City of Boulder
Affordable Housing Goals

City Council
April 2, 2019

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Agenda

• Staff Presentation

• City Council Discussion
  • Should the city have one affordable housing goal?
  • What is the percentage for the goal?
  • Should the goal be time bound?

• Potential Ballot Measure
Boulder aspires to be a complete community with a diverse and integrated population. Supporting that aspiration, the range of available housing opportunities helps to define a community. The social, economic and environmental well-being of the community is enhanced when individuals and families are retained, workforce housing is available and residents with changing or special housing needs are served.
<table>
<thead>
<tr>
<th>Year</th>
<th>Housing Initiative</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>Comprehensive Housing Strategy</td>
</tr>
<tr>
<td>2010</td>
<td>Affordable Housing Task Force</td>
</tr>
<tr>
<td>2014</td>
<td>Housing Boulder</td>
</tr>
<tr>
<td>2016</td>
<td>Middle-Income Housing Strategy</td>
</tr>
<tr>
<td>2017</td>
<td>Regional Housing Partnership</td>
</tr>
</tbody>
</table>

**History of Housing Goals**
<table>
<thead>
<tr>
<th>Current Housing Goals &amp; Progress</th>
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<table>
<thead>
<tr>
<th><strong>10% Goal (City)</strong></th>
<th>10% of all residential properties deed-restricted permanently affordable to serve low- to moderate-income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROGRESS</strong> 7.5% (3,484 homes)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Middle Income Goal (City)</strong></th>
<th>Build or preserve 3,500 middle-income homes by 2030 including 1,000 deed restricted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROGRESS</strong> 110 deed-restricted homes</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Regional Goal</strong></th>
<th>12% of all residential properties county-wide deed-restricted permanently affordable to serve low- to middle-income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROGRESS</strong> 5% (6,611 homes)</td>
<td></td>
</tr>
</tbody>
</table>
Process

Nov 2018
Housing Advisory Board

Mar 2019
Planning Board

Apr 2019
City Council

2020
Update BVCP
Public Engagement

- Broad Public Notice
- Interactive Study Session
- Dedicated Website
  - Bouldercolorado.gov/housing/affordable-housing-goals
- Ongoing Communication with HAB and Staff
- Feedback from Community Events Reviewing Potential Code Changes
“Why” Statement

Boulder aspires to be a diverse and integrated community. This aspiration is predicated upon the belief that diversity is fundamental to the overall well-being of the community and depends upon resident's ability to live in their community. To this end, the Boulder community, its leadership and residents, have long held a commitment to facilitate the provision of diverse housing options to serve the needs of low-, moderate- and middle-income households. While the city is on pace to reach current housing goals, it is evident that existing goals do not meet the needs of the community. The City is revisiting its housing goals to ensure we do our utmost to fulfill the existing and expected needs of diversity in housing affordability and accessibility.

- Defined by Housing Advisory Board
Guiding Principles

• Goals must be easy to explain & understand
• Allow flexibility to be opportunistic
• Periodically review and adjust
How does the city progress toward the goal?

Out of every 100 units:

- 19 permanently affordable Units
- Development*

81 market-rate units

*Data represents development over the past 5 years
Permanent Affordable Inventory
10% Goal
Middle Income Inventory
Goal = 1000 Deed Restricted
Permanently Affordable Inventory
Resident Income Diversity

- 0-30% AMI: 49%
- 31-60% AMI: 45%
- 61-79% AMI: 4%
- >80% AMI: 2%
Permanently Affordable Inventory
Housing Types

### Number of Unit Types

<table>
<thead>
<tr>
<th>Type</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four-plex</td>
<td>32</td>
</tr>
<tr>
<td>Co-Op</td>
<td>53</td>
</tr>
<tr>
<td>Duplex</td>
<td>55</td>
</tr>
<tr>
<td>Townhouse</td>
<td>86</td>
</tr>
<tr>
<td>Mobile Home</td>
<td>120</td>
</tr>
<tr>
<td>Apartment</td>
<td>129</td>
</tr>
<tr>
<td>Single Family</td>
<td>160</td>
</tr>
<tr>
<td>Bed</td>
<td>169</td>
</tr>
<tr>
<td>Condominium</td>
<td>589</td>
</tr>
<tr>
<td>Multifamily</td>
<td>2,201</td>
</tr>
</tbody>
</table>

