COMPREHENSIVE Housing Strategy

CITY OF BOULDER

City Council Study Session

May 27, 2014

Envision East Arapahoe




Purpose

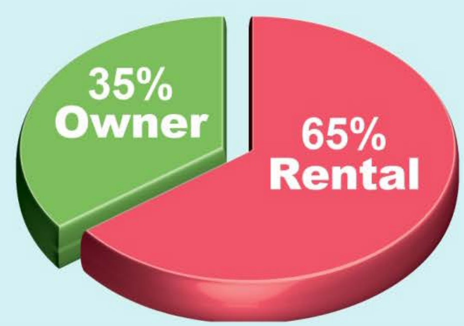
- Foundations work – Heidi Aggeler, BBC
- Draft project goals – David Driskell
- Process overview, early wins and housing opportunity sites – Jay Sugnet

CITY OF BOULDER COMPREHENSIVE Housing Strategy

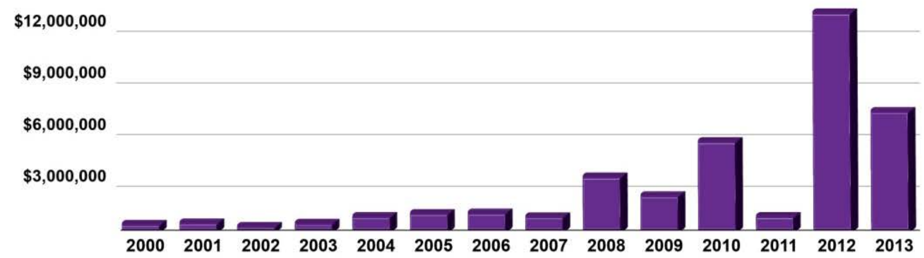
Affordable Housing Development Trends

2000	2014	
3.6%[1]	7.2%[2]	10%[3]
Percent of Affordable Units (1,600 units)	Percent of Affordable Units (3,254 units)	City Goal (4,500 units)

Current Permanently Affordable Housing Inventory[1]



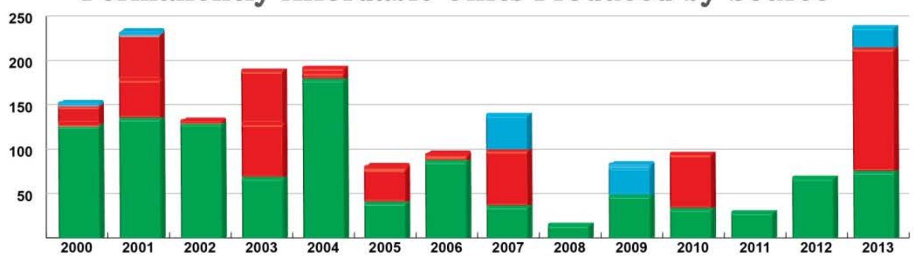
Inclusionary Housing Cash-in-Lieu Payments[1]



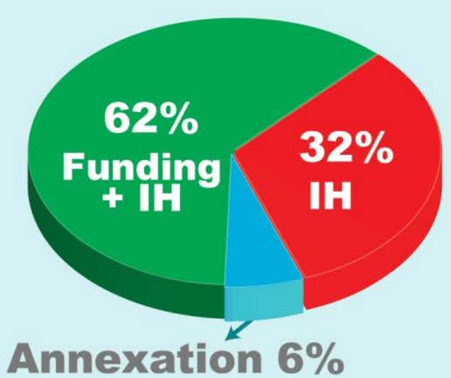
Legend

- Inclusionary Housing (IH)
- Funding + IH
- Annexation

Permanently Affordable Units Produced by Source[1]



Overall Unit Produced by Source[1]



Affordable Housing Development Trends

	Amount	Percent
City of Boulder	**$ 2,587,611**	**21.2%**
Housing Tax Credits	$ 4,588,278	37.5%
Tax Exempt Private Activity Bond	$ 3,935,000	32.2%
State of Colorado	$ 590,000	4.8%
Other sources	$ 519,048	4.2%
Total	**$12,219,937**	**100.0%**

