceptable to City Council to be substituted on a case by case basis.

2003

In addition, the following changes were made to the program –

- ◆ any change to providing the affordable units on-site would need to be approved by Council,
- ◆ through the Incentive Program allowed the Affordable Housing Fund to pay for water and sewer system development fees,
- ◆ changed the period of affordability to a resetting 10 year period (new 10 year period starts with each new buyer), and
- ◆ set parameters around partnership opportunities between non-profits and for profit companies.



HOME BUILDERS
ASSOCIATION
of
METRO DENVER

Longmont Affordable Housing Proposals

Longmont City Council Members:

The HBA exists, in large part, to advocate for reasonable home building policies and regulation. At the moment, there is no higher priority in that effort than the proliferation of unreasonable affordable housing and inclusionary zoning programs throughout the country. The City of Longmont is currently very proficient in assuring that there are affordable housing opportunities available to its residents, and we realize that there are many city programs that have been created to achieve that goal. Regarding affordable housing, we agree with the city's goals. Likewise, we do not find fault with the overwhelming majority of city programs implemented to reach those goals. We do, however, think there is a better way to approach inclusionary zoning. This memo outlines our suggestions that we believe would significantly improve the ordinance.

With the discussions and research between the HBA and Longmont staff, the City of Longmont is now in a unique position to become a leader in the affordable housing and inclusionary zoning arena by creating a more reasonable program. The suggestions we propose in this memorandum are aimed both at alleviating some of the burden placed on the homebuilding community and making the program more responsive to the needs of the affordable buyer.

The HBA believes there is an increasing supply of new and used homes in the Inclusionary Zoning program and a decrease or stagnant growth in certified affordable buyers. Many homebuilders have affordable homes sitting for months and sometimes years until sold. We believe the program needs to be designed around the supply of certified affordable buyers.

This memo outlines our suggestions that we believe would significantly improve the ordinance.

Release Provision

When this program was conceived, it was with the assumption that there would be incredible demand for the affordable units that would be created. That assumption leads to the conclusion that an inclusionary zoning ordinance should create as many affordable units as possible. Accordingly, the affordable housing program in Longmont has had great success in achieving the goal of creating affordable units. That goal, however, does not take into consideration the possibility that demand for affordable housing in Longmont will fluctuate. Therefore, so many affordable units have been created that by the end of this year roughly 40 affordable units will languish on the market for an unknown period of time without a certified buyer.

We propose that the affordable housing rules should only apply to a project if the city has a certified affordable buyer who is capable of contracting to buy that affordable unit within 60 days of notification from builder to the appropriate city staff member that a particular affordable lot is available. The 60 day period should not begin until the builder provides the prospective buyer and/or city staff all plans associated with the affordable unit, and if a certified affordable buyer has not entered into a contract with the builder to purchase an affordable unit on that lot within the 60 day period, then the builder will pay to the city a \$10,000 Release Fee. Payment of the \$10,000 Release Fee will release that lot from all restrictions associated with the affordable housing program and allow the builder to build and sell a market rate unit on a lot that was previously set aside for the affordable program.

Payment in Lieu

The current cash-in-lieu formula is too costly and unfair for what the city spends in other affordable housing programs. The cash in lieu negatively affects moderately priced housing projects, but a luxury housing project selling above \$500,000 would find paying the cash in lieu a bargain. That is one reason why the cash in lieu formula should be calculated based on the average cost of housing in Longmont, by type, less the difference in the AMI used. This would make the cash in lieu more fair to all housing types and still be much higher than other city programs for housing affordable people.

We are still concerned with the future supply of certified affordable buyers in the program, so we recommend the builders be allowed to pay the cash in lieu if the city has not produced an affordable buyer by the time the builder is ready to pull a building permit. If the affordable home is not contracted by building permit, the builder would have the option to build the spec affordable home, or pay the cash in lieu.

Further, we propose that any developer or builder should have the option, to be exercised at his or her own discretion, to pay the in lieu fee at the time of subdivision to buy the project out of the program.

