

CHAPTER 4 HOUSING



Limon Housing Authority Affordable Housing



VISION

Throughout the process to create this comprehensive plan, the community consistently voiced the need for more options in for-sale and for-rent housing markets. Housing and economic development are linked because prospective businesses will evaluate the housing market, along with other considerations when selecting a new location or expanding. Businesses need employees to operate and prosper. A diverse housing market with quality properties for sale and units for rent is a necessity for any business who wants to open a new location, retain existing employees and recruit new ones.

Earnings from the travel industry at convenience stores, truck stops and hotels are an important component of the economy and are steady jobs, but lower wages make it difficult to earn a living in this industry. There are also seniors, veterans, disabled people and others in Limon who also have difficulty bridging the gap between the cost of living and their incomes. Housing and utility costs constitute a large portion of this gap.

Affordable/attainable housing is a key component for Limon's long term sustainability, but garnering the resources to get this housing built and occupied will require a surge of community effort and cooperation. The housing authority is not in a position to be able to expand their services. The housing authority manages 44 income restricted units today, which is an incredible resource for Limon, but the waiting list is long and there is much more demand for affordable units than there is supply.

This plan element is centered around a set of goals that cover the range of housing needs in Limon today and in the future.

Goal H.1 – Promote the development of diverse housing types for residents with varied economic circumstances and housing needs.

Goal H.2 – Increase the supply of quality housing options in Limon.

Goal H.3 – Encourage the development of affordable housing for Limon's lower income and special populations.

Goal H.4 – Increase the role and collaboration of Limon's non-profits and volunteers to provide affordable housing.



GOAL H.1 - PROMOTE THE DEVELOPMENT OF DIVERSE HOUSING TYPES FOR RESIDENTS WITH VARIED ECONOMIC CIRCUMSTANCES AND HOUSING NEEDS.

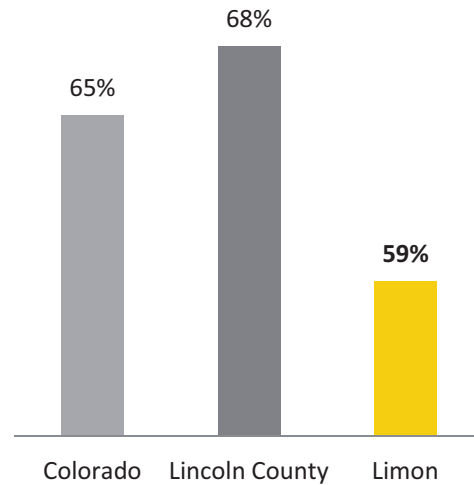
BACKGROUND INFORMATION

59% of Limon’s residents own their own homes, showing a higher percentage of renter households compared to the county and state. The low rate of home ownership is related to relatively low income levels and a lack of quality housing for potential buyers.

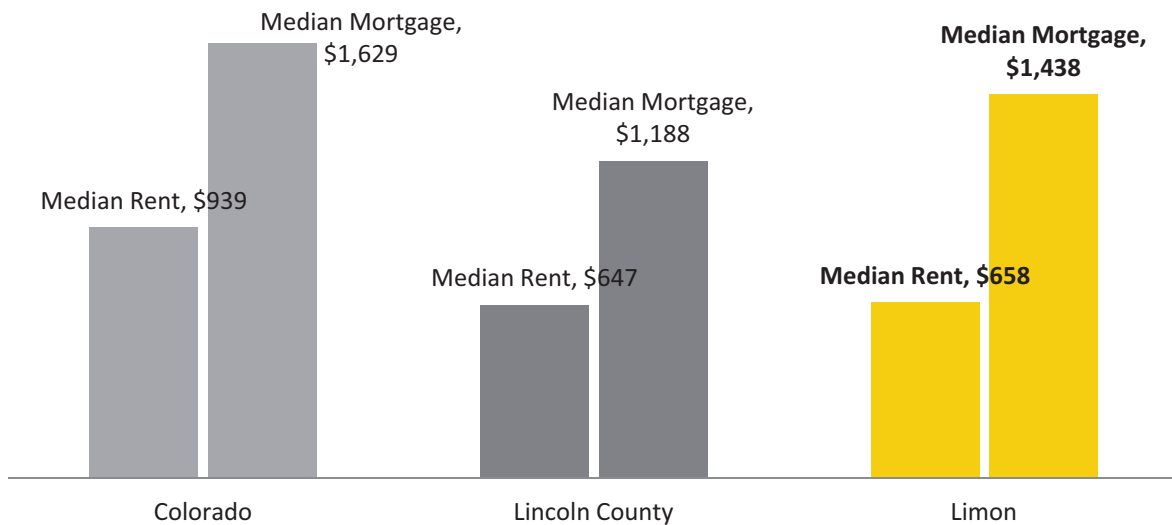
Median ownership costs (insurance and taxes included) are higher in Limon than countywide, but lower than statewide costs. Per month median housing costs with a mortgage in Limon are \$1,438 compared to \$1,188 in the County and \$1,629 statewide.

