IN TRO DUC TIO N TO BO U LDER’S AFFORDABLE HOUSING GOALS

Housing Advisory Board
October 24, 2018

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Introduce Housing Goals

- 10% low/mod Income Goal
- Middle Income Goal
- Regional 12% Goal

Consider

- Combining the city’s goals
- Raising the current goals
- Establishing the new goal as time-bound
- Aligning with the Regional Housing Strategy

Feedback

- “Why” Statement
- Guiding Principles
- Proposed Process
- Additional Data Needed

PURPOSE
The City of Boulder is committed to creating and preserving permanently affordable housing options to meet the diverse housing needs of the community.

History of the Boulder’s Housing Goals

- 2000 Comprehensive Housing Strategy
- 2010 Affordable Housing Task Force
- 2016 Middle-Income Housing Strategy
- 2017 Regional Housing Strategy
Boulder aspires to be an inclusive community with a diverse and integrated population. Supporting that aspiration, the range of available housing opportunities helps to define a community. The social, economic and environmental well-being of the community is enhanced when individuals and families are retained, workforce housing is available and residents with changing or special housing needs are served.
GOAL:
10% of all residential properties within Boulder as permanently affordable to serve low- and moderate-income persons (2018 = 4,619 homes)

PROGRESS:
7.5% (3,468 homes)
GOAL:
Build or preserve 3,500 middle-income homes by 2030
• 2,500 market-rate middle income
• 1,000 deed-restricted permanently affordable

PROGRESS:
110 deed-restricted
MEETING THE CITY GOALS

Affordable Housing Units Projections

- Total Number of Low/mod Affordable Units
- Number of Units needed to reach 10% goal
- Projected Number of units Needed to Reach Goal
- Projected Build of Low/Mod and Middle Income Units
GOAL:
12% of all residential properties county-wide serving low- and middle-income households by 2035
(2035 = 20,400 homes)

PROGRESS:
4.3% (5,700 homes)
Since 2010…

- Wages only increased 9.6%
- Median market rent has jumped 31%
- Median home prices increased 60%
- 54% of renters are cost-burdened with 15,000 severely cost-burdened
Deep Community Concern about Lack of Affordable Housing

City of Boulder Citizen Survey
**Affordable housing options few**

Boulder Valley Comprehensive Plan
**Affordable housing is the top priority**

City of Longmont Citizen Survey
**Housing affordability getting worse**
CONSIDERATION OF AMENDING HOUSING GOALS
SUGGESTED GUIDING PRINCIPLES

• Affordable housing goals must be easy to explain and understand.
• Allow flexibility to be opportunistic to direct affordable housing resources to address the greatest need in any given year while leveraging resources and maximizing opportunities.
• Periodically review progress toward goals and adjust course as necessary.
"WHY" STATEMENT

The City of Boulder has made great strides in continuing to achieve its goal to secure 10 percent of all housing units as permanently affordable for low- and moderate-income residents (0-60 percent of Area Median Income (AMI)). The city currently has 7.5 percent of its housing stock as permanently affordable and expects to achieve the goal of 10 percent in the next several years. In addition, the recently launched Middle Income Housing Strategy set a goal of 1,000 deed restricted homes (currently there are 110 serving 80-120% AMI).

While these achievements are remarkable, there remains a dearth of affordable housing options available to many of the city’s residents. To continue to provide a diversity of housing types and prices, the city will revisit our affordable housing goals to ensure continued prioritization and investment in affordable housing.
**TO CONSIDER**

<table>
<thead>
<tr>
<th><strong>Combine</strong></th>
<th>Combine the current low/moderate and middle income housing goals to assert one goal serving low- to middle-income.</th>
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<tbody>
<tr>
<td><strong>Update</strong></td>
<td>Update the goal to ensure the city’s continued prioritization and investment in creating and preserving homes meeting the diverse housing needs of the Boulder community.</td>
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<tr>
<td><strong>Establish</strong></td>
<td>Establish the goal as time-bound to be achieved by 2035.</td>
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<tr>
<td><strong>Amend</strong></td>
<td>Amend the Boulder Valley Comprehensive Plan in 2020 to reflect the amended housing goals.</td>
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ACCOMPLISHMENTS TO DATE

- Populations Served (incomes, type of households, race/ethnicity, special needs)
- Tenure of inventory (rental vs. ownership)
- Types of homes (bedrooms, SF, MF, etc.)

