

City to waive development fees



Written by

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A new affordable housing project in south Fort Collins is in line to receive a financial boost from the city despite some misgivings from City Council members.

Council members Tuesday gave initial approval to an ordinance that would waive \$557,378 in development fees for the CARE Housing project in the Provincetown subdivision on a 6-1 vote.

The project is for 85 townhouses for low-income residents. Residents are expected to start moving in to some of the homes this month, said Julie Brewen, executive director of the Fort Collins Housing Authority, with construction complete in October. The authority is a partner in the project.

Studies have shown a lack of affordable housing is an issue across Larimer County, said Matt Robenalt, a member of the housing authority's board.

"This project is serving an important need," he said.

State law, city ordinances and past city practices allow for fee waivers on affordable housing projects. But council members said they were concerned about where the \$557,000 for the CARE development would come from and how affordable housing projects might be funded in the future.

Mayor pro tem Kelly Ohlson voted against the proposal, although he said he supports affordable housing. A concern for Ohlson - and other council members - was the process followed in bringing the issue to the council.

Many times the council is forced to make decisions after feeling "painted into a corner" by predictions of what might happen if a proposal is not approved, he said.

In this case, the project could go into default and the housing authority might have to replace CARE Housing as the project's general partner, Brewen said.

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Developers assumed the impact fees would be waived based on past history and current law and figured the waiver into their financing plans, said Karen Cumbo, director of planning, development and transportation.

The project qualifies for low-income housing tax credits for the builders and the housing authority is part owner of the development, although its share is only .001 percent, officials said.

The waiver could have been granted administratively by City Manager Darin Atteberry, who said he chose to bring the matter to the council because of the amount of funding involved.

Council member Lisa Poppaw said everyone involved in the project acted in good faith and the waiver is critical.

"These kind of projects ... won't get done if we don't do fee waivers - period," she said.

While the process of getting the matter in front of the council was not good, Poppaw said, "I don't think tonight is the night to make an example of the housing authority and CARE Housing."

Council member Gerry Horak said he isn't interested in punishment but in seeing "better work" from city staff.

Capital expansion fees that would be waived include funds that would go toward police and fire services, Poudre School District and Larimer County's road fund.

IN OTHER ACTION

- » The council postponed making a decision on whether to grant an easement to the city of Greeley to run a contested 60-inch pipeline through a small piece of city-owned property near LaPorte.
- » Council members approved loaning \$3 million to the Urban Renewal Authority from city reserves to reimburse North College Marketplace for public improvements. The authority will repay the loan over time.

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