Also, similar to a payment in lieu program, builders should have the option to buy resale houses, retrofit them to make them more attractive to buyers, and sell them to qualified affordable buyers. This would not only be an easier provision for our members to comply with, it would also have the added benefit of revitalizing the older neighborhoods in your city.

Level of AMI

The level of AMI percentage and the number of affordable homes should be adjusted to meet the demand for that affordable housing type. Many housing types cannot compete with other types at the same AMI. A 3 bedroom condo is not a good value when it is compared to a 3 bedroom single family home.

In some cases, affordable units that are on the affordable market for an extended amount of time will be discounted by the builder to get it out of their inventory. Some perceive that this problem could be solved by being able to meet the AMI need initially instead of being forced to build at 80% of AMI.

The option should be available for builders to choose the level of AMI at which they satisfy their affordable housing requirement. For instance, if they adjust the level of AMI they are servicing to 50%,

then their requirement under the program would be reduced to 5% of their units. A well defined formula should be developed reflecting that principle, and the decision of what level of AMI to serve should be left to the sole discretion of the builder.

“By Phase, By Type” Requirement

The “by phase, by type” requirement should be more flexible. Builders are now forced to either sell an affordable home for a great loss, or raise the price of the other houses in their project to cover the loss incurred. This is not fair to the builder or the market rate new home buyers. In essence, this program has the effect of actually INCREASING the price of housing. The program should be adjusted to allow builders to satisfy their affordable requirement in different ways. One by building large mansion style buildings that would fit the character of the surrounding development, but that could be divided into two or three attached units.

Credit for Market Rate Affordable Project

Developments that already have a significant number of affordable product, irrespective of the affordable housing requirements, should be exempt from the requirements of the program. A deed restricted unit would be even more difficult to sell in this instance.

Incentives

The incentives included in the ordinance are not working. Streamlined development review is currently included in the ordinance as an incentive, but few (if any) members have realized this benefit. The reason this incentive has not achieved the goal it was intended should be examined and remedied.

Builders creating affordable units should enjoy the realization of significantly discounted development fees. In many instances these fees should be waived entirely.

Conclusion

The HBA believes this program needs major adjustments. We believe the program should be designed to meet the need for the new home affordable buyer, and how many certificate holders the city and the homebuilding community can get qualified.

