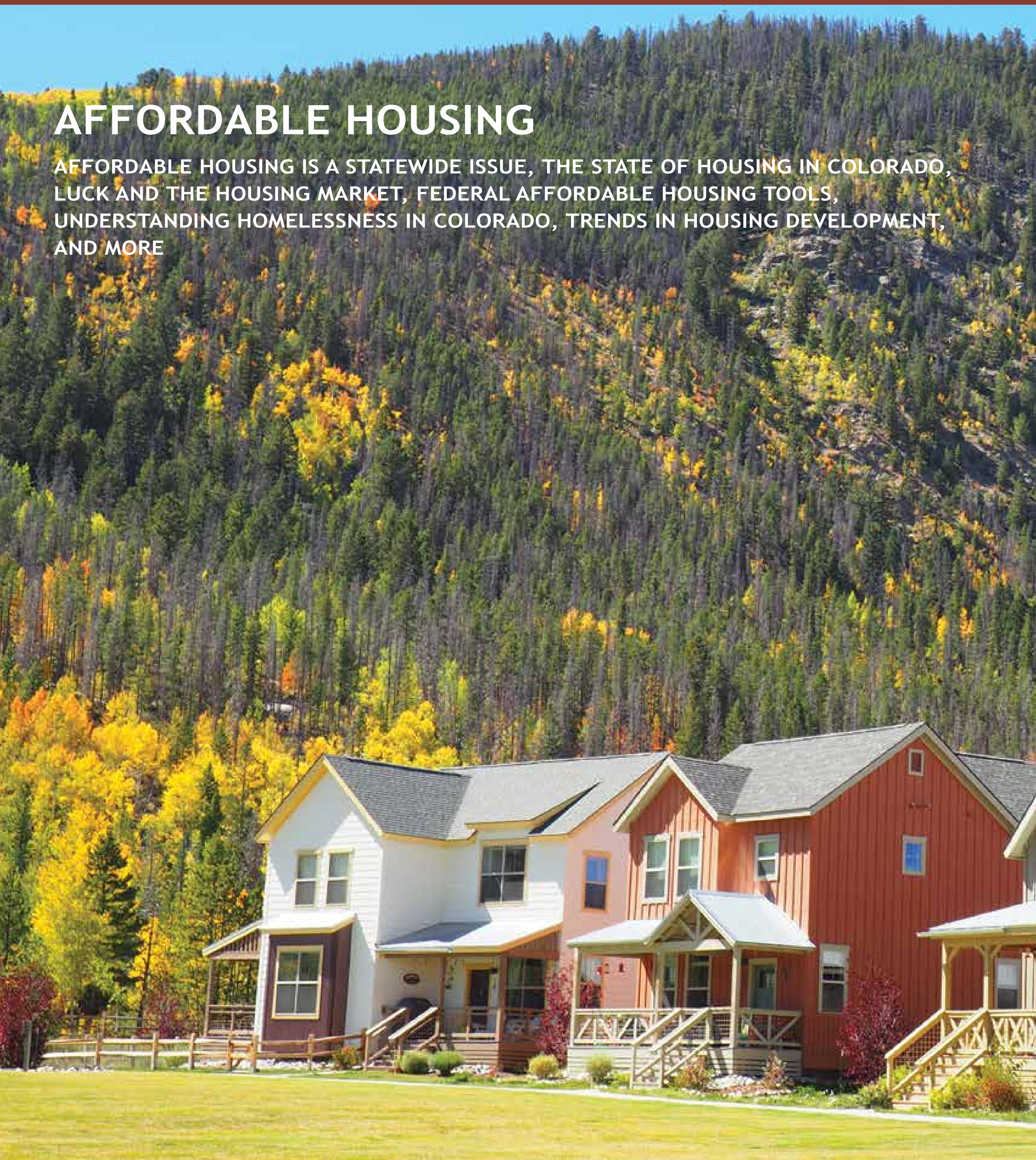
FEBRUARY 2019 • COLORADO MUNICIPAL LEAGUE

# COLORADO MUNICIPALITIES



## AFFORDABLE HOUSING

AFFORDABLE HOUSING IS A STATEWIDE ISSUE, THE STATE OF HOUSING IN COLORADO, LUCK AND THE HOUSING MARKET, FEDERAL AFFORDABLE HOUSING TOOLS, UNDERSTANDING HOMELESSNESS IN COLORADO, TRENDS IN HOUSING DEVELOPMENT, AND MORE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**Mission**

*Colorado Municipalities* is published to inform, educate, and advise appointed and elected municipal officials about new programs, services, trends, and information to help them perform their jobs and better serve their citizens and communities.



