

# PRESENTATION

3-30-23

## HOUSING ANALYSIS & ENTITLEMENT SUPPORT



*The Economics of Land Use*

O a k l a n d

S a c r a m e n t o

D e n v e r

L o s   A n g e l e s

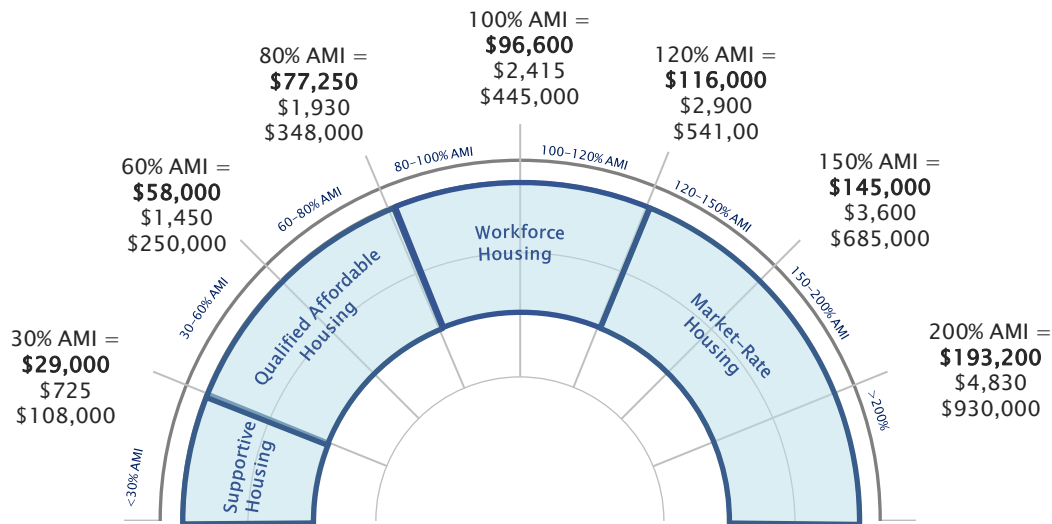
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# AFFORDABILITY – LOVELAND