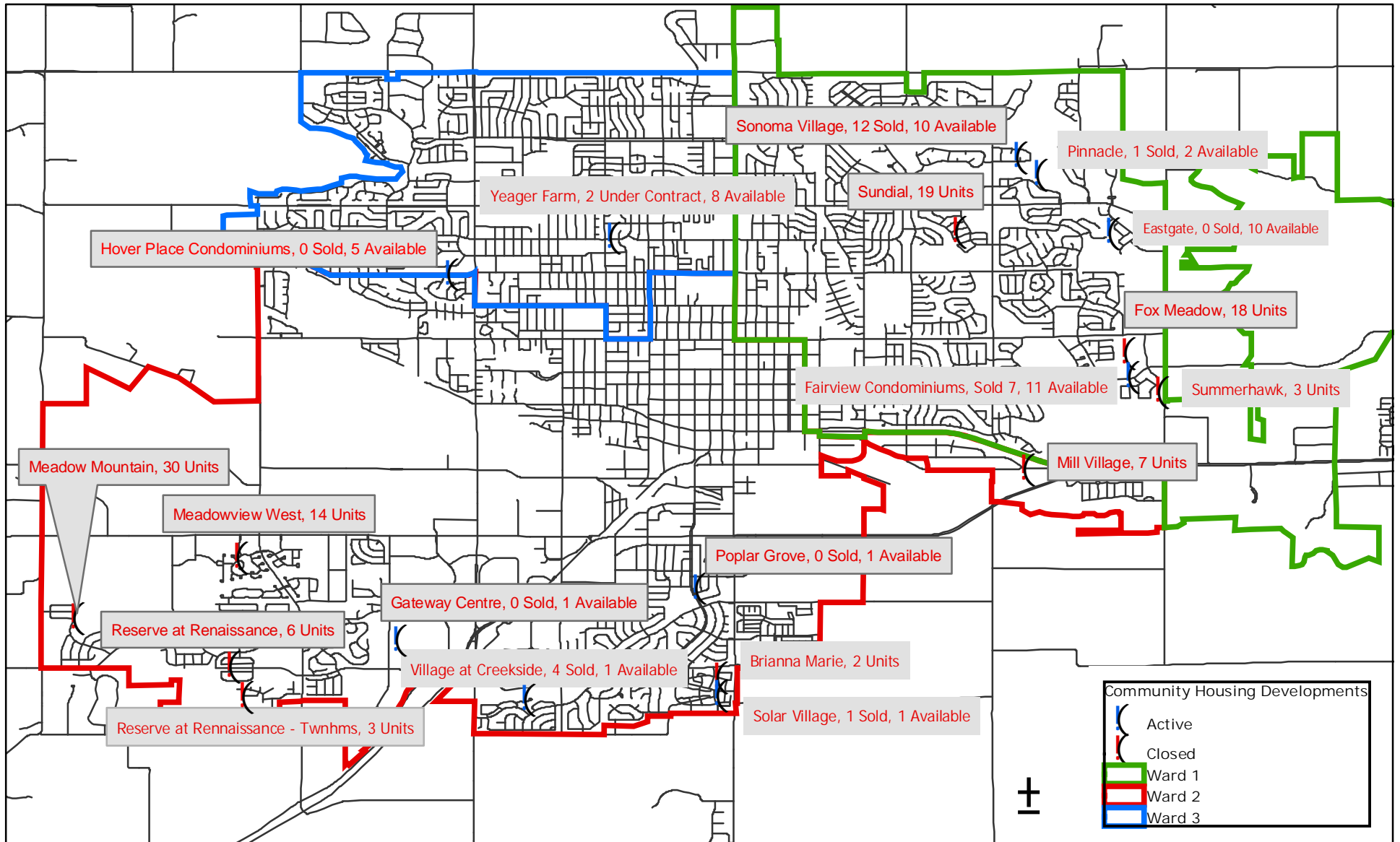
Home ownership is an integral part of the American dream, and it is a worthy endeavor of an enlightened society and government to help as many members of society as possible to achieve that dream. The burden of accomplishing that goal, however, should be borne broadly by society, instead of placed squarely on the shoulders of a small segment. Unfortunately, nearly all of the affordable housing and inclusionary zoning programs assume that the development community should solve the problem. Our suggestions are a step toward equalizing the Longmont policy, and creating a fairer ordinance.

