

Denver Housing Policy Recommendations

Mayor's Housing
Task Force



FINAL REPORT

September 30, 2012

City of Denver Housing Policy Recommendations

Prepared for

Mayor's Housing Task Force
Mayor's Office of Economic Development

Prepared by



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EXECUTIVE SUMMARY

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2012 Mayor's Housing Task Force Report

Background

In February of 2012 Mayor Michael B. Hancock convened a task force of housing experts with diverse backgrounds and experiences to analyze Denver's housing inventory, identify community housing needs, review current housing policies, and, finally, make recommendations to help direct Denver's future housing policies.

Mayor Hancock charged the Task Force to be bold and forward-thinking; to consider the full spectrum of housing needs and opportunities, while paying special attention to Denver's most vulnerable populations. Specifically, the Mayor asked Task Force recommendations to be:

- **Comprehensive**—Integrate and support the City's JumpStart 2012 plan, the Office of Economic Development's Housing and Urban Development (HUD) Consolidated Plan, and other related citywide strategies, including Blueprint Denver, Greenprint Denver, the Strategic Transportation Plan and DevelopDENVER.
- **Responsive to Needs**—Utilize demographics information from the 2010 U.S. Census and market trend analysis to identify the City's housing needs, and evaluate available land and land use policies to meet current and future housing needs.
- **Implementable**—Identify objectives and strategies that are achievable given current political and economic environments and readily adaptable to changing market dynamics.

This report summarizes the findings from the Task Force discussion areas, presents housing needs and concludes with the recommendations of the Task Force. Appendix A contains the materials that were presented, considered and discussed by the Task Force during its operation.



Task Force Members

The Denver Housing Task Force was selected with the intent of convening a body of recognized housing experts representing private, non-profit, and public sector housing interests. Task Force members include:

- **John Lucero:** Co-Chair, Deputy Director, Office of Economic Development
- **Diane Barrett:** Co-Chair, Chief Projects Officer, Mayor's Office
- **Dave Browning:** Denver Metro Association of Realtors
- **Ismael Guerrero:** Denver Housing Authority
- **Tracy Huggins:** Denver Urban Renewal Authority
- **Robin Kniech:** Denver City Council Member At-Large
- **Shelley Marquez:** Wells Fargo
- **Erin Mewhinney:** Policy Director, Mayor's Office
- **Gete Mekonnen:** Northeast Denver Housing
- **Bennie Milliner:** Denver's Road Home
- **Gene Myers:** New Town Builders
- **Deborah Ortega:** Denver City Council Member At-Large
- **Chuck Perry:** Urban Land Institute of Colorado
- **Brian Phetteplace:** Downtown Denver Partnership
- **Melinda Pollack:** Enterprise Community Partners
- **Josh Russell:** Archdiocesan Housing
- **Cris White:** Colorado Housing and Finance Administration
- **Bill Windsor:** Colorado Coalition for the Homeless
- **David Zucker:** Zocalo Development

The Process

The Task Force met from February through June 2012. Each meeting began with a presentation by City housing program experts and/or consultants about various housing topics. These presentations provided factual information to frame group discussion.

In addition to public meetings, the Task Force utilized an online community forum for members to share information and ideas with each other. The online forum also provided the Task Force with meeting notes, presentations, and support material to reference as members contemplated their final recommendations.

Topics for Discussion

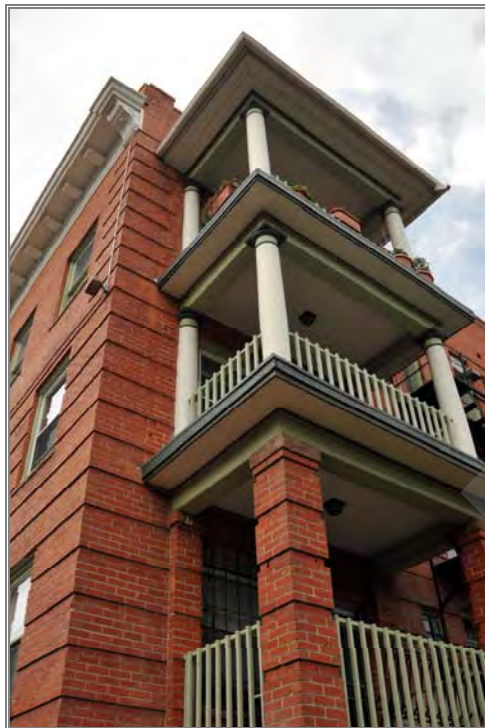
Each Task Force meeting focused on one of the following housing topics:

- Review of Existing Policy/Goals/Objectives and Housing Priorities
- Financial Resources and Constraints
- For Rent: Preservation and Development
- For Sale: Foreclosures, Neighborhood Stabilization and Development
- Inclusionary Housing Ordinance (IHO)
- Homeless Housing: Denver's Road Home
- Special Needs: Seniors, SPMI, Youth, HIV/AIDS, Veterans, Disabled, Formerly Incarcerated

A summary of each housing topic is provided on the following pages and the full presentations made during Task Force meetings are included in the appendix to this document.

Review of Existing Policy, Goals, Objectives and Housing Priorities

In this initial discussion area, city staff presented the Task Force with an overview of how the city sets goals and priorities for housing and community development program funding.



OED staff establishes and regularly evaluates Housing Development and Economic and Community Development priority areas. These priorities guide the allocation of funds through OED's Notice of Funding Availability (NOFA) process, in addition to the five year goals and funding objectives for U.S. Department of Housing and Urban Development (HUD) programming and reporting.

Economic and Community Development priorities, as outlined in the Program Year 2013 NOFA are:

Figure 1.
Economic and Community Development Priorities

Priorities	Description
Business Development	
Business Retention:	<ul style="list-style-type: none"> Focused outreach to Denver companies so that we can learn how to be better partners to the business community.
Business Recruitment:	<ul style="list-style-type: none"> Allocate financial/technical incentives to relocate corporate headquarters to Denver.
Small Business Advocacy:	<ul style="list-style-type: none"> Increase access to capital and broaden access to markets, including meaningful participation for small businesses in City-financed projects.
Lending and Investment	
Sustainable Neighborhood Development:	<ul style="list-style-type: none"> Strategic investments to develop/preserve eco-friendly affordable housing in key neighborhoods adjacent to high-transit corridors that were hardest hit by the recession.
Business Lending:	<ul style="list-style-type: none"> Improve gap financing for companies providing employment opportunities to the broader community.
Key Strategic Projects:	<ul style="list-style-type: none"> Partner with key stakeholders and allocate financial/technical resources to projects that have a significant economic impact to the City.
Workforce Development:	
	<ul style="list-style-type: none"> Investments in people and systems to make the Denver workforce the most capable in the country.

Source: JumpStart 2012..

OED's Housing Development Priorities currently include:



Figure 2.
Housing Development Priorities

Housing Development Priorities Description	
1. Affordability	<ul style="list-style-type: none"> Minimum 50% of total units serve households at or below 60% AMI for rental and 80% AMI for for-sale.
2. Transit Oriented	<ul style="list-style-type: none"> Projects are located within 1/4 mile radius of a rail transit station, rail transit line or high capacity (15 min. frequency) bus corridor.
3. Density	<ul style="list-style-type: none"> Project provides greater than 20 units/acre.
4. Denver's Road Home	<ul style="list-style-type: none"> Provides permanent 30% AMI housing with supportive services for individuals/households exiting shelters.
5. Fair Housing and Equal Opportunity (FHEO)	<ul style="list-style-type: none"> Project directly addresses barriers to fair housing choice as identified in the Analysis of Impediments.
6. Opportunity (Section 3)	<ul style="list-style-type: none"> Project provides demonstrated commitment to job training, employment and contracting opportunities to low- and very-low income residents and/or eligible businesses.
8. Dispersed Location	<ul style="list-style-type: none"> Project is located in a census tract where the resident median income is 60% or higher.
9. Large Units	<ul style="list-style-type: none"> Project provides unit(s) with 3 or more bedrooms.

Source: OED.

Financial Resources and Constraints

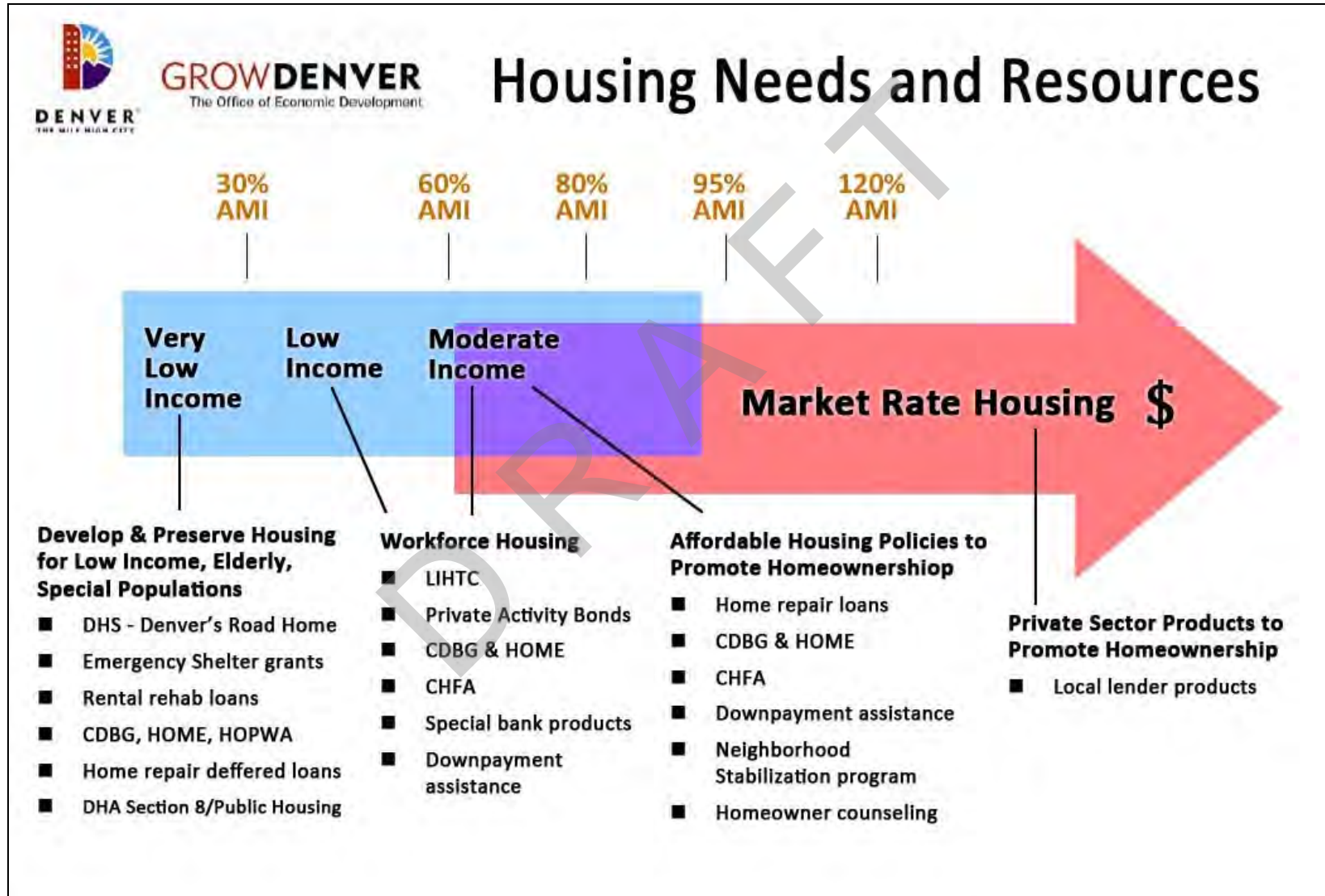
The Office of Economic Development (OED) funds a number of housing programs for both rental and for-sale housing assistance and development. OED receives 93% of its funding for housing from the Federal government and other special revenue funds. However, these funds are in decline.

A key factor in the City's success producing housing has been leveraging its private, public and non-profit partnerships. These have included, but are not limited to, the Denver Housing Authority, Denver Urban Renewal Authority, the Colorado Housing and Finance Agency and the State Division of Housing. Denver also has privately-funded organizations that are dedicated to the production of affordable housing—for example, the Mile High Community Loan Fund (MHCLF), a Community Development Financial Institution, and the Urban Land Conservatory, which utilizes the Transit-Oriented Development (TOD) Fund. The City has contributed funding to both of these organizations. In addition, Denver has many well-established non-profit housing and community development organizations that have played a significant role in the provision of affordable and workforce housing.

Still, the needs far outweigh the City's ability to address them with current funding levels, particularly if federal sources continue to decline. The following figure summarizes the City's resources available to address housing needs by level of area median income.



Figure 3.
Summary of Housing Resources



Source: City and County of Denver. Office of Economic Development

For Rent: Preservation and Development

Rental affordability has declined over the past decade and there is a substantial mismatch in rental supply and demand at low income levels:

- Rental vacancy rates in Denver have hit the lowest levels (4.8% in Q411) since the first quarter of 2001. Figure 5 on the following page geographically displays where vacancy rates are lowest. By unit type, vacancy rates are lowest for the smallest and largest apartments (efficiencies and 3+ bedroom units) as well as for the oldest apartments.
- In 2005, an analysis of the rental market found that 25,648 renter households earned less than \$20,000/year and could not find affordable rents (“rental gap”). As of 2010 the rental gap is 27,253, an increase of 1,605 renter households. Given the increase in the City’s poverty rate, the modest increase in the rental gap is a very positive finding. Indeed, the number of rental households earning less than \$20,000 increased by 4,188— but 2,583 affordable units were added to the affordable inventory, resulting in the net increase of 1,605.

**Figure 4.
Rental Gap by Household Income, City of Denver, 2012**

Denver Renters	Number of Affordable Rental Units	Shortage of Affordable Rental Units
21,300 earn less than \$10,000	8,400	-12,900
45,400 earn less than \$20,000	18,200	-27,200

Source: BBC Research & Consulting, 2012.

- It is important to note that this rental gap does not include persons who are homeless: The 2012 Point-in-Time Count identified 5,271 persons without a permanent place to live in the City of Denver. Combining the rental gap and homeless population in Denver would put the total gap closer to 30,000 (assuming two persons per household for the homeless population).
- The City’s renters with the greatest needs are a diverse group. Some are seniors living on fixed incomes; some are students hoping that higher educational attainment will improve their earnings; many—perhaps more than half—are single parents and married couples with children. Many of the City’s renters with the worst-case needs are special needs populations—at-risk of homelessness or formerly homeless, persons with disabilities, victims of domestic violence, residents challenged by mental illnesses and substance abuse.

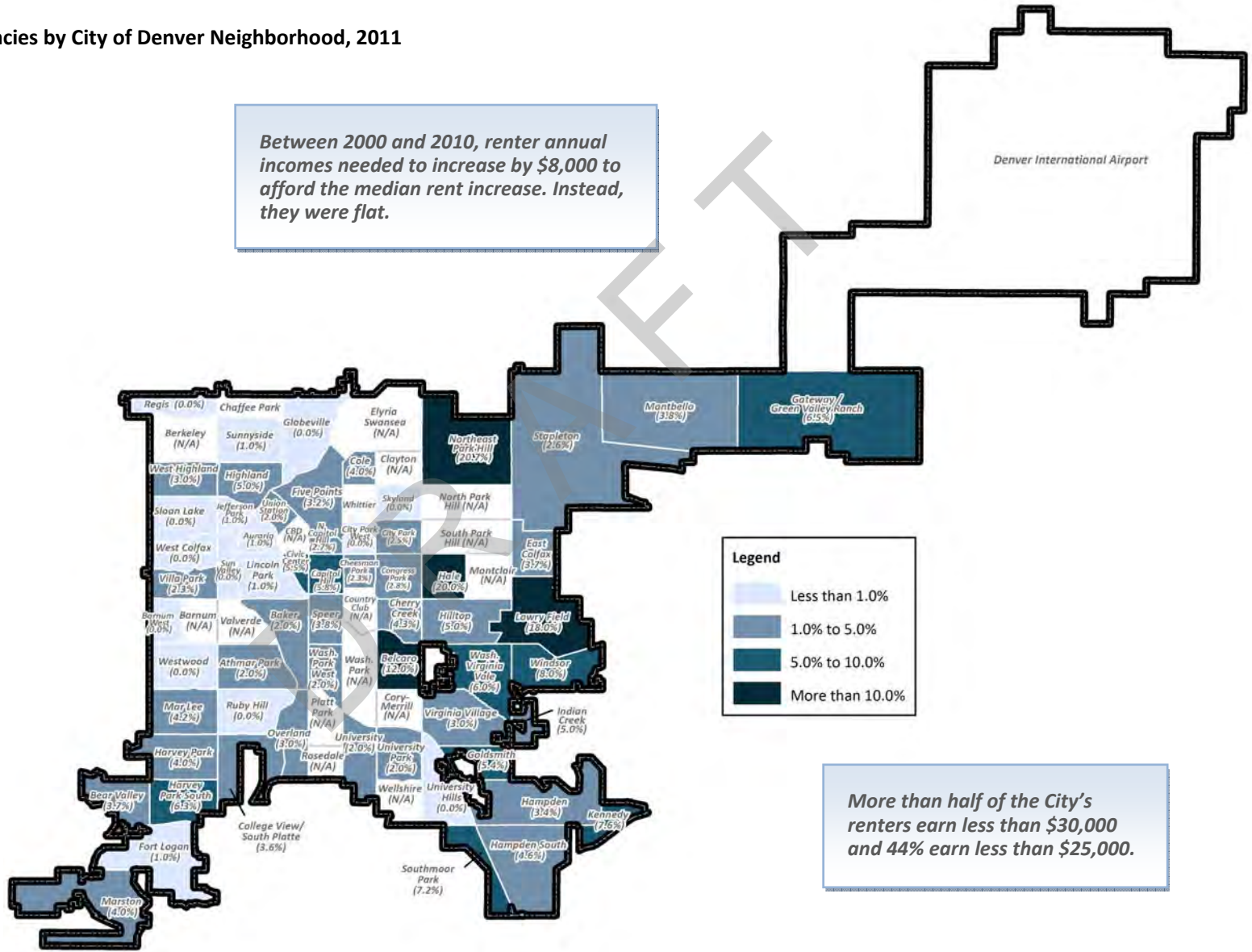
Denver contains over half of rental units in the metro area priced below \$500 per month and 38% of units under \$1,000 per month. All other counties in the metro area have a disproportionately low share of rentals under \$500 and \$1,000 relative to population.

Affordable rentals are located in many parts of Denver, with the exception of south central. Most affordable private market rentals are in southeast Denver; most covenant-restricted units are located in west and central Denver.

2012 Mayor's Housing Task Force Report

Figure 5.
Rental Vacancies by City of Denver Neighborhood, 2011

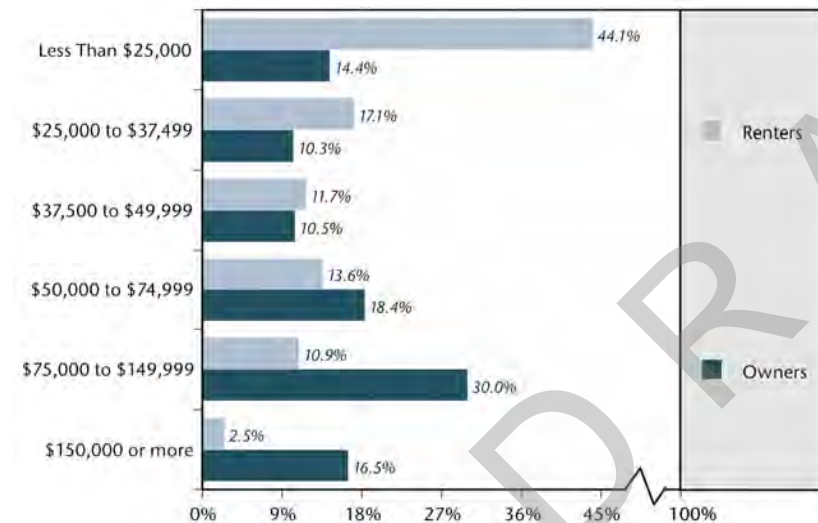
Source:
Apartment Insights.



For Sale: Foreclosures, Neighborhood Stabilization and Development

Denver's homeownership rate was 50% in 2010. This is unlikely to change dramatically in the future given limited land to develop and the small number of renters who are potential homebuyers: only 17,500 renters earn more than \$75,000, per year.

Figure 6.
Renters and Owners by Income Level, City of Denver, 2010



Note: HUD AMI was \$75,900 in 2010 and \$79,300 in 2012; \$25,000 is approximately 30% AMI; and \$37,500 is approximately 50% AMI.

Source: 2010 1-yr ACS.

Homeowners in Denver tend to be older and have higher incomes than renters. They are also more likely to be married.

Housing affordability in Denver decreased between 2000 and 2010, but homeowners have been able to absorb price increases better than renters:

- The 2010 Census reports median home value at \$250,100, up \$84,300 or 51% from 2000. Homeowners would need to earn \$20,000 more in 2010 than in 2000 to afford this increase. The actual increase in homeowner incomes was \$16,000.
- Only 25% of Denver's renter households can afford to purchase the median-priced home. In 2011, 41% of units on the market were priced less than \$200,000 compared to 44% in 2005. 61% were priced less than \$300,000 in 2011 compared to 71% in 2005. Homes for sale and affordable to a 4-person household earning the median income are difficult to find in parts of central and east central Denver.
- Affordable homes to purchase are located primarily in minority majority neighborhoods; very few affordable homes are located in neighborhoods with high performing schools. Foreclosures are decreasing, but foreclosure risk is highest in minority majority neighborhoods.
- According to an analysis of single family units sold and for sale in 2011, Denver offers more affordable homeownership opportunities than most metro counties.
- According to the Colorado Department of Housing Foreclosure Reports, Denver foreclosures peaked in 2008 at 6,212 filings and 4,362 sales. By 2010, filings had dropped by 19% and sales dropped by 34%. Far northeast and western neighborhoods are most at risk for foreclosures. These are the same neighborhoods that had high subprime rates and a minority majority in 2006.

Inclusionary Housing Ordinance (IHO). The City and County of Denver's Inclusionary Housing Ordinance, or IHO, was adopted by City Council in 2002 to address the gap in for sale workforce housing (i.e., people working in Denver couldn't afford to live in Denver). The goal of the IHO is to have 10% of for sale units in any development of 30 or more units are affordable to households earning 80% AMI. These units have a covenant and are price and income restricted.

Developers are offered incentives for IHO compliance which include financial incentives, 10% density bonus, 20% parking reduction and expedited processing.

Developers may comply with the IHO by building units off site or paying an "opt out" fee equal to half of the sales price of a moderately priced unit.

Funding for the IHO comes from the Housing Incentive Program Fund administered by the Office of Economic Development Business and Housing Services. The fund was capitalized with \$2,150,000 initially and collects revenue in the form of IHO opt out fees, IHO penalties and investments income. The fund is also used to pay out IHO rebates to developers who produce units in accordance with the IHO. The fund's current balance is approximately \$1.2 million.

1,133 IHO units have been created: 1,056 large scale developments (part of master-planned developments) and 77 non-large scale IHO developments. Large scale developments are located in Green Valley Ranch (648 units), Stapleton (222 units) and Lowry (186 units).

The Task Force invited an inclusionary zoning specialist to identify and address some of the challenges of the IHO. The review concluded that the IHO needs significant revision but could be retooled in a way that "produced affordable housing at a faster pace, better aligned with local housing needs, directed affordable units to geographically more appropriate locations and, at the same time, imposed somewhat less burden on both homebuilders and homebuyers."



Homeless Housing: Denver's Road Home

- According to the 2012 Point in Time count, there were 12,605 homeless men, women and children in metro Denver on Monday night, January 23, 2012. 42% (5,271 individuals) spent the night in the City and County of Denver.
- Eleven percent of the homeless in Denver (581 individuals) spent the night unsheltered (on the street, under a bridge, in a car, etc.). Of unsheltered persons metro-wide, the proportion of households with children substantially increased from 2011 to 2012—from 22.8% to 31.4%.
- Approximately 10% of Denver's homeless are chronically homeless, defined as persons having a chronic debilitating condition, sleeping in a place not meant for human habitation and/or in an emergency homeless shelter and having been homeless continually for one year or more or having four or more episodes of homelessness in three or more years.
- Of the homeless individuals in Denver, 2,996 (57%) were in families and 2,725 (52%) were in families with children.

Denver's Road Home (DRM) is a 10 year plan to end homelessness, launched in 2005 with a focus on long term solutions for chronic homelessness. DRM employs a "Housing First model," a programmatic approach designed to help chronically homeless individuals move more quickly off the streets or out of the shelter system. The model includes crisis intervention, rapid access to housing and follow-up case management and support services to prevent reoccurrence of homelessness. Treatment includes services to help maintain housing, improve their physical and mental health status and reduce substance use.



According to DRM, Denver used to spend around \$70 million on homeless services that include emergency room care, detox services, incarceration, and emergency shelter, which equated to around \$40,000 per homeless individual; and now, just five years into the ten-year program, homeless people can be moved into housing and receive treatment for about \$15,000.

Special Needs Populations

“Special needs” populations include those residents who have additional challenges—beyond affordability—in finding housing. Many of these residents also have very low incomes due to their limited ability to work. Denver’s special needs populations are estimated to include the following depicted in Figure 7.

Denver’s special needs populations may receive housing assistance from a variety of programs administered by OED.

The city’s Department of Human Services (DHS) administers grants and programs specifically related to homelessness (e.g., ESG) and provides supportive services to many special needs residents. These services range from mental health care to counseling to job training and transportation.

Figure 7.
Summary of Special Populations’ Needs

Special Needs Populations	
Seniors	<ul style="list-style-type: none"> 62,132 of Denver’s residents (10%) are 65 years or older By 2020 the elderly population is forecasted to comprise 13% of the Denver population. 27% of seniors earn less than 30% AMI and 15% are living in poverty. 39% of seniors have a disability
Serious and Persistent Mental Illness (SPMI)	<ul style="list-style-type: none"> According to 2008-2009 SAMHSA data, 5.24% of Colorado residents aged 18 and older has a serious mental illness (SMI). Applying this percentage to Denver indicates that 24,701 Denver residents aged 18 and older have an SMI. An estimated 9,858 of these individuals are either unemployed or have an income less than \$20,000 per year.
Youth	<ul style="list-style-type: none"> This population is defined as individuals under the age of 18. Housing concerns for youth include neighborhood amenities, open space, quality schools, quality units, extra-curricular activities and affordability and availability of units for emancipating youth.
HIV/AIDS	<ul style="list-style-type: none"> The CDC estimates that 0.33% of the Denver-Aurora population was living with HIV/AIDS in 2010. Based on this estimate, there are approximately 1,968 PLWHA in the City and County of Denver. National estimates from the National Aids Housing Coalition report that approximately 13% of PLWHA are in need of housing assistance and 57% have an annual income below \$10,000.
Veterans	<ul style="list-style-type: none"> This special needs population includes individuals who served in the active military service and were separated under any condition other than dishonorable and must have served 24 continuous months or the full period for which they were called to active duty in order to be eligible. Challenges to housing for veterans include rental history, employment/income, criminal history and co-occurring circumstances.
Physical and Mental Disabilities	<ul style="list-style-type: none"> 58,292 Denver residents, or 10% of the Denver population have a disability. Approximately 22,800 residents have a cognitive disability, 18,300 have a hearing difficulty, 11,170 have a vision difficulty and 29,315 have an ambulatory difficulty. 30% of residents with a disability are living below poverty level. Persons with physical and mental disabilities face unique challenges to housing including accessibility, rental history and employment/income.
Formerly Incarcerated	<ul style="list-style-type: none"> Challenges to housing this population are many and include lack of transportation, unemployment, difficulties with money management, educational attainment, living under supervision, and inadequate family and support systems. These individuals can be some of the hardest to house and often have other special needs (e.g., substance abuse, formerly/currently homeless).

Task Force Outcomes

At its conclusion, the Housing Task Force developed a set of high level recommendations, which are intended to help inform a policy, regulatory and financial framework in Denver that supports the development of a broad range of housing to meet the needs of low and moderate income households.

The Task Force crafted a values statement as a premise for their suggested recommendations. Together, the value statement and recommendations represent the highest priority topics, themes and suggestions among Task Force participants.



Mayor's Housing Task Force: Values Statement. Housing's unique importance as a community value commands a high priority to ensure the availability of adequate local resources. Without addressing the community's full spectrum of housing needs, many of our most fundamental community values such as jobs, education and economic development, are compromised.

Most importantly, our community requires a reliable funding source that will provide an annual revenue stream dedicated to the provision of affordable housing. Despite the acute budget constraints of local governments, establishing such a funding source should be a priority in deciding the use of any new or growing revenues.

The work of the task force has made it clear that Denver's primary task is to address the area of greatest need - providing rental housing for individuals, children and families earning 30% or less of Area Median Income (AMI). Denver, however, must not neglect the needs of rental housing for moderate income residents and for affordable homeownership opportunities for populations at appropriate income levels.

It is within this context that this Task Force submits its final recommendations:

Task Force Final Recommendations

Recommendation No. 1.

Create a dedicated revenue stream to support affordable housing.

Recommendation No. 2.

Establish a committee to give input into the revision of the Inclusionary Housing Ordinance (IHO). This committee will address near term solutions to help improve the IHO, and longer term solutions that will consider the fundamental implementation and organization of an affordable homeownership program.

Recommendation No. 3.

Have a strong focus on creation and preservation of affordable housing. The Task Force recommends that the City focus on creating and preserving affordable housing, as well as the provision of supportive services for special needs and low-income residents, with a particular focus on 30% AMI populations.

Recommendation No. 4.

Look at affordable housing as a regional problem and work with surrounding areas to achieve a more balanced approach. This necessarily means greater alignment with the Colorado Housing and Finance Authority (CHFA) and the State Department of Housing.

Recommendation No. 5.

Include a high percentage of new or renovated affordable rental housing in Transit Oriented Development.

Recommendation No. 6.

Adopt a formal housing plan which incorporates the core values of the Mayor's Housing Task Force but is flexible enough to respond to changing market conditions.

Recommendation No. 7.

Create an advisory committee that assists in an annual review and goal setting of the housing plan.

Although these six recommendations are the consensus priority of the Housing Task Force, numerous recommendations worthy of mention were offered. The full set of recommendations is appended to this report.



APPENDIX A.

Denver Background Economic and Housing Data

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Denver Housing Task Force

Background Economic and Housing Data



PRESENTED BY



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PRESENTED TO:

City and County of Denver Housing Plan Task Force

March 1, 2012 Meeting



Denver Today

- **Mayor Hancock aims to create a “world class city where everyone matters.” A balanced, inclusive housing market is key to reaching this goal.**
- **This presentation presents data to inform the Housing Task Force and the Housing Plan.**





Denver Today: Population



- Until 2005, Denver County was the largest in Colorado. As of 2010, El Paso County exceeded Denver's population by 21,000 people (606,000 v. 627,000).
- Denver remains the metro area's largest county with 28% of the metro area population. The next largest is Arapahoe County, with 30,700 fewer people than Denver County (26% of metro area population).



Denver Today: Population

2000 and 2010 July Population, Denver and Metro Counties

	July 2000	July 2010	Total Growth	Compound Annual Growth
Denver County	556,738	605,722	8.8%	0.8%
Adams County	351,735	443,715	26.2%	2.4%
Arapahoe County	490,722	575,022	17.2%	1.6%
Boulder County	276,255	295,487	7.0%	0.7%
Broomfield County	38,544	56,135	45.6%	3.8%
Douglas County	180,510	287,152	59.1%	4.8%
Jefferson County	526,718	535,533	1.7%	0.2%
Total	1,864,484	2,193,044	17.6%	1.6%

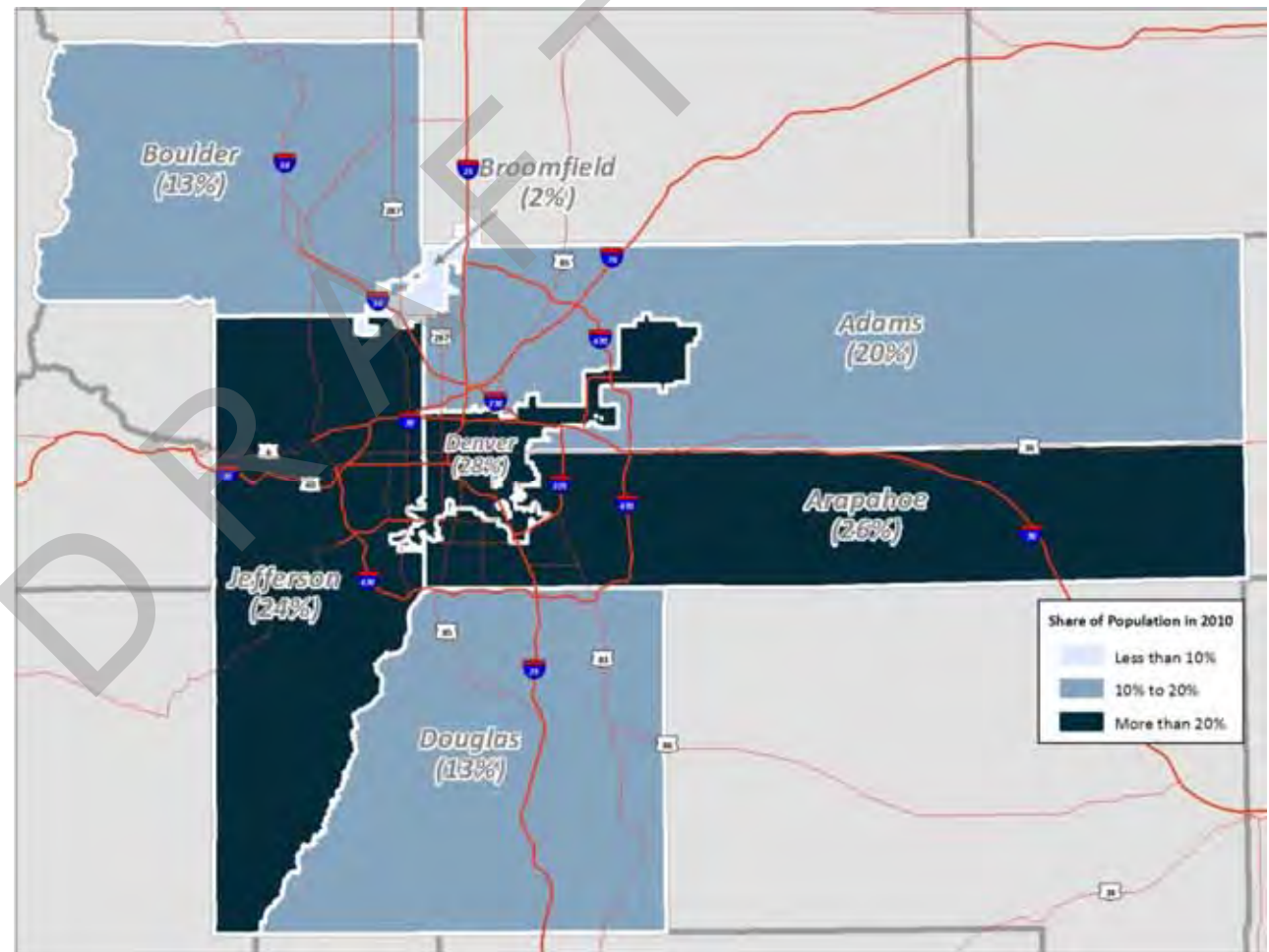
Source: Colorado Department of Local Affairs.