Manuscripts: Original articles on subjects of interest to Colorado municipal officials accepted. Contact the editor for guidelines.

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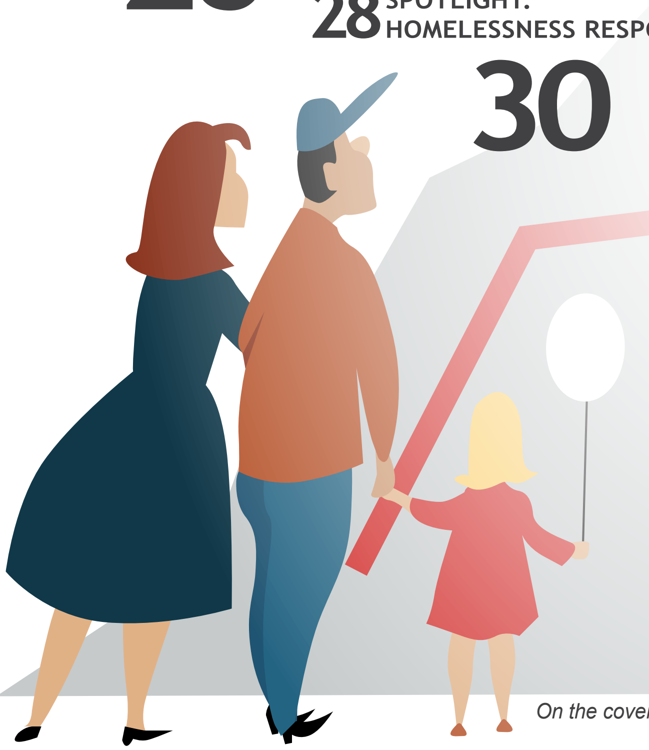
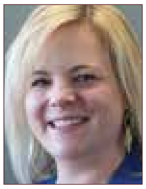


*On the cover: Affordable housing in Frisco.*

# COLORADO MUNICIPALITIES

## ABOUT SOME OF OUR CONTRIBUTORS



**Cathy Alderman** has served as the vice president of communications and public policy for the Colorado Coalition for the Homeless since 2015. Previously, she worked with Planned Parenthood of the Rocky Mountains, Association of PeriOperative Registered Nurses, Ohio Department of Jobs and Family Services, and the Madison County Health Department. She received her juris doctor degree from Tulane University Law School.

**Eric R. Cobb**, deputy regional administrator for U.S. Housing & Urban Development (HUD) Region VIII, is a former real estate broker with more than 13 years of experience in the Denver residential market. He also is a decorated veteran from the U.S. Air Force, where he managed several programs in logistics and human resources. Cobb has been with HUD for 10 years.

**Alison George** is the state director of housing serving the Colorado Department of Local Affairs Division of Housing (DOH). She directs all programs at DOH, ranging from housing voucher programs, manufactured housing, and code regulatory oversight to funding for constructing new affordable housing. George brings more than 20 years of experience in affordable housing development and finance.

**Melissa Mata**, Colorado Municipal League municipal research analyst, works on research, analysis, and reporting of municipal trends and best practices, and brings a background in municipal government to the role. Mata joined the League in October 2017.

**Jerilynn Martinez** is director of marketing and community relations for Colorado Housing and Finance Authority (CHFA). She has more than 15 years of experience in housing policy including work at the local, state, and federal levels. Martinez was part of the advocacy coalition that helped renew and extend Colorado's state Affordable Housing Tax Credit program in 2014, 2016, and 2018.