Foundations Work

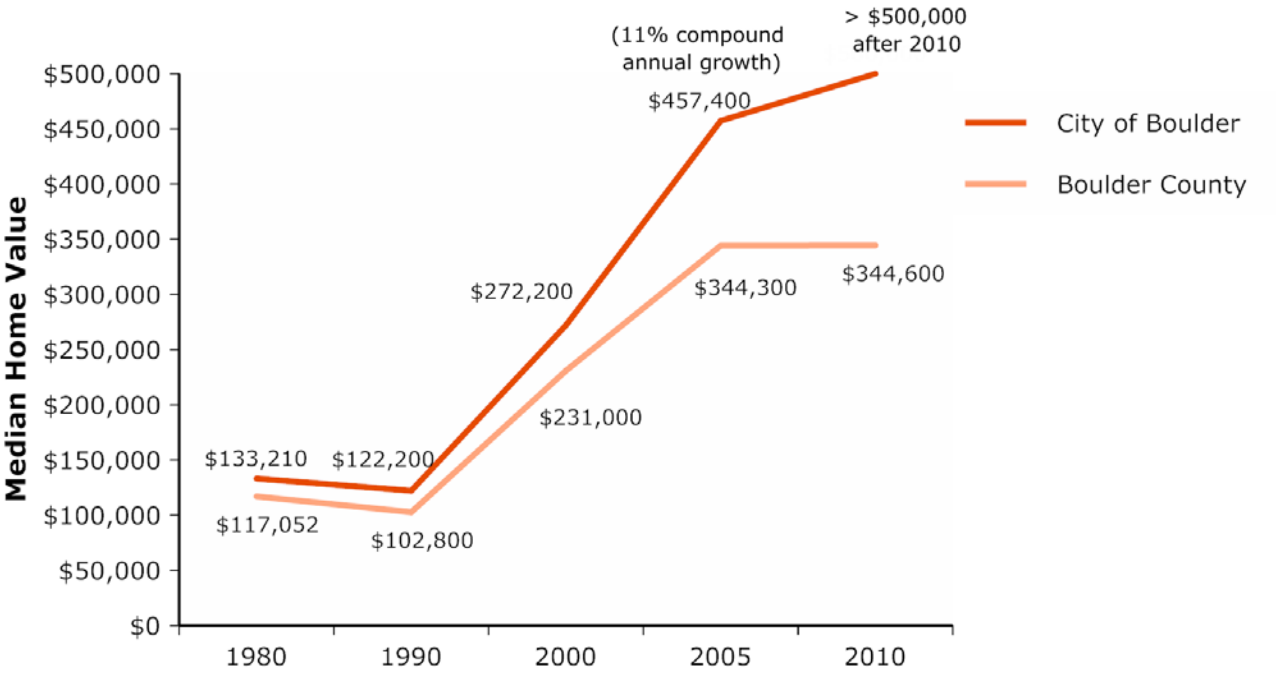
- Summary of housing market statistics
- Results of Housing Choice survey and analysis
- How does existing inventory compare with valuing a diverse community?

Housing Market Analysis: *Rental Market*

- Rental market extremely tight: overall vacancy rate, 3Q13 = 2.8%
  - "Hottest submarkets:" University area = 2.0%
Non-University = 1.0%
- "Gaps analysis" difference in supply of rental units and demand:
  - Shortage of rental units affordable to 50% AMI (about $31,500) doubled from 2006 (5,800 units to 10,000 units)
  - In 2013, just 3% of units affordable to 50% AMI
  - 2013 gap adjusted for students = 5,100 units

Housing Market Analysis: *Homeownership*

The difference in city and county home values has widened considerably



Housing Market Analysis: *Homeownership*

The number and proportion of affordable units to buy has dropped by half

	2000	2012
Units listed < $200,000	497 units, 26% of all units	281 units, 13% of all units
Units listed < $300,000	1,015 units, 52% of all units	541 units, 26% of all units

2012 affordable units *nearly all attached and deed-restricted*

Top Findings from Choice Survey

- Open space, outdoors access, shorter commute—highly valued
- Many willing to make—or have made—certain housing trade offs and economic sacrifices for Boulder
- Lack of housing product opportunity, mostly for middle income families, limits “trade offs” many would make
- Senior residents want to stay in Boulder but perceive lack of senior housing product
- Affordability critical for persons with disabilities to live in Boulder

Profile of Middle Income In-Commuters

43% of in-commuters are middle income ($65,000 - $150,000)

80% own a home

80% live in single-family homes

6% live in an apartment

5% live in a townhome

Average age **43**

39% live with spouse/partner

40% live with spouse and kids

44% have children under 18

9% live alone

6% have retirement, pension, trust fund

Median mortgage= $1,500

Median rent= $1,300

Attracting In-Commuters

54%

of middle income in-commuters would consider moving to Boulder in the future

To live in Boulder I would……

"As long as the housing provided my own small courtyard—not a deck/balcony—but an actual outdoor fenced-in space, it would work."