Population Distribution

Population Distribution in 7-County area, 2010

Source:
Colorado Department of Local Affairs.





Denver Today: Population Change

- In 2009, Denver experienced the highest net growth since 1993 (a gain of 13,670 people).
- The three year period 2008-2010 showed the highest consistent growth in the last 25 years. The city gained 35,000 new residents. Next highest was 1999-2001, a gain of 30,000 residents.



Denver Today: Population Change

- **Natural increase—more births than deaths—is the reason Denver has grown in the past 25 years. The city has added 125,000 residents through natural increase. Since 1985, Denver lost 16,000 people to net migration.**
- **Between 2000 and 2010, net migration resulted in a decline of 4,500 residents.**
- **Net migration has been positive since 2006.**



Denver Today: Population Change

Components of Change, Denver, 1985 to 2010

Year	Births	Deaths	Natural Increase	Net Migration	Total Change	<i>cont'd</i>	Births	Deaths	Natural Increase	Net Migration	Total Change
1985	8,952	4,541	4,411	(4,595)	(184)	1999	9,183	4,483	4,700	7,411	12,111
1986	9,183	4,624	4,559	(3,976)	583	2000	9,544	4,390	5,154	6,069	11,223
1987	8,856	4,509	4,347	(11,087)	(6,740)	2001	10,297	4,310	5,987	575	6,562
1988	8,375	4,458	3,917	(14,569)	(10,652)	2002	10,278	4,444	5,834	(10,044)	(4,210)
1989	8,252	4,415	3,837	(10,674)	(6,837)	2003	10,404	4,234	6,170	(4,912)	1,258
1990	8,633	4,389	4,244	(9,175)	(4,931)	2004	10,269	4,318	5,951	(6,069)	(118)
1991	8,548	4,450	4,098	3,231	7,329	2005	10,436	4,278	6,158	(6,929)	(771)
1992	8,807	4,565	4,242	8,833	13,075	2006	10,134	4,194	5,940	(2,537)	3,403
1993	8,611	4,670	3,941	9,136	13,077	2007	10,084	4,134	5,950	1,625	7,575
1994	8,401	4,711	3,690	(776)	2,914	2008	10,169	4,183	5,986	5,480	11,466
1995	8,062	4,886	3,176	298	3,474	2009	10,184	4,134	6,050	7,620	13,670
1996	8,349	4,731	3,618	6,914	10,532	2010	9,716	4,229	5,487	4,662	10,149
1997	8,594	4,684	3,910	5,277	9,187	Total	240,929	115,612	125,317	(16,208)	109,109
1998	8,608	4,648	3,960	2,004	5,964						

Source: Colorado Department of Local Affairs.



Denver Today: Race and Ethnicity

Race and Ethnicity and Change, Denver, 2000 to 2010

Source:
2000 and 2010 Census.

	2000		2010		2000-2010	
	Number	Percent	Number	Percent	Change in Proportion	Numerical Change
Race						
American Indian and Alaska Native	7,290	1.3%	8,237	1.4%	0.1%	947
Asian	15,611	2.8%	20,433	3.4%	0.6%	4,822
Black or African American	61,649	11.1%	61,435	10.2%	-0.9%	(214)
Native Hawaiian and Other Pacific Islander	648	0.1%	607	0.1%	0.0%	(41)
White	362,180	65.3%	413,696	68.9%	3.6%	51,516
Some Other Race	86,464	15.6%	71,191	11.9%	-3.7%	(15,273)
Two or More Races	20,794	3.7%	24,559	4.1%	0.3%	3,765
Ethnicity						
Hispanic or Latino (of any race)	175,704	37.9%	190,965	37.9%	0.0%	15,261
Non-Hispanic White	287,997	62.1%	313,012	62.1%	0.0%	25,015

- Unlike many urban areas, Denver has added more White and non-Hispanic residents than residents of other races and Hispanic ethnicity. (Some of the “growth” in White population is due to a reclass from Some Other Race).
- The proportion of persons of Hispanic descent in Denver did not change between 2000 and 2010.



Denver Today: Race and Ethnicity

Race and Ethnicity and Change, Denver and Comparable Cities, 2000 and 2010

	Non-Hispanic White			Black or African American			Hispanic		
	2000	2010	Difference	2000	2010	Difference	2000	2010	Difference
Denver, CO	51.9%	52.2%	0.2%	11.1%	10.2%	-0.9%	31.7%	31.8%	0.1%
Albuquerque, NM	49.9%	42.1%	-7.8%	3.1%	3.3%	0.2%	39.9%	46.7%	6.8%
Austin, TX	52.9%	48.7%	-4.2%	10.0%	8.1%	-1.9%	30.5%	35.1%	4.6%
Las Vegas, NV	58.0%	47.9%	-10.1%	10.4%	11.1%	0.7%	23.6%	31.5%	7.9%
Minneapolis, MN	62.5%	60.3%	-2.2%	18.0%	18.6%	0.6%	7.6%	10.5%	2.8%
Phoenix, AZ	55.8%	46.5%	-9.3%	5.1%	6.5%	1.4%	34.1%	40.8%	6.7%
Portland, OR	75.5%	72.2%	-3.2%	6.6%	6.3%	-0.4%	6.8%	9.4%	2.6%
San Diego, CA	49.4%	45.1%	-4.3%	7.9%	6.7%	-1.1%	25.4%	28.8%	3.4%

Source: 2000 and 2010 Census.



Denver Today: Household Composition

- Of Denver's total households, 41% are people living alone; 17% are people living with roommates, unrelated individuals, others.
- Another 24% are households with children (15% married couples; 9% single parents).

Household Composition, Denver and Metro Counties, 2010

	Denver County		Metro Area					
	Number	Percent	Adams County	Arapahoe County	Boulder County	Broomfield County	Douglas County	Jefferson County
Total households	263,107		153,764	224,011	119,300	21,414	102,018	218,160
Living alone	106,828	40.6%	22.3%	28.0%	29.0%	23.9%	18.0%	27.4%
Married without children	45,335	17.2%	23.6%	24.9%	24.9%	28.7%	30.1%	29.9%
Married with children	40,412	15.4%	27.5%	23.6%	21.5%	28.2%	37.0%	21.2%
Single Parents	24,636	9.4%	13.1%	11.1%	7.3%	7.9%	7.5%	8.9%
Other Living Arrangement	45,896	17.4%	13.5%	12.5%	17.3%	11.2%	7.4%	12.6%

Source: 2010 Census.



Denver Today: Household Composition

- Denver's household composition has not changed since 2000.

Household Composition, Denver, 2000 and 2010

Source: 2000 and 2010 Census.

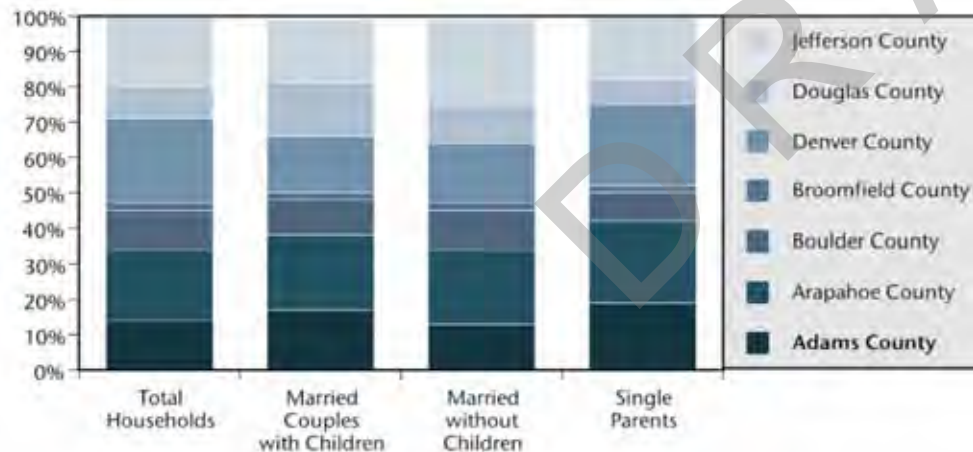
	2000	2010	2000-2010 Change
Total households	239,235	263,107	
Living alone	39.3%	40.6%	1.3%
Married without children	18.7%	17.2%	-1.4%
Married with children	16.0%	15.4%	-0.7%
Single Parents	9.8%	9.4%	-0.4%
Other Living Arrangement	16.2%	17.4%	1.2%



Denver Today: Household Composition

- In the metro area overall, Douglas County has disproportionately more married couples with children; Adams County has disproportionately more single parents; and Denver has disproportionately fewer married couples.

Distribution of Households by Type, Metro Area Counties, 2010



	Total Households	Married Couples with Children	Married without Children	Single Parents
Denver County	23.9%	16.1%	16.8%	23.0%
Adams County	14.0%	16.8%	13.5%	18.8%
Arapahoe County	20.3%	21.0%	20.7%	23.2%
Boulder County	10.8%	10.2%	11.0%	8.2%
Broomfield County	1.9%	2.4%	2.3%	1.6%
Douglas County	9.3%	15.0%	11.4%	7.1%
Jefferson County	19.8%	18.4%	24.2%	18.1%

Source: 2000 and 2010 Census.



Denver Today: Income

- Denver median household income has increased since 1999 in actual, but not real, dollars. African Americans and persons of Hispanic descent experienced the greatest declines.**

Median Household Income, Denver, 1999 and 2010

	1999	1999*	2010	Percent Change	Percent Real Change
All Households	\$ 39,317	\$ 51,460	\$ 45,074	14.6%	-12.4%
Race					
American Indian and Alaska Native	\$ 31,900	\$ 41,753	\$ 34,758	9.0%	-16.8%
Asian	\$ 36,184	\$ 47,360	\$ 39,395	8.9%	-16.8%
Black or African American	\$ 30,775	\$ 40,280	\$ 29,306	-4.8%	-27.2%
Native Hawaiian and Other Pacific Islander	\$ 29,458	\$ 38,556	\$ 53,750	82.5%	39.4%
White	\$ 42,145	\$ 55,162	\$ 50,610	20.1%	-8.3%
Some other race	\$ 32,846	\$ 42,991	\$ 32,883	0.1%	-23.5%
Two or more races	\$ 31,299	\$ 40,966	\$ 36,027	15.1%	-12.1%
Ethnicity					
Hispanic or Latino	\$ 32,636	\$ 42,716	\$ 32,870	0.7%	-23.0%
White alone, not Hispanic or Latino	\$ 44,022	\$ 57,619	\$ 54,385	23.5%	-5.6%

Note: Per BLS, inflation between 1999 and 2010 was approximately 31%. *Adjusted for inflation.

Sources: 2010 1-Year ACS and 2000 Census; BLS Inflation Calculator.



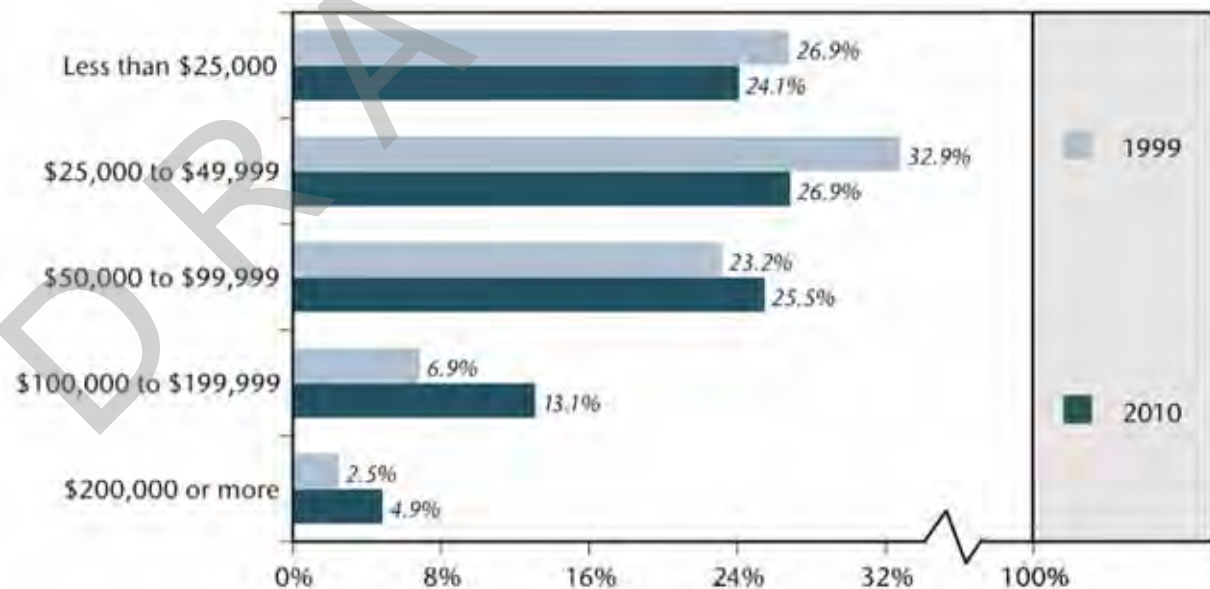
Denver Today: Income

- The proportion of households by income category has changed little since 1999 for many income categories. There has been some shift upwards into higher income brackets.

Shifts in Income Categories, Denver, 1999 and 2010

Sources:

2010 1-Year ACS and 2000 Census.





Denver Today: Poverty

- Consistent with national trends, Denver's poverty rate increased significantly between 2000 and 2010. The city's population of those living below poverty increased by 50,000.

Trends in Poverty Rates by Age, Denver, 1989, 1999, 2004, 2010

Age	1989		1999		2004		2010	
	Number	Percent of Total in Poverty	Number	Percent of Total in Poverty	Number	Percent of Total in Poverty	Number	Percent of Total in Poverty
Under 5 years	9,890	13%	7,553	10%	14,657	18%	16,843	13%
5 years	1,709	2%	1,395	2%	1,291	2%	2,701	2%
6 to 11 years	9,478	12%	8,399	11%	11,984	15%	12,308	10%
12 to 17 years	6,422	8%	7,293	9%	5,000	6%	9,739	8%
18 to 64 years	43,166	55%	47,346	61%	45,514	56%	76,709	60%
65 to 74 years	3,774	5%	2,805	4%	1,533	2%	5,421	4%
75 years and over	4,076	5%	3,022	4%	1,969	2%	4,033	3%
Total	78,515	100%	77,813	100%	81,948	100%	127,754	100%
Poverty Rate:	17%		14%		15%		22%	

Sources: 2010 and 2004 American Community Survey and 1999 and 2000 Censuses.

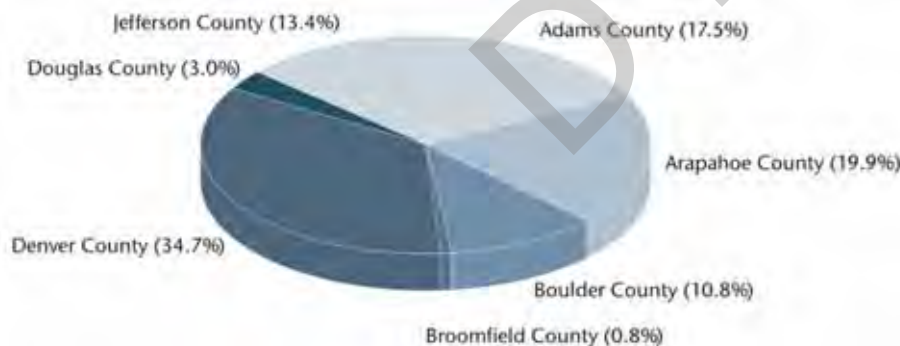


Denver Today: Poverty

- Denver is home to 35% of the metro area region’s poor, compared to 28% of the overall population.
- Brookings Institution study on housing choice voucher recipients (*“The Suburbanization of Housing Choice Voucher Recipients”*) found 64.5% of the metro area population in the suburbs compared to 46.2% of the poor. This is related to the 46.4% of fair market rent units and 47.9% of vouchers located in the suburbs.

Poverty in Seven-County Area, 2008-2010

Sources: 2008-2010 3 year ACS.



	Total Population	Below Poverty	Percent Below Poverty	Distribution of Poverty
Denver County	578,486	114,305	19.8%	34.7%
Adams County	430,590	57,636	13.4%	17.5%
Arapahoe County	557,989	65,538	11.7%	19.9%
Boulder County	282,480	35,772	12.7%	10.8%
Broomfield County	54,679	2,490	4.6%	0.8%
Douglas County	280,294	9,782	3.5%	3.0%
Jefferson County	525,365	44,329	8.4%	13.4%
Total	2,709,883	329,852	12.2%	100.0%



Denver Today: Education

- **Denver is in the middle for educational attainment compared to other areas.**

Educational Attainment, Denver and Metro Area Counties, 2008-2010

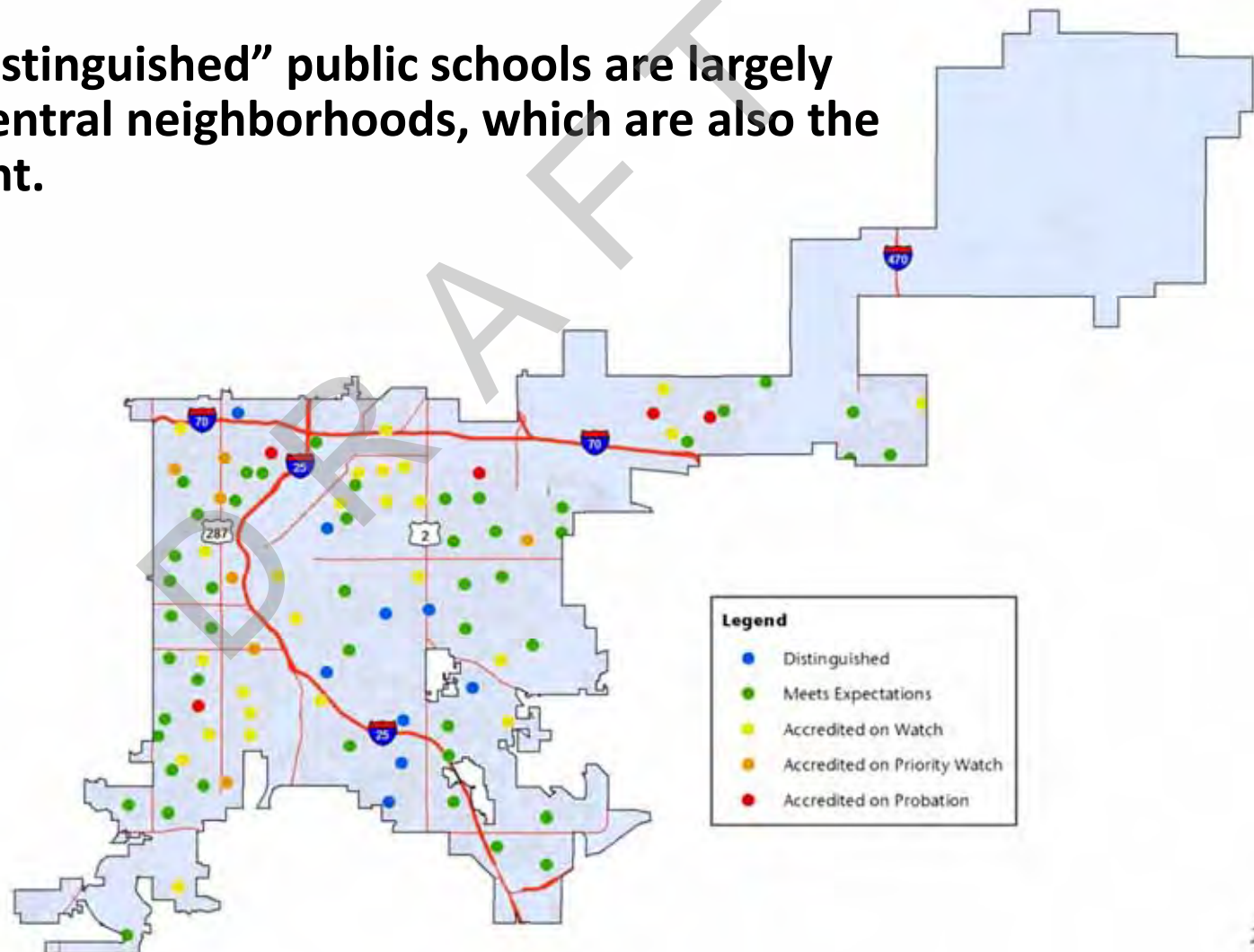
Sources: 2008-2010 3 year ACS.

	2008-2010 3 year ACS	
	<i>Percent with bachelor's degree or higher</i>	<i>Percent without high school diploma (or equivalency)</i>
Denver County	40.6%	15.8%
Adams County	20.5%	19.4%
Arapahoe County	38.2%	9.3%
Boulder County	57.9%	6.3%
Broomfield County	44.0%	5.5%
Douglas County	54.7%	2.4%
Jefferson County	40.2%	6.8%



Denver Today: Education

- Denver's "distinguished" public schools are largely located in central neighborhoods, which are also the most affluent.





Denver Today: Homeownership

- **The 2010 Census estimates Denver's homeownership rate at 50%, just slightly lower than 52% in 2000.**
- **More than half of the city's renters earn less than \$30,000 (44% earn less than \$25,000) and are unlikely candidates for homeownership in the short term.**
- **35,000 renters earn \$50,000 and more; 17,500 earn \$75,000 and more—these are target homeowners.**



Denver Today: Homeownership

Renters and Owners by Income, Denver, 2010



	Renters	Owners	Total
Median Household Income	\$28,978	\$68,971	\$45,074
Less Than \$25,000	57,450	18,996	76,446
\$25,000 to \$37,499	22,330	13,582	35,912
\$37,500 to \$49,999	15,283	13,812	29,095
\$50,000 to \$74,999	17,738	24,185	41,923
\$75,000 to \$149,999	14,250	39,502	53,752
\$150,000 or more	3,252	21,713	24,965
Total	130,303	131,790	262,093

Notes: HUD AMI was \$75,900 in 2010 and \$79,300 in 2012; \$25,000 is approximately 30% AMI; and \$37,500 is approximately 50% AMI.

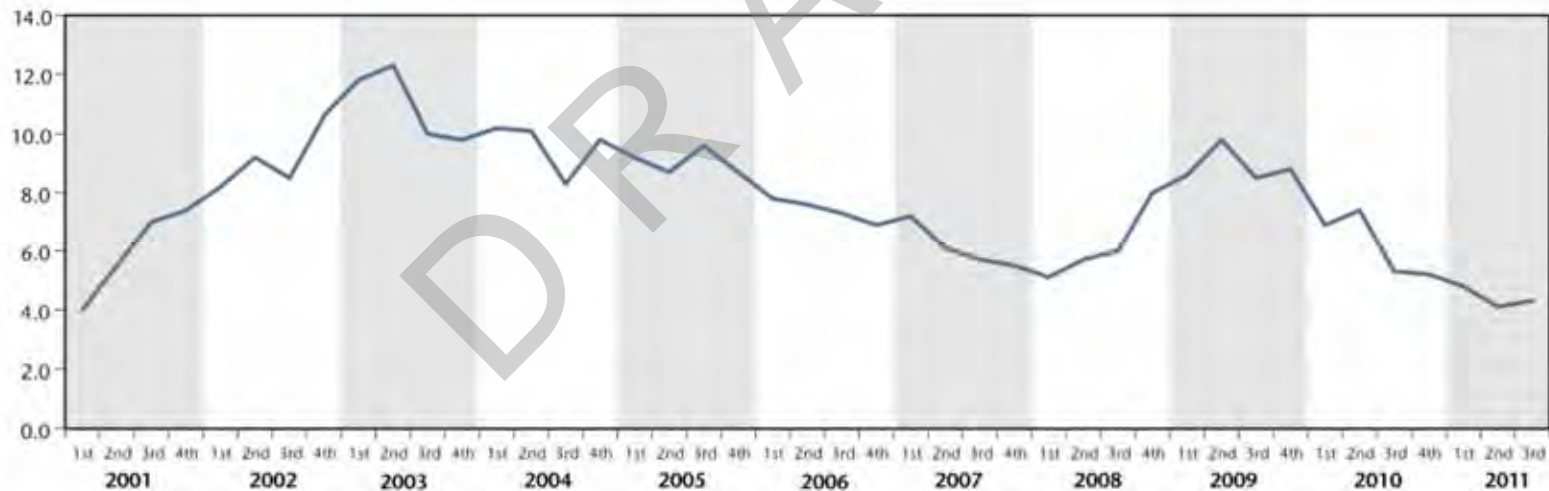
Source: 2010 1-yr ACS.



Denver Today: Rental Market

- According to the Apartment Association of Metro Denver, the 3Q11 apartment vacancy for Denver was 4.3%. Vacancy rates have hit the lowest levels since 1Q00.

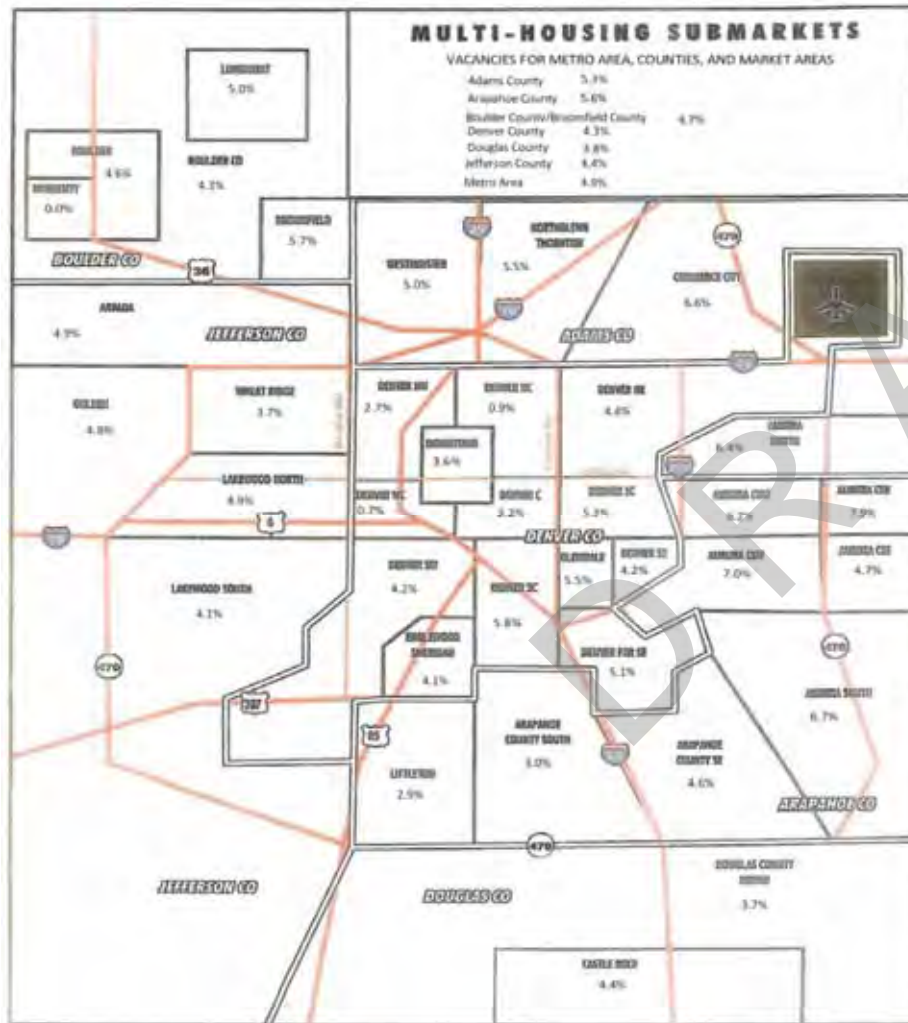
Rental Vacancy by Market Area, Denver, 1Q01 to 3Q11



Source: Apartment Association of Metro Denver, 3Q11 Vacancy Survey.



Denver Today: Rental Market



- North Central and West Central Denver—as well as the University area in Boulder—reported vacancy rates of less than 1% in 3Q11.

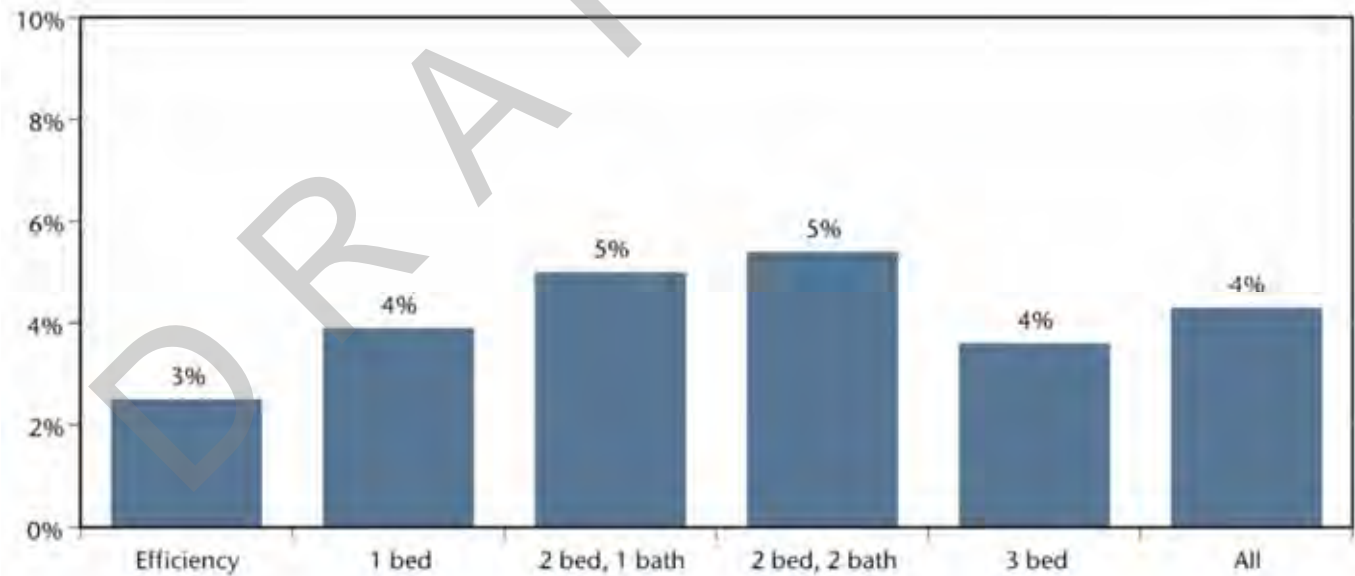


Denver Today: Rental Market

- Vacancy rates are lowest for the smallest and largest apartments.

Rental Vacancy by Size of Unit, Denver, 3Q11

Source:
Apartment Association of
Metro Denver, 3Q11
Vacancy Survey.