**Elena Wilken** brings 15 years of Colorado politics and association management to the Housing Colorado team. She managed logistics for a traveling bugle corps, baked bread, ran phones for a mutual fund company, and produced title reports before being hired as assistant director for the Colorado Association of Transit Agencies in 2002 and promoted to executive director in 2007. She completed an MBA at University of Colorado Denver in 2017.

**Mark Williams** is a planner for the City of Durango and has also worked in Atlanta and Denver. In Durango, Williams focuses on project development and affordable housing issues, and also works on design review and manages the City side of the Twin Buttes project. He is the southwestern area representative for the Colorado Chapter of the American Planning Association.

## LETTERS TO THE EDITOR

*Have some thoughts about an article that you read in Colorado Municipalities?*

*Want to share those thoughts with your colleagues across the state?*

*CML welcomes thought-provoking letters to the editor!*

*Send your comments to Communications & Design Specialist Traci Stoffel at tstoffel@cml.org.*

*By Elena Wilken, Housing Colorado executive director*

# AFFORDABLE HOUSING — A STATEWIDE ISSUE

MASLOW'S FAMOUS HIERARCHY of needs recognizes that food, water, warmth, and rest serve as the foundation for all greater human activity. And experience, research, and simple logic demonstrate that food, water, education, employment, and opportunity all come much easier when a person has safe and decent affordable housing — a place of warmth and rest. If you doubt this axiom, ask any school teacher how much harder it is to teach a child whose parents are forced to move repeatedly during the school year. Ask any employer if his or her business has suffered when one of its workers was uprooted.

I believe it is time to recognize and treat affordable housing for what it is: a basic component of societal infrastructure, one that requires statewide policy and investment.

Just as roads, highways, rail, and transit services do not stop at municipal boundaries, an affordable housing crisis in one community can quickly spill across boundaries to affect rent and housing pricing in neighboring jurisdictions. Not only does it pass along the housing burden to nearby communities, the "drive 'til you qualify" model increases traffic congestion, lessens family time and parental investment, and generates fewer genuine community bonds.

So what makes housing unaffordable? The components are myriad and intersecting. In research published in January 2018, Shift Research Lab identified no fewer than five intersecting elements that contribute to the challenge of building housing that is affordable, including the costs of land, base and finishing materials, labor pressures, and regulatory issues.

And then there are the individual issues. The industry considers households cost-burdened if they spend more than 30 percent of their income on housing; in Colorado, more than 25 percent of residents live in this category. High housing costs force households to choose between paying rent and other essentials such as food, clothing, car maintenance, health care, etc. These families represent the essential workforce: teachers, police officers, health care workers, and retail employees do not earn enough to pay market rental rates — let alone own a home.

Families with lower incomes and inadequate support systems are often at higher risk for eviction or foreclosure. Those at the lowest income levels or spend more than 50 percent of their income on housing are at an even higher risk of eviction or foreclosure. These families can be pushed into homelessness by only one or two circumstantial factors, such as a medical bill or a car accident.

Families with evictions on their record find it almost impossible to obtain affordable housing — creating an avalanche of related costs, adverse childhood experiences, irreparable credit history, and financial and productivity costs to the community. Greccio Housing in Colorado Springs, supported by SC Ministry Foundation, Community Development Block Grant (CDBG) funding, and private donations, has found that modest financial investments in families experiencing a one-time life-crisis event — such as an illness or unexpected car repair — can prevent eviction and avoid this cascade of issues.

The challenges of providing affordable housing vary from region to region throughout the state. Along the Front Range, stagnating incomes have not kept pace with the high demand and competition for housing, which drives escalating costs. Mountain communities struggle with the market forces of resort real estate while providing housing (or some combination of housing and transportation) for their employment base. Communities on the Eastern Plains are working with aging and dilapidated housing stock, perhaps fraught with asbestos and other environmental issues. Communities in southwestern Colorado strive to house their booming senior populations with co-located services and amenities.

Communities across Colorado seek to provide housing that maintains dignity and independence for those living with disabilities, behavioral health issues, and other challenges. And, at a time when the demand for affordable housing is increasing, much of the affordable housing built 15 years ago is rolling over to market-rate apartments, further limiting availability. Finally, and perhaps most visibly, all Colorado communities struggle to aid those experiencing the housing crisis through homelessness — a diverse population facing interconnected challenges of addictions, financial destitution, education, and health.