The median rental housing cost statewide of \$939/month is higher than both Lincoln County and Limon. Rental costs in Limon are nearly \$300/month less than the state median.

Home Ownership Rate - 2013 ACS



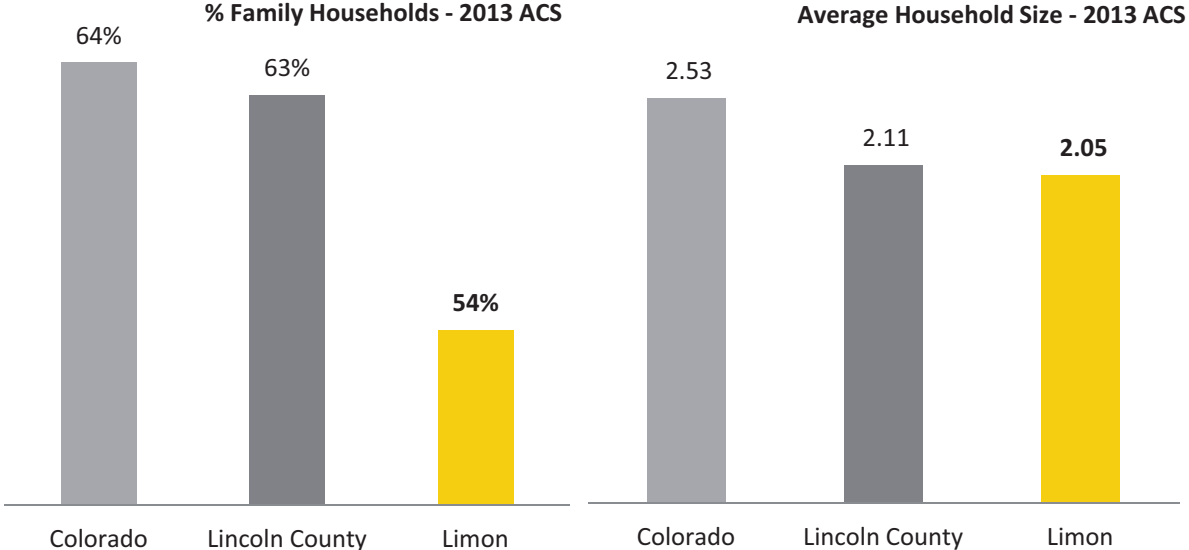
Median Housing Costs - 2013 ACS



Limon has a lower rate of family households and household size when compared with the county and the state. 54% of households in Limon are family households (one or more people related to each other) compared with 63% in the county and 64% in the state. The lower rate of family homes translates to smaller average household size, 2.05 in Limon compared with 2.11 in Lincoln County, and 2.53 in the state.



Limon’s population contains an almost even split between family and non-family households. Limon needs a diverse housing stock to ensure that working families, single individuals and retirees have appropriate housings options.



STRATEGIES

Strategy A – Review the town zoning districts and Schedule of Requirements to ensure that current and future zoning districts allow a variety of housing types and densities which result in lower per-unit land and development costs and make new housing more affordable. Allowing low impact home occupations in neighborhoods that can accommodate them can save money for small businesses and allows for modest income tax write-offs, effectively making homes more affordable for small business owners and/or telecommuters.

Strategy B – Consider changing development policies that requires developers to pay all development costs, and consider housing construction incentive programs.

Strategy C – Encourage mixed-use development with direct connections from housing to commercial and employment areas.

Strategy D – Encourage housing where appropriate downtown, for example upper stories, alley accessed, or separate entrance.

Strategy E – Explore lower cost housing designs such as tiny houses.