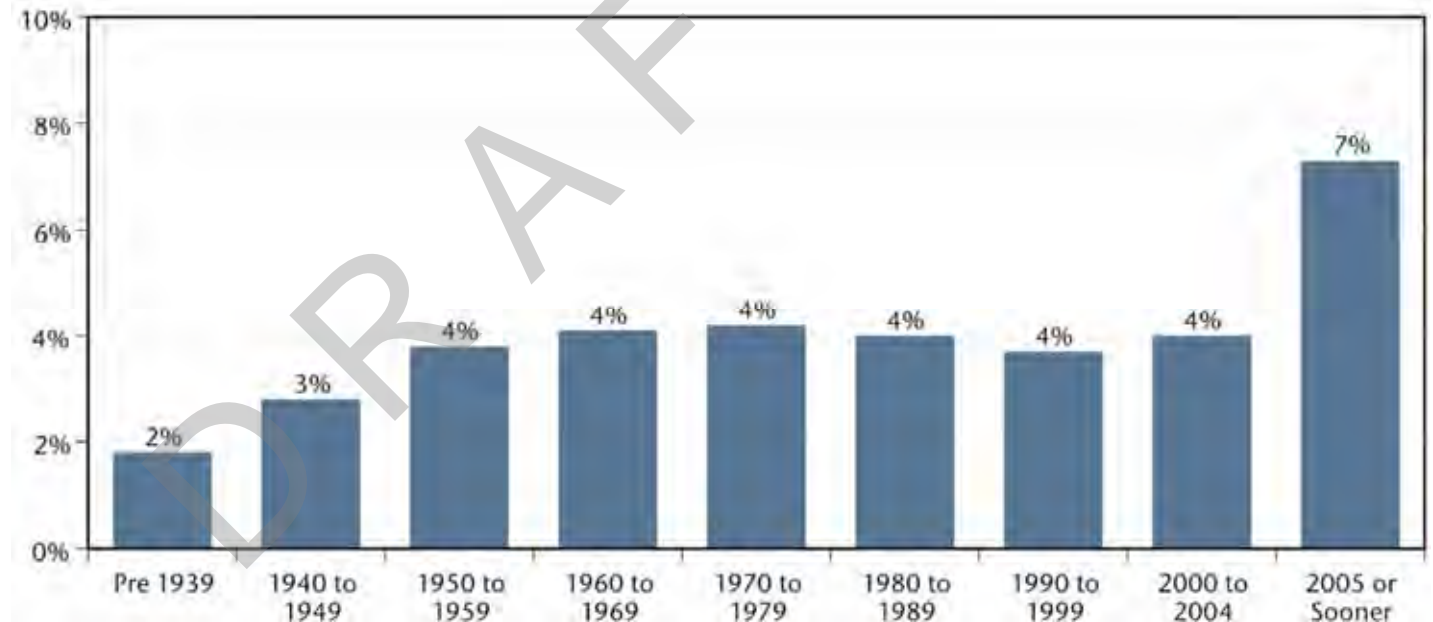


Denver Today: Rental Market

- Vacancy rates are lowest for the oldest apartments.

Rental Vacancy by Age of Unit, Denver 3Q11

Source:
Apartment
Association of Metro
Denver, 3Q11
Vacancy Survey.

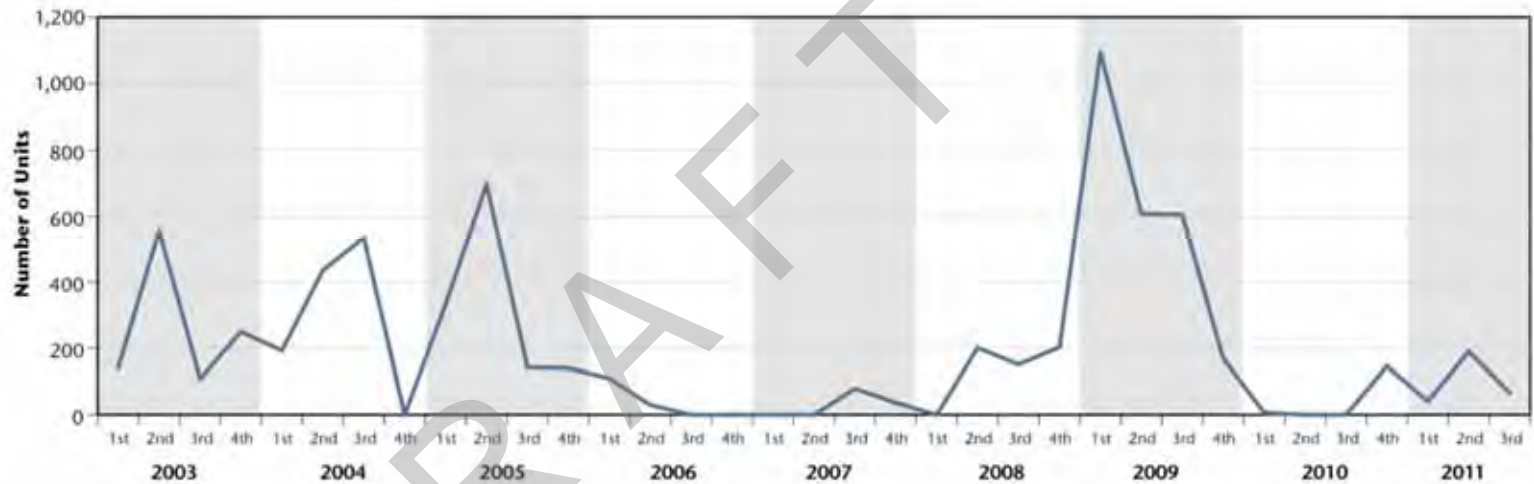




Denver Today: Rental Market

Apartment Units Added, Denver, 2003 to 3Q11

Source:
Apartment Association of Metro Denver, 3Q11 Vacancy Survey.



- Between 2010 and 3Q11, just 450 new apartments were added to the rental inventory according to the Apartment Association.

Year	Quarter	Units Added	<i>continued</i>	Quarter	Units Added	<i>continued</i>	Quarter	Units Added
2003	1 st	141	2006	1 st	110	2009	1 st	1,094
	2 nd	556		2 nd	30		2 nd	609
	3 rd	108		3 rd	-		3 rd	605
	4 th	250		4 th	-		4 th	169
2004	1 st	193	2007	1 st	-	2010	1 st	7
	2 nd	436		2 nd	-		2 nd	-
	3 rd	535		3 rd	79		3 rd	-
	4 th	-		4 th	37		4 th	146
2005	1 st	333	2008	1 st	-	2011	1 st	41
	2 nd	698		2 nd	201		2 nd	190
	3 rd	142		3 rd	151		3 rd	66
	4 th	140		4 th	203		TOTAL	7,270



Denver Today: Regional Rental Market

- **Median rent as of 3Q11 was \$853 for Denver (Census reports \$811). Renter incomes needed to increase \$8,000 between 2000 and 2010 to afford the median rent increase. Instead, they were flat.**
- **Median rent in surrounding counties:**
 - \$887 in Adams County,
 - \$845 in Arapahoe County,
 - \$992 in Boulder/Broomfield Counties,
 - \$1,072 in Douglas County,
 - \$838 in Jefferson County, and
 - \$882 for the Metro Denver.
- **By this measure, Denver is the third most affordable county. Jefferson is the most affordable, followed by Arapahoe County.**



Denver Today: Regional Rental Market

- **Denver contains over half all rental units in the metro area priced below \$500 per month and 38% of units under \$1,000 per month. All other counties in the metro area have a disproportionately low share of rentals under \$500 and \$1,000 relative to population.**

Proportion of Units Priced Under \$500 and \$1,000 Compared to Population Percentage

Source:
2010 1-yr ACS, 2010 3-yr ACS
and BBC Research & Consulting.

County	Total Number of Rental Units	Number Priced Under \$500	Share Priced Under \$500	Number of Units Priced Under \$1,000	Share Priced Under \$1,000	Share of Metro Population
Denver County	130,303	16,846	54.5%	88,170	37.9%	27.6%
Adams County	52,048	3,415	11.1%	30,320	13.0%	20.2%
Arapahoe County	80,369	4,754	15.4%	49,374	21.2%	26.2%
Boulder County	45,210	2,655	8.6%	22,222	9.6%	13.5%
Broomfield County	NA	NA	NA	NA	NA	2.6%
Douglas County	18,508	202	0.7%	5,528	2.4%	13.1%
Jefferson County	62,569	3,022	9.8%	37,027	15.9%	24.4%
Total	389,007	30,894	100%	232,641	100%	100%



Denver Today: Homeownership

- **2010 Census reports median home value at \$250,100, up \$84,300 or 51% from 2000. Homeowners would need to earn \$20,000 more in 2010 than in 2000 to afford this increase. Actual increase was \$16,000. Overall, homeowners have been able to absorb price increases better than renters.**
- **2010 Census reports that 31% of owners are cost burdened, compared to 49% for renters. This is up from 26% and 39% in 2000.**



Denver Today: Homeownership

- **According to the MLS, as of 3Q11, the median price of units for sale was:**
 - \$250,868 for a single family detached home
 - \$178,000 for a condominium
 - \$273,500 for a townhome

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Denver Today: Gaps

■ Changes in the Rental Market Gaps since 2005:

- *Rental gaps in 2005:* 25,648
- *Rental gaps in 2010:* 27,253 (an increase of 1,605)
- The number of rental households earning less than \$20,000 increased by 4,188 but 2,583 affordable units were built, resulting in the net increase of 1,605.

■ Changes in the For-Sale Market Gaps since 2005:

- Change in interest rates and downpayment requirements make it difficult to compare by income level. In 2011, 41% of units on the market were priced less than \$200,000 compared to 44% in 2005. 61% were priced less than \$300,000 in 2011 compared to 71% in 2005.



Denver Today: Gaps

Rental Supply and Demand Comparison, Denver, 2010/2011

Source: BBC Research & Consulting.

Income Range	Renters		Maximum Affordable Rent, Including Utilities	Rental Units		Rental Gap
	Number	Percent		Number	Percent	
Less than \$5,000	10,369	8.1%	\$ 125	2,077	1.5%	(8,292)
\$5,000 to \$9,999	11,010	8.6%	\$ 250	6,366	4.6%	(4,644)
\$10,000 to \$14,999	12,816	10.0%	\$ 375	3,858	2.8%	(8,958)
\$15,000 to \$19,999	11,235	8.8%	\$ 500	5,875	4.2%	(5,360)
\$20,000 to \$24,999	11,135	8.7%	\$ 625	16,468	11.9%	5,333
\$25,000 to \$34,999	18,976	14.8%	\$ 875	45,555	32.9%	26,579
\$35,000 to \$49,999	18,057	14.1%	\$ 1,250	35,070	25.3%	17,013
\$50,000 to \$74,999	17,465	13.6%	\$ 1,875	17,472	12.6%	7
\$75,000 or more	<u>17,232</u>	<u>13.4%</u>	\$1,875+	<u>5,685</u>	<u>4.1%</u>	(11,547)
Total/Low Income Gap	128,294	100.0%		138,427	100.0%	(27,253)



Denver Today: Gaps

Housing Supply for Renters Who Want to Buy, Denver, 2010

Source:
BBC Research & Consulting.

<u>Renters who want to buy:</u> Maximum Affordable Home Price	Condos for Sale/Sold,	Detached Single Family Units for Sale/Sold, 2011	Townhouses for Sale/Sold, 2011	Total Homes for Sale/Sold, 2011		Cumulative Percent of Sold Homes, 2010
				Number	Percent	
\$ 19,920	3	2	0	5	0%	0%
\$ 39,840	107	22	10	139	1%	1%
\$ 59,757	193	124	40	357	3%	4%
\$ 79,677	191	245	65	501	4%	9%
\$ 99,597	151	303	66	520	5%	13%
\$ 139,437	318	823	192	1,333	12%	25%
\$ 199,198	340	1,103	283	1,726	15%	40%
\$ 298,799	395	1,488	409	2,292	20%	61%
\$ 298,799 +	680	2,892	884	4,456	39%	100%
Total	2,378	7,002	1,949	11,329	100%	



Denver Today: Purchasing

■ 2005 MLS (sold and for sale):

- 23,968 units sold or for sale—13,959 single family homes, 10,009 condominiums/townhomes/attached homes.

■ 2011 MLS (sold and for sale):

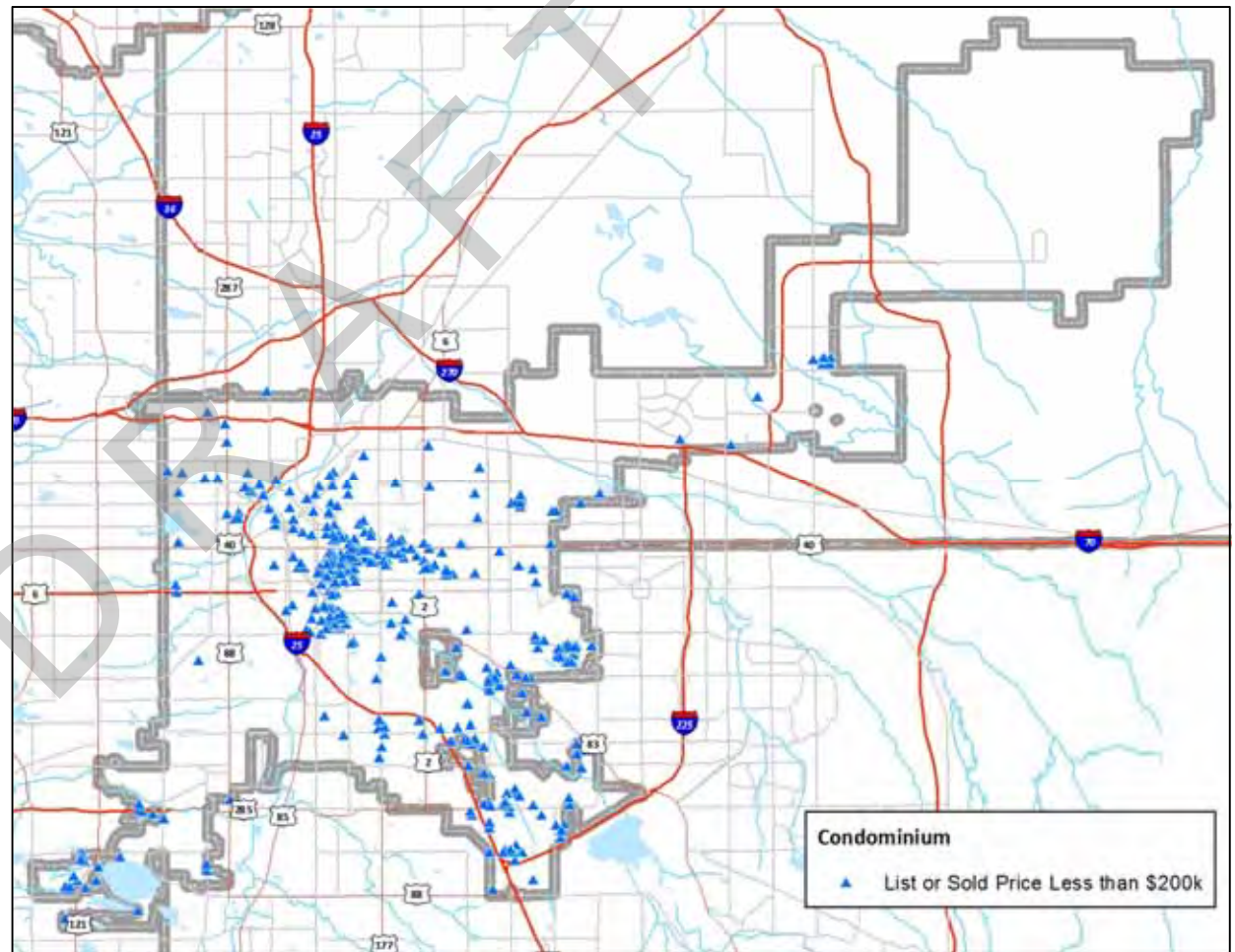
- 11,329 units sold or for sale—7,002 single family homes, 2,378 condominiums, 1,949 townhomes/attached homes.



Denver Today: Purchasing

**Condominium MLS
Price Points that are
Less than \$200,000,
1Q11-3Q11**

Source:
Genesis Group and BBC Research
& Consulting.

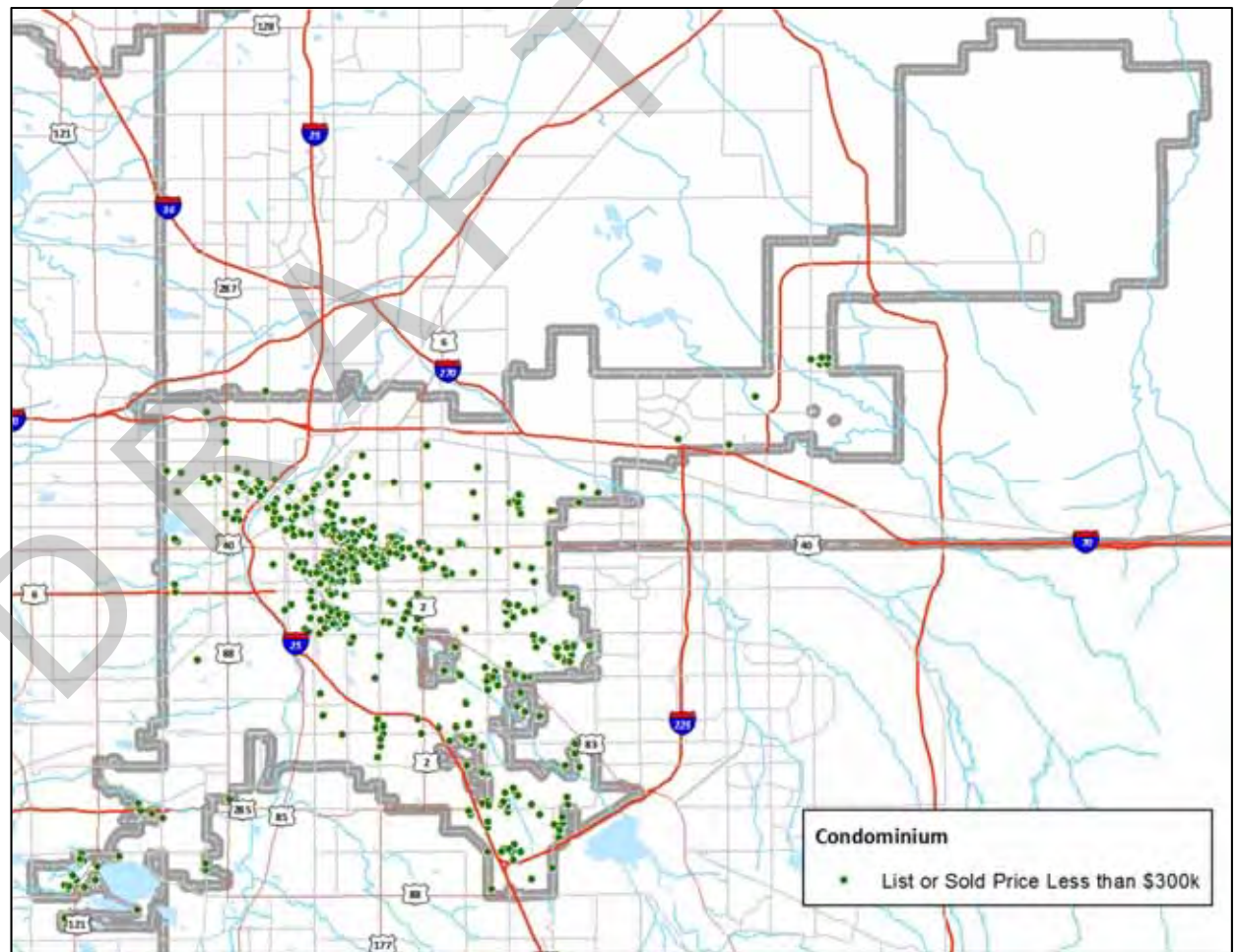




Denver Today: Purchasing

**Condominium MLS
Price Points that are
Less than \$300,000,
1Q11-3Q11**

Source:
Genesis Group and BBC Research
& Consulting.

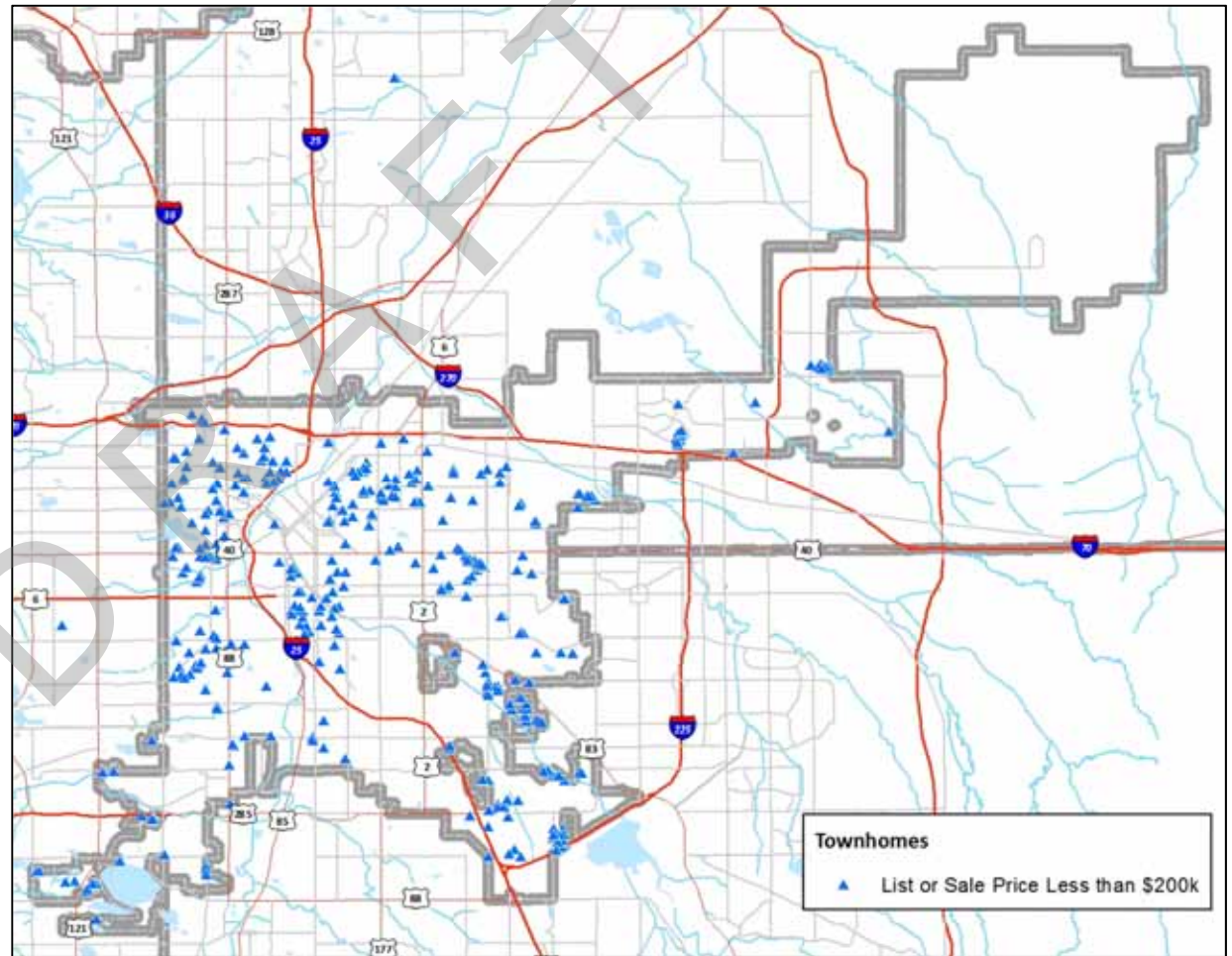




Denver Today: Purchasing

Townhome MLS Price Points that are Less than \$200,000, 1Q11-3Q11

Source:
Genesis Group and BBC Research
& Consulting.

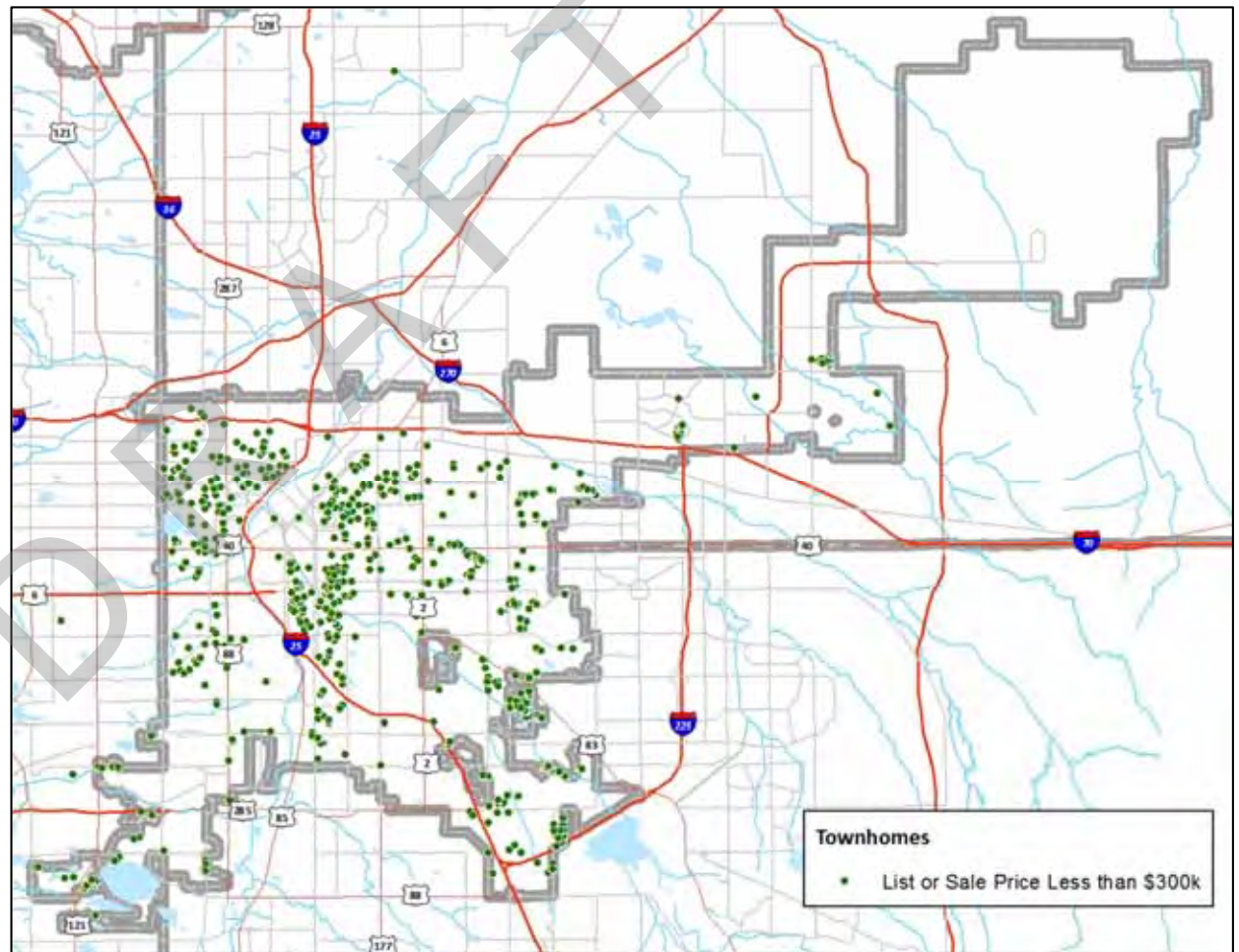




Denver Today: Purchasing

Townhome MLS Price Points that are Less than \$300,000, 1Q11-3Q11

Source:
Genesis Group and BBC Research
& Consulting.

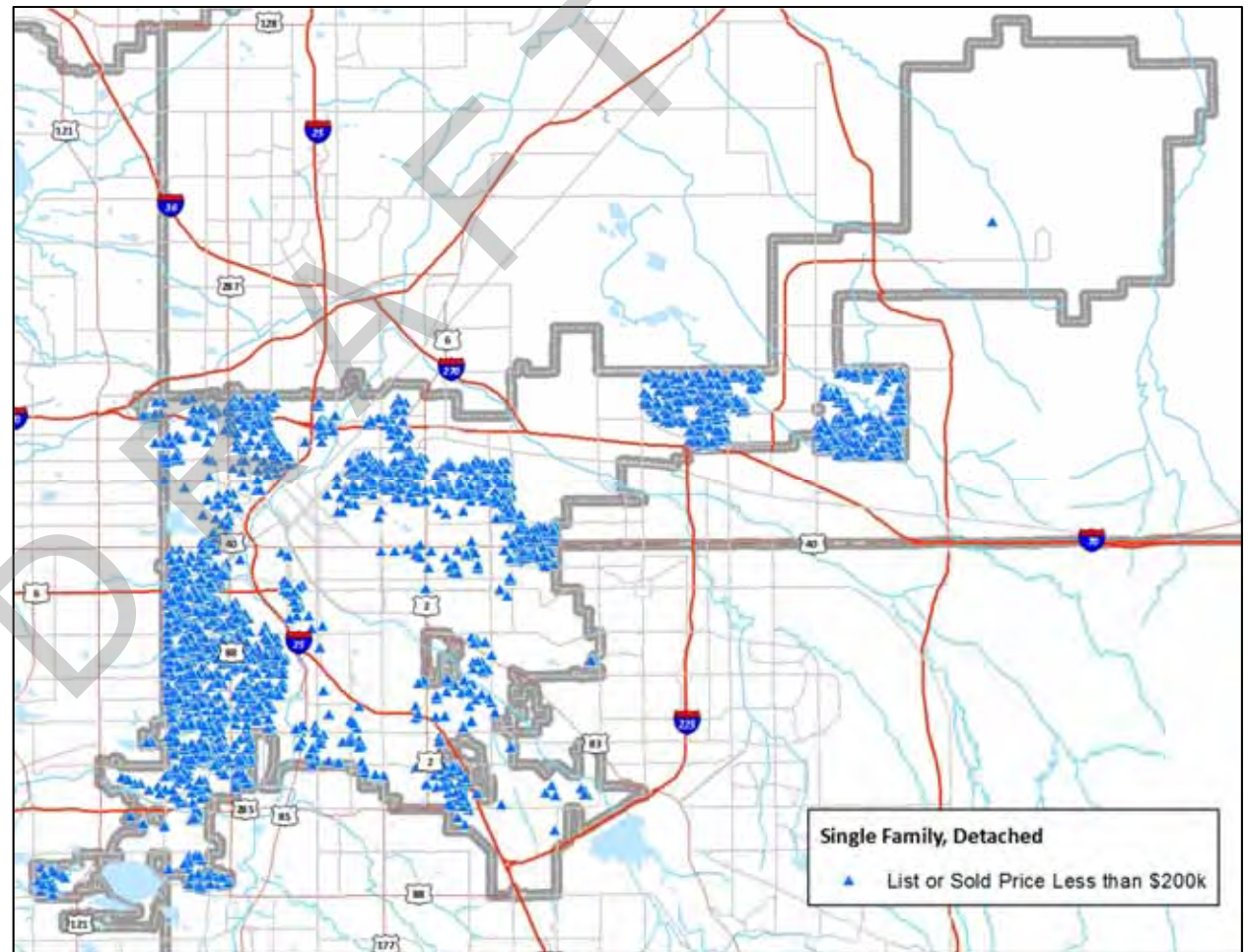




Denver Today: Purchasing

**Single Family, Detached
MLS Price Points that
are Less than \$200,000,
1Q11-3Q11**

Source:
Genesis Group and BBC Research
& Consulting.

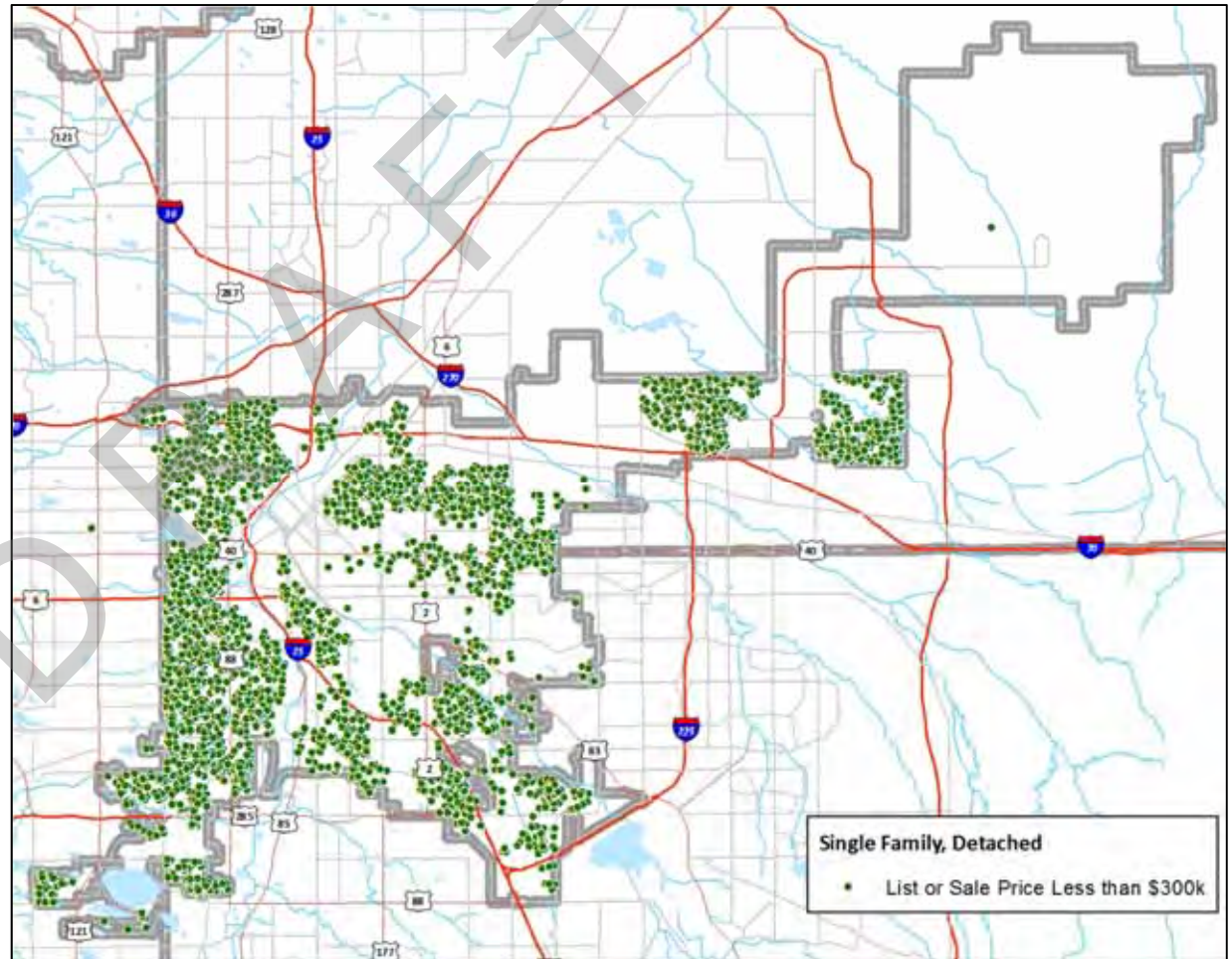




Denver Today: Purchasing

**Single Family, Detached
MLS Price Points that
are Less than \$300,000,
1Q11-3Q11**

Source:
Genesis Group and BBC Research
& Consulting.