While housing may seem like a local issue, there are several policy areas where clear, strategic statewide policy could help provide communities the tools and solutions they need to resolve these challenging and critical issues, and can address housing issues along the entire continuum from homelessness to homeownership. Housing Colorado is the statewide industry organization. Membership includes organizations that build, maintain, preserve, and manage affordable housing: development and construction companies, architectural firms, financing organizations, housing authorities, and nonprofit organizations. Advocating at the state and federal levels, Housing Colorado supports and defends the statewide policy priorities to preserve and produce quality affordable housing for low- and moderate-income Coloradans.

Housing policies fall into three categories. First, of course, is funding. Increasing amounts of funding and access to financing tools encourage affordable housing development and preservation throughout the state. The Colorado Housing and Finance Authority and the Colorado Division of Housing do a bang-up job administering state and federal funding for housing programs. Housing Colorado and its advocacy partners are working with state legislative leadership to fund additional programs along the housing continuum. Some examples of critical funding policies are: establish a permanent, dedicated revenue source for funding affordable housing development throughout the state; include affordable housing in existing financing tools, such as tax increment financing, enterprise zones, tax incentives for energy efficiency, renewable energy development, etc.; and expand access to funding to leverage private activity bonds.

The second area of housing policy acknowledges that housing is most successful in stable communities. Housing insecurity and financial instability destabilize communities and exacerbate unaffordability. For example, a program that facilitates self-sufficiency through long-term financial stability will help residents remain in their homes and accumulate wealth. Similarly, programs that wrap access to social and health services with housing allow residents to address the underlying issues that contribute to housing instability. Policies that help displaced tenants and balance the rights of landlords and tenants can help break the cycle of eviction and re-housing. And finally, policies and programs that promote for-sale and homeownership options have proven that small investments in down-payment assistance can yield significant economic benefits for communities.

The third area of state affordable housing policy facilitates quality affordable housing development and construction. This includes enabling and incentivizing local zoning to include affordable housing; reducing administrative burdens while maintaining accountability for housing providers; encouraging local municipalities to include affordable housing in infill development and other designated areas that receive incentives (such as brownfields, blighted areas, etc.); and encouraging planners to colocate affordable housing near grocery stores, medical offices, and public transportation.

As you peruse the articles, case studies, and highlights in this magazine, you might notice the breadth of creativity local governments apply to this complex and challenging issue. We will celebrate the many successes Colorado communities have experienced, and assuredly, we continue to work on statewide housing policy that addresses populations along the entire spectrum of housing needs — from homelessness to homeownership. Commitment to both local innovation and statewide policy will go a long way to providing safe, stable, and affordable housing for all Coloradans.

 By Melissa Mata, Colorado Municipal League municipal research analyst

# THE STATE OF HOUSING IN COLORADO

THIS YEAR, CML CELEBRATED THE 10th anniversary of our annual *State of Our Cities & Towns* survey by asking our members to look back at the challenges they encountered in the aftermath of the Great Recession and the successes they have had in the face of this adversity, as well as to look forward toward the emerging issues they see on the horizon and the opportunities they have to address them.

First, the good news. In five of the seven categories surveyed, a majority of respondents stated that their local circumstances were "much better" or "somewhat better" than 10 years ago: intergovernmental cooperation with neighboring jurisdictions, intergovernmental cooperation with state and federal governments, economic development, public safety, and revenue and budgets.

Infrastructure had mixed results, with 40 percent stating the situation had improved and 30 percent about the same, leaving 27 percent at "somewhat worse" or "much worse."

Housing, however, stands in a league of its own. Only 3 percent of respondents answered that it was "much better," while 26 percent answered that it was "somewhat worse" and 17 percent stated it was "much worse." Focusing in on the last three years alone, not a single municipality responded that housing had gotten "much better," and 56 percent selected "somewhat worse" or "much worse." Even these numbers, however, fail to fully encapsulate the concern felt by public officials around the state about the lack of affordable housing options in their communities. Respondents described the supply of housing as "insufficient," "unattainable," or "in disrepair," while they described the need as "critical," "significant," and "desperate." Overall, as one municipality reported, the picture is "bleak."