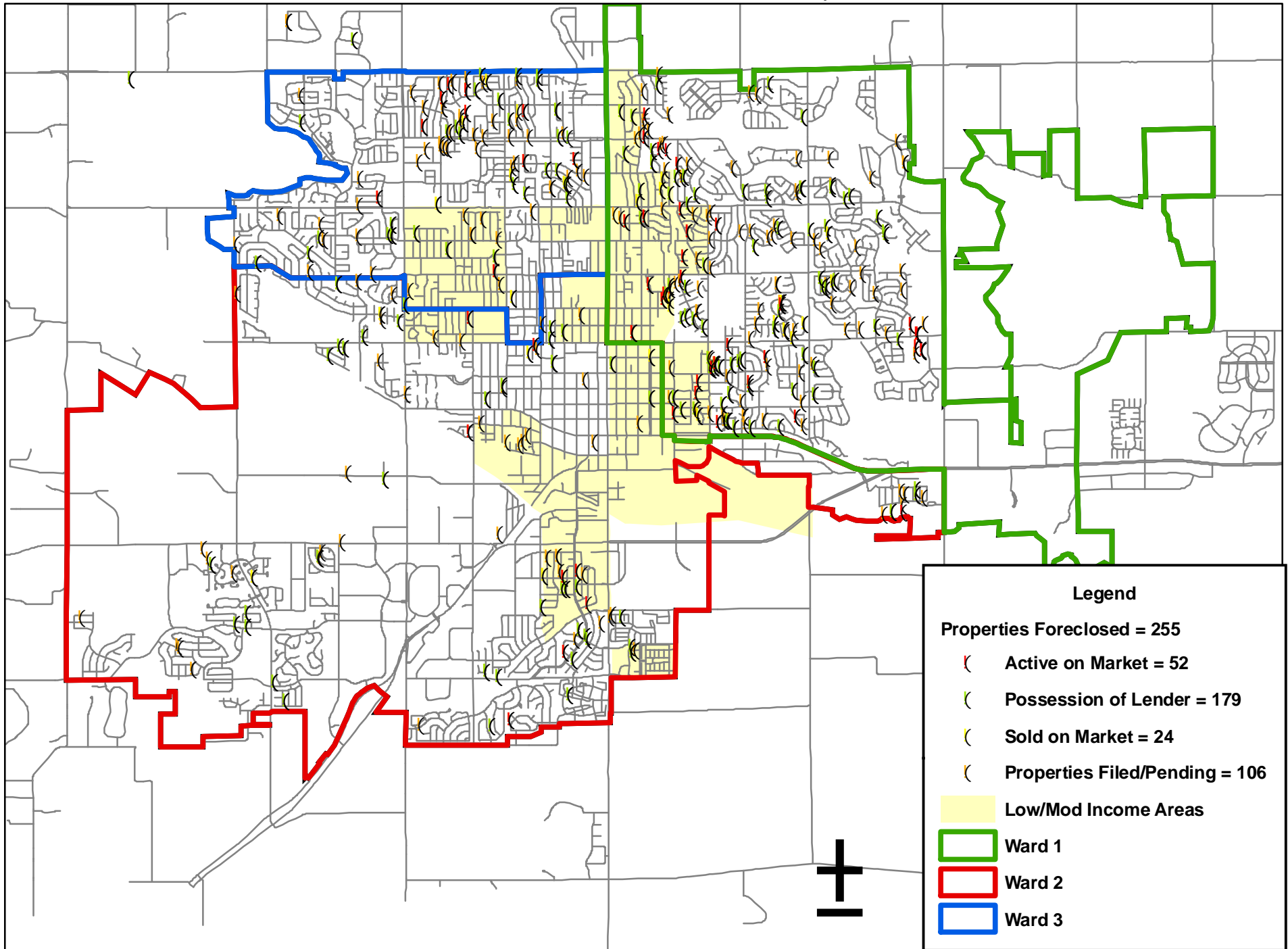
We propose that the release provision should be implemented immediately to remedy the current problem of too many affordable units being created. Further, we propose that a commission should be convened to study the remaining proposals in this document over the next 6 months.