Tiny Houses in Buena Vista, CO

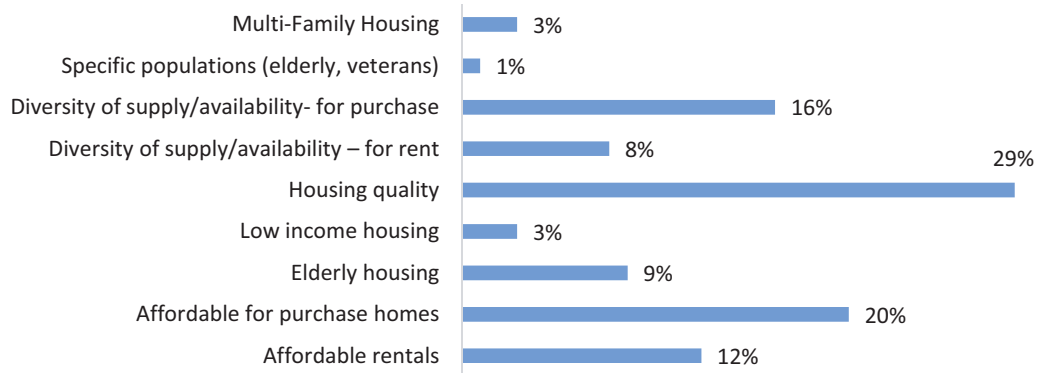


GOAL H.2 – INCREASE THE SUPPLY OF QUALITY HOUSING OPTIONS IN LIMON.

BACKGROUND INFORMATION

Quality housing is necessary to retain and attract a thriving workforce. 29% of participants at the Community Vision Event identified quality housing as one of the most important housing issues in Limon. Quality housing was also identified as an area for change at the non-profit and volunteer work session and the youth visioning event.

Which are most important for housing in Limon?



STRATEGIES

Strategy A – Consider incentives for housing developers including tax reduction and cost sharing for infrastructure improvements.

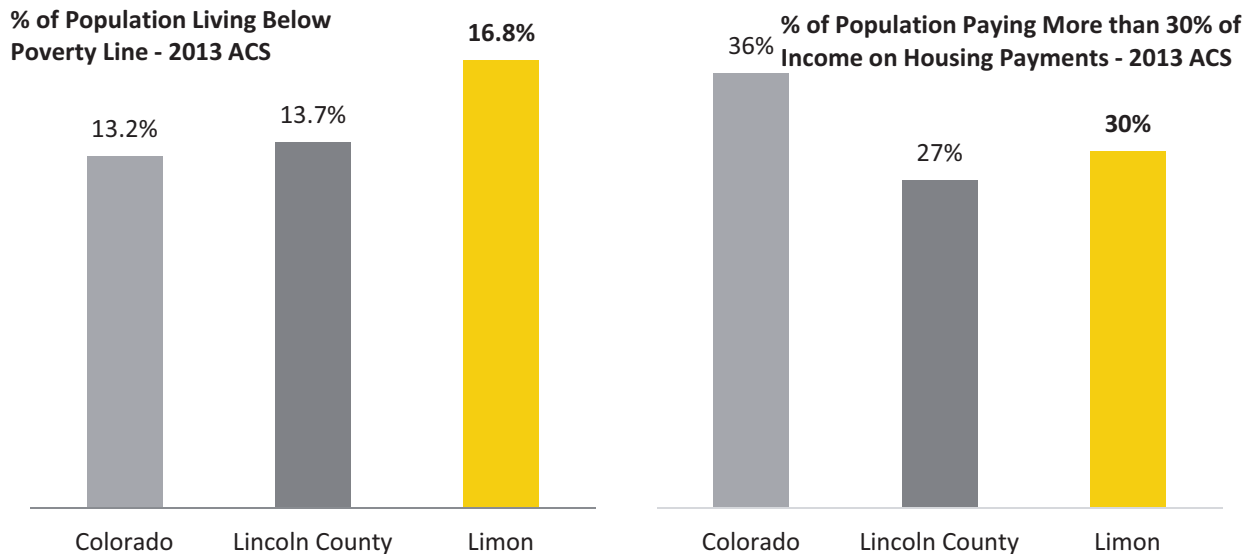
Strategy B – Work with mortgage lenders, and other local housing agencies to identify additional strategies that could increase the supply of quality housing in Limon.



GOAL H.3 – ENCOURAGE THE DEVELOPMENT OF AFFORDABLE HOUSING FOR LIMON’S LOWER INCOME AND SPECIAL POPULATIONS.

BACKGROUND INFORMATION

Households spending more than 30% of monthly income on housing payments are defined as cost burdened by HUD. According to the Census American Community Survey (ACS), despite relatively low prices in Limon, 30% of households in Limon are cost burdened. This rate is lower than the state rate of 36% but higher than the county rate of 27%. The high rate of cost burdened households despite relatively low housing prices is probably related to relatively low income levels, and a higher percentage of the population living below the poverty line. Nearly 17% of Limon’s population lives below the poverty line, a rate 3% higher than the county or state.