Denver Today: Purchasing

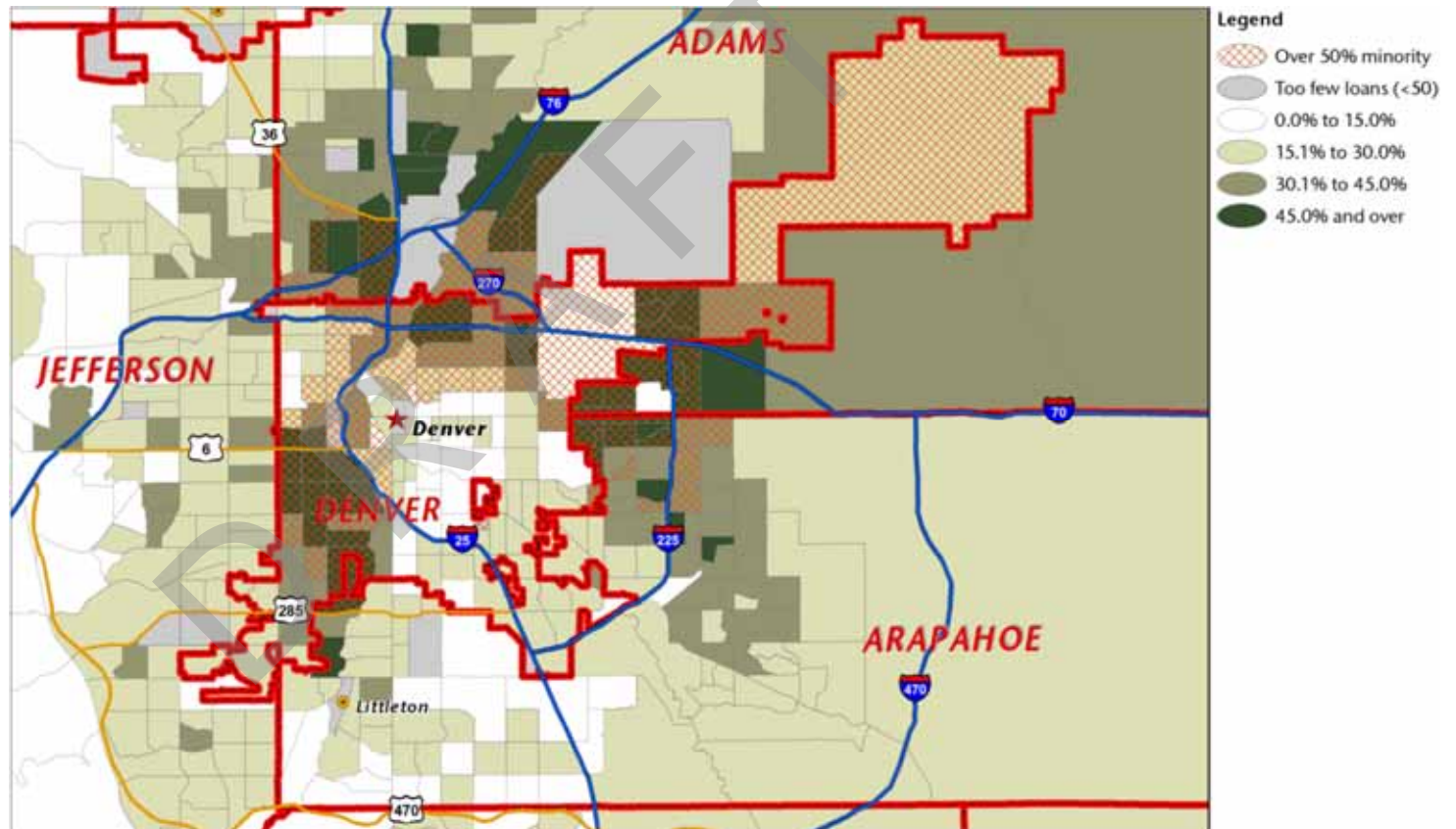
- In 2010, there were approximately 31,100 mortgage loan applications made in Denver. 67% were originated; 16% were denied.
- Denial rates were highest for African Americans (25%), Hispanics (26%) and American Indian/Alaskan Natives (36%). In comparison, Whites and Asians had denial rates of 15% and 17%, respectively.
- Just 1% of loans originated in 2010 were subprime. This compares to 26% in 2006. In 2006, minorities received subprime loans twice as often as Whites, even across income levels.



Denver Today: Purchasing

Census Tracts with Populations over 50 Percent Minority Overlaid on Subprime Loans, 2006

Source:
2006 HMDA, Federal
Financial Institutions
Examination Council and
BBC Research &
Consulting.

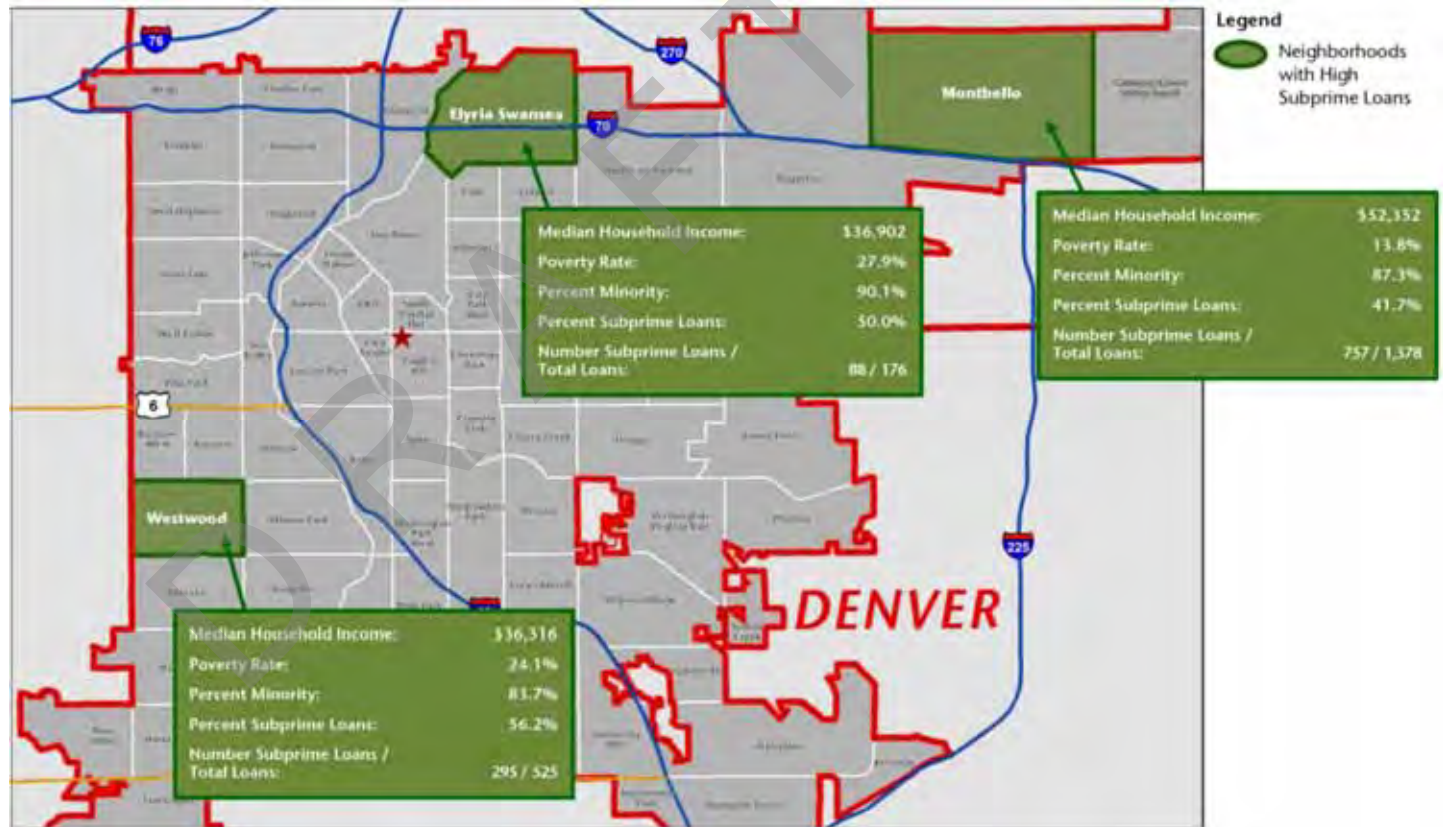




Denver Today: Purchasing

Characteristics of Three High Subprime Neighborhoods, Denver, 2006

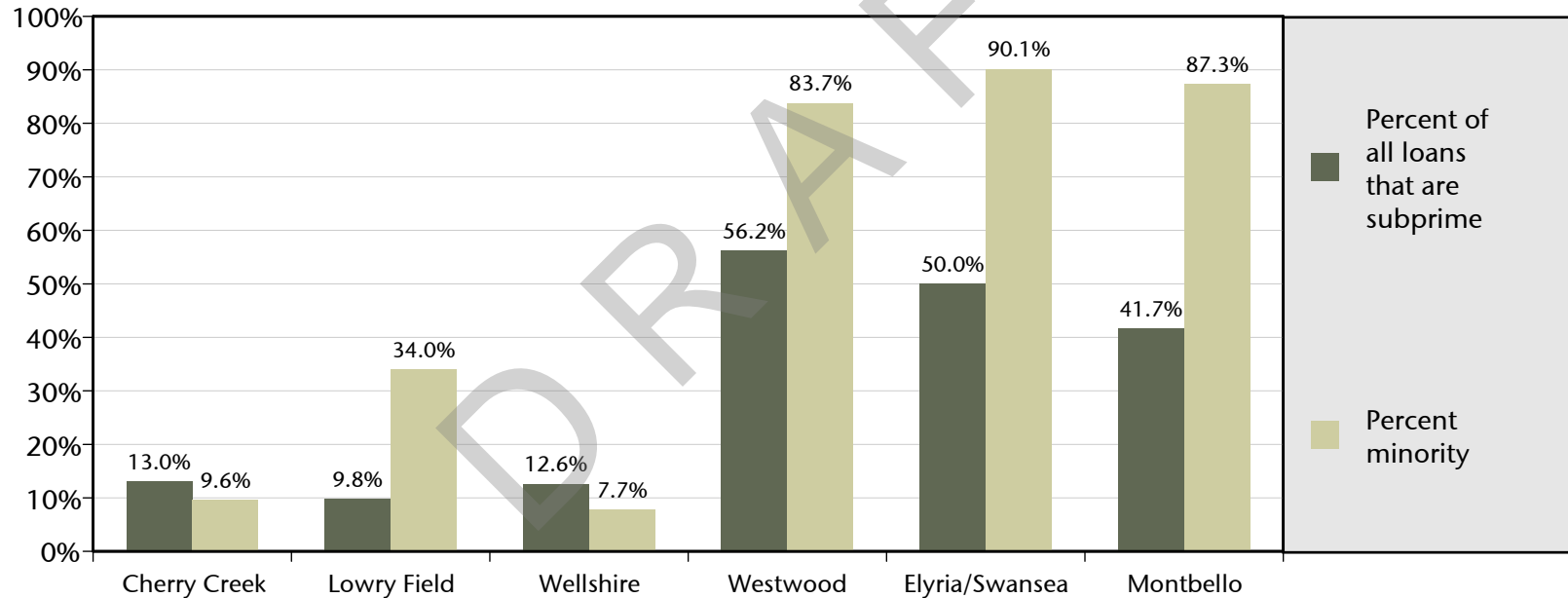
Source:
2006 HMDA, Federal
Financial Institutions
Examination Council and
BBC Research &
Consulting.





Denver Today: Purchasing

Subprime Loans and Minority Representation by Denver Neighborhood, 2006



Source: 2006 HMDA, Federal Financial Institutions Examination Council and BBC Research & Consulting.

APPENDIX B.

OED Budget Structure

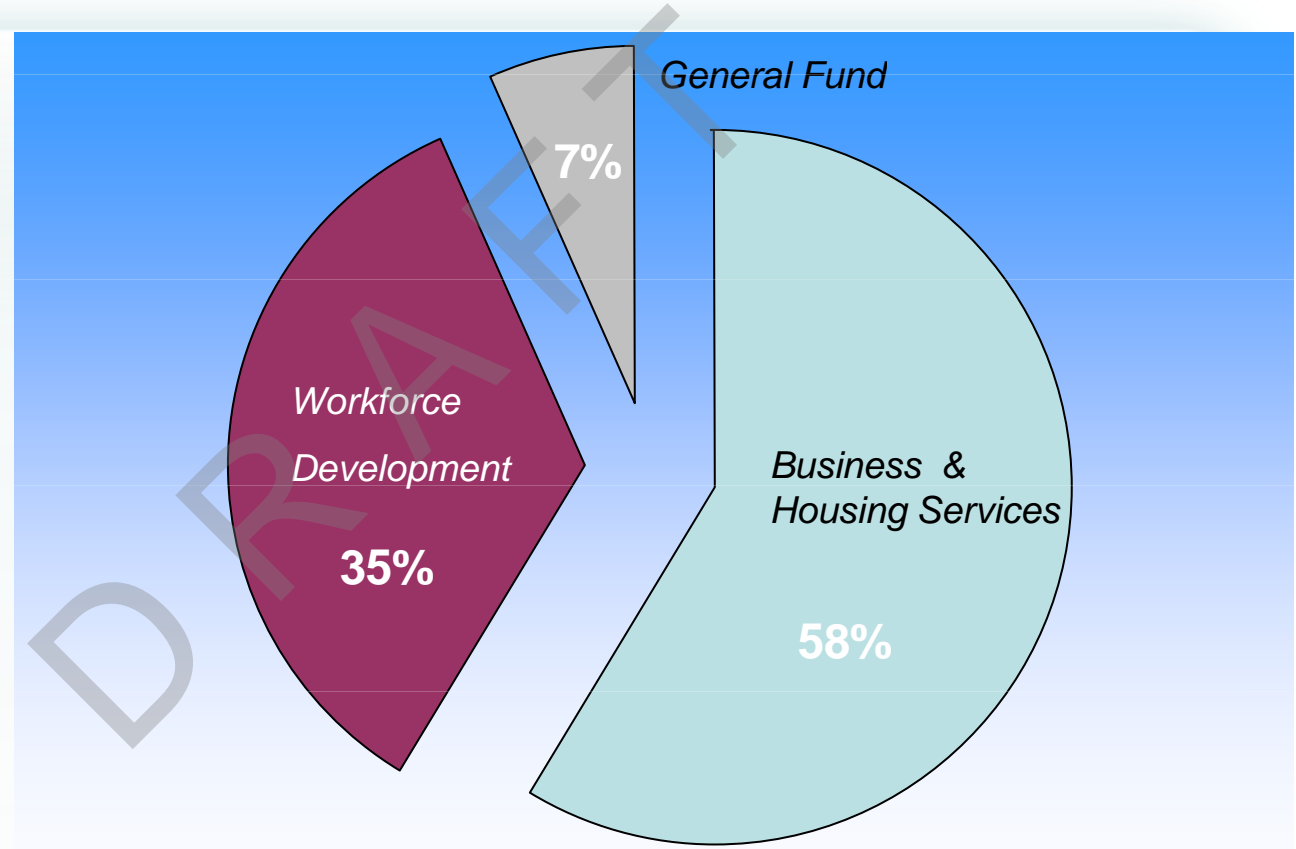
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BUDGET STRUCTURE

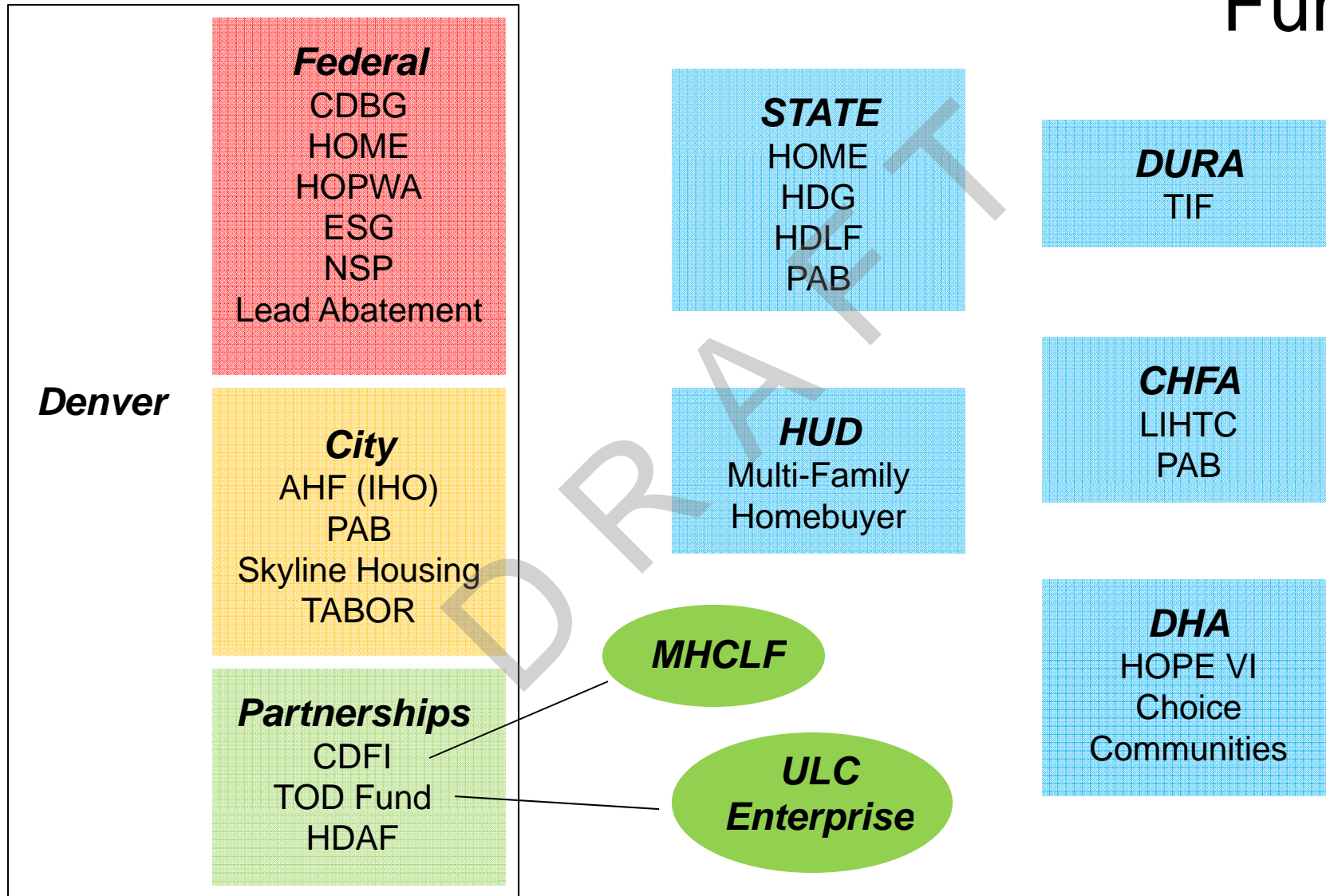
A combination of general and special revenue funds

93% of funds come from federal government and other special revenue funds

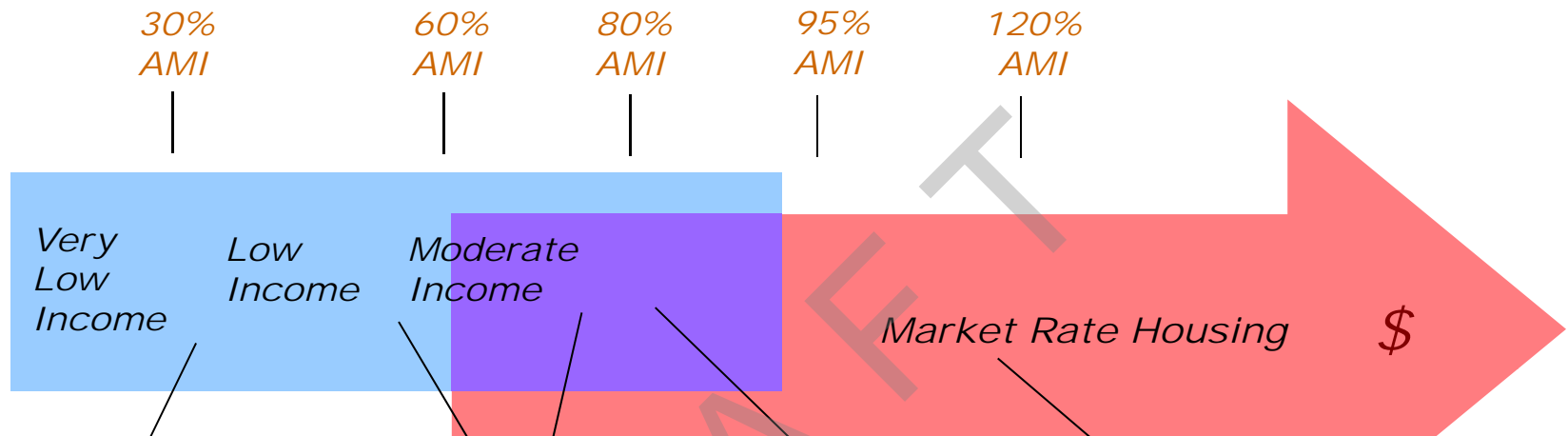
Federal funds have been declining gradually over the years



Citywide Housing Related Funds



Housing Needs & Resources



- Develop & Preserve Housing for Low Income, Elderly, Special Populations**
- DHS-Denver's Road Home
 - Emergency Shelter grants
 - Rental rehab loans
 - CDBG, HOME, HOPWA
 - Home repair deferred loans
 - DHA Sec. 8/Public Housing

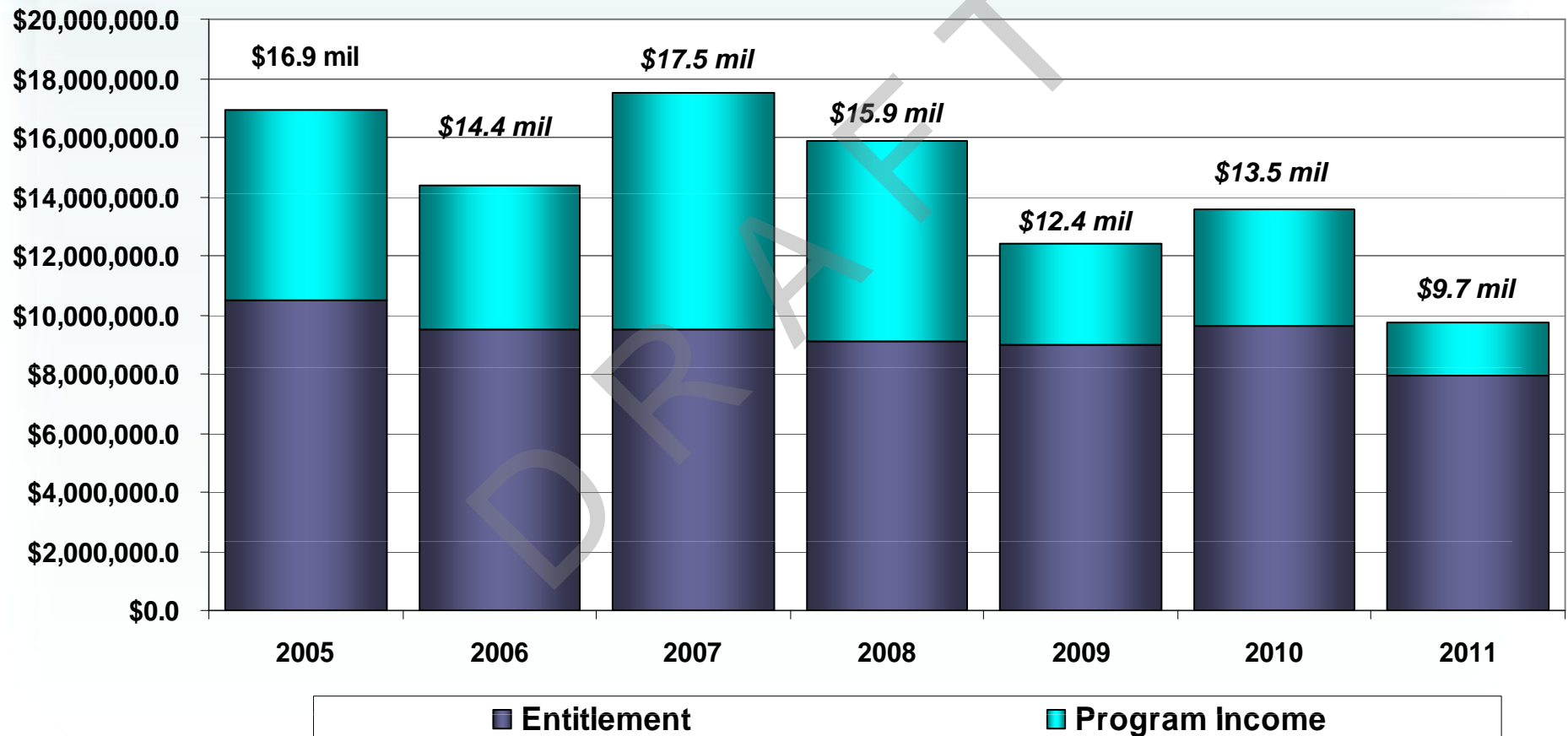
- Workforce Housing**
- LIHTC
 - Private Activity Bonds
 - CDBG & HOME
 - CHFA
 - Special bank products
 - Downpayment assistance

- Affordable Housing Policies to Promote Homeownership**
- Home repair loans
 - CDBG & HOME
 - CHFA
 - Downpayment assistance
 - Neighborhood Stabilization Program
 - Homeowner Counseling

- Private Sector Products to Promote Homeownership**
- Local lender products

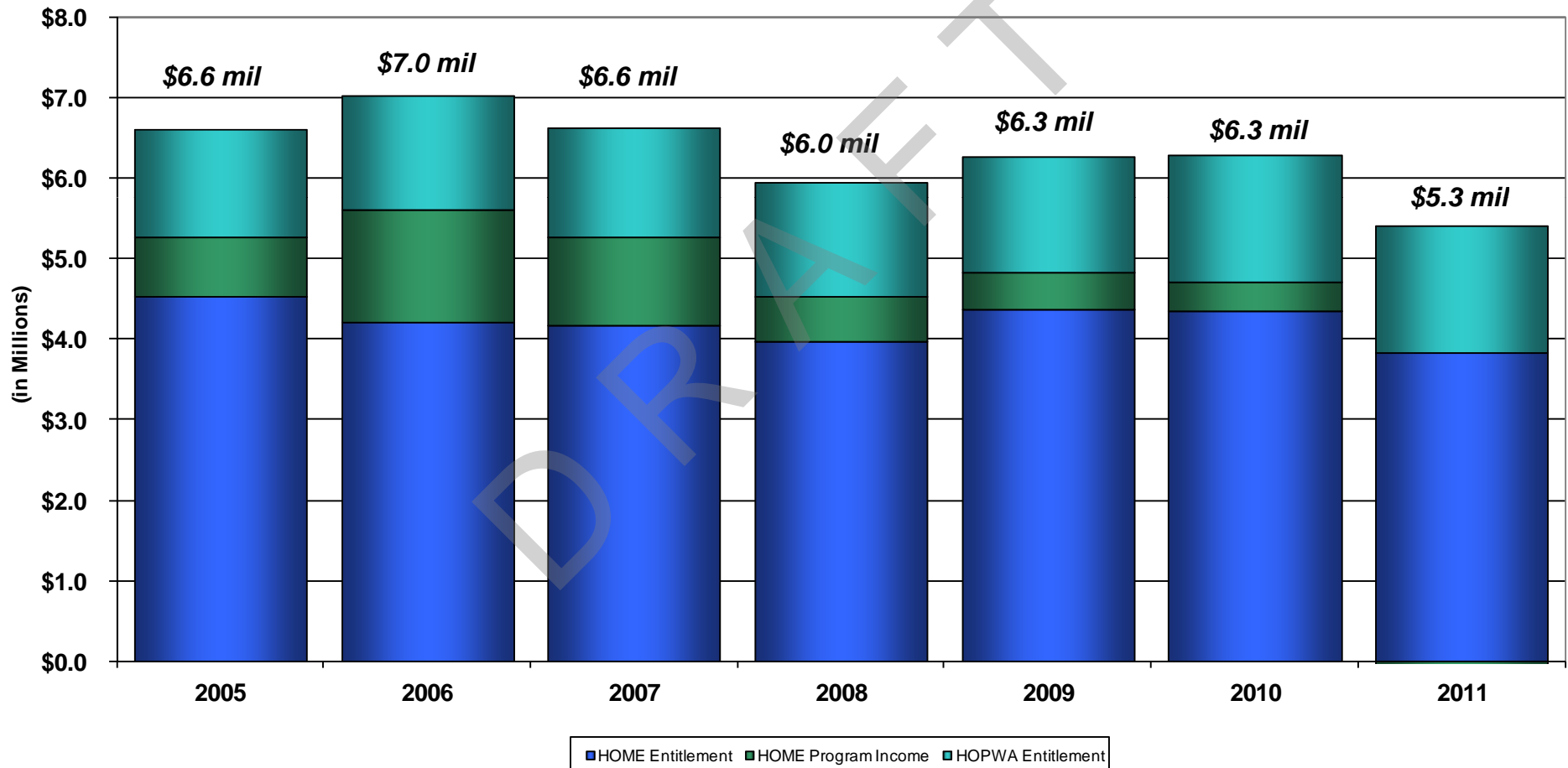


CDBG Funding 2005-11





HOME & HOPWA Funding 2005-11





FY2012 Federal Allocation

Fund	Allocation	% Change from FY'11
CDBG	\$6,980,338	- 12.8%
HOME	\$2,276,485	- 40.16%
HOPWA	\$1,573,947	+0.5%
ESG	\$687,541	+12.9%

OED anticipates additional reductions to the allocation for FY2013

APPENDIX C.