Community Housing Program - Participating Developments

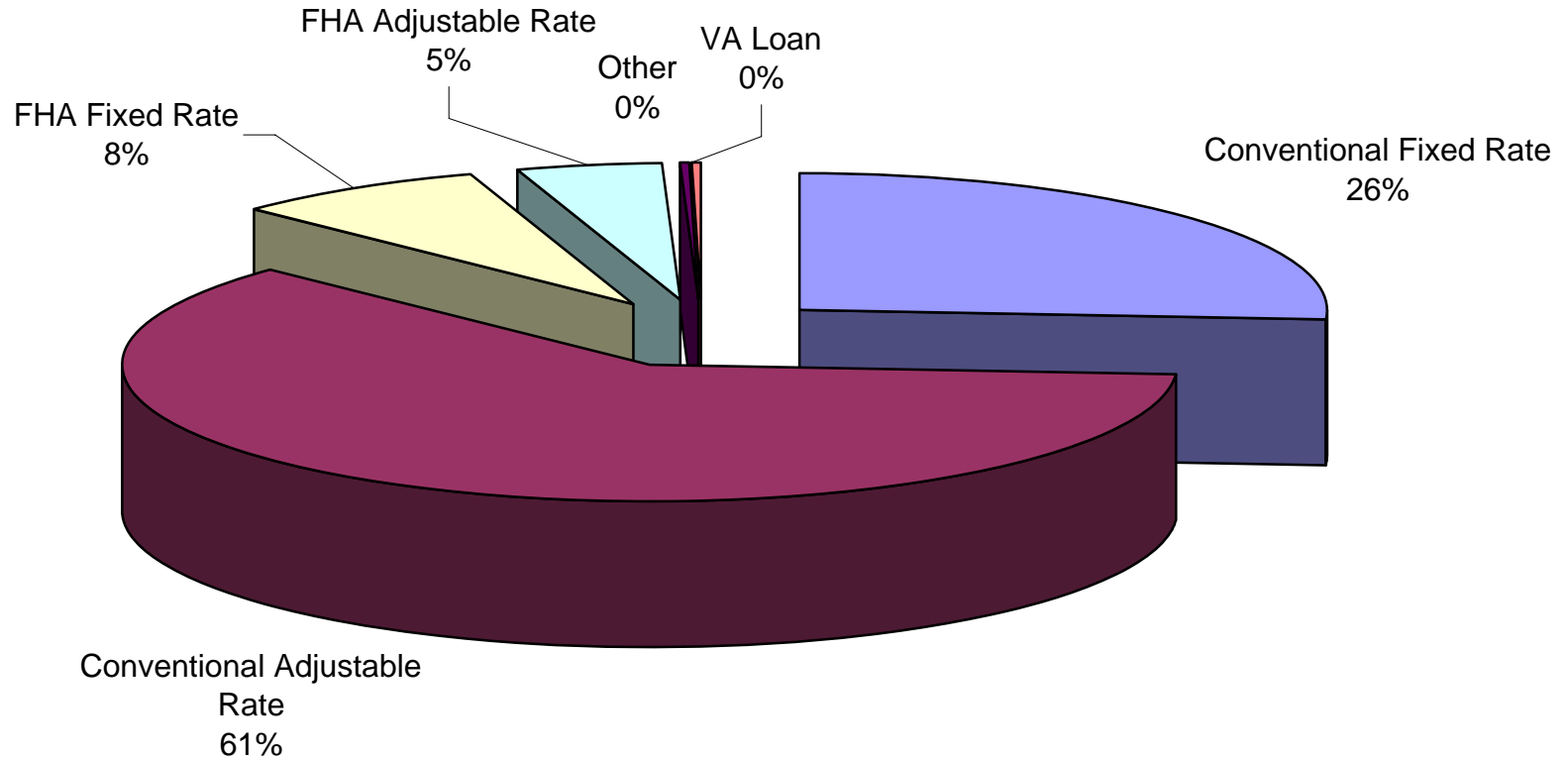
Active and Closed Out Communities

Map 2





2006 Properties Filed for Foreclosure - Percentage by Type of Loan



Principle Sections of the IPMC for details

Exterior structural stability - All structural members shall be maintained free from deterioration, and shall be capable of safely supporting the imposed dead and live loads.

Interior structural stability - All structural members shall be maintained structurally sound, and be capable of supporting the imposed loads.

Required plumbing - Every dwelling unit shall contain its own bathtub or shower, lavatory, water closet and kitchen sink which shall be maintained in a sanitary, safe working condition. The lavatory shall be placed in the same room as the water closet or located in close proximity to the door leading directly into the room in which such water closet is located. A kitchen sink shall not be used as a substitute for the required lavatory.

Water supply system - Every sink, lavatory, bathtub or shower, drinking fountain, water closet or other plumbing fixture shall be properly connected to a public water system. All kitchen sinks, lavatories, laundry facilities, bathtubs and showers shall be supplied with hot or tempered and cold running water according to the International Plumbing Code.

Water heating requirements - Water heating facilities shall be properly installed, maintained and capable of providing an adequate amount of water to be drawn at every required sink, lavatory, bathtub, shower and laundry facility at a temperature of not less than 110°F. A gas-burning water heater shall not be located in any bathroom, toilet room or bedroom, unless adequate combustion air is provided.

Heating system - Dwellings shall be provided with heating facilities capable of maintaining a room temperature of 68°F in all habitable rooms, bathrooms and toilet rooms. Cooking appliances shall not be used to provide space heating to meet the requirements of this section.

