

PRESENTATION

3-30-23

HOUSING ANALYSIS & ENTITLEMENT SUPPORT



The Economics of Land Use

Oakland

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Denver

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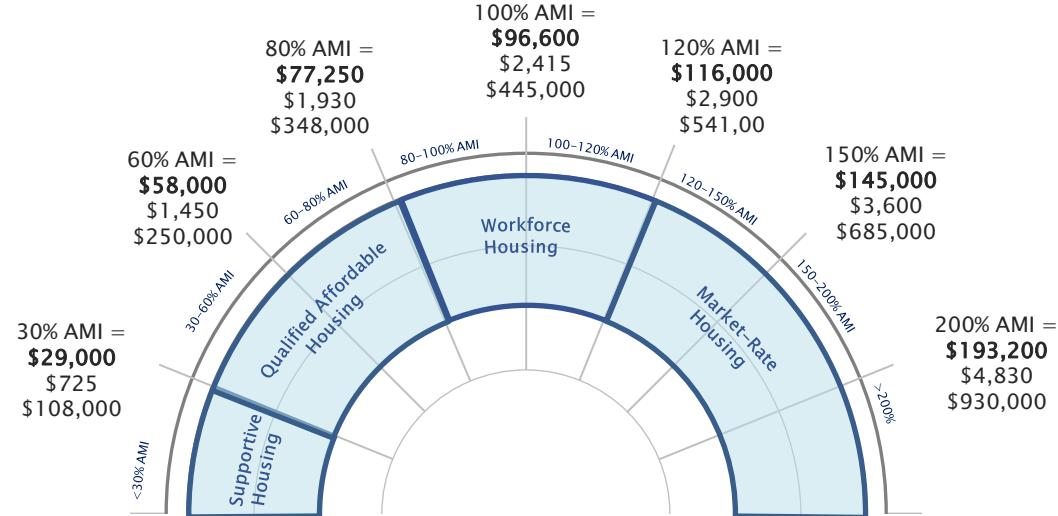
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AFFORDABILITY – LOVELAND

Affordable housing terminology and
AMI categories for a
3-person household (2022)

Source: HUD; Economic & Planning Systems

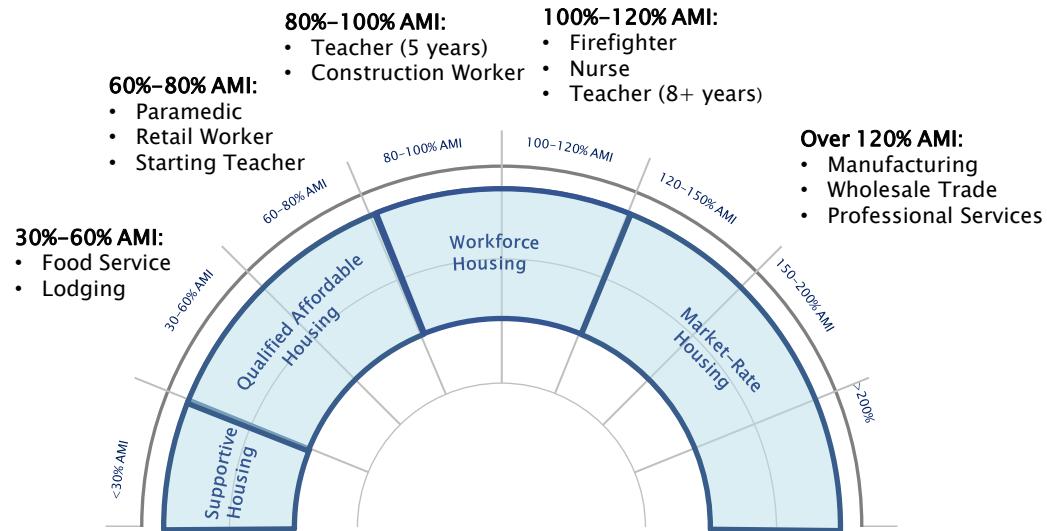
% AMI =
[INCOME]
[Affordable Rent]
[Affordable Purchase Price]