Rental Housing

DRAFT



Denver Housing Task Force

Rental Housing — Presentation No. 2



PRESENTED BY



Heidi Aggeler
Managing Director

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PRESENTED TO:

City and County of Denver Housing Plan Task Force

March 15, 2012 Meeting



Agenda (BBC Presentation)

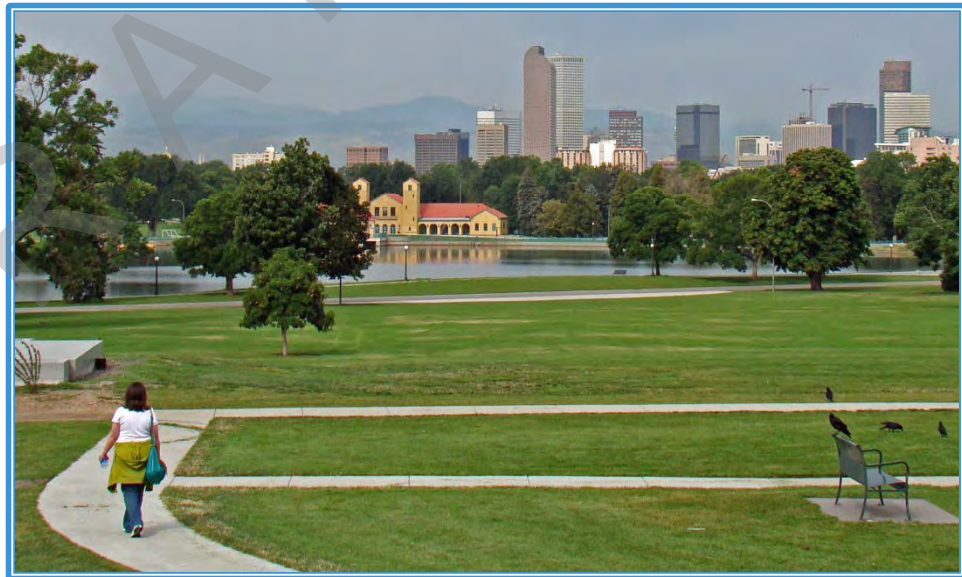
- **Address questions and comments from March 1 meeting:**
 - **How did population change by neighborhood?**
 - **How does Denver's poverty rate compare to peer cities?**
 - **What is the age distribution of Denver residents? How has this changed since 2000?**
 - **What are the characteristics of Denver's renters?**
 - **How has the housing stock changed by neighborhood?**
 - **How much affordable housing stock has been added to the inventory?**
 - **What does that gaps analysis mean? How do we use the information?**
- **I will also review some of the rental housing slides that were only touched on.**



Agenda (BBC Presentation)

- **Items that will be discussed at March 29 meeting:**
 - **For sale supply, location of affordable for sale units**
 - **Foreclosures.**

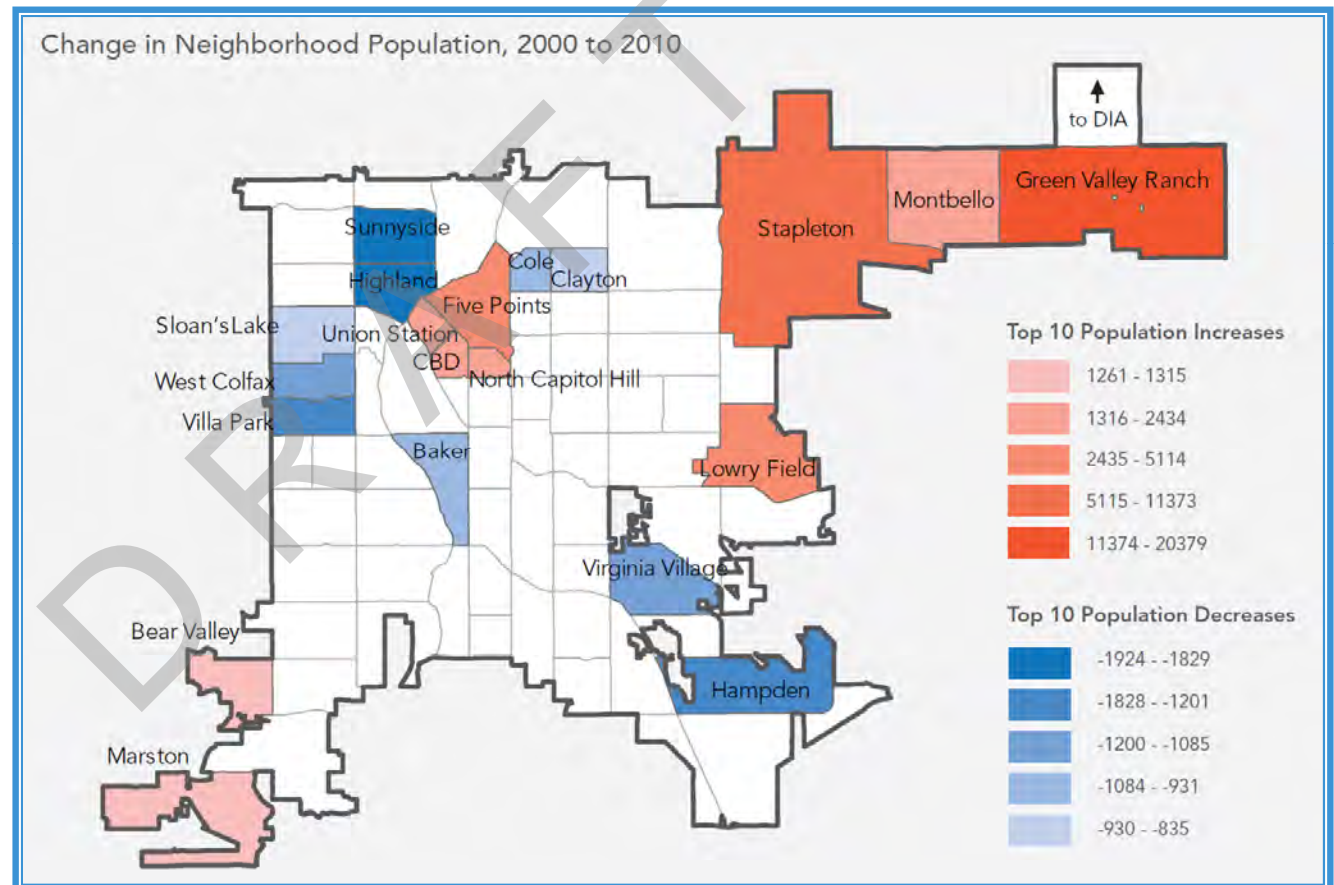
- **IHO discussion will be held in April.**





Denver Today: Population

- Piton Foundation reports that Stapleton, Montebello and Green Valley Ranch made up 75% of Denver's growth.

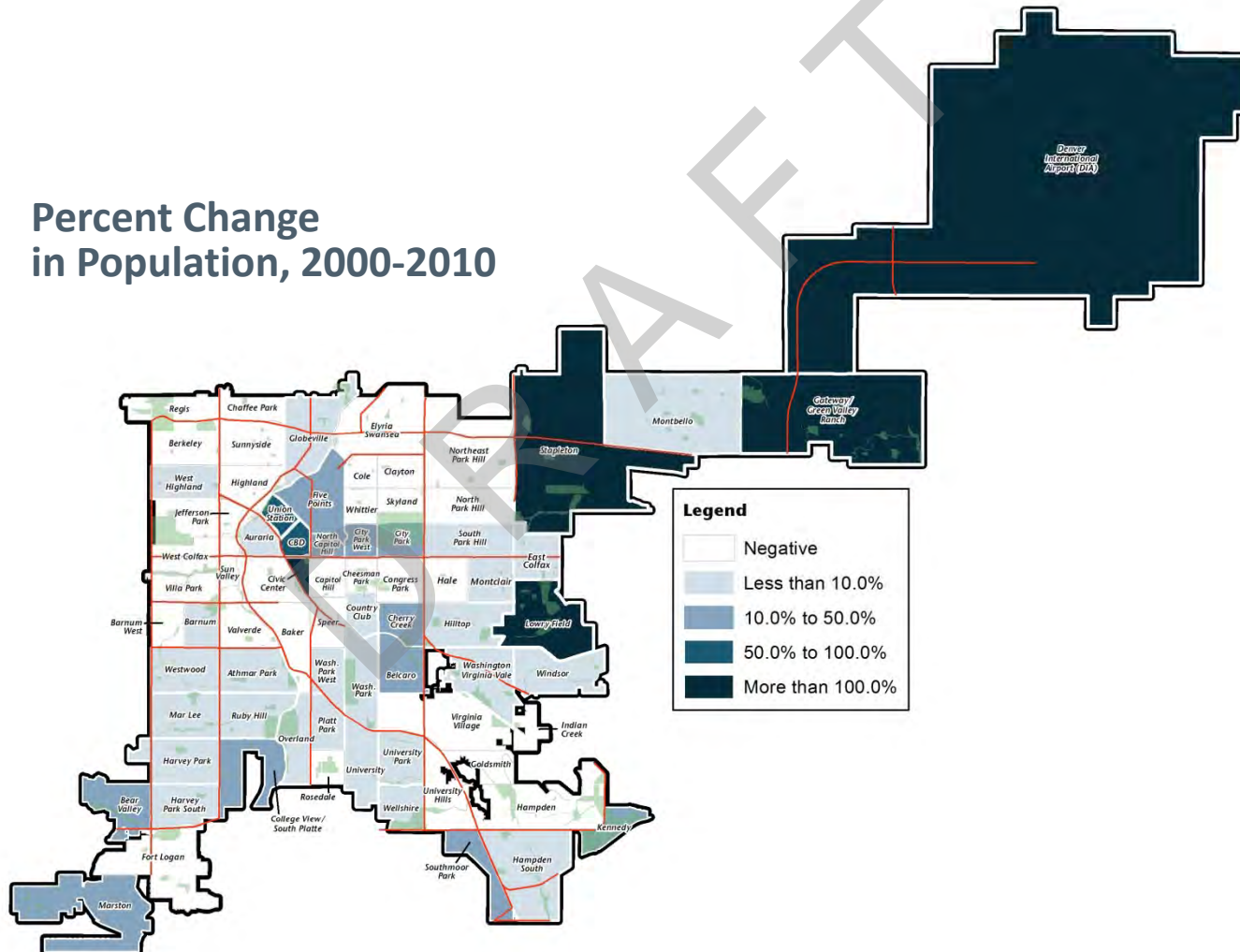


Source: The Piton Foundation's 2010 Census Project, Neighborhood Focus.



Denver Today: Population

Percent Change
in Population, 2000-2010

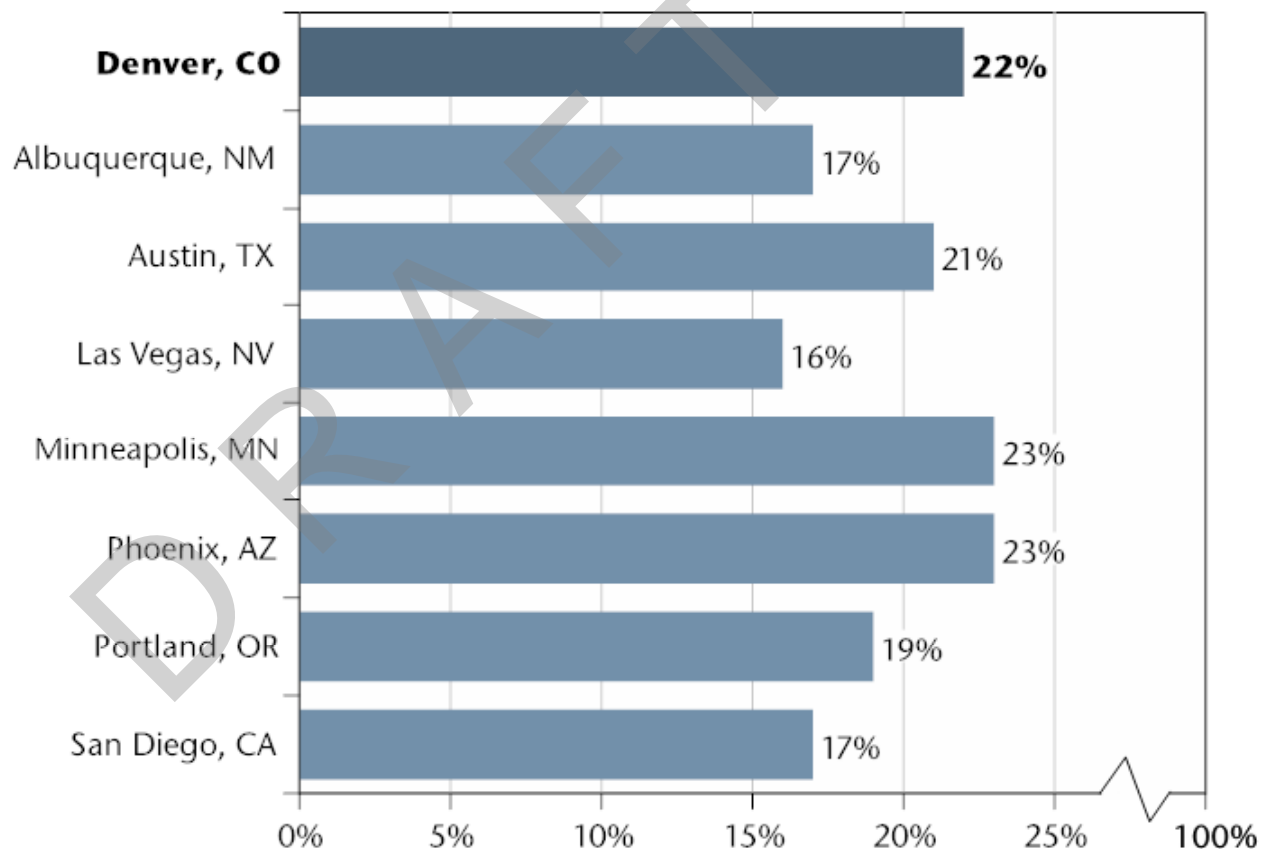




Denver Today: Poverty Comparison

Poverty Comparison

Source:
2010 ACS.





Denver Today: Age Distribution

Age Distribution, 2000 and 2010

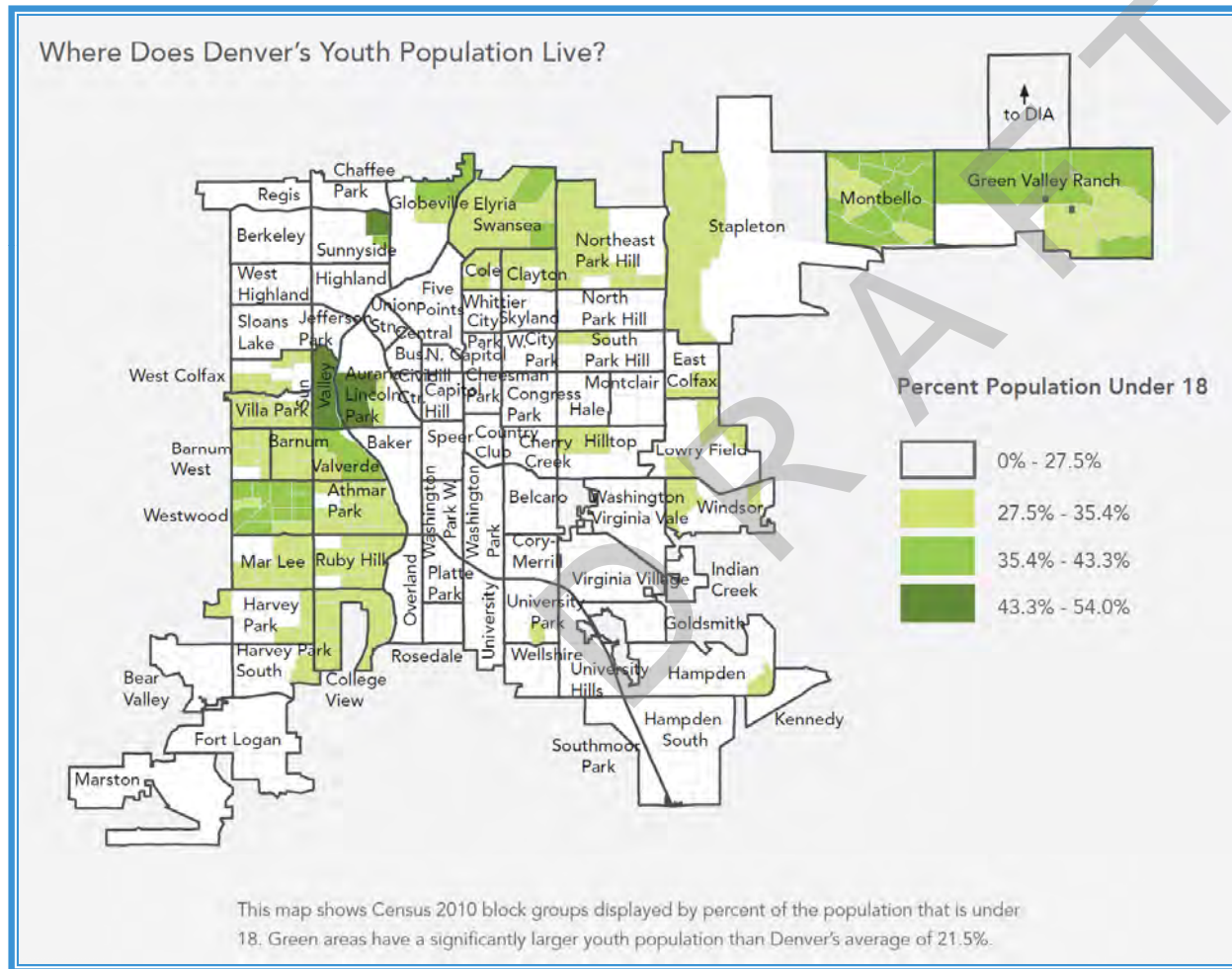
	Proportion of Population		Numerical Change
	2000	2010	
Under 18 years	22.0%	21.5%	7,000
18 to 24 years	10.7%	10.4%	2,864
25 to 44 years	36.1%	35.4%	12,497
45 to 54 years	12.8%	12.1%	1,476
55 to 64 years	7.2%	10.3%	21,979
65 years and over	11.3%	10.4%	(294)
Total population	100%	100%	45,522

Source: 2000 and 2010 Census.

- Denver's largest growth during the past decade was in the 55 to 64 age cohort., comprising almost half of all growth.
- The number of 65+ year olds declined and growth in 18 to 24 year olds was modest.



Denver Today: Age Distribution



- **Neighborhoods with the highest proportions of children include Sun Valley, Lincoln Park, Green Valley Ranch, Montbello and Westwood.**



Denver Today: Household Type and Income Distribution

Income Distribution by Household Type, 2009

	Households	Families	Married-couple families	Nonfamily Households
Total	251,515	123,778	87,203	127,737
Less than \$10,000	10.2%	7.5%	3.6%	13.3%
\$10,000 to \$14,999	6.1%	4.5%	3.5%	7.9%
\$15,000 to \$24,999	11.9%	10.1%	7.4%	14.2%
\$25,000 to \$34,999	10.0%	7.4%	6.0%	12.3%
\$35,000 to \$49,999	15.5%	13.9%	12.3%	17.3%
\$50,000 to \$74,999	16.5%	16.5%	16.9%	16.6%
\$75,000 to \$99,999	10.4%	12.5%	14.0%	7.7%
\$100,000 to \$149,999	10.0%	13.0%	16.9%	6.3%
\$150,000 to \$199,999	4.3%	6.7%	9.2%	1.9%
\$200,000 or more	5.1%	7.8%	10.3%	2.4%
Median income (dollars)	46,410	58,593	75,581	36,578
Mean income (dollars)	69,087	86,133	102,324	51,022

■ Married couple families have the highest earnings.

■ Nonfamily households (which include single people) have the lowest.

Source: 2009 American Community Survey.



Who are Denver's renters?

Total Renter Households: 130,303 50% of all households		
Income distribution:		
<i>Renters earning less than \$25,000</i>	44% 57,450	<i>of all renter households renter households</i>
<i>Renters earning less than \$50,000</i>	73% 95,063	<i>of all renter households renter households</i>
<i>Potential homeowners (earning \$75,000+)</i>	13% 17,502	<i>of all renter households renter households</i>
	Number	Percent
Household size:		
1 person household	63,630	48%
2 person household	34,291	26%
3 person household	13,654	10%
4+ person household	20,003	15%
Age distribution:		
15 to 24 years	16,974	13%
25 to 34 years	44,471	34%
35 to 44 years	23,896	18%
45 to 54 years	18,148	14%
55 to 64 years	13,739	10%
65 years+	14,350	11%

Denver Today: Renters

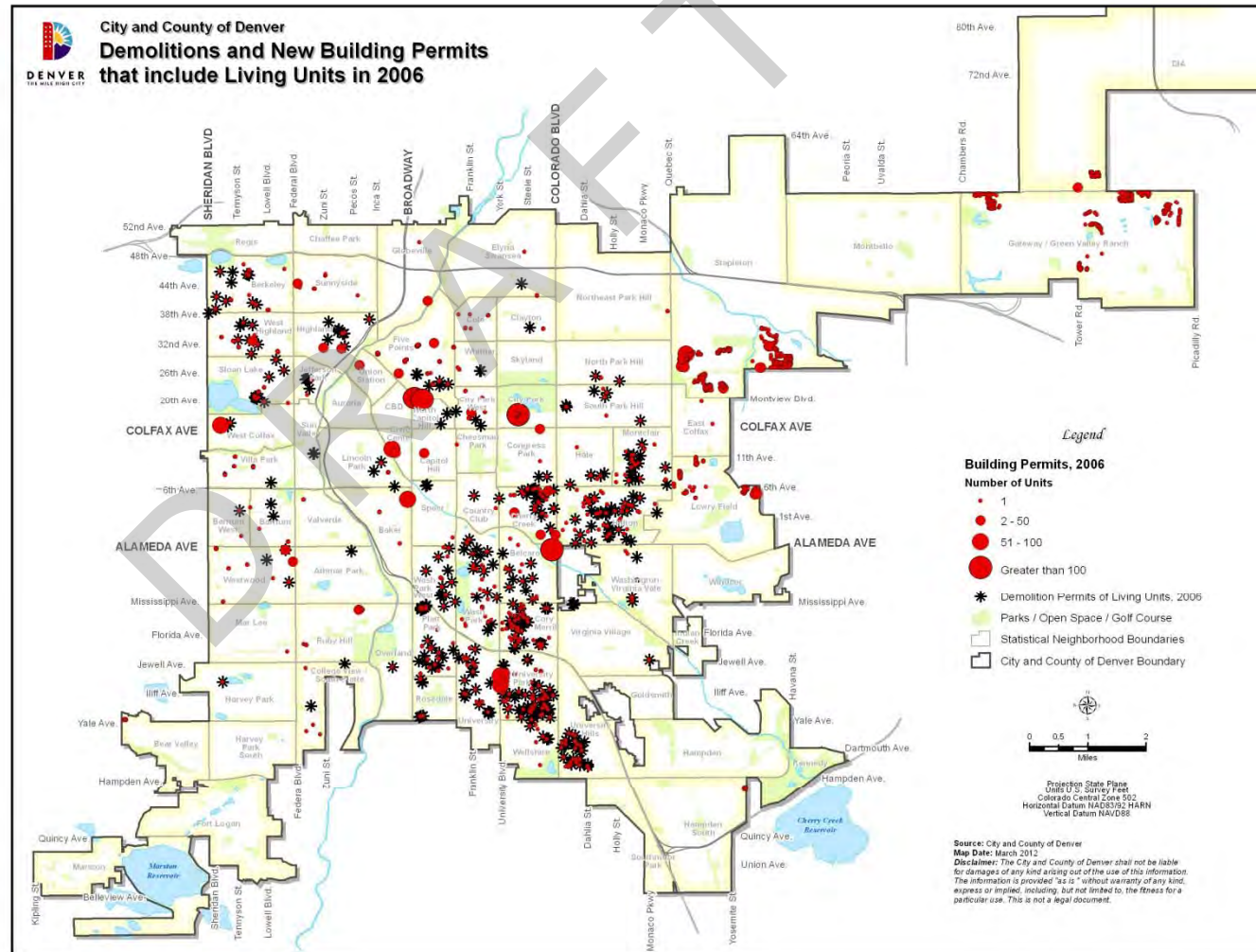
- Denver's renters are predominately single, lower income and young adults.
- About 17,500 (13%) are candidates for homeownership.

Source: 2010 Census and American Community Survey.



Denver Today: Housing Stock

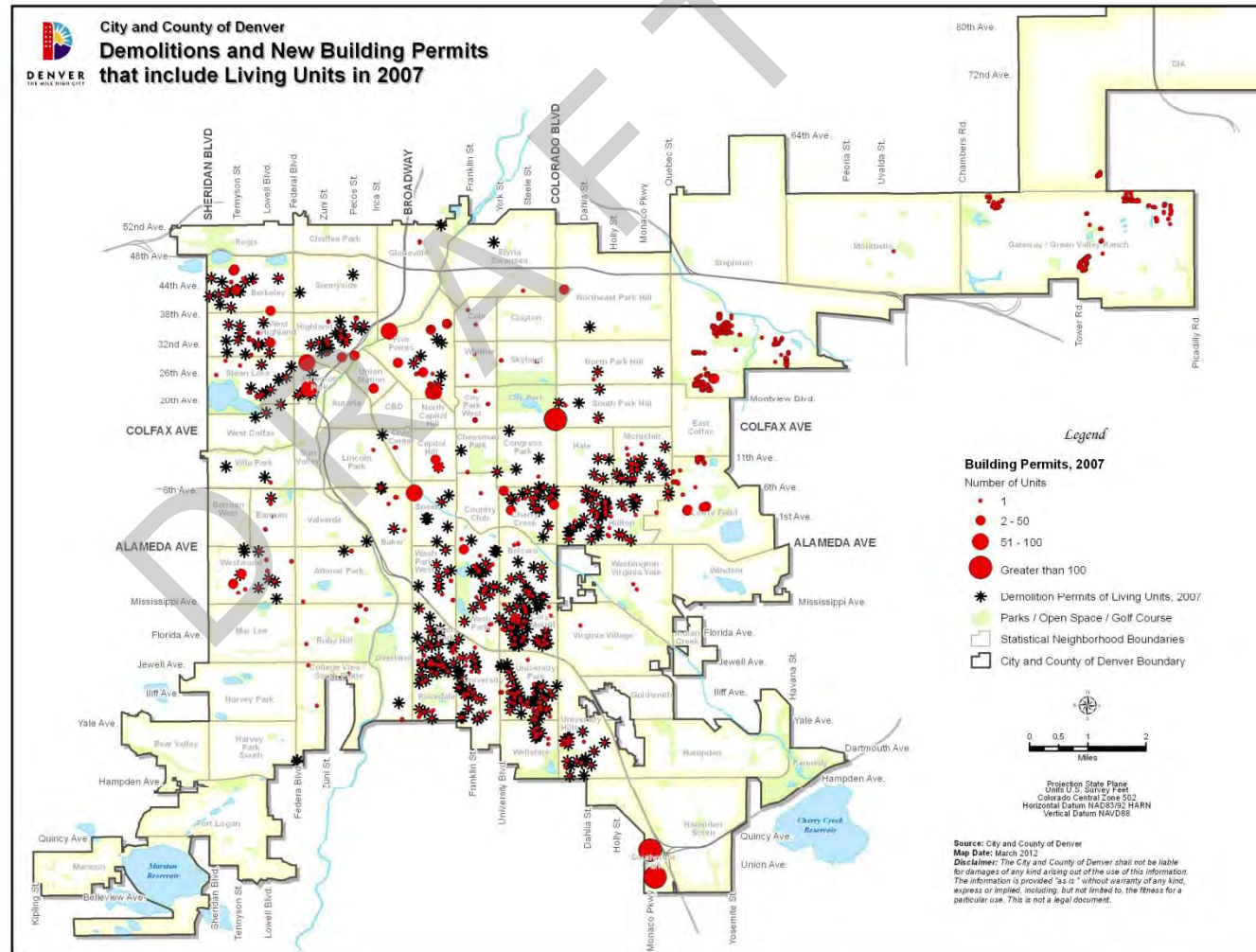
How has the housing stock changed by neighborhood?





Denver Today: Housing Stock

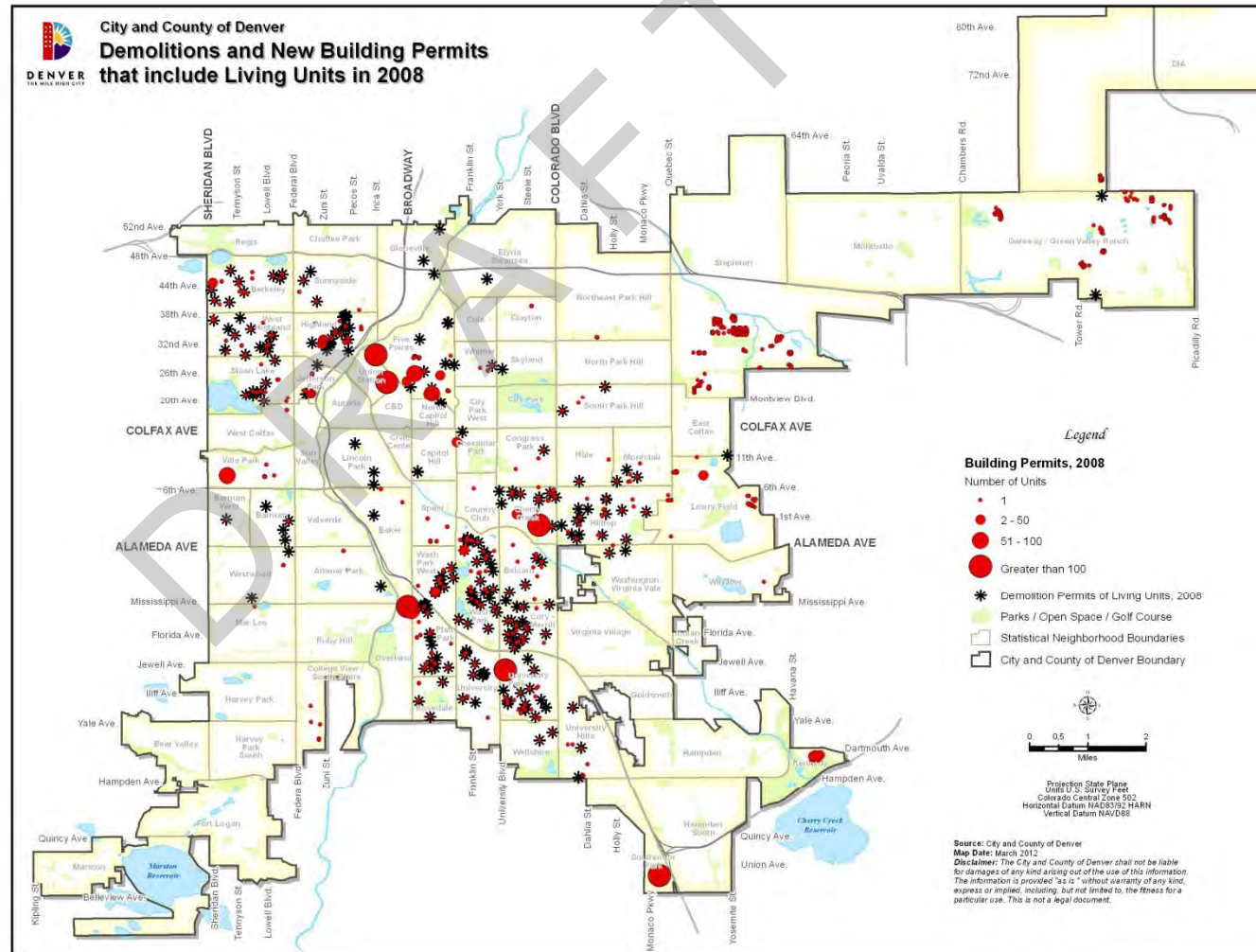
How has the housing stock changed by neighborhood?





Denver Today: Housing Stock

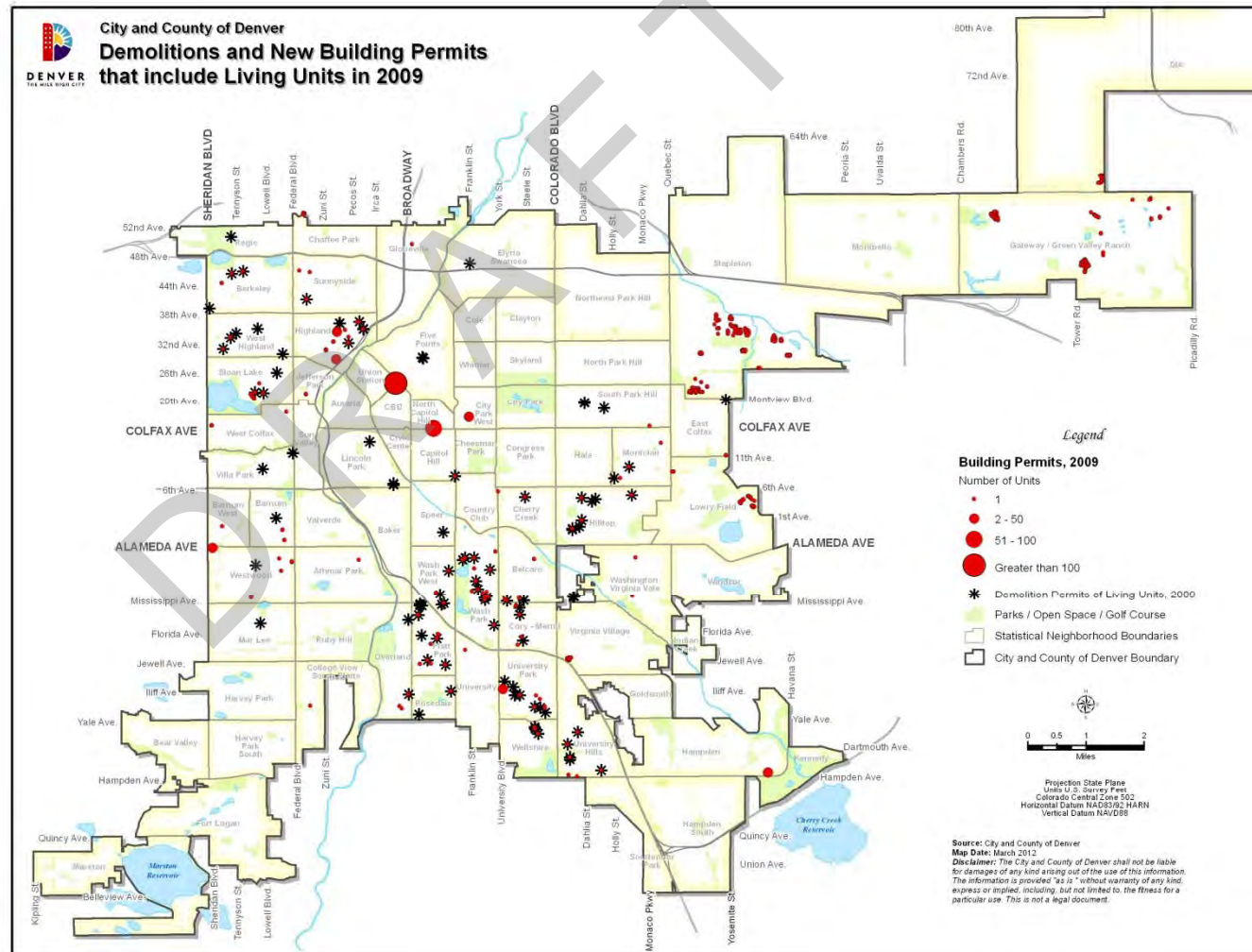
How has the housing stock changed by neighborhood?