84% Live in an older home

75% Live in a small, single-family detached

49% Live in a townhome

35% Live in a duplex/triplex/fourplex

25% Live on a busy street

25% Live in a condo

"Shared garden space/ shared yard a must if condo/townhome…"

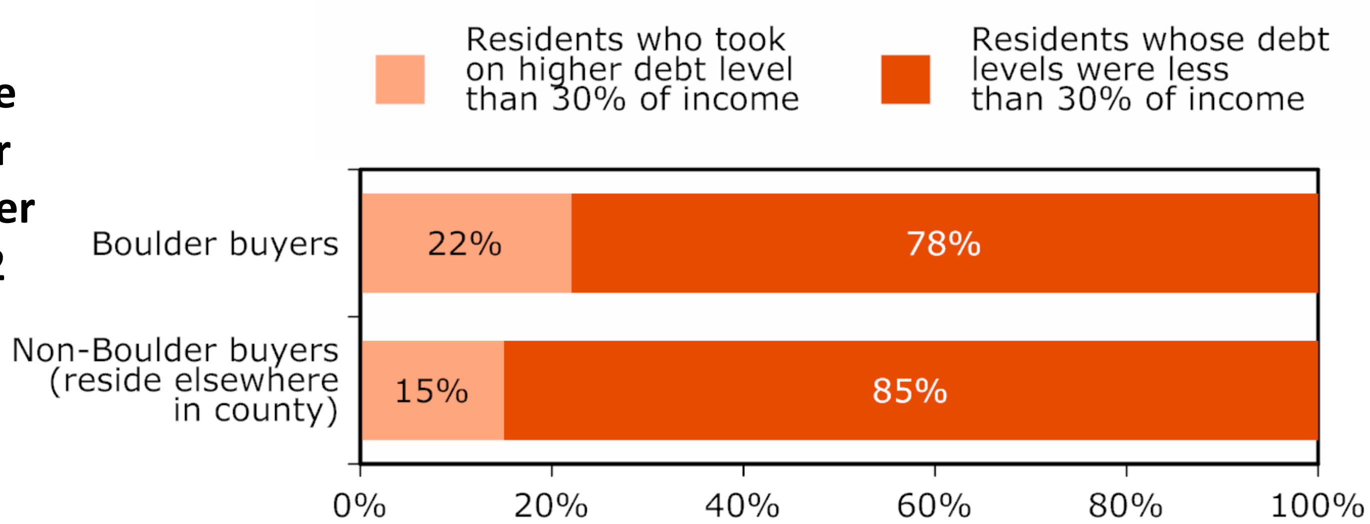
"New multi-unit housing in Boulder needs to be kid-friendly, not just dog-friendly."

Wealth and Living in Boulder

How to become a homeowner in Boulder? (non-wealthy)

- Buy in the 1990s
- Take on higher levels of mortgage debt
- Buy attached or deed-restricted product

Home Mortgage Debt of Boulder and Non-Boulder Residents, 2012



Seniors' Housing Needs and Preferences

Seniors (60+)

14% population now → 25% by 2028

(14,000 seniors) (30,000 seniors)

- Desire for wider variety of senior-friendly housing products (impression that Boulder lacks)
- Property taxes a concern
- Regulatory barriers perceived to make it hard to modify homes/living arrangements for aging in place

Existing Inventory v. Community Diversity

- Inventory of affordable rentals and alternative products will continue to support lower income diversity
- Boulder products consistent with Millennials' housing preferences (variety of housing types, mixed-use, walkable)
- Missing products for middle income beyond current inventory (evidenced in growth of higher income families)
- Demand for Boulder living unlikely to drop—**expanded tool kit needed to maintain housing balance in Boulder**