JOBs AND AFFORDABILITY – LOVELAND

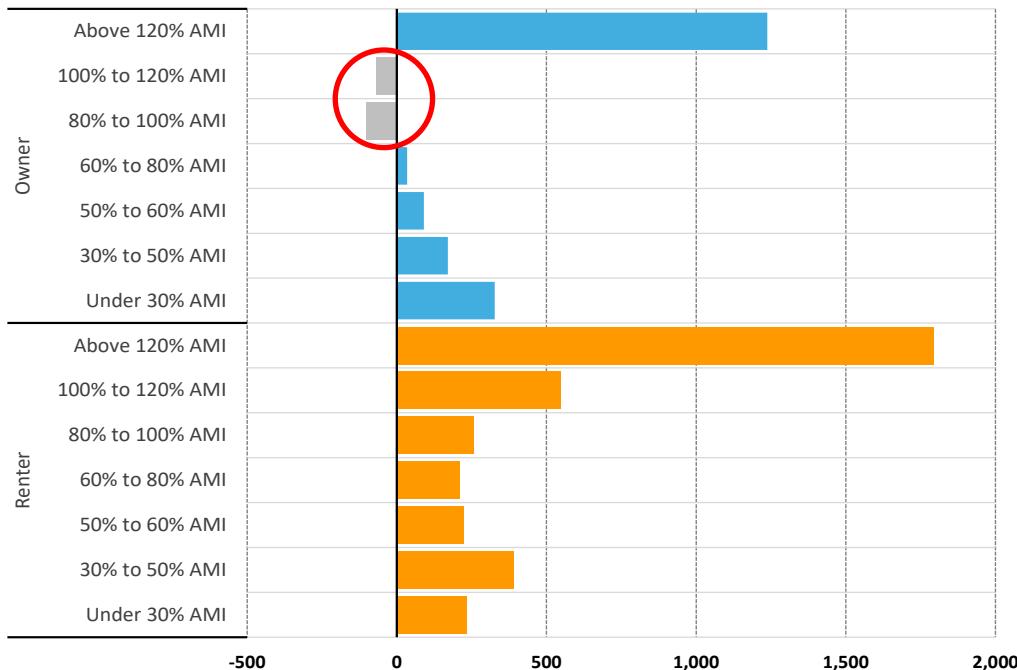
Affordable housing terminology and
AMI categories for a
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Source: HUD; Economic & Planning Systems

$$\% \text{ AMI} = \frac{\text{[INCOME]}}{\text{[Affordable Rent]}} \quad \frac{\text{[Affordable Purchase Price]}}{}$$



HOUSEHOLDS BY AMI - LOVELAND, 2010-2021

- Similar pattern in Loveland: HH growth was driven by households above 120% of AMI
- Although Loveland *lost* owner HHs in the workforce housing range, between 80% and 120% AMI

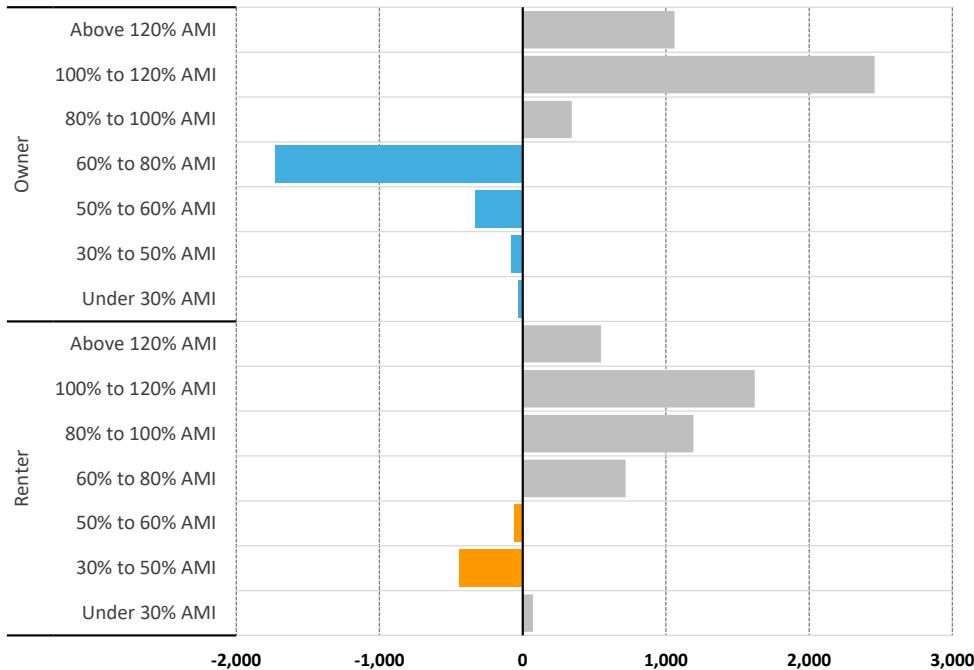


Source: Economic & Planning Systems

Z:\Shared\Projects\DEN\213010-Loveland Affordable Housing Task Force\Data\213010-Census Demand and Supply Data.xlsx\Table 9 - Units Change