Denver Today: Housing Stock

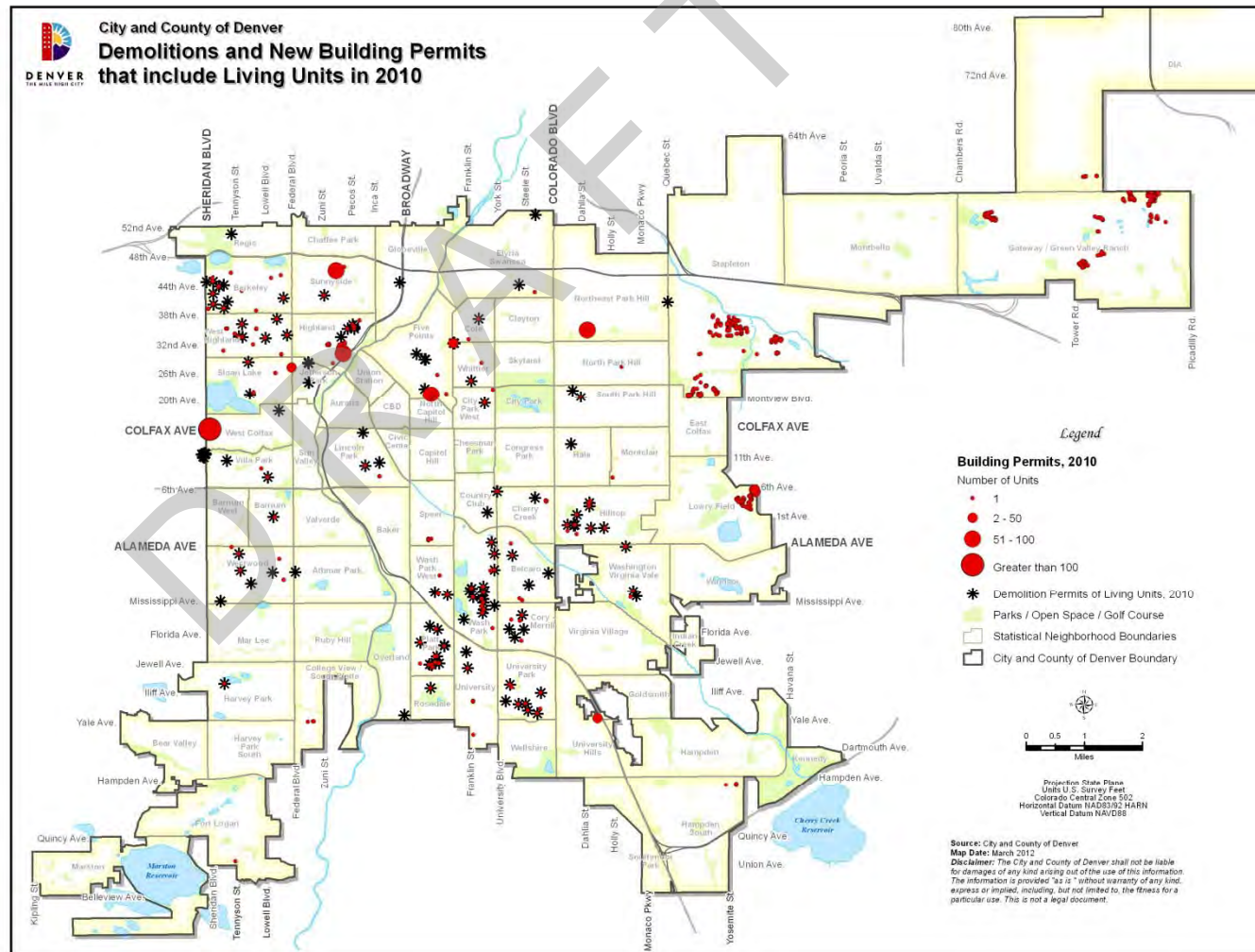
How has the housing stock changed by neighborhood?





Denver Today: Housing Stock

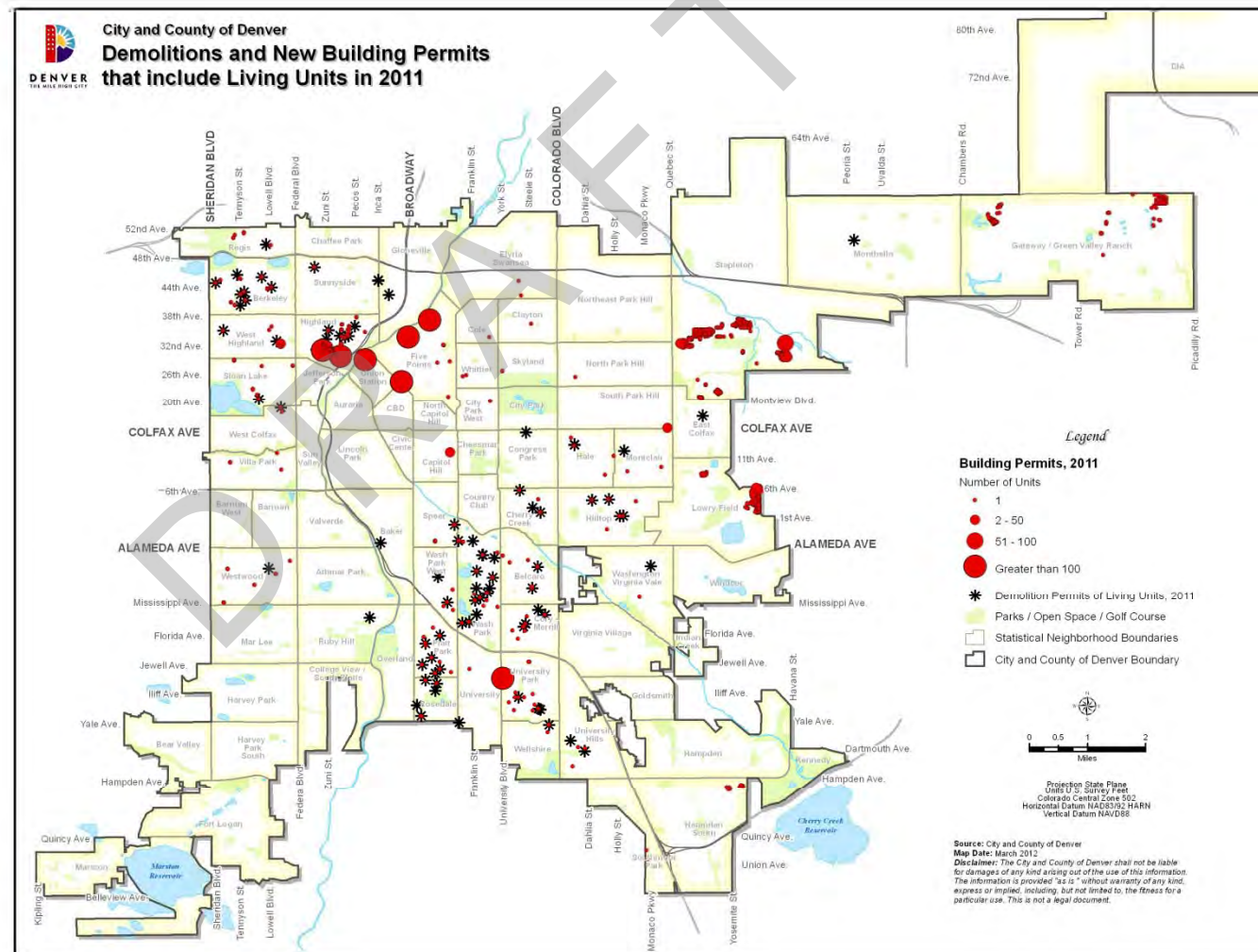
How has the housing stock changed by neighborhood?





Denver Today: Housing Stock

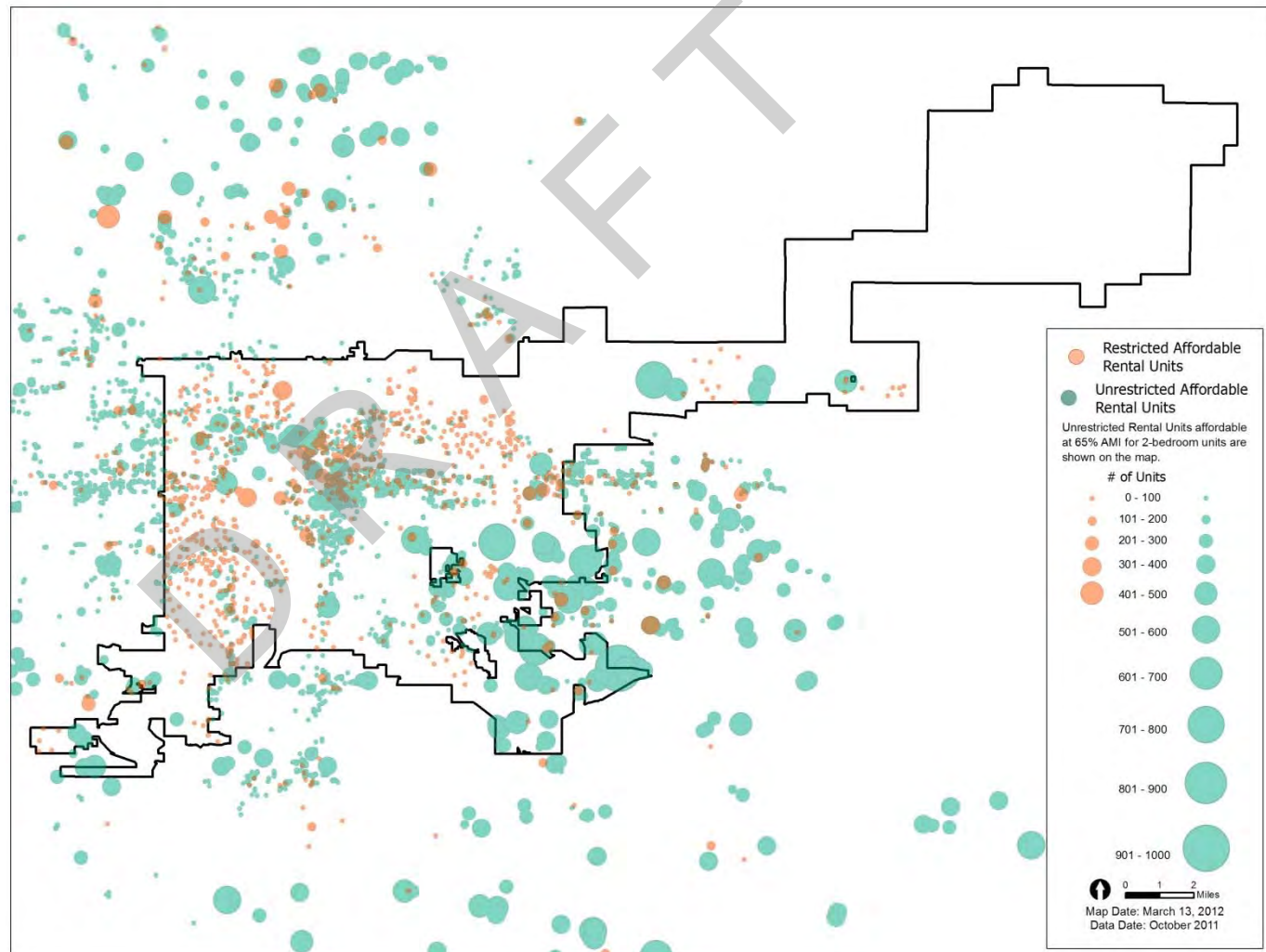
How has the housing stock changed by neighborhood?





Denver Today: Housing Stock

Where are affordable rentals located?





Denver Today: Housing Stock

How much affordable housing has been added to the inventory? (Does not include shelter beds)

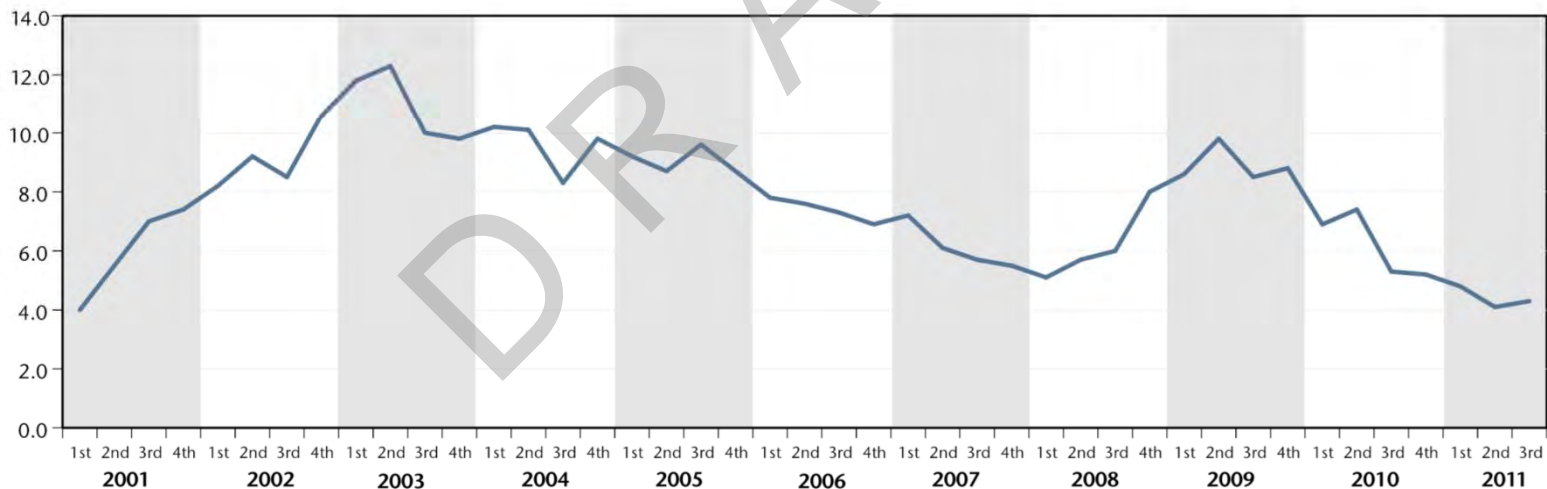
Year	Units Funded
2007	639
2008	238
2009	68
2010	458
2011	425
2007 — 2011 Total	1,828 units
2012 Funding Requests	896 units



Denver Today: Rental Market

- According to the Apartment Association of Metro Denver, the 3Q11 apartment vacancy for Denver was 4.3%. Vacancy rates have hit the lowest levels since 1Q00.

Rental Vacancy by Market Area, Denver, 1Q01 to 3Q11

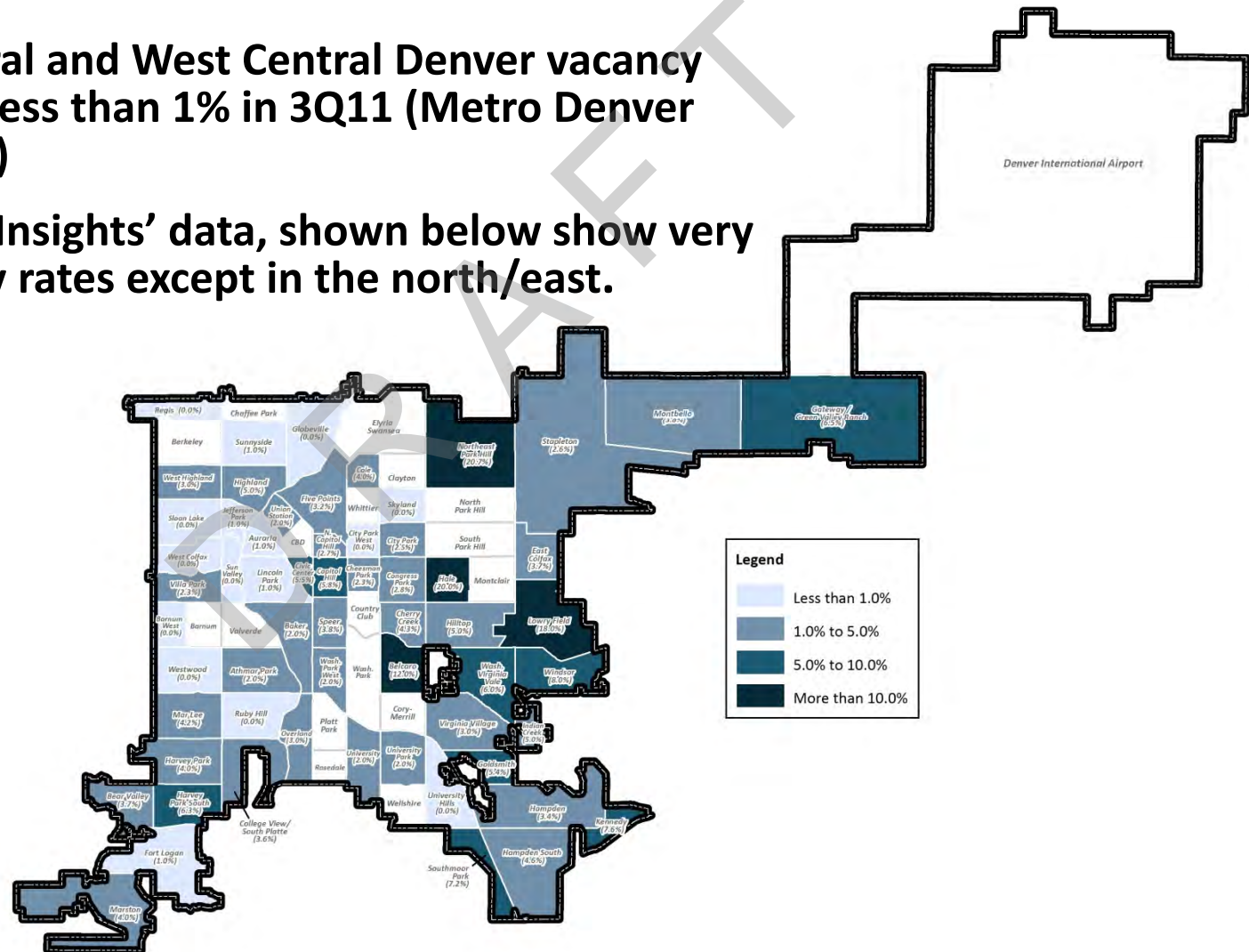


Source: Apartment Association of Metro Denver, 3Q11 Vacancy Survey.



Denver Today: Rental Market

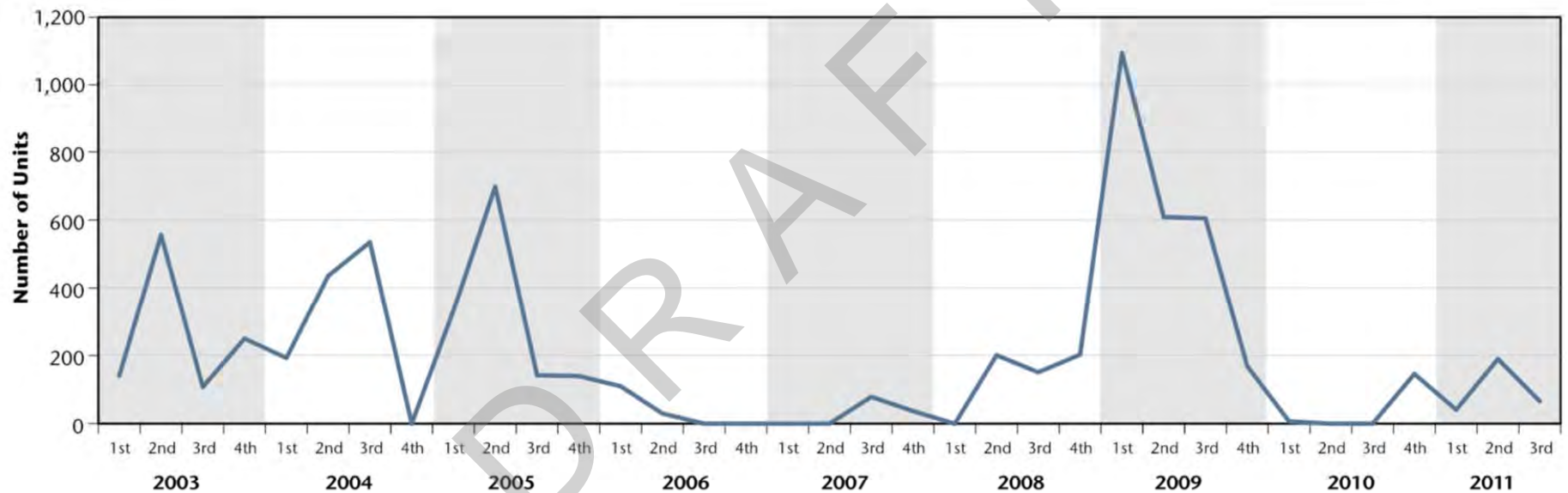
- North Central and West Central Denver vacancy rates were less than 1% in 3Q11 (Metro Denver Apt. Survey)
- Apartment Insights' data, shown below show very low vacancy rates except in the north/east.





Denver Today: Rental Market

Apartment Units Added, Denver, 2003 to 3Q11



Source: Apartment Association of Metro Denver, 3Q11 Vacancy Survey.



Denver Today: Rental Market

- Between 2010 and 3Q11, just 450 new apartments were added to the rental inventory according to the Apartment Association.

Year	Quarter	Units Added	<i>continued</i>	Quarter	Units Added	<i>continued</i>	Quarter	Units Added
2003	1 st	141	2006	1 st	110	2009	1 st	1,094
	2 nd	556		2 nd	30		2 nd	609
	3 rd	108		3 rd	-		3 rd	605
	4 th	250		4 th	-		4 th	169
2004	1 st	193	2007	1 st	-	2010	1 st	7
	2 nd	436		2 nd	-		2 nd	-
	3 rd	535		3 rd	79		3 rd	-
	4 th	-		4 th	37		4 th	146
2005	1 st	333	2008	1 st	-	2011	1 st	41
	2 nd	698		2 nd	201		2 nd	190
	3 rd	142		3 rd	151		3 rd	66
	4 th	140		4 th	203	TOTAL	7,270	



Denver Today: Regional Rental Market

- **Median rent as of 3Q11 was \$853 for Denver (Census reports \$811). Renter incomes needed to increase \$8,000 between 2000 and 2010 to afford the median rent increase. Instead, they were flat.**
- **Median rent in surrounding counties:**
 - \$887 in Adams County,
 - \$845 in Arapahoe County,
 - \$992 in Boulder/Broomfield Counties,
 - \$1,072 in Douglas County,
 - \$838 in Jefferson County, and
 - \$882 for the Metro Denver.
- **By this measure, Denver is the third most affordable county. Jefferson is the most affordable, followed by Arapahoe County.**



Denver Today: Gaps

■ Changes in the Rental Market Gaps since 2005:

- **Rental gaps in 2005:** 25,648;
- **Rental gaps in 2010:** 27,253 (an increase of 1,605); and
- **The number of rental households earning less than \$20,000 increased by 4,188 but 2,583 affordable units were added to the affordable inventory, resulting in the net increase of 1,605.**



Denver Today: Rental Gaps

Rental Supply and Demand Comparison, Denver, 2010/2011

Income Range	Renters		Maximum Affordable Rent, Including Utilities	Rental Units		Rental Gap
	Number	Percent		Number	Percent	
Less than \$5,000	10,369	8.1%	\$ 125	2,077	1.5%	(8,292)
\$5,000 to \$9,999	11,010	8.6%	\$ 250	6,366	4.6%	(4,644)
\$10,000 to \$14,999	12,816	10.0%	\$ 375	3,858	2.8%	(8,958)
\$15,000 to \$19,999	11,235	8.8%	\$ 500	5,875	4.2%	(5,360)
\$20,000 to \$24,999	11,135	8.7%	\$ 625	16,468	11.9%	5,333
\$25,000 to \$34,999	18,976	14.8%	\$ 875	45,555	32.9%	26,579
\$35,000 to \$49,999	18,057	14.1%	\$ 1,250	35,070	25.3%	17,013
\$50,000 to \$74,999	17,465	13.6%	\$ 1,875	17,472	12.6%	7
\$75,000 or more	<u>17,232</u>	<u>13.4%</u>	\$1,875+	<u>5,685</u>	<u>4.1%</u>	(11,547)
Total/Low Income Gap	128,294	100.0%		138,427	100.0%	(27,253)

Note: Does not include the housing needed for persons who are homeless. Source: BBC Research & Consulting.

APPENDIX D.

For Sale Housing

DRAFT



Denver Housing Task Force

For Sale Housing — Presentation No. 3



PRESENTED BY



Jen Garner & Mollie Fitzpatrick

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PRESENTED TO:

City and County of Denver Housing Plan Task Force

March 29, 2012 Meeting



Agenda (BBC Presentation)

■ For Sale and Foreclosure Discussion:

- For sale supply and location of affordable units;
- Location of owner restricted units; and
- Foreclosures.
- IHO discussion will be held in April.





Denver Today: Homeownership

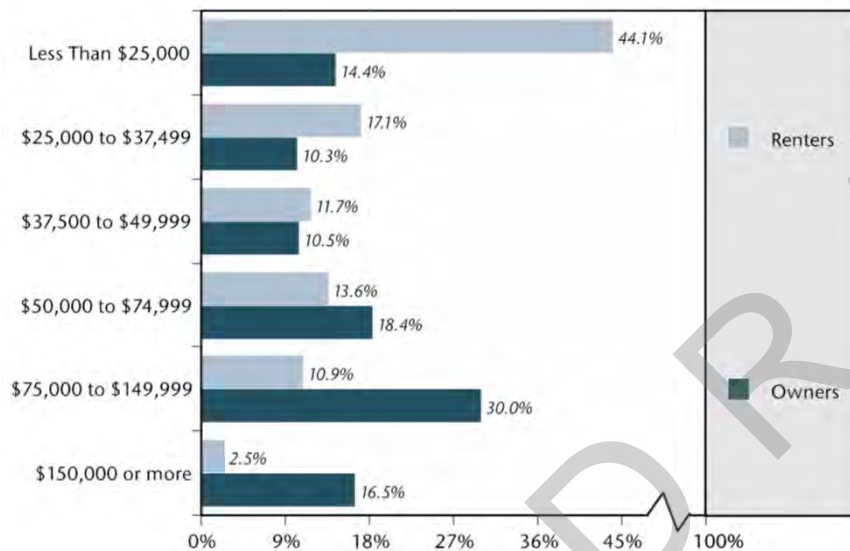
- The 2010 Census estimates Denver's homeownership rate at 50%, just slightly lower than 52% in 2000.
- More than half of the city's renters earn less than \$30,000 (44% earn less than \$25,000) and are unlikely candidates for homeownership in the short term.
- 35,000 renters earn \$50,000 and more; 17,500 earn \$75,000 and more—these are target homeowners.

One in three U.S. renters in the top income quartile in 2003 purchased by 2005.



Denver Today: Homeownership

Renters and Owners by Income, Denver, 2010



	Renters	Owners	Total
Median Household Income	\$28,978	\$68,971	\$45,074
Less Than \$25,000	57,450	18,996	76,446
\$25,000 to \$37,499	22,330	13,582	35,912
\$37,500 to \$49,999	15,283	13,812	29,095
\$50,000 to \$74,999	17,738	24,185	41,923
\$75,000 to \$149,999	14,250	39,502	53,752
\$150,000 or more	3,252	21,713	24,965
Total	130,303	131,790	262,093

Notes: HUD AMI was \$75,900 in 2010 and \$79,300 in 2012; \$25,000 is approximately 30% AMI; and \$37,500 is approximately 50% AMI.

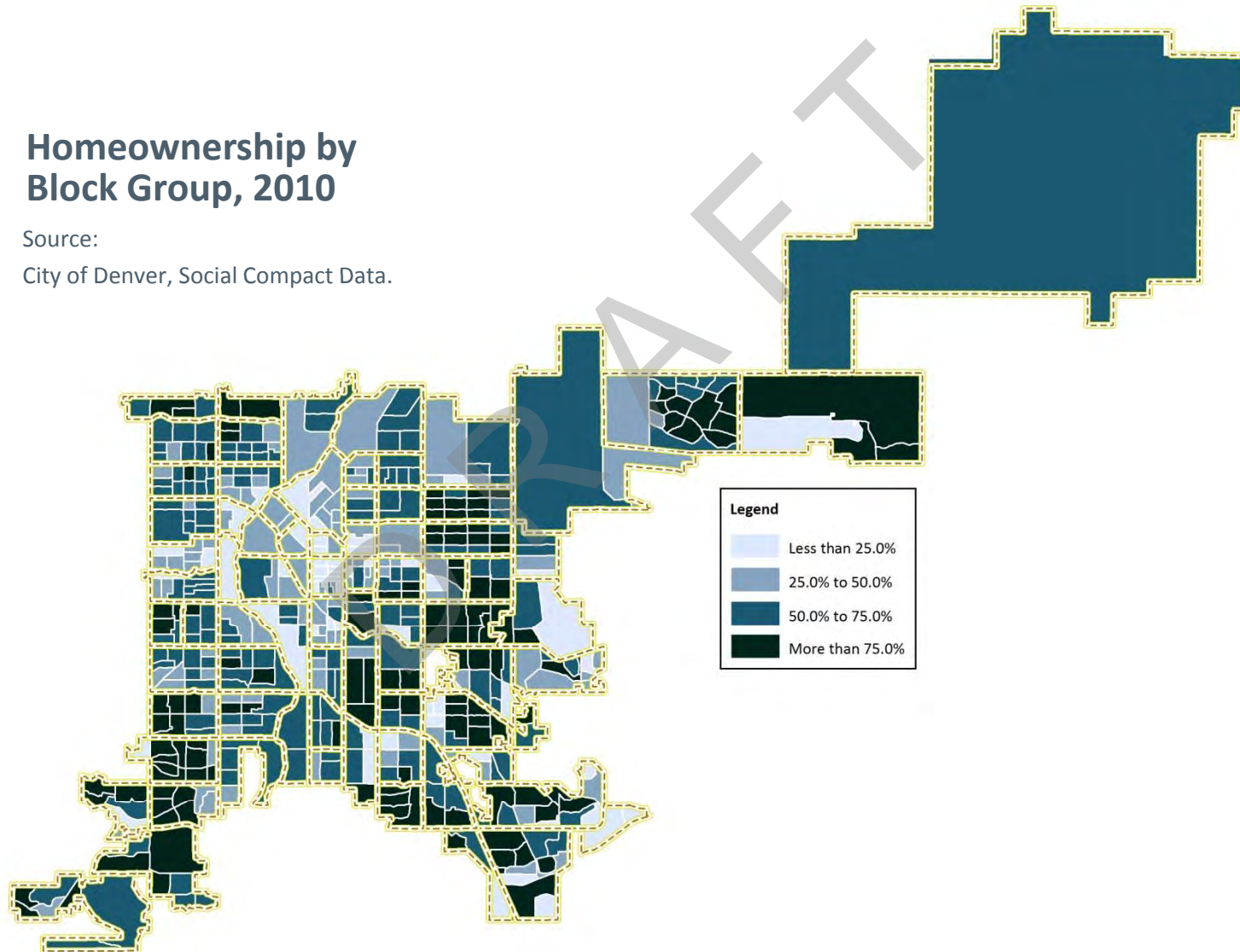
Source: 2010 1-yr ACS.



Denver Today: Homeownership

Homeownership by Block Group, 2010

Source:
City of Denver, Social Compact Data.





Denver Today: Homeownership

- **2010 Census reports median home value at \$250,100, up \$84,300 or 51% from 2000. Homeowners would need to earn \$20,000 more in 2010 than in 2000 to afford this increase. Actual increase was \$16,000. Overall, homeowners have been able to absorb price increases better than renters.**
- **2010 Census reports that 31% of owners are cost burdened, compared to 49% for renters. This is up from 26% and 39% in 2000.**



Denver Today: Homeownership

- **According to the MLS, as of 3Q11, the median price of units for sale was:**
 - **\$250,868 for a single family detached home;**
 - **\$178,000 for a condominium; and**
 - **\$273,500 for a townhome.**

- **Changes in the For-Sale Market Gaps since 2005:**
 - **Change in interest rates and downpayment requirements make it difficult to compare by income level. In 2011, 41% of units on the market were priced less than \$200,000 compared to 44% in 2005. 61% were priced less than \$300,000 in 2011 compared to 71% in 2005.**



Denver Today: Purchasing

Housing Supply for Renters Who Want to Buy, Denver, 1Q11-3Q11

Note: the MFI for the Denver MSA (Denver-Aurora-Broomfield) was \$75,900 in 2010. At 50% MFI (\$37,950), an affordable home is \$160,000. At 80% (\$60,720), an affordable home is \$240,000.

Source:

BBC Research & Consulting
Genesis Group and HUD.

Maximum Purchase Price	Condos for Sale/Sold,	Detached Single Family Units for Sale/Sold, 2011	Townhouses for Sale/Sold, 2011	Total Homes for Sale/Sold, 2011		Cumulative Percent of Homes for Sale/Sold, 2011
				Number	Percent	
\$ 20,000	3	2	0	5	0%	0%
\$ 40,000	107	22	10	139	1%	1%
\$ 60,000	193	124	40	357	3%	4%
\$ 80,000	191	245	65	501	4%	9%
\$ 100,000	151	303	66	520	5%	13%
\$ 140,000	318	823	192	1,333	12%	25%
\$ 200,000	340	1,103	283	1,726	15%	40%
\$ 300,000	395	1,488	409	2,292	20%	61%
\$ 300,000 +	680	2,892	884	4,456	39%	100%
Total	2,378	7,002	1,949	11,329	100%	



Denver Today: Purchasing

■ 2005 MLS (sold and for sale):

- 23,968 units sold or for sale—13,959 single family homes, 10,009 condominiums/townhomes/attached homes.