IMPLICATIONS OF AMENDING GOALS

- Varying goal percentages: 10, 12, 14, 16
- Number of Units Needed at Varying Goals
- Financial Implications
- Rate of Development

INFORMATION TO BE PROVIDED
PROPOSED PROCESS

- Oct 24: Introduction of Proposal to HAB
- Nov 14: HAB Study Session
- Dec 12: HAB Public Hearing
- Jan 2019: Planning Board Public Hearing
- Feb/Mar 2019: City Council Public Hearing
- Following Approval:
  - Implement Amendment
- 2020: Update BVCP
Does the HAB have any feedback on the “Why” statement or the project’s guiding principles?

Does the HAB have any feedback on the proposed process to amend the city’s housing goals?

What additional information is needed to consider a change to the city’s housing goals?
The City of Boulder has made great strides in continuing to achieve its goal to secure 10 percent of all housing units as permanently affordable for low- and moderate-income residents (0-60 percent of Area Median Income (AMI)). The city currently has 7.5 percent of its housing stock as permanently affordable and expects to achieve the goal of 10 percent in the next several years. In addition, the recently launched Middle Income Housing Strategy set a goal of 1,000 deed restricted homes (currently there are 110 serving 80-120% AMI).

While these achievements are remarkable, there remains a dearth of affordable housing options available to many of the city’s residents. To continue to provide a diversity of housing types and prices, the city will revisit our affordable housing goals to ensure continued prioritization and investment in affordable housing.
COMMENTS ON THE GUIDING PRINCIPLES

• Affordable housing goals must be easy to explain and understand.
• Allow flexibility to be opportunistic to direct affordable housing resources to address the greatest need in any given year while leveraging resources and maximizing opportunities.
• Periodically review progress toward goals and adjust course as necessary.
FEEDBACK REGARDING THE PROPOSED PROCESS TO AMEND THE CITY’S HOUSING GOALS

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IMPLICATIONS OF AMENDING GOALS

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ADDITIONAL INFORMATION NEEDED TO CONSIDER AMENDING THE CITY’S HOUSING GOALS
ANY ADDITIONAL QUESTIONS OR COMMENTS?
Affordable Rental Issues

Staff Report
Fees

Two for-profit
Two non-profit
71% of affordable rentals

Fee review - reasonable, necessary, comparable
- All have application fees from $17 to $60
- All have lease break fees
- 1 non-profit and 1 for-profit with maintenance and lock-out fees
- 2 for-profits with move-out cleaning fees
- 1 non-profit with unit hold fee (credited to deposit)
- 1 for-profit with leasing fees, replacement charges
Paid Parking Required

- Only in city parking districts
- 71 units now
- Possibly 100+ more at 30th and Pearl
- Future areas
- CHFA LIHTC constraint

Storage

- Some properties charge, some don’t
Reasons for Leaving

1446 units had 384 move outs

1. 36% - relocation
2. 11.5% - eviction for cause
3. 8.6% - reason unknown
4. 6% - death or illness
5. 5.7% - no longer eligible
6. 5.2% - rent increase
Proposed HAB Priorities

• Housing Accessibility
• Innovative Model to Enhance Productive Civil Discourse
• Small But Mighty
• Tiny Homes/Micro Units
• Incentivize Affordable Housing
• Subcommunity Planning
• Occupancy Rule Changes
• Housing Transfer Fee
Housing Accessibility

- Explore issues and potential methods of providing more accessible housing
Innovative Model to Enhance Productive Civil Discourse

• Test new approaches to provide the community with better opportunities to find common ground on housing issues
Small But Mighty

• Make two recommendations a year to alleviate critical housing issues for individuals or increase effectiveness of housing efforts
Tiny Homes/Micro Units

- Research and develop comprehensive and innovative implementation strategy
Incentivize Affordable Housing

• Consult with industry experts and propose policy recommendations on things such as reducing fees, simplifying process, modifying land use codes
Subcommunity Planning

• Explore short and long-term goals, ordinances and funding priorities that preserve existing middle income homes, diversity and accessibility
Occupancy Rule Changes

• Explore changes to occupancy limits to utilize existing housing more fully
Housing Transfer Fee

- Explore transfer fees on home sales as additional source of revenue for affordable housing projects
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- Housing Accessibility
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