

One Voice for Housing Position

Support of Adopting Land Use Code

9/15/2023

OneVoice for Housing is a network of organizations and leaders supporting equitable housing policies in Fort Collins in pursuit of affordable housing for all. Together, OneVoice includes every major developer of permanently affordable housing in our community. We are housing experts, and we believe our combined voice adds value to the community.

We know that “home” is the foundation for building healthy, vibrant communities. We know that, when home is stable – when it’s affordable and healthy – people thrive, neighborhoods thrive, and cities thrive. Home is key.

Through education, action, and working together with residents, policy makers, and action takers, our goal is to change housing in Fort Collins so it’s affordable, sustainable, and equitable.

Local land use regulations play an important role in advancing health and community well-being. Archaic zoning, including overly restrictive land use, and building requirements drive up the cost of home building thereby contributing to a shortage of affordable homes and limiting the number of homes available.

OneVoice for Housing thanks the Mayor and Council for engaging in a healthy democratic process with an extended and extensive engagement in our community. Now, it is time to move forward.

There are watershed moments in a community, and this is one of them. We ask that Council approve the updated Land Use Code on October 17, 2023 for the following reasons:

1) We must adjust our policies to match the needs of our community now.

- After 25 years, Fort Collins’ population has grown by 50%, and the current code no longer meets our community’s needs.
- The updated Land Use Code is a critical tool to address housing affordability, which is why we support it. It is the first step on the ladder to addressing the issue.
- Land use restrictions reduce how far affordable housing producers can stretch scarce federal and local resources.

2) Your citizens are asking for this.

- Making Fort Collins’ community more affordable for everyone has been a top issue for the majority of citizens for years.
- In recent surveys, only 1 in 10 people felt positively about the availability of affordable housing in Fort Collins.
- Only 5% of housing is affordable compared with a poverty rate of 15%. Rents have increased 68% in the last 10 years and home prices have nearly tripled during that time.

We must support policies that include and nurture all members of our community, including children, professionals, people with disabilities, teachers and nurses, parents, and seniors. Providing housing options across the spectrum of ages and stages of life requires an updated perspective on land use policy that focuses on housing choice and capacity; on inclusivity. The new code achieves this and can positively impact affordability.

New Code Impacts Affordability

1. Streamlined development review process for affordable housing reduces cost by:

- a. Shortening development timelines and financing expenses
- b. Lowering capital costs and soft costs
- c. Making the community eligible to access Prop 123 funds

2. Affordable housing incentives promote more efficient use of land to better meet the community's needs by:

- a. Adding height and density that promote more affordable housing units within a project.
- b. Creating parking and development standards that can better respond to the residents and environment

3. Seeking and incentivizing creative solutions encourages:

- a. Introducing of new and diverse housing options
- b. Diversifying housing choices especially near transit

The affordable housing crisis is a supply issue. This is a problem that can be solved.

About OneVoice for Housing

OneVoice for Housing is a network of organizations and leaders supporting equitable housing policies in Fort Collins in pursuit of affordable housing for all.

OneVoice for Housing Partner Agencies:

Fort Collins Habitat for Humanity
Fort Collins Board of REALTORS®
Neighbor to Neighbor
Fort Collins Chamber of Commerce
CARE Housing

United Way of Larimer County
Housing Catalyst
Hartford Homes
9 to 5
The Family Center: La Familia

How Zoning Affects Housing Supply and Affordability

According to Harvard's Joint Center for Housing Studies, overall housing production in the U.S. has lagged need for an unprecedented eight straight years,¹ contributing to a cumulative shortage of 1.6 million new homes.² Low- and middle-priced housing comprise virtually all of this shortfall. Many communities report a shortage of starter homes for purchase. Indeed, the new homes being built today are larger and more expensive than in past years.³ There is also a scarcity of affordable apartment homes, particularly for renters with the lowest incomes, despite a recent overall increase in multifamily construction. In 2017, only 4 million rental units were affordable and available to the nation's 11 million renters earning less than 30% of area median income.⁴

Overly restrictive zoning is a significant driver of the national shortage of affordable homes, particularly in high-demand communities.⁵ Zoning ordinances affect development costs and supply in various ways:

- Large minimum home and lot size requirements prevent home providers from building modest, single-family homes and drive up the cost of land associated with development.
- Restrictions on duplexes, triplexes, and accessory dwelling units inhibit the production of lower-cost homeownership and rental opportunities.
- Height and density restrictions impede the development of cost-efficient apartments and condominiums.
- High parking requirements necessitate that multifamily housing providers either encumber expensive land for cars or build high-cost, underground parking.
- Drawn-out, discretionary approval processes often increase capital costs, soft costs, and development timelines.
- Zoning ordinances that zone too little land for housing lead to a scarcity of affordable, buildable lots and higher land costs.
- Overly prescriptive design standards, and high permitting fees, further increase overall costs.

Such restrictions reduce how far nonprofit housing producers can stretch scarce federal and local resources and limit opportunities to locate needed homes in well-resourced communities. This has significant implications for our economy and health. The dearth of affordable homes in growing metropolitan areas can prevent workers from moving to good paying jobs. Economists Chang-Tai Hsieh and Enrico Moretti estimate that too little affordable housing in high producing cities is costing the U.S. economy about \$1.6 trillion a year in lost wages and productivity.⁶ Other studies have found overly restrictive zoning widens income and wealth inequalities as well.⁷

¹ Joint Center for Housing Studies of Harvard University, [The State of the Nation's Housing](#), 2019.

² Jared Bernstein, Jim Parrott and Mark Zandi, "[The conundrum affordable housing poses for the nation](#)," *The Washington Post*, January 2, 2020.

³ Between 1999–2011, only 22% were modest-sized, i.e. less than 1,800 square feet, down from an average of 32 percent. (Joint Center for Housing Studies of Harvard University, 2019.)

⁴ National Low Income Housing Coalition, [The Gap: A Shortage of Affordable Rental Homes](#), 2019.

⁵ Joseph Gyourko and Raven Molloy, [Regulation and Housing Supply](#), National Bureau of Economic Research, 2014. See also: John M. Quigley and Steven Raphael, [Regulation and the High Cost of Housing in California](#), *American Economic Review*, 2005.

⁶ Chang-Tai Hsieh and Enrico Moretti, [Housing Constraints and Spatial Misallocation](#), 2015.

⁷ See for example: Leigh Franke, "[The link between land-use restriction and growing inequality](#)," *Urban Wire* (blog), November 23, 2015..