Given the severity of the housing crisis, it is not only starter homes that some communities are struggling to provide. Municipalities from the Front Range to the Eastern Plans mentioned the need for housing throughout the price spectrum. Multiple respondents lamented the high cost of water, shortage of skilled labor, and proliferation of short-term rentals exacerbating the issue. In addition, community response to municipal attempts to address the concern has ranged from tepid acceptance to vehement opposition.

Municipalities in the Denver metro area known as being more affordable compared to their neighbors acknowledged that their houses are not necessarily affordable, merely less expensive.

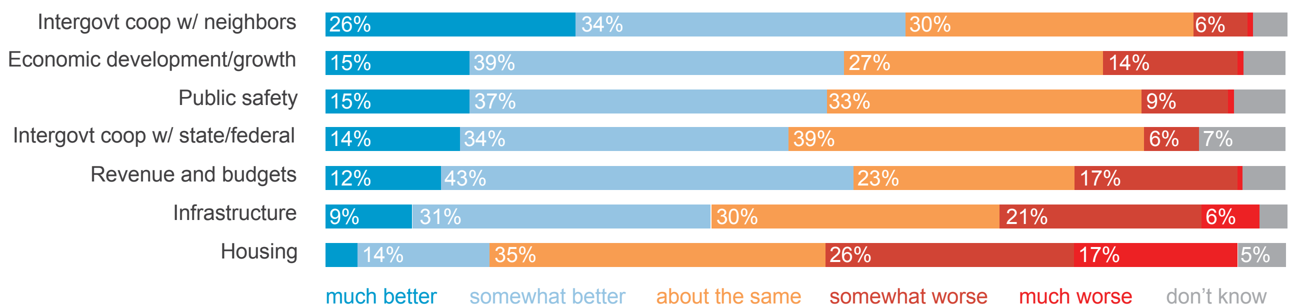
The problem is not limited to the Front Range. Mountain communities have watched housing costs rise out of reach of the workforce on whom their tourist-based economies rely, and these soaring prices affect the rental housing stock as well as homes for purchase. Rural cities and towns have reported difficulty attracting developers willing to build in their area even as the demand is growing, and many existing homes have been neglected or abandoned.

A lack of affordable housing options has cascading effects. In one Front Range community, for example, fewer than 5 percent of City employees live in the City simply because they cannot afford to do so. Their commutes increase traffic congestion and pollution. In addition to these more visible impacts, a workforce that is forced to commute can make individuals feel like outsiders to the very community they serve, interfering with the neighborly interactions that can make a city or town feel like home. An inability to provide workforce housing also may lead to challenges recruiting and retaining workers in all sectors, which is already being felt by 53 percent of respondents. Ultimately, housing challenges can contribute to slower economic growth, as reported by 40 percent of respondents.

The increase in housing costs also has had a noticeable impact on the number of homeless individuals within communities around the state. While only 20 percent of respondents reported an increase in homelessness directly connected to affordable housing challenges, 37 percent reported an increase in homelessness in the past three years due to any factors, with that number skyrocketing to 95 percent in municipalities with a population greater than 25,000. This increase has in turn placed a strain on municipal departments, including law enforcement, parks and recreation, public works, and libraries.

In the face of these challenges, municipal leaders are taking action. Forty-two percent of respondents either currently have a housing

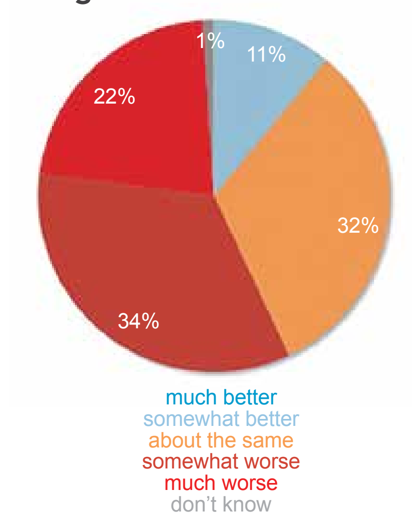
## How Have these Areas Changed in the Past 10 Years?