Electrical system - All electrical equipment, wiring and appliances shall be properly installed and maintained in a safe and approved manner. Every habitable space in a dwelling shall contain at least two separate and remote receptacle outlets. Every laundry area shall contain at least one grounded-type receptacle or a receptacle with a ground fault circuit interrupter. Every bathroom shall contain at least one receptacle. Any new bathroom receptacle outlet shall have ground fault circuit interrupter protection.

Fire safety - A safe, continuous and unobstructed path of travel shall be provided from any point in a building or structure to the public way. Means of egress shall comply with the International Fire Code.

Smoke detection - Single or multiple-station smoke alarms shall be installed and maintained in dwellings, regardless of occupant load at the following locations:

1. On the ceiling or wall outside of each separate sleeping area in the immediate vicinity of bedrooms.
2. In each room used for sleeping purposes.
3. In each story within a dwelling unit, including basements and in dwelling units with split levels without an intervening door between the adjacent levels.

Although it is not by itself an item that is usually serious enough to warrant a substandard status at a dwelling unit, infestation is another issue that is dealt with. The Property Maintenance Code states that:

All structures shall be kept free from insect and rodent infestation. All structures in which insects or rodents are found shall be promptly exterminated by approved processes that will not be injurious to human health. After extermination, proper precautions shall be taken to prevent reinfestation.

Appendix B. Code Violations and their Basis in the Longmont Municipal Code or the International Property Maintenance Code

Violation Type	Regulation
BLDGCODE	IPMC
COMMVEH	LMC
CONSULT	NA
DANGERBD	LMC
ELEVATOR	IPMC
FENCE	LMC
GARBAGE	LMC
GRAFFITI	IPMC
HOMEOCC	LMC
HOUSING	IPMC
JMV	LMC
JUNK	LMC
LIGHTING	LMC
LIQUOR	NA
LITTER	LMC
MULTIFAM	LMC
NOISE	LMC
NONCFUSE	LMC
NPDES	LMC
PARKING	LMC
PUBPLACE	LMC
ROW	LMC
RV	LMC
SIDEWALK	IPMC
SIGHT	IPMC
SIGN	LMC
SMOKING	LMC
SNOWICE	LMC
TREE	LMC
WEEDS	LMC
WOODBURN	LMC
ZONING	LMC

Property Maintenance Check List

- Only one dwelling unit is permitted in all properties zoned as single family residential
- No basement apartments or sleeping rooms in garages or sheds are allowed in single family residential.
- All sleeping rooms are required to have an exit window or door .
- Bedrooms must be proper size.
- Water heating facilities must be adequate .
- Dwellings must have proper heating facilities.
- All mechanical equipment must be maintained in safe working condition
- Each dwelling unit must have a safe electrical system.
- Each habitable room must have two receptacle outlets.
- Smoke detectors must be located on every story of a residence and in every bedroom and outside the immediate vicinity of the bedrooms.
- Each dwelling unit must have its own bathtub or shower, bathroom sink, toilet and kitchen sink, which must be maintained in sanitary and safe working condition. A kitchen sink shall not be used as a substitute for the required bathroom sink.
- Exterior surfaces such as doors, windows, porches, and fences must be maintained in good condition and protected from decay with paint or other treatments.
- Plumbing fixtures must be properly connected to water and waste water systems and be free from cross connections and leaks
- No insect or rodent infestation
- Window glass and screens in good repair
- Roof does not leak
- Extension cords may not be used as permanent wiring

*You are encouraged to call 303-651-8332 if you suspect a violation of any of the standards discussed in this pamphlet
Se Habla Español -
llama mé, Julie Conde, 303-651-8301*

Occupancy Limits

In the City of Longmont, FAMILY is defined as: ANY NUMBER of persons related by blood, marriage, adoption or legal guardianship, including foster children; or no more than five (5) unrelated persons; or two unrelated persons and their minor children; living together in a dwelling unit.

What does this mean to you?

In residentially zoned areas, there is no limit on the number of related persons that may live together as a family in a dwelling unit.