CHANGE IN OWNER INVENTORY IN LOVELAND

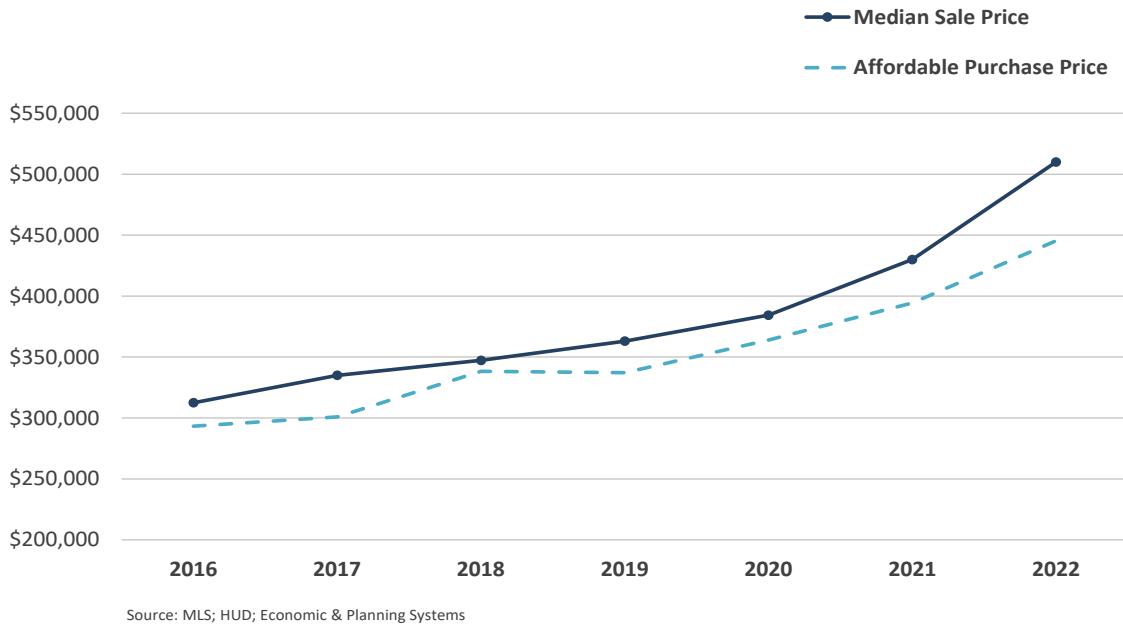
- For owner housing, Loveland lost inventory in the 60% to 100% AMI range between 2010 and 2021.
- Most units gained were owner and rent units above 100% of AMI



Source: U.S. Census; Economic & Planning Systems

HOME SALE PRICES – LOVELAND

- Significant median home price appreciation in Loveland over the past 5 years – 8.5% annually since 2016
- Sale price has outpaced median income – the ‘affordability gap’ has grown (\$65,000 in 2022)



ROLE OF EXISTING DEVELOPMENT

HOW MCWHINNEY FITS IN

- How many units has McWhinney brought online in last 20 years?
- How does the affordability of McWhinney's product compare to the broader market?

EXISTING REGIONAL PRODUCT: WORKFORCE FOR-SALE

ASSESSOR DATA ANALYSIS

Residential Property Valuation by AMI (2022)	
Total, 2000-2022	
Region	
Under 30% AMI	26
30% to 50% AMI	174
50% to 60% AMI	696
60% to 80% AMI	8,631
80% to 100% AMI	28,787
100% to 120% AMI	25,222
Above 120% AMI	<u>30,500</u>
Total	94,036
Percent Total	
Under 30% AMI	0.0%
30% to 50% AMI	0.2%
50% to 60% AMI	0.7%
60% to 80% AMI	9.2%
80% to 100% AMI	30.6%
100% to 120% AMI	26.8%
Above 120% AMI	32.4%
Total	100.0%

- Shows for-sale units by AMI for Larimer + Weld Counties from 2000-2022
- 40% of units affordable at under 100% AMI; 26% affordable from 100%-120%