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

Source: HUD; Economic & Planning Systems

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

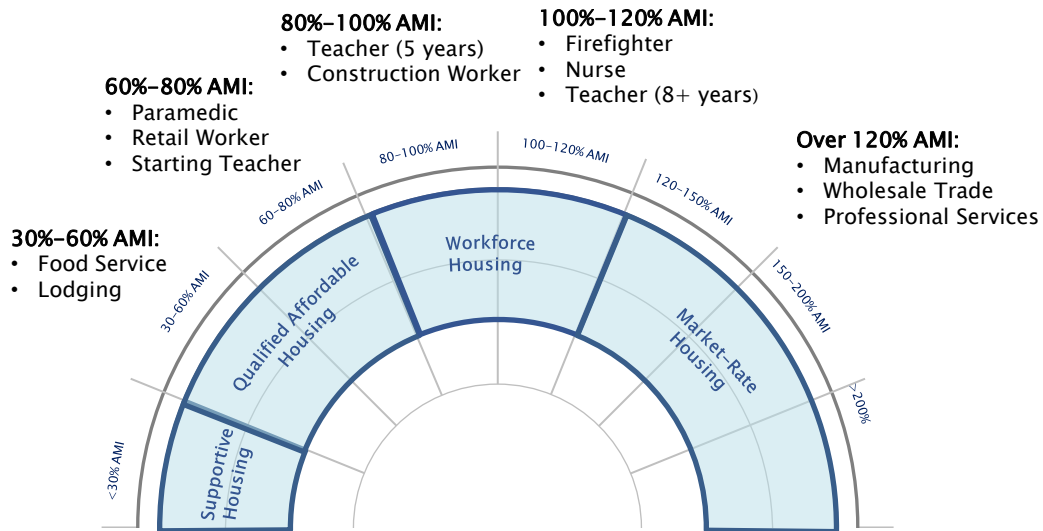


# JOBS AND AFFORDABILITY – LOVELAND

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

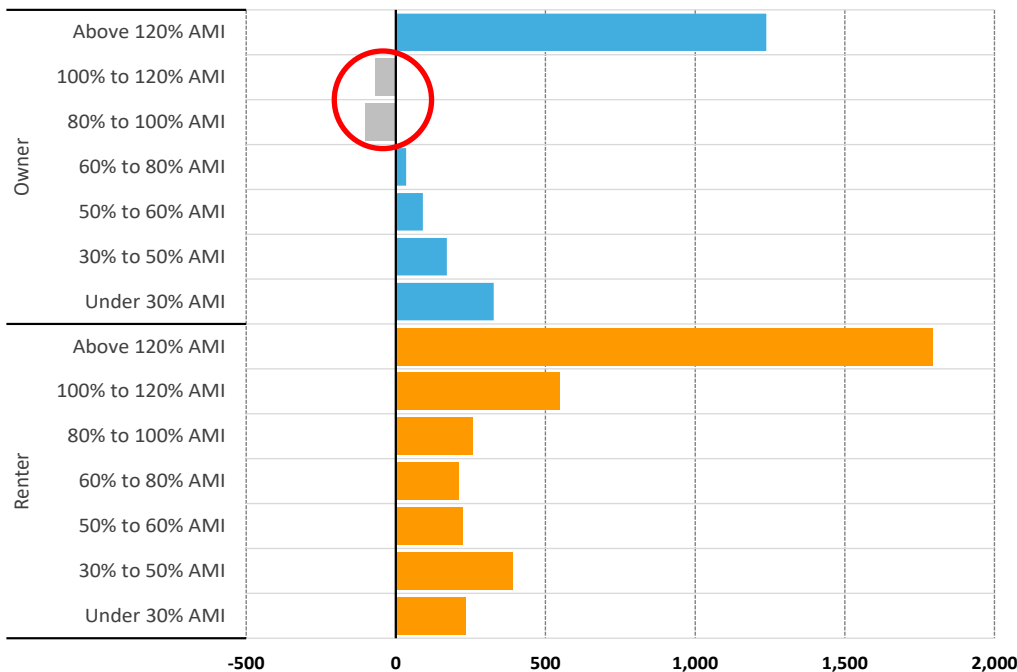
Source: HUD; Economic & Planning Systems