More than 5 unrelated persons living together would be a violation and in situations like this, the homeowner would be asked to reduce the number of unrelated persons living there.

The restriction on the number of unrelated persons living together does not apply if there are just two unrelated adults and any number of their minor children.



City of Longmont

350 Kimbark St.
Civic Center Complex
Longmont, CO 80501

Phone: 303-651-8332
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City of Longmont

MINIMUM HOUSING STANDARDS



SOME OF THE MINIMUM STANDARDS SET FORTH IN OUR PROPERTY MAINTENANCE CODES ARE LISTED BELOW

What is your role in maintaining safe housing as a tenant, property owner, property manager, or someone visiting or providing service in a home?

As a property owner or property manager, it is your responsibility to assure the property you own or manage meets the City's minimum code requirements.

As a tenant, or someone visiting or providing service in a home, you can report housing & property code violations to the City at 303-651-8332

The City of Longmont wants to assure that all housing in the City meets the minimum standards set forth in our property maintenance codes. These minimum standards assure the health and safety of all our residents. The issues outlined in this brochure are a summary of some of the requirements outlined in our codes. For more detailed information on the property maintenance codes and the City's complaint process call 303-651-8332.

1. Only one residence is permitted in all properties zoned single family residential. No basement apartments or sleeping rooms in sheds or garages are allowed.
2. All sleeping rooms are required to have an exit window or door that has direct access to the outdoors. In most cases it must be 5.7 square feet.
3. Every bedroom occupied by one person must have at least 70 square feet of floor space area and have 50 square feet for each additional person.
4. Water heating facilities shall be capable of providing an adequate amount of water to be drawn at every sink, lavatory, bathtub, shower, and laundry facility at a temperature of not less than 120° F.
5. Dwellings must have heating facilities capable of maintaining a room temperature of 65° F in all habitable rooms and all mechanical equipment must be maintained in safe working condition.
6. Each dwelling unit must have an electrical system that is installed and maintained in a safe and approved manner. Each habitable room must have two receptacle outlets.
7. Smoke detectors must be located on every story of a residence and in every bedroom and outside the immediate vicinity of the bedrooms.
8. All structures shall be kept free from insect and rodent infestation. The owner of the structure shall be responsible for extermination within the structure prior to renting or leasing the structure. The occupant of any structure shall be responsible for the continued rodent and pest-free condition of the structure, unless the infestations are caused by defects in the structure, in which case the owner shall be responsible for extermination.
9. Insect screens shall be provided on all windows designed to be opened. Screens shall be maintained in good repair, free from tears, holes or other imperfections that would admit insects such as flies or mosquitoes.
10. Every window, skylight, door and frame shall be kept in sound condition, good repair and weather tight.
11. The roof and flashing shall be sound, tight and not have defects that admit rain.
12. Every exterior stairway, deck, porch, balcony and all accessories attached thereto, shall be maintained structurally sound, in good repair, properly secured and capable of supporting the imposed loads.
13. All plumbing fixtures shall be properly connected to either a public sewer system or to an approved private sewage disposal system.
14. Every kitchen sink, bathroom sink, bathtub or shower, drinking fountain, toilet or other plumbing fixture shall be properly connected to a public water system. All kitchen sinks, bathroom sinks, laundry facilities, bathtubs and showers shall be supplied with hot or tempered and cold running water in accordance with the International Plumbing Code.
15. Every dwelling unit shall contain its own bathtub or shower, bathroom sink, toilet and kitchen sink which shall be maintained in a sanitary, safe working condition. A kitchen sink shall not be used as a substitute for the required bathroom sink.
16. Extension cords shall not be used for permanent wiring. Extension cords shall not extend from one room to another, be placed across a doorway, extend through a wall or partition, or be used in any area where such cord may be subject to physical damage.
17. **IF YOU SMELL GAS, OR SUSPECT YOU OR YOUR FAMILY ARE IN IMMEDIATE DANGER, LEAVE THE RESIDENCE RIGHT AWAY AND CALL 911 FROM A NEIGHBORS HOUSE.**