■ 2011 1Q-3QMLS (sold and for sale):

- 11,329 units sold or for sale—7,002 single family homes, 2,378 condominiums, 1,949 townhomes/attached homes.



Denver Today: Regional Affordability

Single Family Units (Sold or For Sale), Denver and Metro Counties, 2011

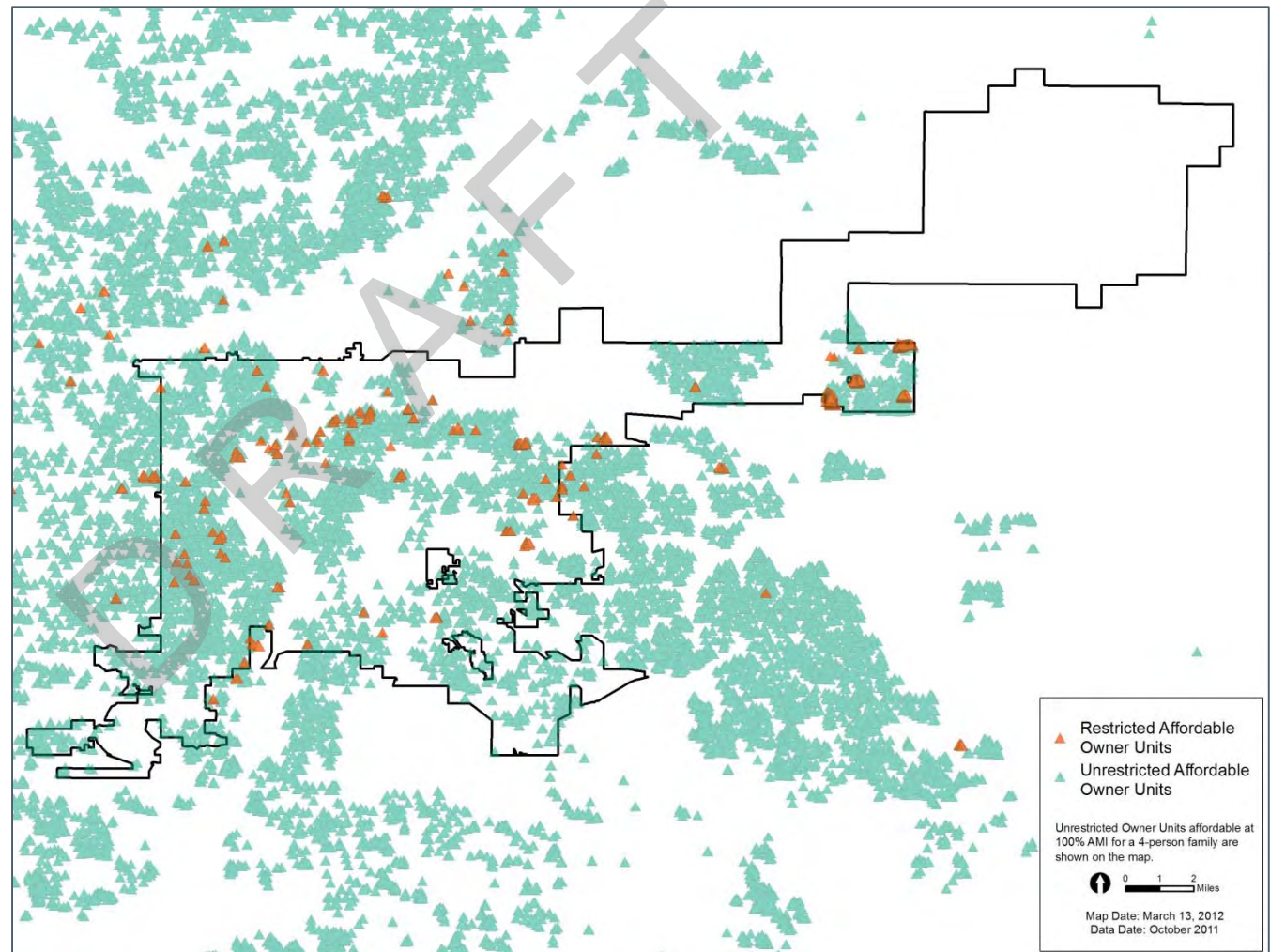
Source: Your Castle Real Estate.

	Single Family Units Sold or For Sale	Units Under \$200,000	Units Under \$300,000
Denver County	21%	26%	21%
Adams County	16%	28%	23%
Arapahoe County	20%	23%	22%
Boulder County	4%	2%	3%
Broomfield County	2%	1%	2%
Douglas County	17%	5%	11%
Jefferson County	20%	16%	19%
Total	100%	100%	100%



Denver Today: Regional Affordability

- Where are restricted and private affordable units to buy located?

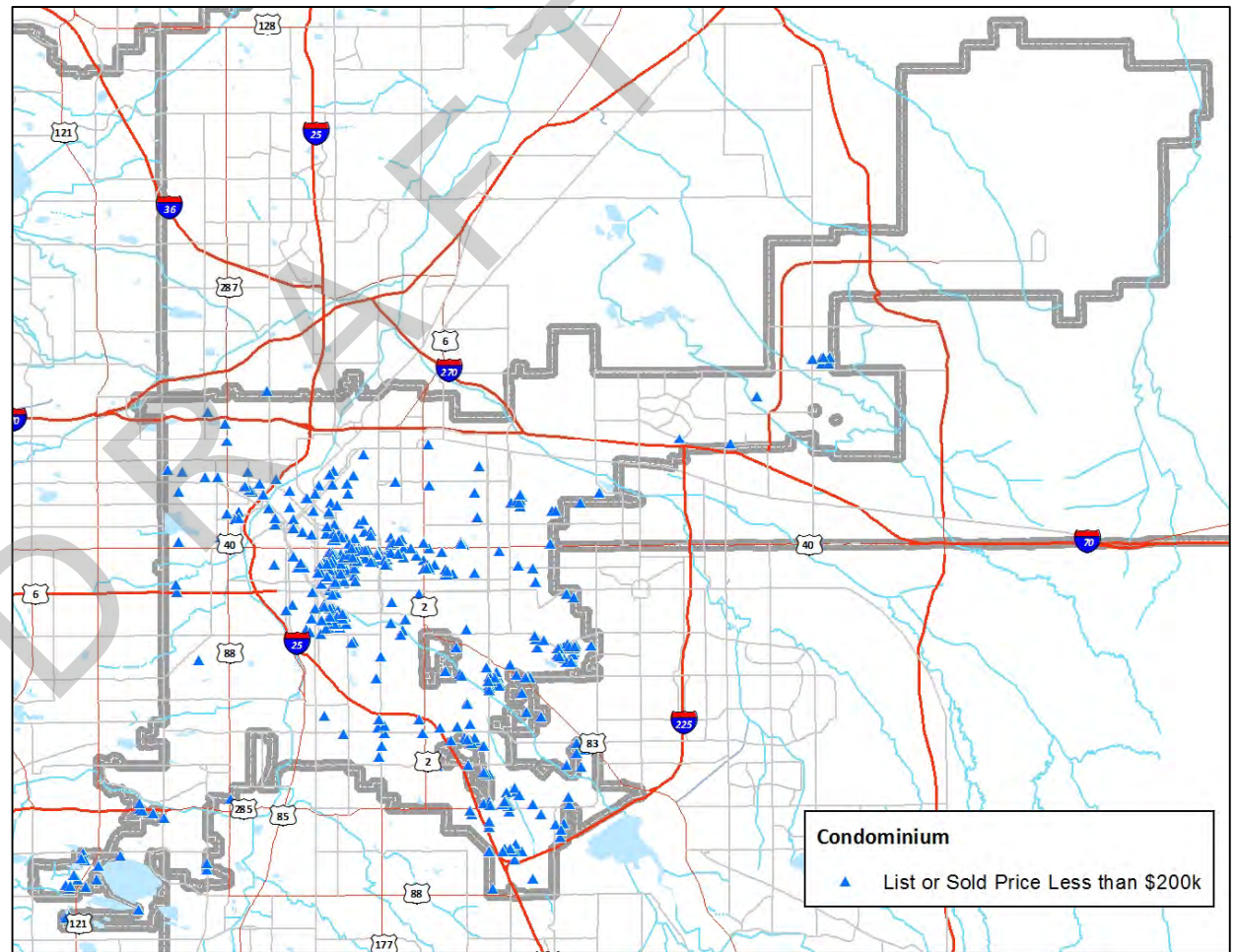




Denver Today: Local Affordability

Condominium MLS Price Points that are Less than \$200,000, 1Q11-3Q11

Source:
Genesis Group and BBC Research & Consulting.

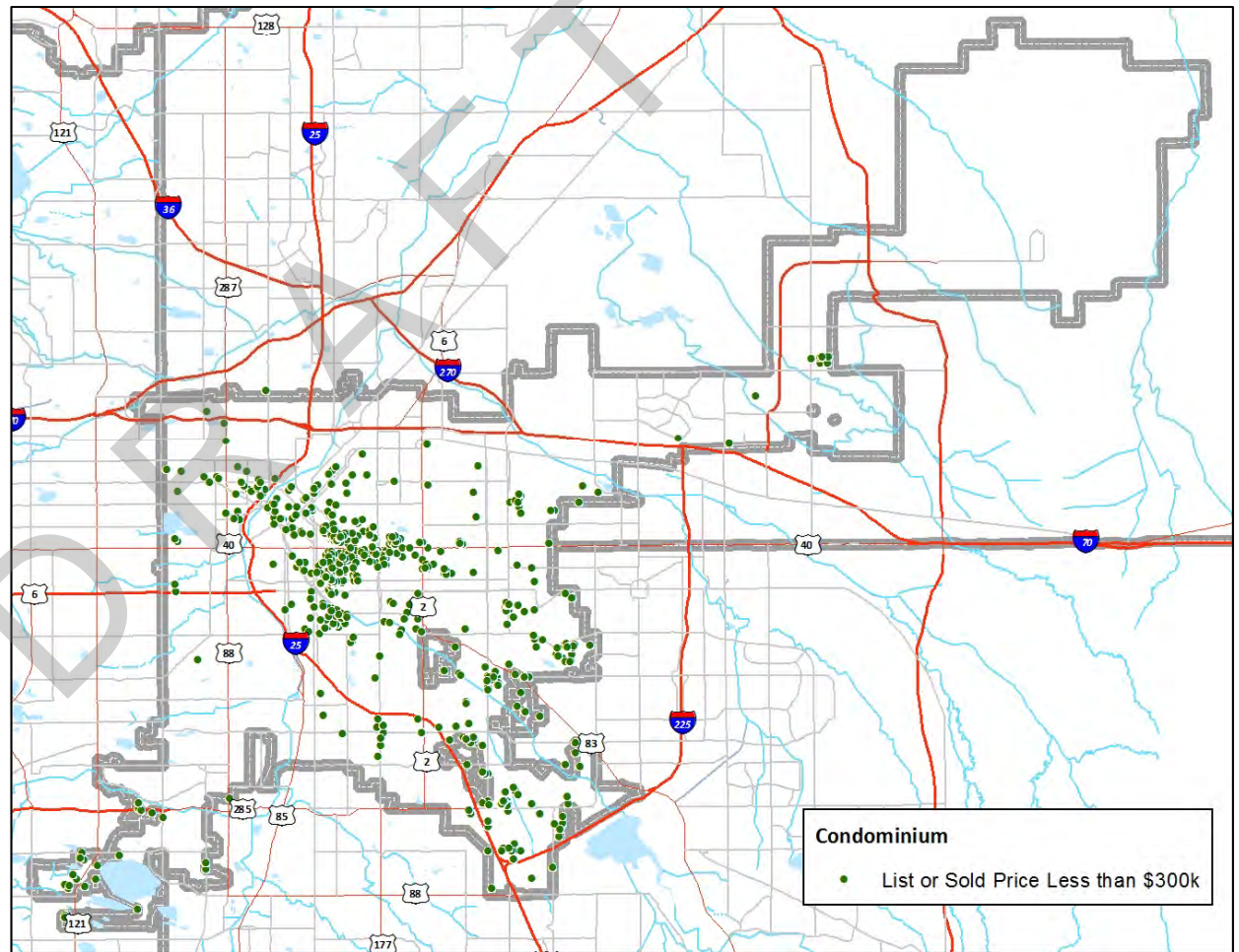




Denver Today: Local Affordability

Condominium MLS Price Points that are Less than \$300,000, 1Q11-3Q11

Source:
Genesis Group and BBC Research
& Consulting.

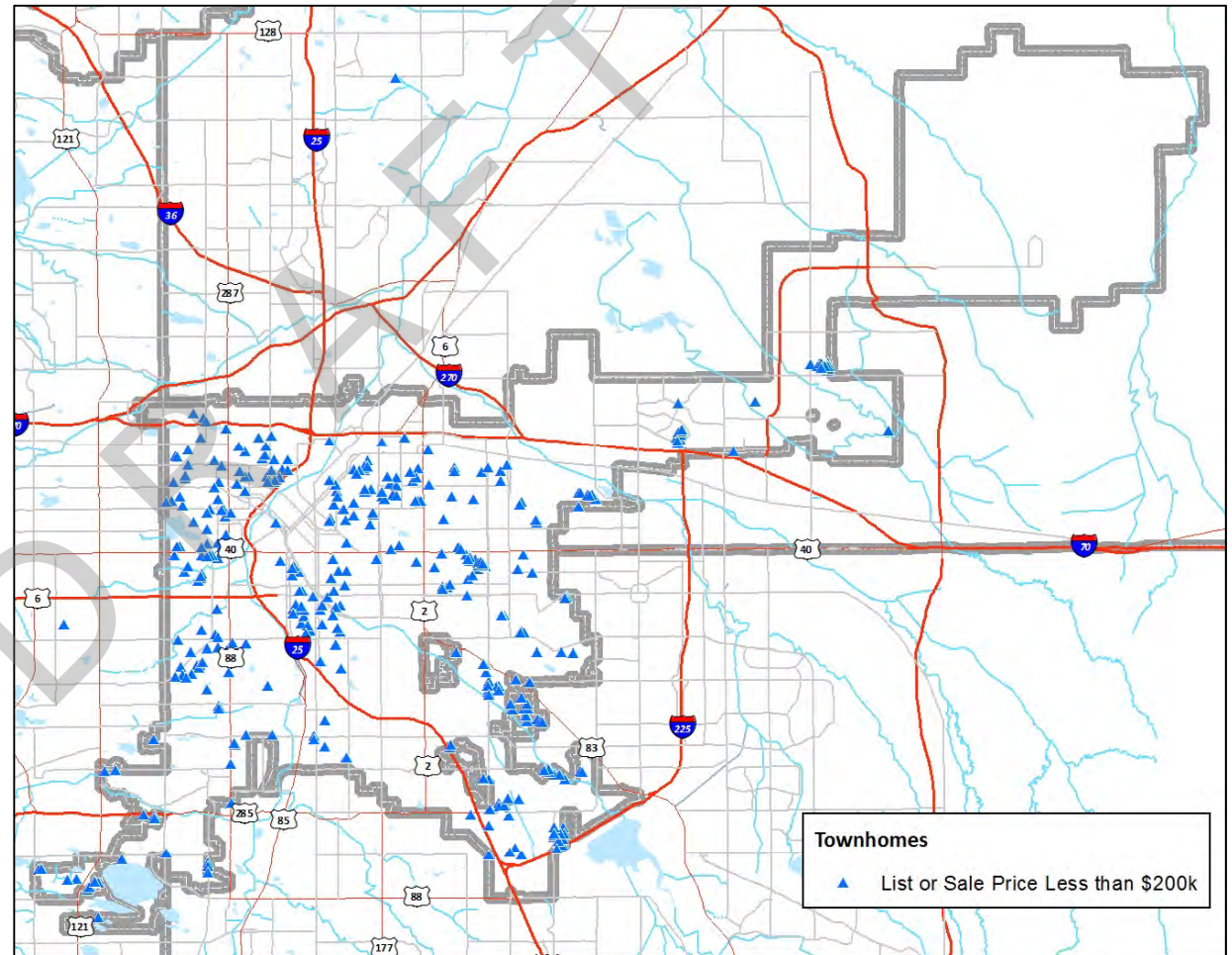




Denver Today: Local Affordability

Townhome MLS Price Points that are Less than \$200,000, 1Q11-3Q11

Source:
Genesis Group and BBC Research & Consulting.

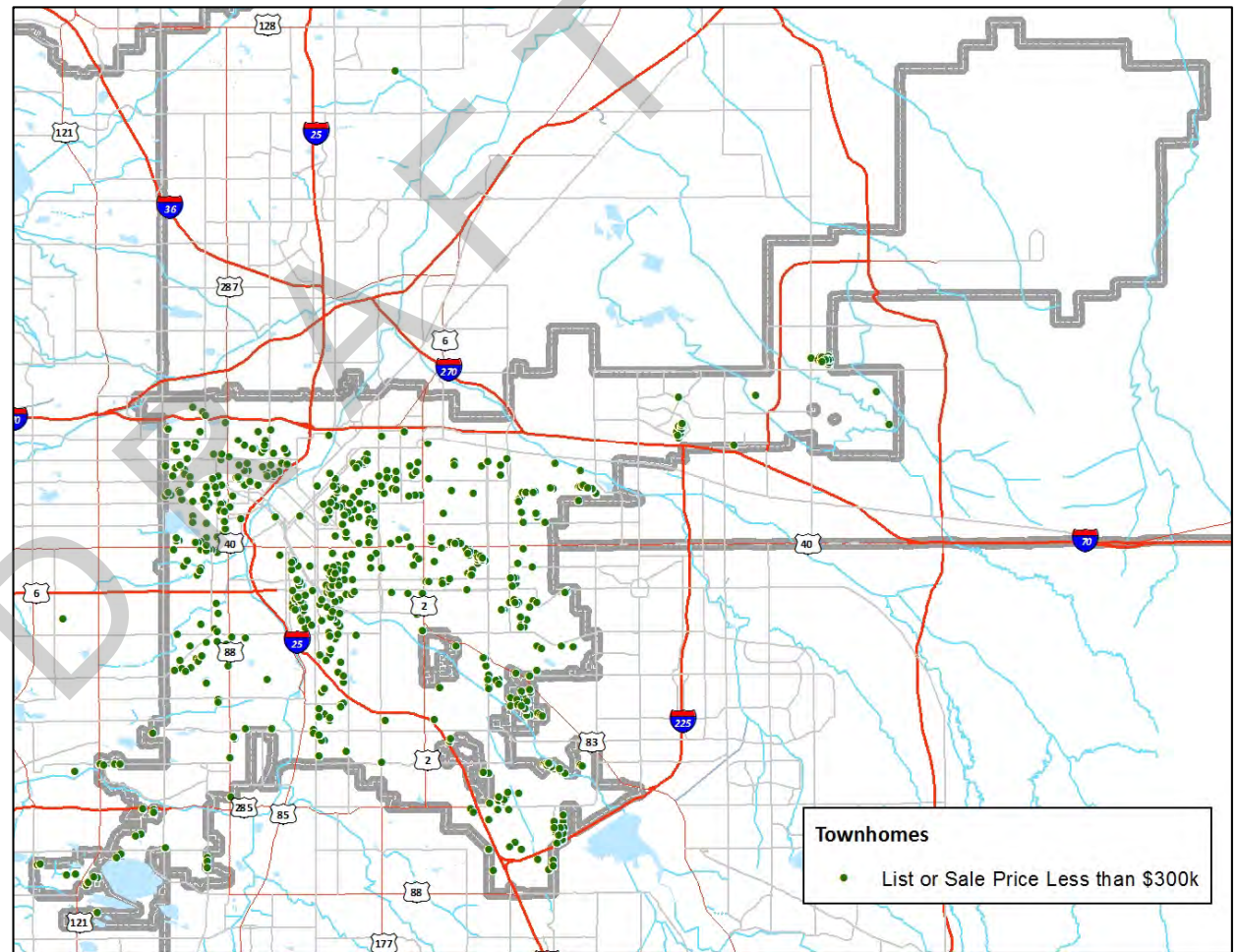




Denver Today: Local Affordability

Townhome MLS Price Points that are Less than \$300,000, 1Q11-3Q11

Source:
Genesis Group and BBC Research & Consulting.

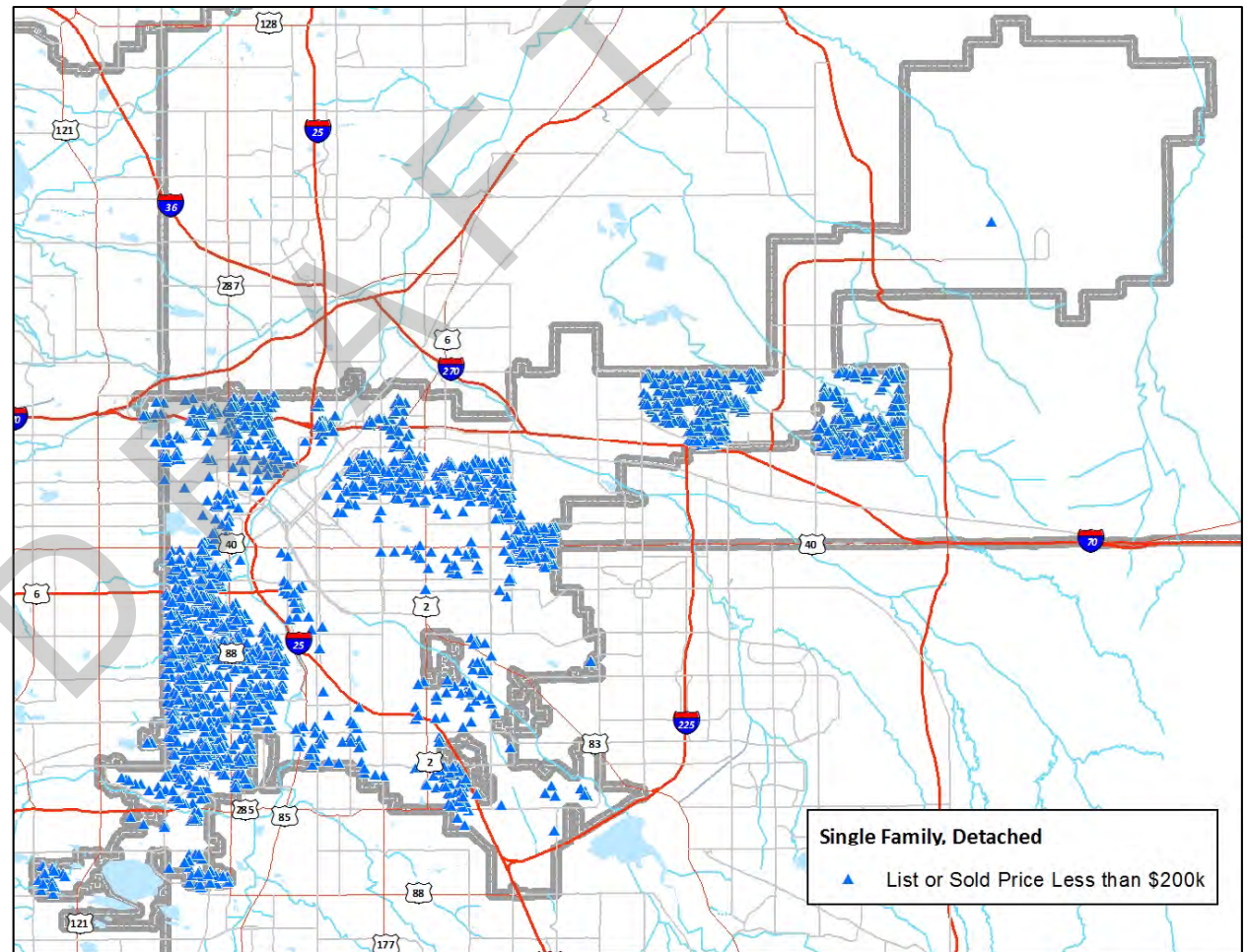




Denver Today: Local Affordability

**Single Family, Detached
MLS Price Points that
are Less than \$200,000,
1Q11-3Q11**

Source:
Genesis Group and BBC Research
& Consulting.

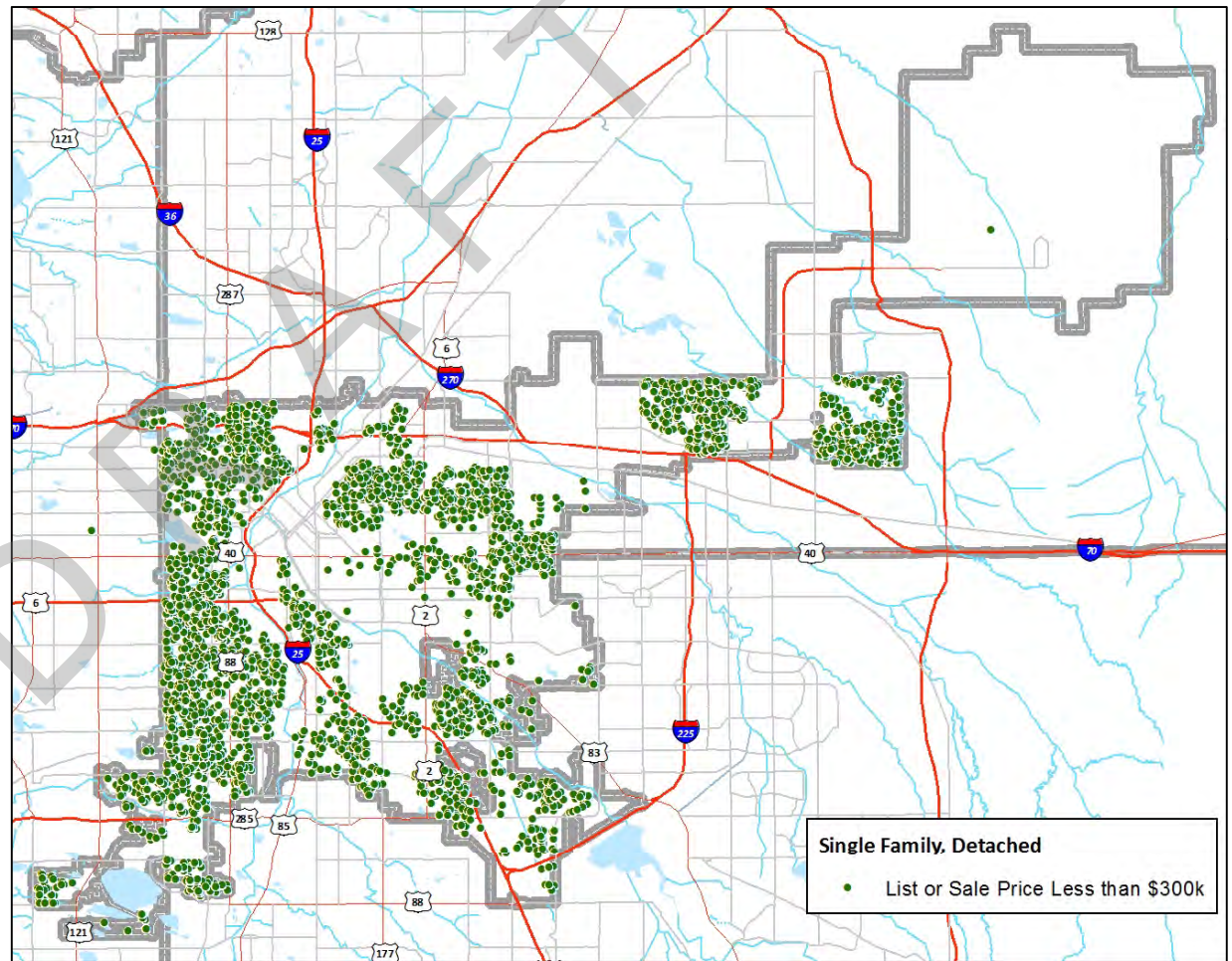




Denver Today: Local Affordability

Single Family, Detached
MLS Price Points that
are Less than \$300,000,
1Q11-3Q11

Source:
Genesis Group and BBC Research
& Consulting.





Denver Today: Financing

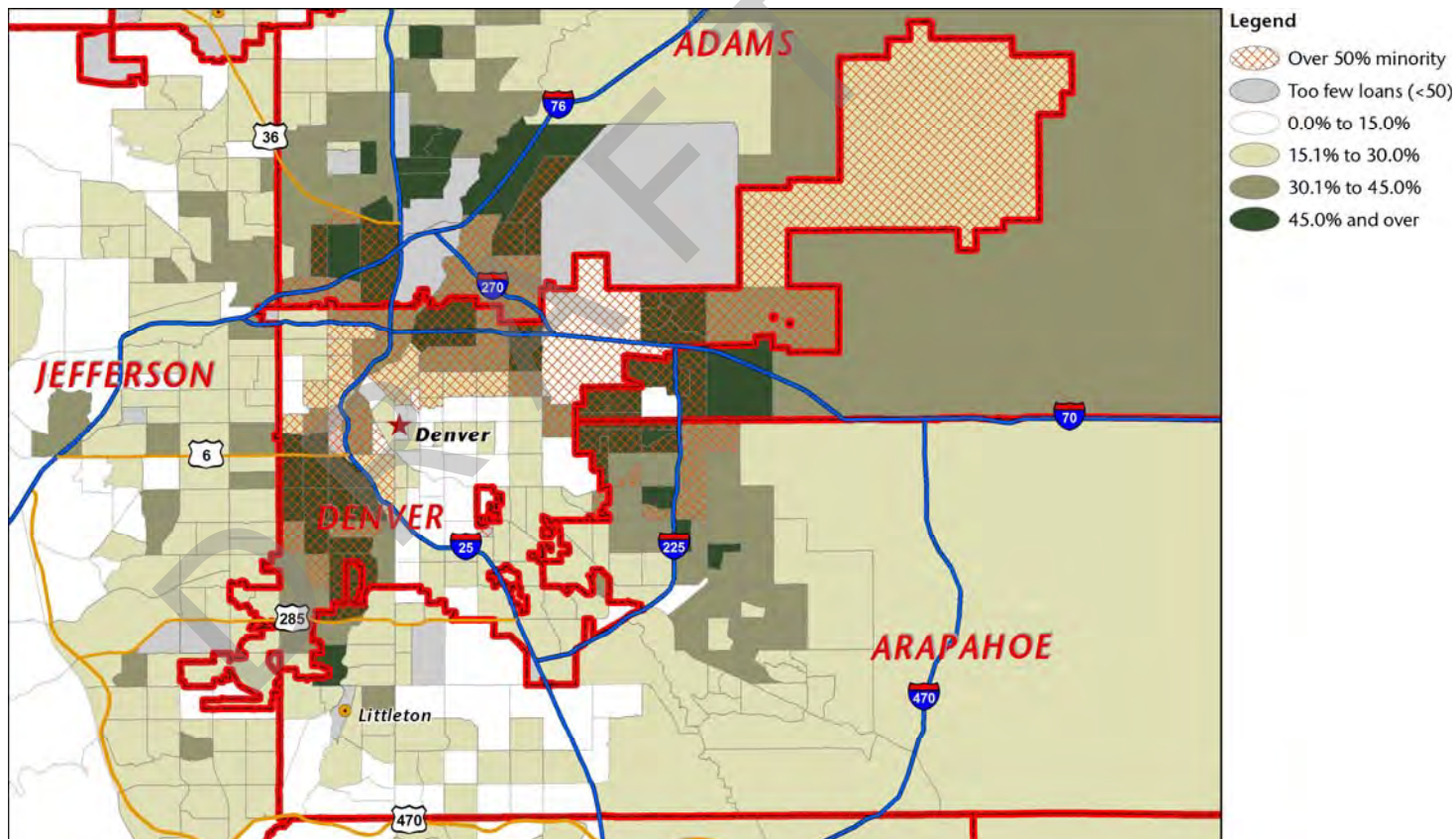
- In 2010, there were approximately 31,100 mortgage loan applications made in Denver. 67% were originated; 16% were denied.
- Denial rates were highest for African Americans (25%), Hispanics (26%) and American Indian/Alaskan Natives (36%). In comparison, Whites and Asians had denial rates of 15% and 17%, respectively.
- Just 1% of loans originated in 2010 were subprime. This compares to 26% in 2006. In 2006, minorities received subprime loans twice as often as Whites, even across income levels.