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



# 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

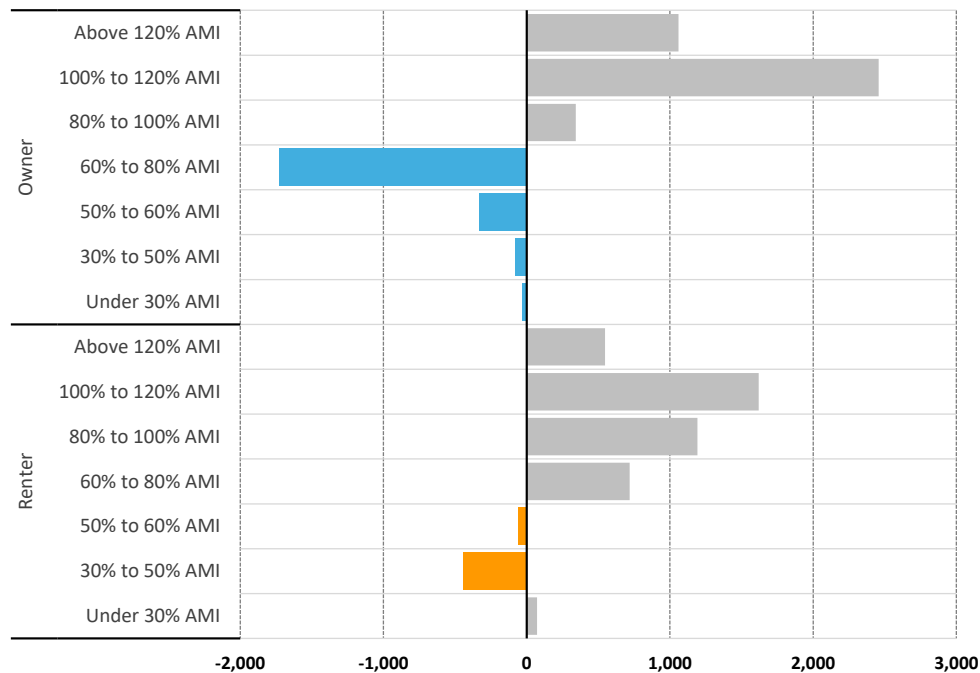


Source: Economic & Planning Systems

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

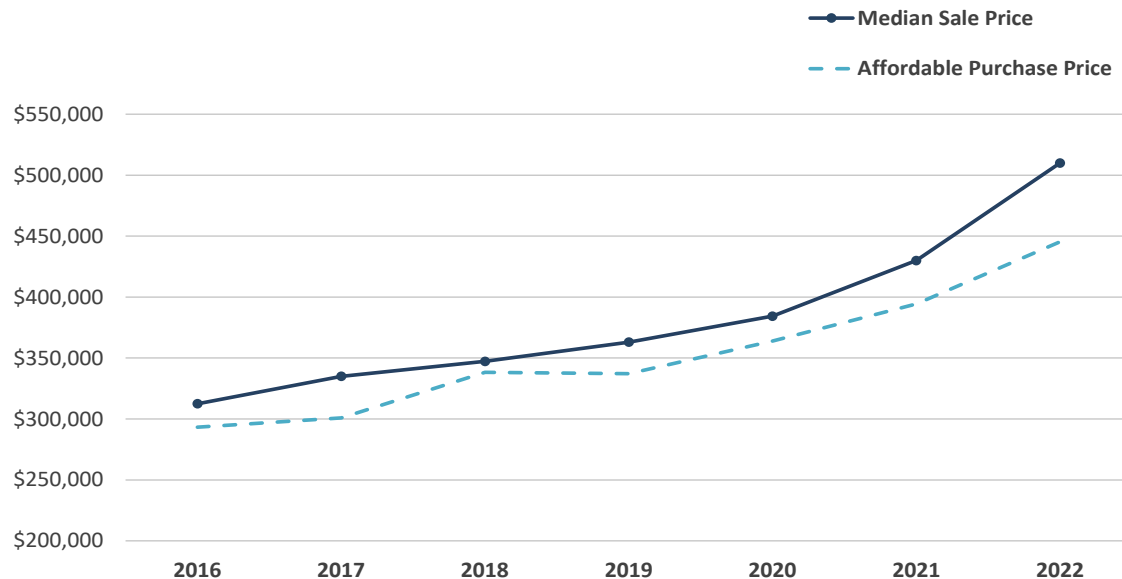
- For owner housing, Loveland lost inventory in the 60% to 100% AMI range between 2010 and 2021.
- Most units gained were owner and rent units above 100% of AMI



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)



Source: MLS; HUD; Economic & Planning Systems

# ROLE OF EXISTING DEVELOPMENT

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## 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>
<b>Total</b>	<b>94,036</b>

#### 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	<u>32.4%</u>
<b>Total</b>	<b>100.0%</b>

- 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
<b>Total</b>	<b>2,090</b>

#### 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%
<b>Total</b>	<b>100.0%</b>

- 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
<b>Centerra &amp; Van de Water</b>	
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>
<b>Total</b>	<b>2,090</b>
<b>Percent of Region</b>	
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>
<b>Total</b>	<b>2.2%</b>

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

Source: Economic & Planning Systems

- 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

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## 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