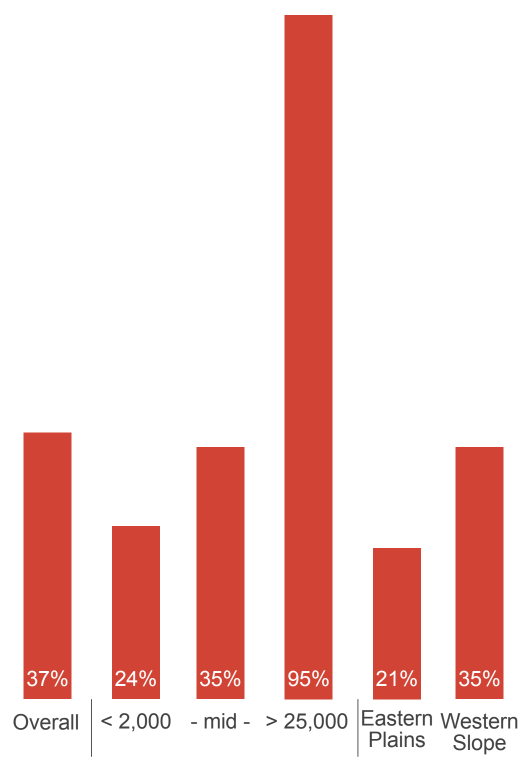

affordability plan or plan to create one in the next three years, and 61 percent work with a local or regional housing authority. Cities and towns are fast-tracking land use applications and waiving permit fees on affordable housing projects, zoning for tiny homes, and requiring deed restrictions on certain properties.

CML, as part of our commitment to serving the cities and towns of Colorado, also has committed to facing the housing crisis head-on. The 2019 *State of Our Cities & Towns* survey provided the data to confirm what we already believed: Our members need support on this topic. This magazine issue is one way we hope to provide that support, sharing not only a description of a very real and pressing challenge, but also featuring spotlights on the great work being done by cities and towns statewide so that we may all learn from their success.

## How Has Affordable Housing Changed in the Past 10 Years?




## Has Homelessness Increased in the Past 10 Years?




For complete results, visit *www.cml.org/state-of.*

*By Alison George, Colorado Division of Housing housing director*

# LUCK AND THE HOUSING MARKET

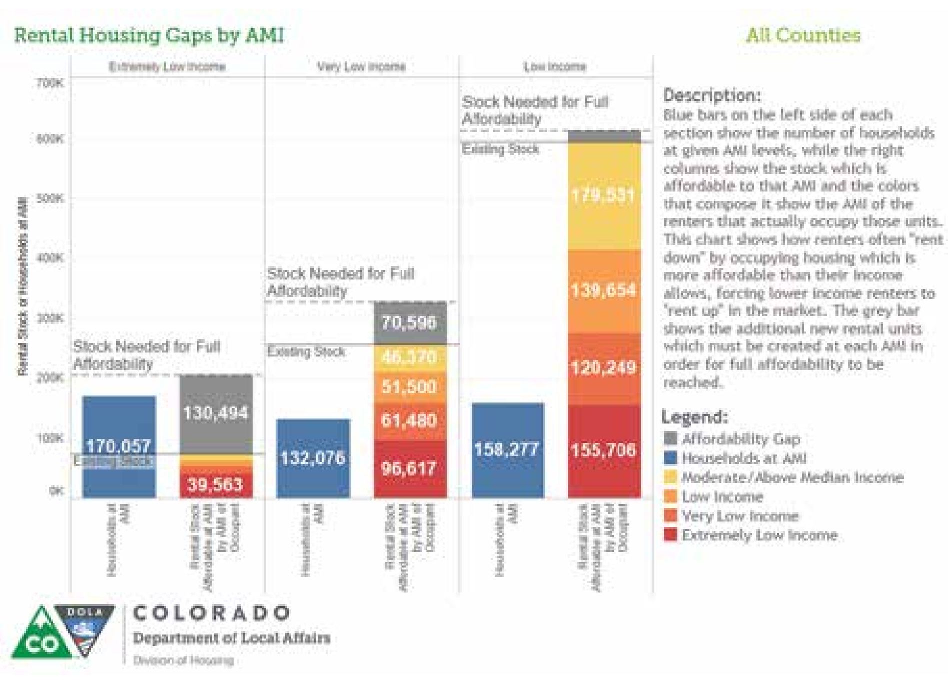
LUCK. COLORADO'S HOUSING market is based in no small part on luck. Those lucky enough to have their purchase offer accepted:

- Was my offer letter more compelling than the other five offers?
- I offered $20,000 more than the asking price, but the seller took the cash offer $60,000 over asking price.

These are not uncommon scenarios for people trying to get into Colorado's housing market. People come for jobs and the strong economy, but hard work must come with a bit of luck to keep them invested in our beautiful state. Colorado is not unique this way. Coastal communities have long faced these pressures, but what can Colorado do to veer from that path?

With demand and prices high, the simple answer is that we need more housing. To analyze housing needs around the state, the Colorado Department of Local Affairs (DOLA) created the Colorado Housing Affordability Data Explorer, an interactive assessment tool publicly available on DOLA's website (*www.colorado.gov/pacific/dola/division-housing*) where users can drill down to understand at the county level the rental and homeownership housing markets.

This article provides regional snapshots of Colorado's diverse but similar housing needs, a statewide overview of housing demand, and a



look at work being done at state and local levels to meet Colorado's housing demands.

The image on page 10 is an example from DOLA's interactive assessment tool. It shows households by income compared to the housing stock available at a price point affordable to them. It also shows how households at higher incomes often rent homes they can easily afford, which puts additional pressure on naturally affordable rentals. Of the almost 70,000 units that are affordable at 30 percent of the area median income (AMI), more than half are inhabited by families that could potentially afford more expensive housing. This leaves a shortfall of 130,494 units for all households at 30 percent AMI.

Income can be difficult to compare between households, as household costs differ based on family size and location. The AMI is a common measure that makes this process easier by comparing a household's income to that of similarly sized households in its county. Take a single retired person earning $16,000 in Grand Junction, and a four-person family earning $30,000 in Boulder — both are classified as "extremely low income," or under 30 percent AMI, due to family size and cost of living in their areas.

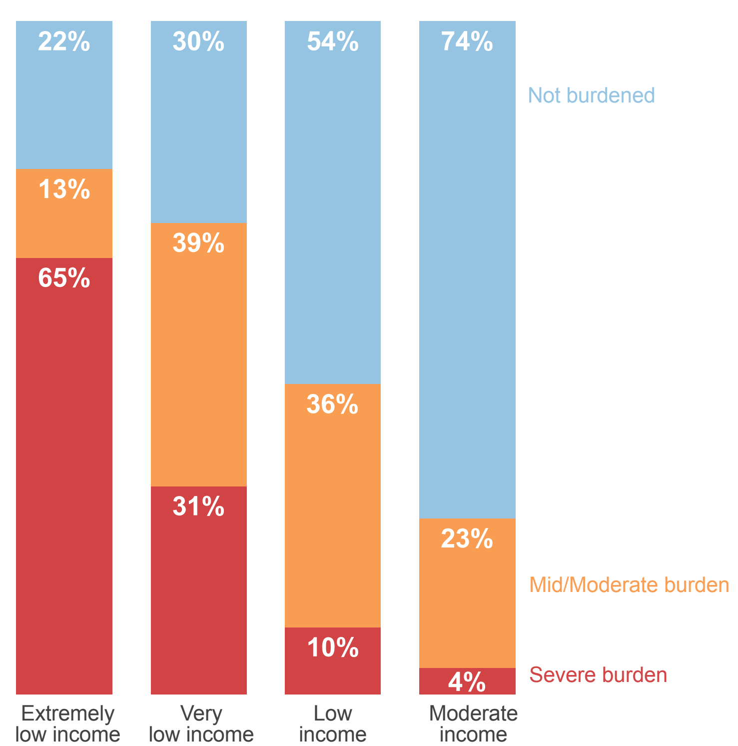
For families to achieve mobility in the housing market, solutions must be focused on the housing continuum, particularly in two areas: building more housing affordable to very low-income households, and building first-time homeownership options. This allows families the opportunity to build equity and roots in Colorado, which also can relieve some pressure on our rental markets.