Vision

Draft Goals

1. Strengthen Our Current Commitments

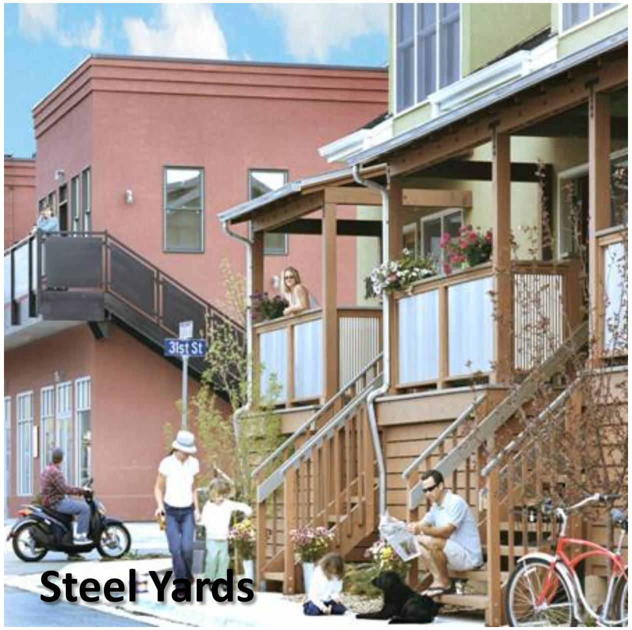
Reach or exceed Boulder's goals to serve very low, low and moderate income households, including people with disabilities, special needs, and the homeless.

Broadway & Yarmouth

2. Maintain the Middle

Prevent further loss of Boulder’s economic middle by providing greater variety of housing choices for middle income families and for Boulder’s workforce.


Northfield



Steel Yards

3. Create Diverse Housing Choices in Every Neighborhood

Facilitate the creation of a variety of housing options in every part of the city, including existing single-family neighborhoods.

4. Create 15-minute Neighborhoods

Foster the development of mixed-income, mixed-use neighborhoods in amenity rich locations (i.e., close to transit, open space and trails, employment centers, etc.).

Steel Yards

Landmark Lofts (28th)

5. Strengthen Partnerships

Strengthen current partnerships and explore creative new public-private-partnerships to address our community's housing challenges (e.g., CU, private developers, financing entities, affordable housing providers, etc.).

Williams Village

6. Enable Aging in Place

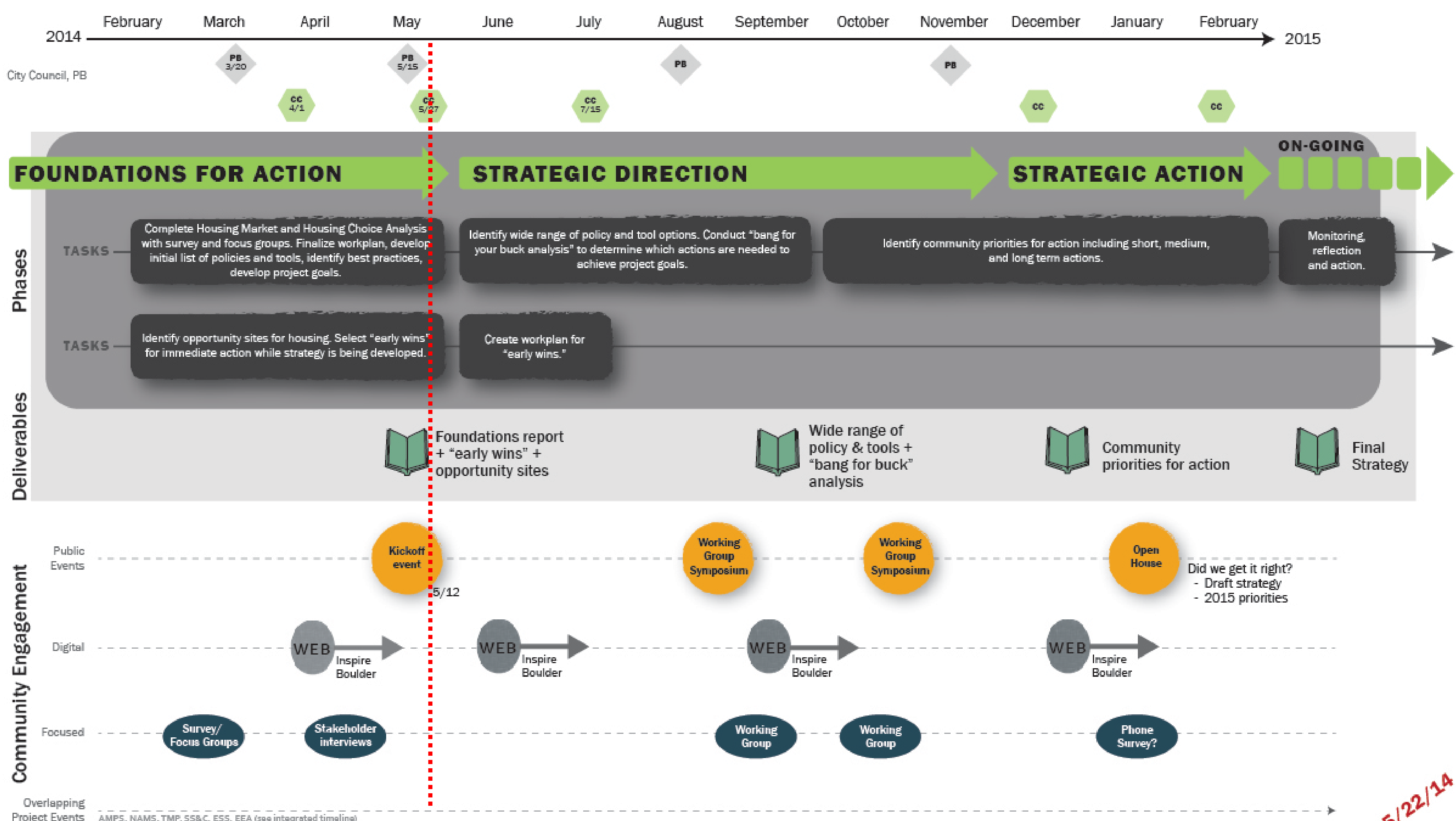
Provide housing options for seniors of all abilities and incomes to remain in our community, with access to services and established support systems.

