



City of Loveland Affordable Housing Incentives

The City of Loveland provides incentives to developers and builders of qualified affordable housing. A qualified affordable housing development must meet at least one of the following criteria:

- 20% of all housing units must be sold to buyers earning no more than 70% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development.
- 25% of all housing units must be sold to buyers earning no more than 75% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development.
- 30% of all housing units must be sold to buyers earning no more than 80% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development.
- 20% of all housing units must be leased to tenants earning no more than 50% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development and at a rent deemed affordable by the Colorado Housing and Finance Authority rent tables.
- 25% of all housing units must be leased to tenants earning no more than 55% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development and at a rent deemed affordable by the Colorado Housing and Finance Authority rent tables.
- 40% of all housing units must be leased to tenants earning no more than 60% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development and at a rent deemed affordable by the Colorado Housing and Finance Authority rent tables.

Incentives Offered by City:

1. Calculation of all building permit, water, and capital expansion fees on the date the development qualifies as affordable for all units built in development.
2. Credit of use tax to builder for affordable units completed.
3. Expedited review process through City.
4. Allowance for modification of development standards (landscaping requirements, set backs, streets, etc.)

Requirements:

1. 20 year deed restriction placed on affordable units that are “for-sale” units. If property sells within 20 years, a portion of the net proceeds of the sale are due to the city.

Number of years from original sale	\$ of net proceeds due to city
0-5 years	25%
5-10 years	20%
10-15 years	15%
15-20 years	10%

If buyers sells to another qualified buyer, no funds payable to city.

2. If rental property, then annual income and rent certification required for 20 years.

Network and partial fees for the Housing Authority of the City of Loveland. The vast majority of the homes built with the benefit of a fee waiver are sold or leased to households earning between 35% and 60% of the area median income. This income level is significantly lower than the 80% of area median income proposed by the applicant.

- The applicant proposes to set aside 13% of total units (30/233) as affordable. The Loveland Municipal Code, 16.08.010, defines qualified affordable housing, at a minimum, as “A housing development in which at least twenty percent of the total proposed units are sold to households earning seventy percent or less of qualified income...” The applicant’s proposed % of units to be sold as affordable does not meet either the % of units or % of income minimum thresholds.
- Housing Authority of the City of Loveland

Executive Order 12898 - "Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations" is cited in HUD environmental regulations at **24 CFR 50.4(i)** and **24 CFR 58.5(j)**. Generally, this Order applies to low-income or minority neighborhoods where the HUD assisted project proposes the acquisition of existing housing, the acquisition of land for development, and new construction. Environmental justice issues may include, but are not limited to

new, continued or historically disproportionate potential for high and adverse human health and environmental effects on minority or low-income populations. The environmental review must determine if the proposed site or neighborhood suffers from disproportionate adverse health and environmental effects relative to the community at large. If the project is likely to raise environmental justice issues and has the potential for new or continued disproportionately high and adverse human health and environmental effects on minority or low-income populations, the environmental review must consider mitigation or avoidance of adverse impacts from the project to the extent practicable.