STRATEGIES

Strategy A – Work with regional, state and federal housing entities and developers to prepare for an aging population with a housing supply serving age cohorts ranging from recent retirees to the elderly.

Strategy B – Work with regional, state and federal housing entities and developers to expand the inventory of affordable rental housing in Limon.

Strategy C – Work with local, regional, state and federal housing organizations to establish a supply of housing for special-needs populations: veterans, disabled individuals, single mothers, and the elderly.

Strategy D - Work with the Limon Housing Authority to expand the use of Section 8 Housing Vouchers in Limon.



Strategy E - Explore housing finance and grant programs.

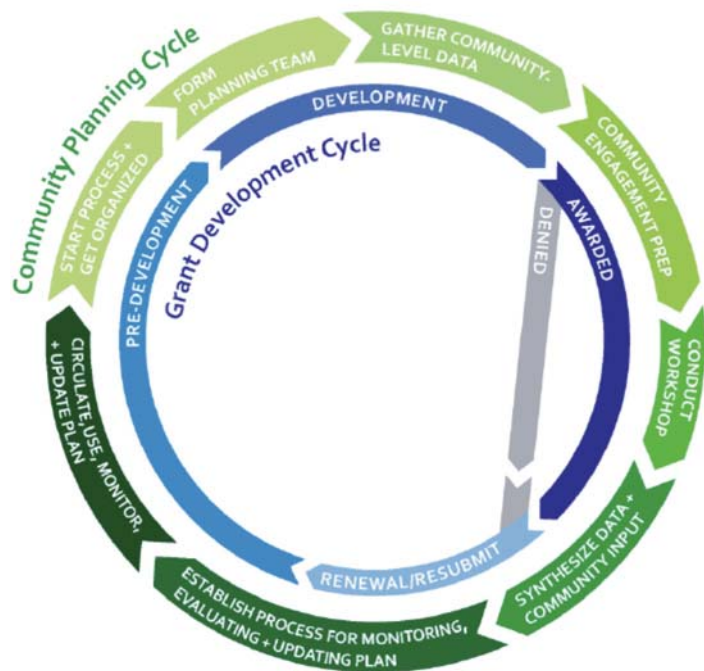
- The Colorado Housing Investment Fund (managed by the Department of Local Affairs) –This program has a revolving loan fund for foreclosure prevention and rental housing
- Housing Development Grants - To preserve or expand the supply of affordable housing and to finance foreclosure prevention
- Housing Development Loan Fund - Finance redevelopment or rehabilitation of low- or moderate-income housing
- Private Activity Bonds - Tax exempt bonds that can be used for affordable housing and for low interest mortgage financing to qualified buyers
- Community Development Block Grants - For housing development and rehabilitation
- HOME Investment Partnerships Program - To fund efforts to build, buy, and/or rehabilitate affordable housing for rent or ownership and to provide low income rental assistance
- Low Income Tax Credits - Awarded to developers of housing for qualified low income housing

GOAL H.4 – INCREASE THE ROLE AND COLLABORATION OF LIMON’S NON-PROFITS AND VOLUNTEERS TO IMPROVE HOUSING AFFORDABILITY AND QUALITY.

BACKGROUND INFORMATION

The quality, affordability and availability of housing was identified as a one of the main areas for change at the non-profit and volunteer work session. Non-profits can have significant influence and impact on a local housing market. Non-profits have the unique ability to consider initiatives, collaborate, attract funding and advocate for more housing choices in Limon.

Funding often determines the success of non-profit groups and specific projects, it is important that non-profits and volunteers understand the relationship between project planning



and funding. The planning and grant development cycle begins with an entity getting organized to form a team, the team gathers data and engages the community. Data and community input become a plan, which is monitored, updated, and submitted for grant funds. If the project is not awarded in the current round the plan will be ready for following rounds of funding. The two cycles work in tandem and continue as federal and state monies are allocated throughout the fiscal year.

It is important that housing non-profits pursue numerous types of funding including: foundation grants (independent, corporate, or family); donations, state, federal and local government grants, and ongoing funding.

A thorough process will result in sustainable projects and funding.

STRATEGIES

Strategy A – Encourage community organizations to broaden agency focuses to include housing efforts and attract and emphasize funding.

Strategy B – Encourage area non-profits to capitalize on housing related funding opportunities.

Strategy C – Develop public-private partnerships to get housing built.