Denver Today: Financing

Census Tracts with Populations over 50 Percent Minority Overlaid on Subprime Loans, 2006

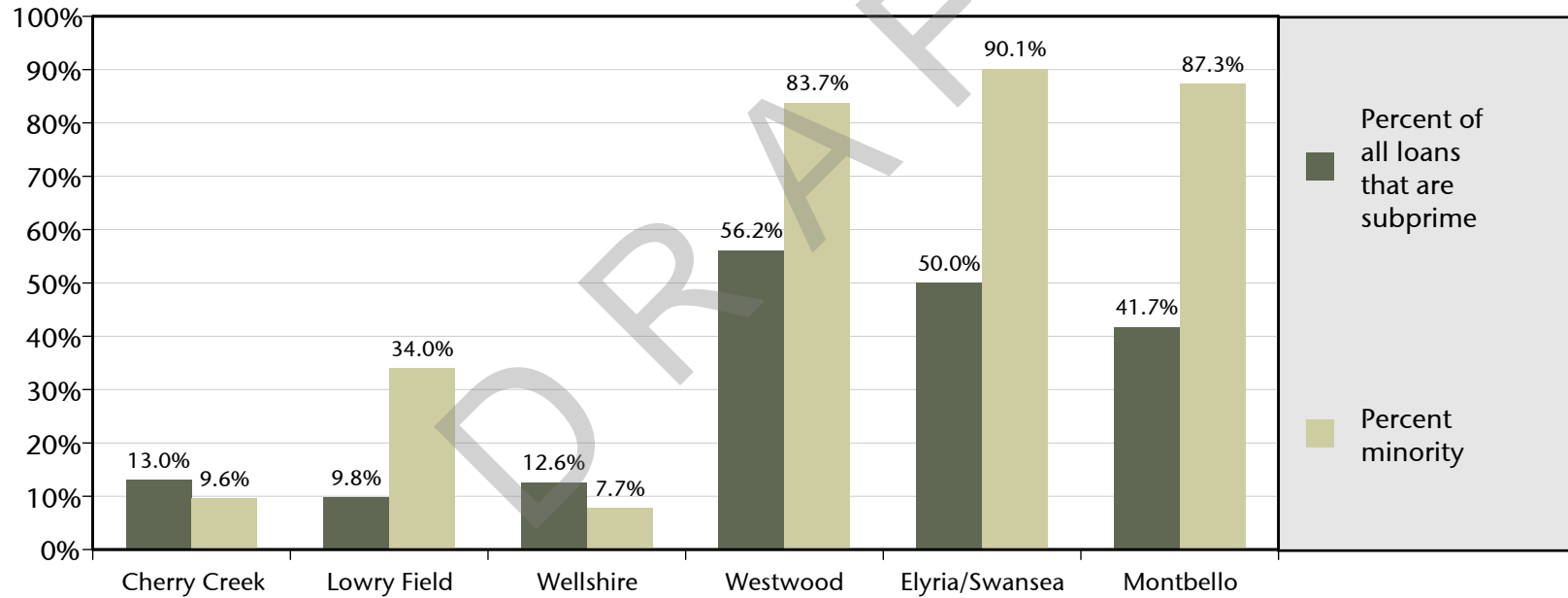
Source:
2006 HMDA, Federal
Financial Institutions
Examination Council and
BBC Research &
Consulting.





Denver Today: Financing

Subprime Loans and Minority Representation by Denver Neighborhood, 2006

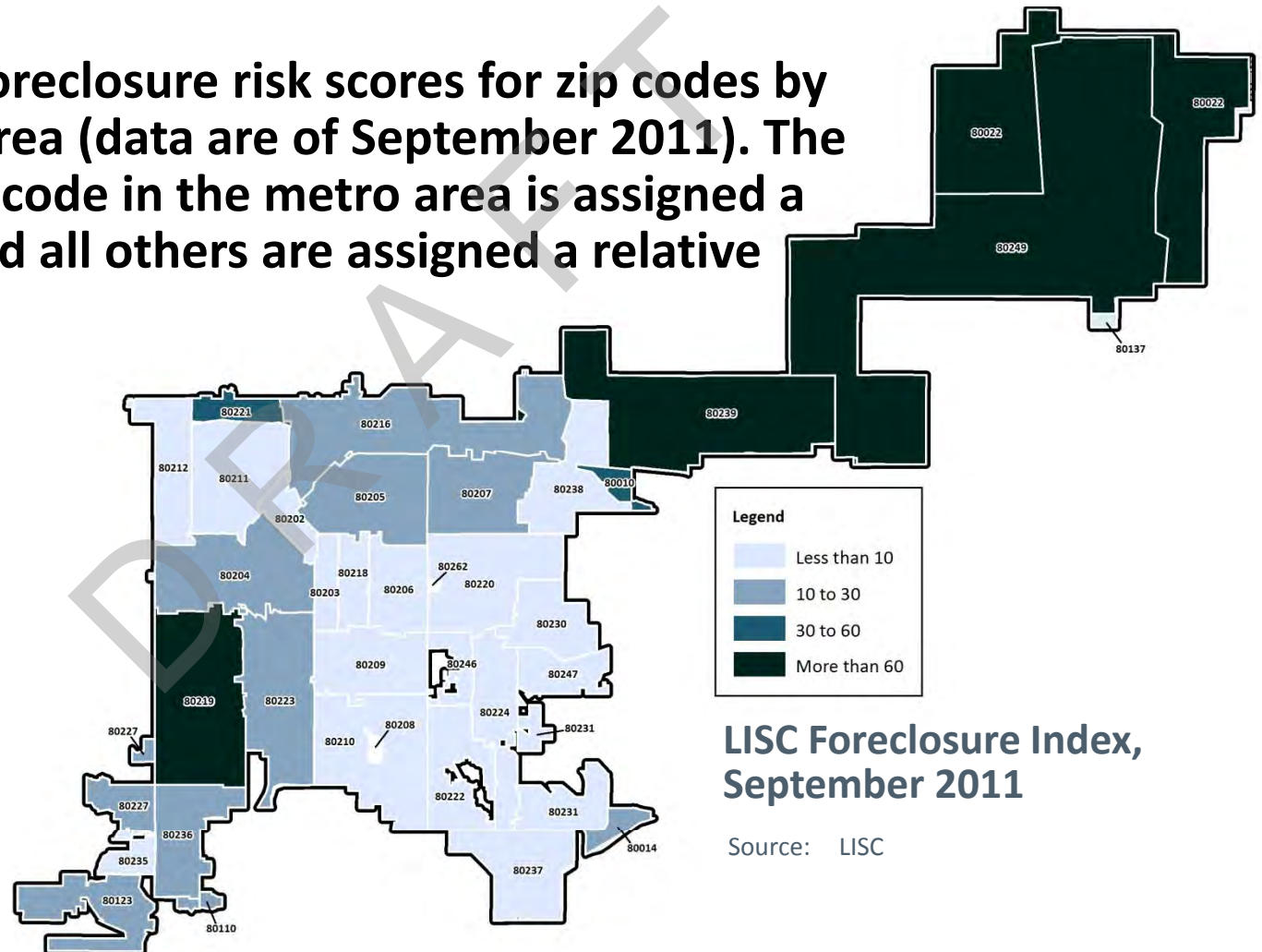


Source: 2006 HMDA, Federal Financial Institutions Examination Council and BBC Research & Consulting.



Denver Today: Foreclosures

- LISC provides foreclosure risk scores for zip codes by metropolitan area (data are of September 2011). The highest risk zip code in the metro area is assigned a score of 100 and all others are assigned a relative score.





Denver Today: Foreclosures

- According to the CDOH Foreclosure Reports, Denver foreclosures peaked in 2008 at 6,212 filings and 4,362 sales. By 2010, filings had dropped by 19% and sales dropped by 34%.
- Foreclosures have continued to decline as shown in the table below.

Foreclosure Filings and Sales, 2010 Q1 to 2011 Q2

Source:
Colorado Department of Housing

	Filings	Sales
2010 Q1	1,416	802
2010 Q2	1,134	717
2010 Q3	1,275	817
2010 Q4	1,228	544
2011 Q1	830	648
2011 Q2	826	639
Percent Change	-42%	-20%



Denver Today: Foreclosures

- According to 4Q2011 data, 12% of single family properties in Denver are bank owned. Adams County has the most bank owned single family properties (18%) and Broomfield County has the least (5%).
- The table below shows all properties sold or for sale in Denver County in 2011 (1Q-3Q) by seller type.

Homes (Sold and For Sale) by Seller Type, 1Q-3Q2011

Source:

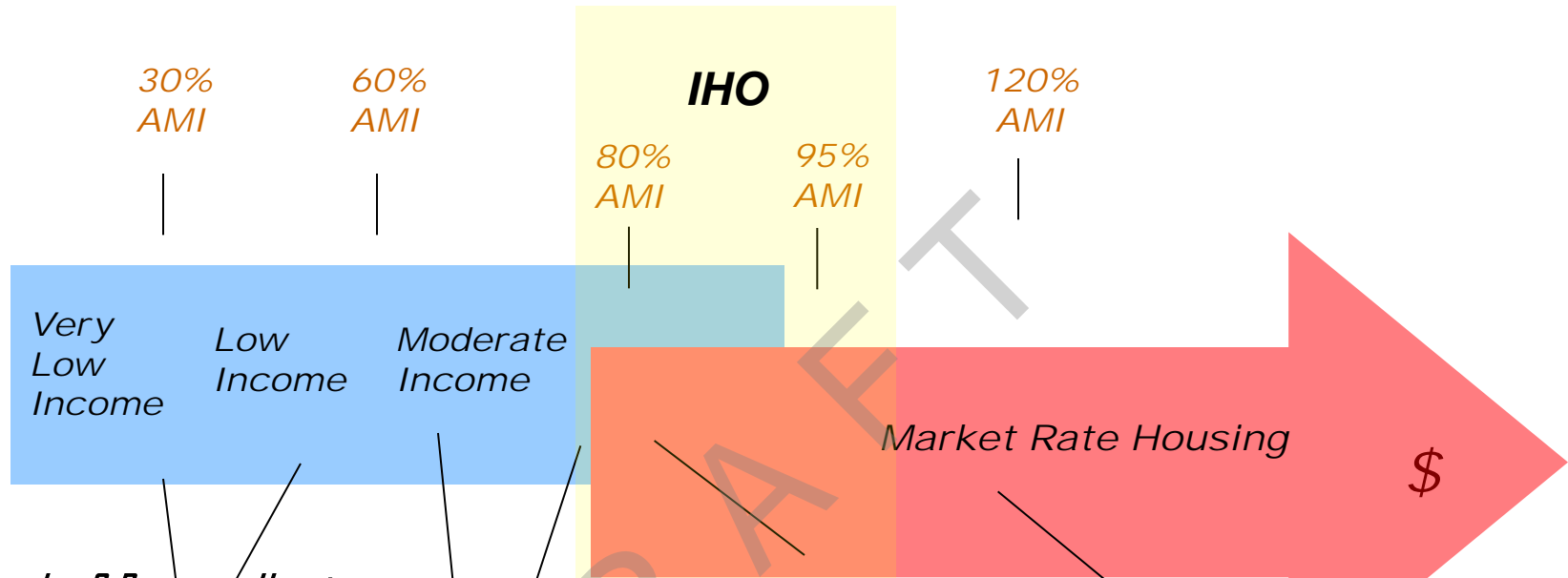
Genesis Group and BBC Research & Consulting.

Seller Type	Number	Percent
Bank/GSE	1,486	13%
Builder	1,124	10%
Corp/Trust	672	6%
Estate	299	3%
Government	401	4%
Individual	7,270	64%
Relocation Co	74	1%
Total	11,326	100%

APPENDIX E.

Inclusionary Housing Ordinance

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Develop & Preserve Housing for Low Income, Elderly, and Special Populations

- DHS-Denver's Road Home
- Emergency Shelter grants
- LIHTC
- CDBG & HOME development loans
- Home repair deferred loans
- DHA Sec. 8/Public Housing
- MHCLF

Workforce Housing

- LIHTC
- Private Activity Bonds
- CDBG & HOME development loans
- FHLB Aff. Housing Program
- MHCLF
- LOC
- CHFA
- PAB Mortgage Assistance
- Down payment asst.
- Special bank products

Programs and Policies to promote homeownership

- Inclusionary Housing Ordinance
- Home repair loans
- FHLB Aff. Housing Program
- CDBG & HOME dev. loans
- MHCLF
- LOC
- CHFA home loans
- PAB Mortgage Assistance
- Down payment asst.
- Special bank products

Private Sector Products to Promote Homeownership

- Local lender products

Inclusionary Housing Ordinance

Housing Task Force

May 12, 2012



DENVER[®]
THE MILE HIGH CITY

GROWDENVER

The Office of Economic Development

Inclusionary Housing Ordinance Overview

- Ordinance
 - Adopted by City Council in 2002
 - Unified affordable housing approach
- Legislative Findings
 - “A severe housing problem exists within Denver with respect to the supply of housing relative to the need for moderately priced dwelling units.”

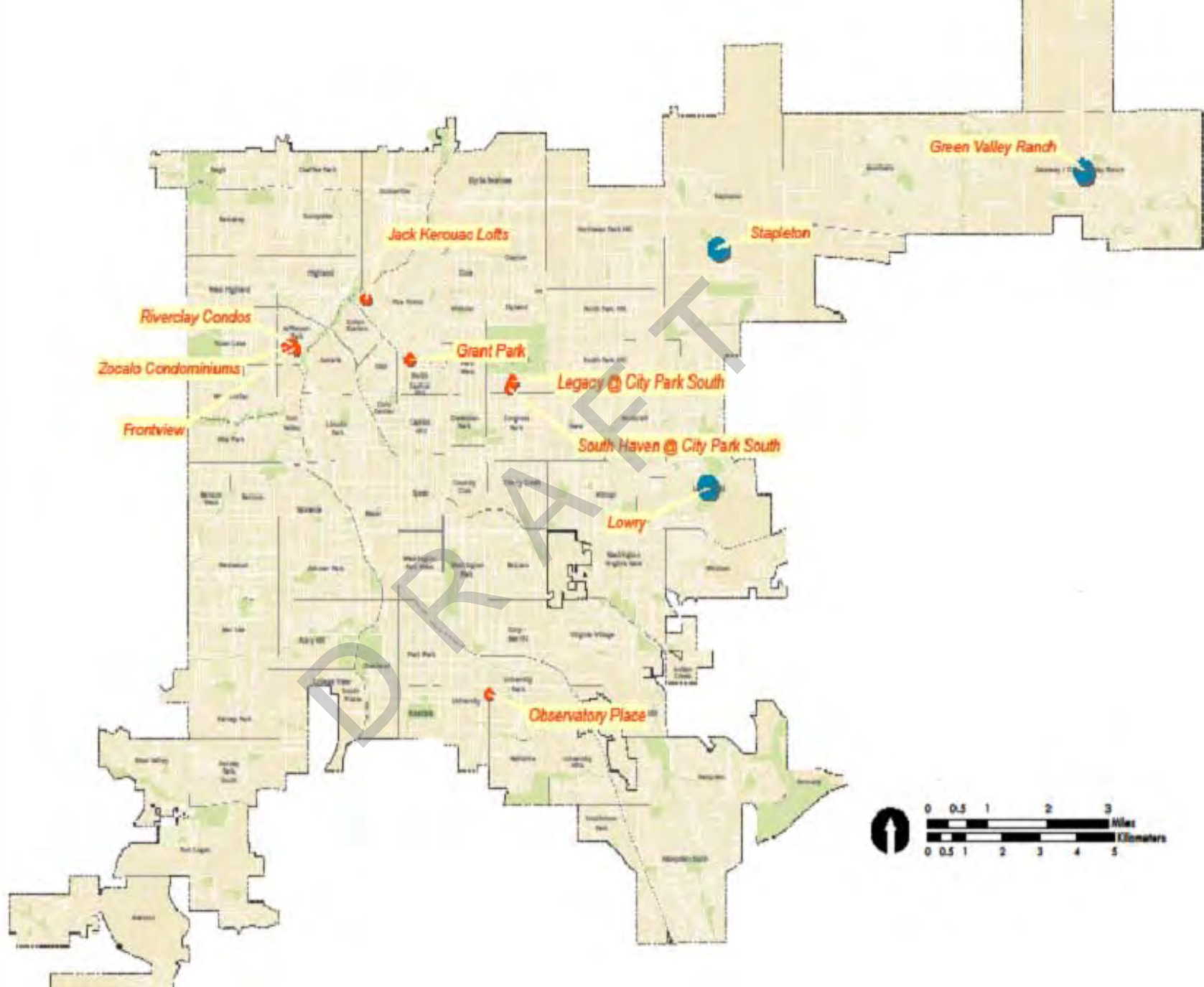
Inclusionary Housing Ordinance

Overview

- IHO Compliance Requirement
 - “Require that all development of thirty (30) or more detached for sale single family dwelling units and all for sale attached or multi-family projects of thirty (30) or more units include a minimum number of moderately priced units.”
 - ▶ Developer Requirement
 - ▶ 10% affordability
 - ▶ Restricted sale price
 - ▶ Income eligible buyers

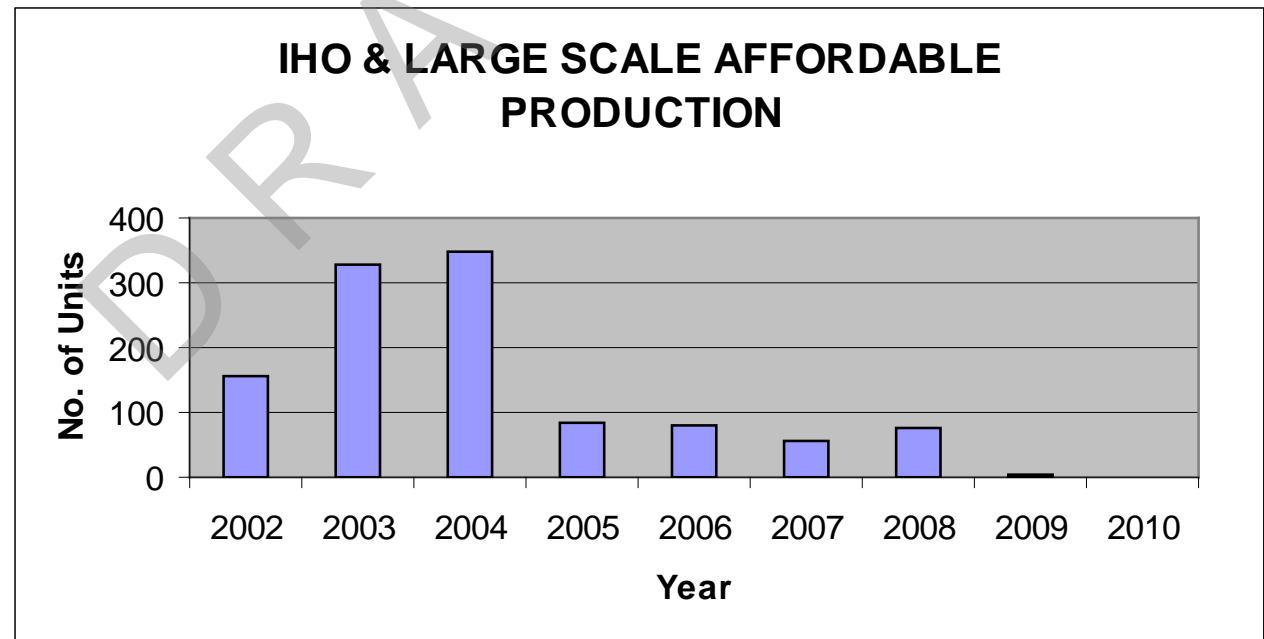


DENVER
THE MILE HIGH CITY



Inclusionary Housing Ordinance Overview

- **Affordable Unit Production**
 - To date 1133 units have been created
 - IHO – Non-Large Scale: 77
 - IHO – Large Scale: 1056



Inclusionary Housing Ordinance Overview

- IHO Large Scale Developments
 - ▶ Projects with a contractual commitment to the City to construct a minimum of 200 affordable units as part of a master planned development project.
- IHO Large Scale Production
 - Green Valley Ranch: 648
 - Stapleton: 222
 - Lowry Redevelopment: 186 (CCLT)

Inclusionary Housing Ordinance Overview

- Voluntary Compliance
 - Developments less than 30 units
 - Rental projects
- Developer Incentives
 - Reimbursement (Rebate)
 - Density Bonus
 - Parking Reduction
 - Expedited Processing

Inclusionary Housing Ordinance

Overview

- Alternative Compliance Options
 - Build units off site
 - Cash in lieu payment

Cash-in-lieu Prices					
AMI	Number of Bedrooms				
	<i>Studio</i>	<i>One</i>	<i>Two</i>	<i>Three</i>	<i>Four</i>
80%	\$72,306	\$77,594	\$94,838	\$110,810	\$124,524
95%	\$93,154	\$99,880	\$121,438	\$141,633	\$158,771

Inclusionary Housing Ordinance

Overview

- IHO Special Revenue Fund
 - Housing Incentive Program Fund OED administered
 - Fund capitalized with \$2,150,000 in City Funds
 - Collects revenues:
 - Cash in lieu fees
 - IHO penalties & fees
 - Fund interest income
 - Issues incentives – aka “rebates” to developer



Inclusionary Housing Ordinance

Overview

- **Special Revenue Fund Balance** **\$1,197,516**

Revenues	Amount
General Fund Transfers	\$2,150,000
Opt Out Fees (CIL)	\$2,820,885
Investment Income	\$ 259,267
IHO Penalties & Fees	\$ 3,580
Total Revenues	\$5,233,732

Payments/Loans/Expenses	Amount
Incentive Rebates	\$3,800,000
Administrative Expenses	\$ 236,216
Total Deductions	\$4,036,216

Inclusionary Housing Ordinance Overview

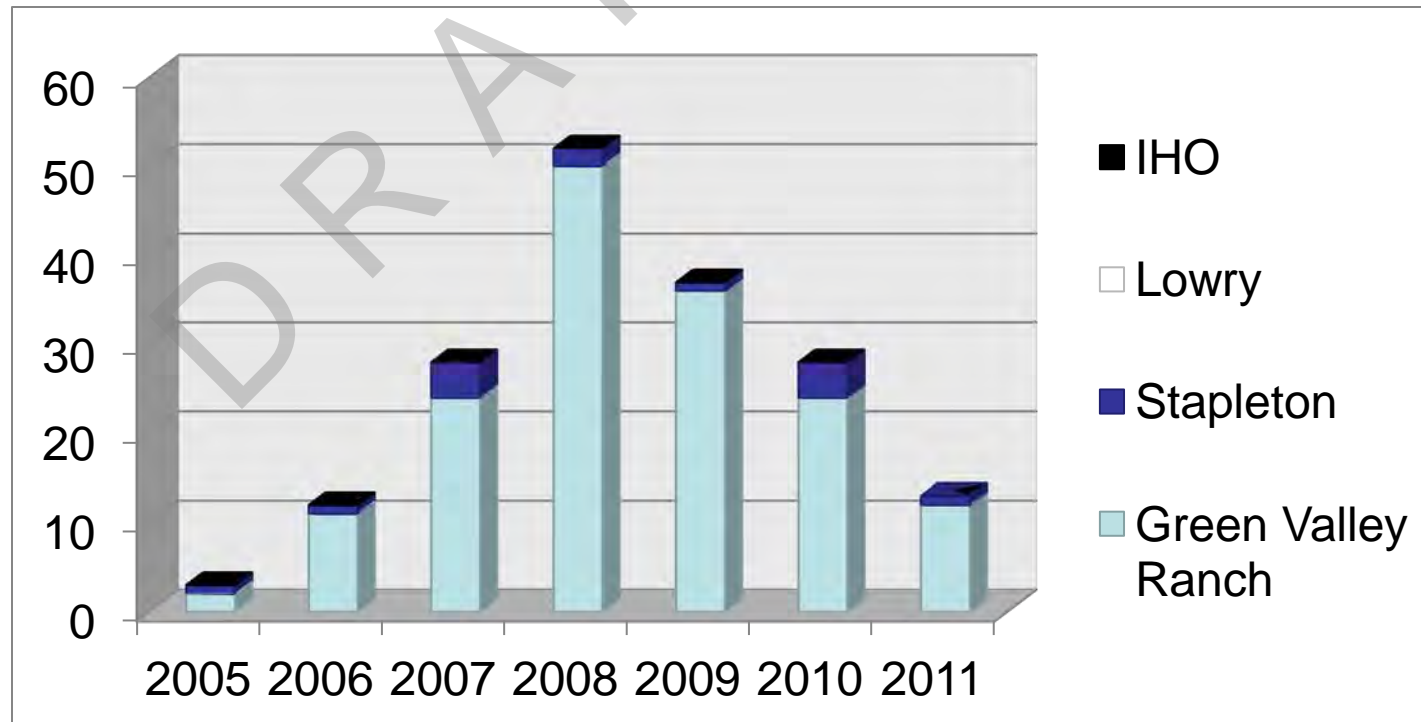
- Foreclosure
 - In the event of foreclosure or acceptance of deed in lieu of foreclosure by a holder of the first priority deed of trust (“first lien holder”), OED will release the Covenant and waive its ability to enforce the provisions of the Covenant
 - If FNMA, Freddie Mac, FHA or VA forecloses or accepts a deed in lieu of foreclosure, the restrictions shall automatically and permanently terminate

Inclusionary Housing Ordinance Overview

- Foreclosures

- IHO & Large Scale Foreclosure Rate: 15%

- Green Valley Ranch: 25%
 - Stapleton: 6%





Inclusionary Housing Ordinance Overview

	TOTAL DENVER RESIDENTIAL UNITS	MARKET FORECLOSURES	FORECLOSURE RATE
2002	264,357	1682	0.64%
2003	267,344	2411	0.90%
2004	270,938	3243	1.20%
2005	274,096	3561	1.30%
2006	277,386	4696	1.69%
2007	280,965	7408	2.64%
2008	281,027	6145	2.19%
2009	284,157	6141	2.16%
2010	284,980	5053	1.77%

Affordable units have a marginally higher rate of foreclosure as compared to market rate units

2010 Market Rate: 1.77%
2010 Affordable 2.47%

Year	TOTAL IHO UNITS (CUMMULATIVE)	TOTAL IHO FORECLOSURES	IHO FORECLOSURE RATE
2002	158	0	0.00%
2003	485	0	0.00%
2004	834	0	0.00%
2005	920	3	0.33%
2006	999	12	1.20%
2007	1054	28	2.66%
2008	1129	52	4.61%
2009	1133	37	3.27%
2010	1133	28	2.47%

Inclusionary Housing Ordinance Overview

- Regulations & Enforcement
 - Developers
 - Permits
 - Civil fine
 - Homeowners
 - Enjoin
 - Recover
 - Sale

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APPENDIX F.

Denver's Road Home

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Denver's Road Home

Housing Task Force Presentation

May 24, 2012



Overview

- History
- Structure
- Budget
- Services
- Housing

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History

- Launched in 2005, with Mayor and City Council
- First city or county in Colorado to develop a plan
- Developed with input of over 350 stakeholders
- Focused on long term solutions for chronic homelessness
- Core Partners: Mayor's Office, DHA, DHS & MHUW
- Involvement of a multitude of other key partners and stakeholders
- 10 Year Plan organizing framework for program
- Recognized as a national model

Structure

- Member of Continuum of Care
- Metro Denver Homeless Initiative
- Executive Director, DRH appointed by Mayor
- Commission to End Homeless, 40+ member Advisory body
- Core Partners: MO, DHS, DHA, MHUW
- Network of providers, funders, advocates

Core Goals

- Develop 3,193 permanent and transitional housing opportunities.
- Expand shelter housing for all populations until adequate permanent housing is available.
- Provide Denver residents facing homelessness more tools to keep them from ending up on the streets or in emergency shelters.
- Provide better access to supportive services that promote long-term stability and improved functioning.
- Improve public safety by increasing homeless outreach efforts to reduce panhandling, loitering and crimes.
- Assist people who are homeless to obtain skills and knowledge necessary to participate in the workforce.
- Build community awareness and support for coordinated responses to eliminate homelessness.
- Reform Denver's zoning, building and development codes to facilitate an adequate supply of emergency and affordable housing.

Services

- Housing First model
 - programmatic approach designed to help chronically homeless individuals move more quickly off the streets or out of the shelter system.
 - includes crisis intervention, rapid access to housing and follow-up case management and support services to prevent reoccurrence of homelessness
 - treatment includes services to help maintain housing, improve their physical and mental health status and reduce substance use

Services are any form of aid or assistance that help to stabilize an individual or family to move them to a place of independence and self-sustainability.

- Housing
- Food
- Health Care
- Education
- Job Training
- Employment
- Counseling
- Day Care
- Transportation
- Treatment
- Financial Counseling
- Legal Assistance
- Mainstream Resources

Housing

- Some of DRH's partner organizations such as CCH are able to provide supportive services at their properties but most developers and landlords cannot.
- DRH advocates for developers for local and state funding and for tax credits
- In return set aside units provided for families, individuals at 0- 30% AMI that were homeless or at risk of homelessness

Housing cont'd

- Funds were then provided for case management to the development
- Currently insufficient funds available to sustain service provision in this way
- Makes it very difficult to find developers to set-aside units for chronically homeless
- Unable to make those commitments to developers and/or property owners.

Housing cont'd

Front-End Users Cost

Community Costs

- Detox
 - \$210/day
- Psychiatric Hospitalization
 - \$1,600/day
- Hospital Stay
 - \$6,805/day
- ER Visit
 - \$560/visit

• System Costs

– Booking Processing Costs

- 570 Bookings at \$164/booking
 - \$93,480

– Jail Bed Stays

- Avg. LOS = 21 days at \$56/day
 - \$670,320

Closing Thought

- “Denver used to spend around \$70 million on homeless services that include emergency room care, detox services, incarceration, and emergency shelter, which equated to around \$40,000 per homeless individual; and now, just five years into the ten-year program, homeless people can be moved into housing and receive treatment for about \$15,000.”

APPENDIX G.

Complete List of Housing Task Force Member Recommendations

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Complete List of Housing Task Force Member Recommendations

IHO and Homeownership

- City should establish a committee to provide ongoing oversight for the IHO.
- City should establish a committee to give input on the revision of the IHO.
- IHO should be revised to better adapt to market conditions over time.
- IHO should allow purchase and rehabilitation of existing housing stock.
- IHO should be available to a broader income segment.
- IHO should be geographically targeted.
- IHO should be restructured to ensure that affordable units are distributed throughout the city.
- IHO should be revised to better accommodate life changes.
- IHO should be revised to require rentals (the "economic engine" that is running now), similar to Boulder.
- City should preserve existing IHO housing stock (e.g., non-profit purchase of units that are at risk of foreclosure).
- City should balance housing stock with wealth building objectives.
- IHO needs more diversified funding sources.
- City should look into partnering with a third-party for administration of the IHO (such as DHA).
- Existing low income neighborhoods should be exempt from IHO.
- City should support the conversion of affordable for-sale housing into rental units when faced with the potential loss of deed-restricted for-sale units, OR to respond to compelling market needs for more deeply affordable rental (i.e.; okay to convert a for-sale to rental if you can then keep it below 50% of AMI, but not just to convert to 80% of AMI rental...)"
- Use of IHO funds should not be limited to housing stock comparable to the stock that would have been created through the ordinance, but rather, should be used as a tool to achieve the policy priorities of the department with input from stakeholders in the same way the department would take input prior to undertaking other policy objectives— or more simply, use of any existing or future IHO funds should be based on the policy

Rental

- City should focus on creating and preserving affordable rental housing.
- City should focus on provision of supportive services within rental developments.

Complete List of Housing Task Force Member Recommendations

Rental (continued)

- The priority for transit-oriented development should include a high (50%?) percentage of new or renovated affordable rental housing.
- 30% MFI affordable rental goal should incorporate rentals in mixed-income projects, as well as incorporating 30% MFI affordable rentals into areas that include other MFI levels to create more mixed-income communities.
- City needs to more closely monitor and plan for the preservation of expiring Section 8 or other deed restrictions, especially for deeply affordable rentals.

Program Administration

- City needs a high-level, housing director.
- City needs to find market rate solutions to filling housing gaps.
- City needs to reexamine budget and find ways to use General Funds on housing.
- City should build upon relationships and collaboration already established and been tested in the market.
- City should create a dedicated revenue stream to support affordable housing
- City should ensure it is collaborating with partners to ensure basic community resources are being provided with housing.
- City should establish an application scoring model that rewards more points for higher levels of affordability (e.g., serving 30% AMI).
- City should exercise eminent domain to redevelop abandoned vacant and blighted parcels.
- City should explore fee waivers for water and sewer connections.
- City should inventory vacant and blighted residential and commercial properties as potential for affordable and mixed-income housing.
- City should look at affordable housing as a regional problem and work with surrounding areas to achieve more balanced approach.
- City should revisit policy priorities at regular intervals (annually?) to prioritize funding targets.
- City, CHFA and DOH should implement a unified application process to allow for more strategic allocation of limited funds.
- Funding for DURA's housing rehabilitation programs should be increased.
- OED needs to improve transparency and empower current staff to make decisions independently.

Complete List of Housing Task Force Member Recommendations

Program Administration (continued)

- City should explore employer-assisted housing models from other cities whereby employers with workforce housing needs might be more actively engaged in ensuring workforce housing in Denver.
- Policy document should contain language similar to: “We strongly suggest the City of Denver create and adopt a formal housing plan based on these recommendations to guide the city’s housing policy. Such a plan can be flexible to respond to market conditions, but must include core values and methodologies for evaluating and re-prioritizing when conditions change to ensure coherent use of limited resources and maximum transparency.”

From 2008 Housing Plan

- Expand the supply of affordable and workforce housing.
- Create 5,500 rental housing opportunities, including 3,500 for working poor, elderly and disabled households earning less than 30% AMI, as part of mixed income communities.
- Create 2,500 homeownership opportunities for low- and moderate-income workers—the largest segment of the Denver workforce—in competitive neighborhoods.
- Enable Denver residents to connect with jobs, schools and other opportunities by locating 50% of new and city-subsidized housing for low- and moderate-income households in bus and rail transit corridors.
- Build strong, vibrant neighborhoods.
- Improve the existing housing stock and create new housing opportunities in city neighborhoods.
- Develop tools and strategies to address both the current impacts and the root causes of the foreclosure crisis in Denver.
- Establish a framework for long-term success.
- Create a policy, regulatory and financial framework in Denver that supports the development of a broad range of housing to meet the needs of low- and moderate-income households across the city.