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Longmont City Council waives \$139,950 in fees for Wesley Townhomes project



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Longmont City Council members approved a waiver of \$139,950 in development fees for Wesley Townhomes, an affordable housing project sponsored by The Inn Between of Longmont Inc., a nonprofit group that offers housing and services to people facing homelessness.

The <u>Inn Between</u> representatives plan to build <u>11 townhomes</u> in the parking lot of the Heart of Longmont United Methodist Church, 350 11th Ave. The development is expected to be a blend of two-bedroom and three-bedroom apartments, and will house around 50 people.

Council members voted to waive the Wesley Townhomes project fees at a meeting Tuesday. The amount is 100% of the applicable additional development fees for the project.

Longmont housing investment manager Christy Wiseman said that waiving the development fees will allow The Inn Between representatives to request less money from the Colorado Department of Housing for a gap funding application, which will be submitted early next year.

"With the additional fee waiver request, that will make their state application more competitive by reducing their gap funding ask per unit," Wiseman said.

Councilmember Diane Crist asked about other sources of revenue that could account for the waived development fees. She wanted to know how the city's budget will handle the waiver in the time allowed for the project, citing Longmont city government's "very tight budget" for 2025.

"We're actually giving services for free, is what it is," Crist said. "And, you know, there's a cost to that."

City manager Harold Dominguez said it's "not unusual" for certain projects to receive such fee waivers. He added that waiving the fee is not the same as giving The Inn Between money.

"There's not a budgetary impact on this," Dominguez said. "It's revenue that we're not receiving, but it's not impacting the budget that we're in, or the budget for next year."

The Inn Between executive director Tim Rakow, who attended Tuesday's meeting, said the nonprofit has already received two rounds of Boulder County Worthy Cause funding, along with some lending support from the City of Longmont. Wesley Townhomes is expected to be a \$6.8 million project.

The Inn Between broke ground on Wesley Townhomes in September, and developers hope to have the townhomes built by December of 2025. The units will be open to households earning 30% to 40% of the Area Median Income for Boulder County, making them accessible for people exiting homelessness. The range for one person to qualify would be from \$30,660 to \$40,880, according to Boulder Housing Partners income tables. Area median income tables are used by governments and nonprofit groups across the country and are based on census data. They are set by the federal Housing and Urban Development department.

"It's certainly very low-income households that we'll be serving," Rakow said.

The motion passed 3-1, with Crist being the only vote against the motion. Councilmembers Sean McCoy and Marcia Martin, as well as mayor Joan Peck, voted in favor of it. Councilmembers Susie Hidalgo-Fahring, Aren Rodriguez and Shiquita Yarbrough were absent and were not included in the vote.

"As expensive as it is, sometimes ... the alternative is, you don't get these people off the streets and out of homelessness," McCoy said of the project. "If we're really trying to move the needle in a positive way, I think this is the sort of thing that we have to do."

Martin agreed, stating that getting people out of homelessness is worth the cost of waiving the development fees.

"I think that's the rationale behind having things like fee waivers in the first place – to encourage the construction of affordable housing like this," Martin said.

Originally Published: November 13, 2024 at 6:06 PM MST