### Bedroom Types

<table>
<thead>
<tr>
<th>Bedrooms</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>104</td>
</tr>
<tr>
<td>3</td>
<td>438</td>
</tr>
<tr>
<td>Loft</td>
<td>499</td>
</tr>
<tr>
<td>1</td>
<td>1,102</td>
</tr>
<tr>
<td>2</td>
<td>1,330</td>
</tr>
</tbody>
</table>
Current Production

Number of upcoming units secured: 621

2019
- BHP Casey (12 units)
- 0 Diagonal (105 units)
- BHP Walnut (26 units)
- BHP Ciclo (50 units)
- Bustop (52 units)
- Attention (40 units)
- BHP Canopy (41 units)

2020/22
- Freuhauf (106 units)
- 90/96 Arapahoe (~19 units)
- 311 Mapleton (8 units)
- 30th & Pearl (~160 units)

Future
- Number of potential units that may be secured: 636
- Folsom (6 units)
Critical Housing Needs Remain

- Median home prices increased 71%
- Median market rent increased 39%
- Wages risen 9.6%
- 21,580 households are severely cost burdened
<table>
<thead>
<tr>
<th>Factor</th>
<th>Consideration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Use</strong></td>
<td>Availability of developable land; Permitted uses; Market competition</td>
</tr>
<tr>
<td><strong>Regulatory</strong></td>
<td>Cost and timing of entitlements; Density Limits; Parking Requirements</td>
</tr>
<tr>
<td><strong>Financial</strong></td>
<td>Availability and cost of financing; Cost of construction; Development pace impacting fee payments</td>
</tr>
</tbody>
</table>
Strategies to Achieve Goals

- **Bolster Financial Resources**: Create *fiscal supports* necessary to leverage necessary financial sources
- **Secure Land, Development and Redevelopment Opportunities**: Create diverse housing options
- **Preserve Affordability**: Acquire and restrict currently affordable housing
- **Consider Regulatory Processes**: Ensure *regulations* and processes facilitate and not impeded housing creation
Goal Scenarios: Units

BVCP Projects approx. 4400 homes will be built in Boulder by 2035
Over the last 5 years, on average 175 homes created per year.

Total Affordable Units
10,136

20% Goal
6542 add’l units needed
= 409 units per year

Total Affordable Units
7,602

15% Goal
4008 add’l units needed
= 251 units per year

Total Affordable Units
6,082

12% Goal
2488 add’l units needed
= 156 units per year

All Goal Levels include 1,000 Middle Income Homes
Trend Projection

Total number of new homes to be built in Boulder by 2035: ~4400

- 19% affordable new construction homes: 836
- 17% additional affordable homes preserved: 748

Total number of affordable homes built/acquired by 2035: 1584

12% Goal: 904 = 2488 homes
15% Goal: 2424 = 4008 homes
20% Goal: 4958 = 6542 homes
**Goal Scenarios: Financing**

- **Total Affordable Units: 10,136**  
  - **20% Goal**: Add'l $30M/year needed

- **Total Affordable Units: 7,602**  
  - **15% Goal**: Add'l $15M/year needed

- **Total Affordable Units: 6,082**  
  - **12% Goal**: Add'l $6.1M/year needed
HAB & Planning Board
Recommendations

**Housing Advisory Board**
Secure **20 percent** of all residential development within the city of Boulder as permanently affordable serving **low-to middle-income** households by **2035**.

**Planning Board**
Secure **15 percent** of all residential development within the city of Boulder as permanently affordable serving **low-to middle-income** households by **2035**.
Staff Recommendation

Motion to recommend City Council adopt a goal securing 15 percent of all residential development within the city of Boulder as permanently affordable to low- to middle-income households by 2035.

Issues to consider regarding the Goal:

• Should the low- and moderate-income goals be combined?
• What is the percentage for the goal?
• Should the goal be time bound?
Potential 2019/2020 Ballot Measure

Bolster Financial Resources

Revenue Source: Property Tax

Generate $20 million/year

Shared revenue

- Local Dedication
- Opportunity Fund
- Regional Programming

Boulder Benefit (annual)

- $3.5 - $4 million/year benefiting approx. 42 homes

Boulder Impact (annual)

- $500K Attached = +$100
- $900K Detached = +$180
Ballot Measure Discussion

Staff would like to gauge City Council’s support for an affordable housing county-wide ballot measure.

As well, hear feedback on the timing of a ballot measure – 2019 or 2020?