

Legislation Details (With Text)

File #:	Resolution 61-2022	Name:	
Type:	Resolution	Status:	Passed
File created:	9/8/2022	In control:	City Council
On agenda:	10/4/2022	Final action:	10/4/2022
Title:	Resolution 61-2022: Confirming city council's support of a Yes vote on State Proposition 123 regarding dedicated state income tax revenue for affordable housing programs.		
Sponsors:	City Council		
Indexes:			
Code sections:			
Attachments:	1. 1. Resolution No. 61-2022		

Date	Ver.	Action By	Action	Result
10/4/2022	1	City Council	approved	Pass

Agenda Date: 10/04/2022

Subject:

Resolution 61-2022: Confirming city council's support of a Yes vote on State Proposition 123 regarding dedicated state income tax revenue for affordable housing programs.

From:	James L. Becklenberg, City Manager
Prepared by:	Kathleen Osher, Community Services Director

PURPOSE:

Does council wish to execute a resolution in support of State Proposition 123 - Make Colorado Affordable?

PRESENTATIONS:

Staff Presenter(s): Kathleen Osher, Community Services Director
Additional Presenter(s): N/A

SUMMARY:

The Colorado Fair Campaign Practices Act (FCPA) allows the City Council to pass a resolution voicing their position on any ballot measure referred to the voters. On August 19, 2022, the Elections Division of the Colorado Secretary of State's Office announced that Proposed Initiative #108 ("Dedicated State Income Tax Revenue for Affordable Housing Programs") obtained the sufficient number of signatures and has qualified for inclusion on the November 8, 2022 General Election ballot.

The Council has had many conversations beginning in 2017 regarding the city's housing strategies. The action step identified in the city's comprehensive plan and 2017 Housing Needs Study is to "increase capacity for affordable preservation and development through financial resources." Council's adopted workplan includes Goal 6: Housing and Livability, Objective 2 - Housing Affordability and emphasis on the increased production of affordable for-sale and rental units.

PRIOR ACTIONS OR DISCUSSIONS:

In 2017, the city commissioned a housing study to analyze the housing needs in Littleton. The study was completed and in June 2017 the results were presented to Littleton City Council. In August 2018 recommendations from the consultant (BBC) and the Housing Study Advisory Committee were presented and adopted by City Council. Given their adoption by City Council, the Housing Study Committee Recommendations became city policy, leading to their subsequent incorporation in the City's adopted Comprehensive Plan in 2019.

The Housing Task Force began in April 2020 meeting monthly and regular Council reports from the Council Liaison Kelly Milliman have been provided to Council. During Council's June 8, 2021 study session, staff presented Goal 6: Housing & Livability. Goal 6 includes a series of action steps that Council provided direction to pursue in 2022. Action steps supported by Council included continued participation in the Housing Task Force, refinements to the Unified Land Use Code (ULUC), and the Root Policy research study on Inclusionary Housing Ordinance (IHO) options.

On May 3, 2022, Council met with the Housing Task Force to discuss the proposed IHO policy structure with the final recommendation presented to Council on August 9. At that study session City Council provided direction to staff to draft an Inclusionary Housing Ordinance for their consideration in the Fall.

ANALYSIS:

Staff Analysis

The housing study and 2020 data refresh identifies a shortage of for-sale and rental units. Upward trends in housing prices for both owners and renters continue. The 2020 data refresh of the city's housing study showed a 39 percent increase in median home prices with purchasing power increasing by less than half or 14 percent indicating declining affordability in the for-sale market for Littleton households. Median rent has increased by 20 percent with the 2020 data refresh shows a loss of low-income renters in the city.

With the average cost of affordable units estimated between \$226,000 - \$375,000, the city does not have the identified resources to contribute towards the production of needed affordable housing. Proposition 123 will create an annual source of funding that the city can use to leverage grants, fee-in-lieu identified in the IHO if passed by Council, and support majority affordable housing developers to add needed units in Littleton. This will be done by dedicating .1 percent of state income tax revenue that is currently collected and directed towards that fund.

Council Goal, Objective, and/or Guiding Principle

Goal 6: Housing and Livability, Objective 2: Housing Affordability

Fiscal Impacts

If Statewide Proposition 123 is approved by the voters, the projected funds available to support affordable housing will be approximately \$300M per year.

Alternatives

Not support Ballot Issue 3A.

PROPOSED MOTION:

I move to approve Resolution 61-2022 confirming city council's support of a Yes vote on Statewide Proposition 123 seeking voter approval of a dedicated state income tax revenue for affordable housing programs.