67% of units
Under 120% AMI

Source: Larimer County Assessor; Weld County Assessor; Economic & Planning Systems

EXISTING MCWHINNEY PRODUCT: WORKFORCE FOR-SALE

ASSESSOR DATA ANALYSIS

Residential Property Valuation by AMI (2022)	
Total, 2000-2022	
Centerra & Van de Water	
Under 30% AMI	0
30% to 50% AMI	0
50% to 60% AMI	0
60% to 80% AMI	576
80% to 100% AMI	476
100% to 120% AMI	676
Above 120% AMI	362
Total	2,090
Percent Total	
Under 30% AMI	0.0%
30% to 50% AMI	0.0%
50% to 60% AMI	0.0%
60% to 80% AMI	27.6%
80% to 100% AMI	22.8%
100% to 120% AMI	32.3%
Above 120% AMI	17.3%
Total	100.0%

- Shows for-sale units by AMI for McWhinney developments in Loveland from 2000–2022
- 50% of units affordable at under 100% AMI; 32% affordable from 100%–120%

82% of units
Under 120% AMI

Source: Larimer County Assessor; Economic & Planning Systems

MCWHINNEY'S CAPTURE OF REGION

ASSESSOR DATA ANALYSIS

Residential Property Valuation by AMI (2022)	
Year Built	Total, 2000-2022
Centerra & Van de Water	
Under 30% AMI	0
30% to 50% AMI	0
50% to 60% AMI	0
60% to 80% AMI	576
80% to 100% AMI	476
100% to 120% AMI	676
Above 120% AMI	<u>362</u>
Total	2,090
Percent of Region	
Under 30% AMI	0.0%
30% to 50% AMI	0.0%
50% to 60% AMI	0.0%
60% to 80% AMI	6.7%
80% to 100% AMI	1.7%
100% to 120% AMI	2.7%
Above 120% AMI	<u>1.2%</u>
Total	2.2%

Note: There were units built before 2000 so those are not captured here.

Source: Larimer County Assessor; Weld County Assessor; Economic & Planning Systems

RENTAL PRODUCT IN MCWHINNEY PROJECTS

Description	Units	Monthly Rent	AMI Level
Lake Vista			
1-Bedroom	134	\$1,900	88%
2-Bedroom	143	\$2,150	94%
3-Bedroom	26	\$2,600	108%
Total	303	\$2,078	93%
The Greens			
Studio	12	\$1,300	69%
1-Bedroom	108	\$1,400	65%
2-Bedroom	120	\$1,930	85%
3-Bedroom	12	\$2,150	89%
Total	252	\$1,683	79%
Railway Flats			
Studio	48	\$1,520	81%
1-Bedroom	112	\$1,650	77%
2-Bedroom	75	\$1,900	83%
3-Bedroom	5	\$2,300	95%
Total	240	\$1,716	80%
Eagle Ridge			
1-Bedroom	84	\$1,700	79%
2-Bedroom	84	\$1,900	83%
Total	168	\$1,800	81%
The Edge (Phases I and II)			
1-Bedroom	60	\$976	45%
2-Bedroom	70	\$1,168	51%
3-Bedroom	10	\$1,349	56%
Total	140	\$1,099	49%
The Reserve at Centerra			
2-Bedroom	88	\$1,409	62%
3-Bedroom	64	\$1,625	67%
Total	152	\$1,500	64%
Total	1,255	\$1,713	77%

- Units in McWhinney projects range from 45% AMI to 110% AMI, depending on bedroom count but averages 77% AMI.
- Median rent in Loveland, by comparison, ranges from 77% to 94% AMI, depending on bedroom count.
- NOT SHOWN AT LEFT – McWhinney donated 4.4 acres of land in Van de Water to Loveland Housing Authority in 2022 for 84 qualified rental apartments at 30% to 80% AMI

SUMMARY OF EXISTING DEVELOPMENT

HOW MCWHINNEY FITS IN

- McWhinney developments have added a significant number of workforce units in the 80% to 120% AMI range
 - 82% of new for-sale units built between 2000 and 2022 are affordable to Households under 120% of AMI, compared to 67% regionwide
- Represents an expansion of workforce units relative to the region
 - Units delivered expanded housing at an affordability level that the region has, on balance, lost over the past 10 years
- McWhinney rental developments are generally similar in pricing to other apartments in Loveland but the overall average is on the low side of the spectrum at 77% AMI.
 - Units are affordable in the 65% to 110% AMI range