Questions

1. Does Council have questions or feedback related to the foundations work?
2. Does Council have feedback on the draft goals?

Process Overview

Comprehensive Housing Strategy Timeline



We Are Here

05/22/14

Early wins and opportunity sites

Early Wins

Criteria:

1. Consistent with 3 focus areas
2. Generally consistent with existing polices
3. Accomplished within existing resources
4. Specifics largely known

Early Wins – sequence over next year

1. Right-of-way and density calculation ordinance
2. Council call-up of Concept Review applications
3. Senior housing in single family neighborhoods
4. 1-to-1 unit replacement ordinance for 100% permanently affordable
5. Targeted fix to ADU/OAU

Opportunity Sites – City Owned

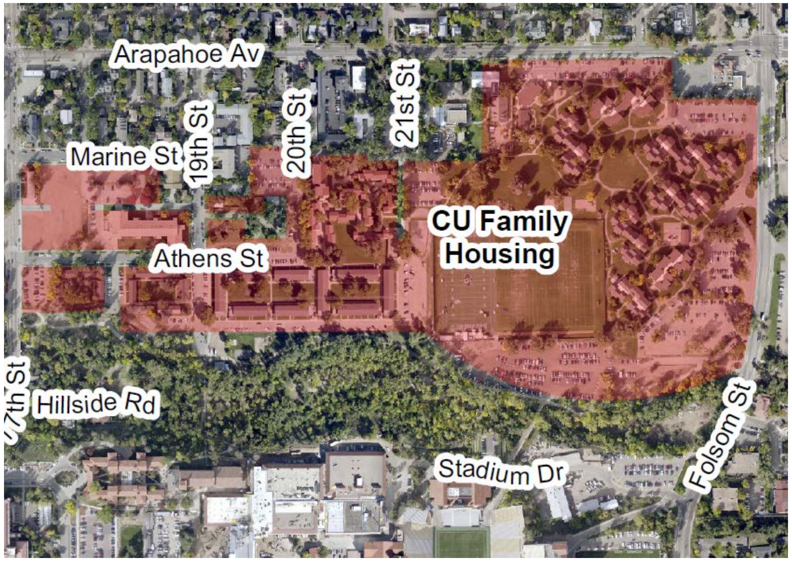
Palo Parkway

30th & Pearl

Opportunity Sites – partner owned

Spruce & Broadway (CAGID)

Red Oak Park II (BHP)



North of Boulder Creek (CU)

Questions

3. Does Council have feedback on the early wins and opportunity sites?




Next Steps

- July 15 – Council adoption of goals
- Draft Toolkit – Summer
- Late August – Working Group Symposium

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