To expand on the discussion of housing stock, the table below shows how the availability of housing impacts Colorado residents and their wallets. Accordingly, severely cost-burdened families with children spend $190 less on food costs than unburdened households, and severely burdened older households in the bottom expenditure quartile spend 70 percent less each month on health care costs than otherwise similar households without burdens.*

Likewise, many moderate- and middle-income households are challenged to save for a down payment, and find it difficult to compete for the limited housing affordable to first-time homebuyers. This pressure from families that cannot move from the rental market exacerbates the pressure for lowest-income wage earners, which explains the need for the two-pronged approach addressing the needs of first-time homebuyers and very low-income families.

As conversations continue around a possible recession, the impact of economic downturns should be considered. Does this solve the housing crisis? The Great Recession showed clearly that although prices and rents may drop, a recession does not balance the housing market. In fact, housing production decreased during the recession while household formation remained fairly steady. The slowing in new housing supply and the increase in demand have placed the increased price pressure on housing.

**Cost Burden Level of Households in AMI Brackets**




* "The State of the Nation's Housing," 2018, Figure 34, Joint Center for Housing Studies, Harvard University.

## Regional Snapshots of Housing

| | Eastern Plains | South Central | Rural Resort | Western Slope | Front Range |
|---|---|---|---|---|---|
| **Total Population** | 160,125 | 166,929 | 175,052 | 406,306 | 4,780,816 |
| **Median Age** | 41.1 | 45.1 | 39.8 | 41.1 | 37.0 |
| **Housing Stock Older Than 1939** | 22.8% | 17.8% | 5.0% | 8.5% | 7.2% |
| **Housing Stock Owner-Occupied** | 69.6% | 71.9% | 66.0% | 68.6% | 63.5% |
| **Median Home Price 2018** | $264,748 | $259,719 | $631,216 | $270,068 | $375,648 |
| **Median Homebuyer Income (Primary Residence) 2017** | $71,591 | $65,454 | $97,159 | $66,477 | $87,954 |
| **Median Income of Buyers (Not Primary Residence) 2017** | $101,250 | $142,159 | $252,613 | $125,795 | $147,273 |
| **Annual Median Vehicle Miles Traveled 80% AMI Households** | 21,239 | 19,821 | 22,159 | 20,214 | 18,028 |

Sources: Colorado Association of Realtors, State Demography Office, U.S. Census Bureau, U.S. Consumer Financial Protection Bureau, U.S. Bureau of Labor Statistics, Center for Neighborhood Technology

## Regional Issues

Although there are similarities throughout Colorado, each region brings its own unique strengths and challenges in meeting the needs of existing Coloradans and for prospective new residents. The following provides a brief region-by-region snapshot to look at regional conditions and current demand. Local experts know their housing needs, but this is meant to give a statewide perspective. County-level data can be examined with the Colorado Housing Affordability Data Explorer (*tabsoft.co/2QxRhn5*).

Regions in this assessment are based on location and a comparison of similar housing stocks. That said, there are outliers in each region, but the outliers more closely align with their selected regions due to housing values or location. For example, Elbert County is analyzed with the Eastern Plains, mostly due to location, although home values tend to be higher there due to the number of its residents who commute to the Front Range.

With its peaceful and calming nature, the Eastern Plains are home to 3 percent of the state's population. **Eastern Colorado** has the state's oldest housing stock, with more than 20 percent built before 1939, mostly due to limited new construction, not for lack of need. Eastern Colorado is challenged to attract and keep core service residents, such as police, nurses, and teachers, due to limited available housing.

The older age of homes is indicative of two things: the need for rehabilitating homes and vacant/ boarded-up homes. The cost of needed home improvements frequently exceeds a home's potential value. Even building new often exceeds the value of a home once it is constructed. Competition with Front Range communities for contractors not only drives up cost, but it can greatly extend construction time frames.

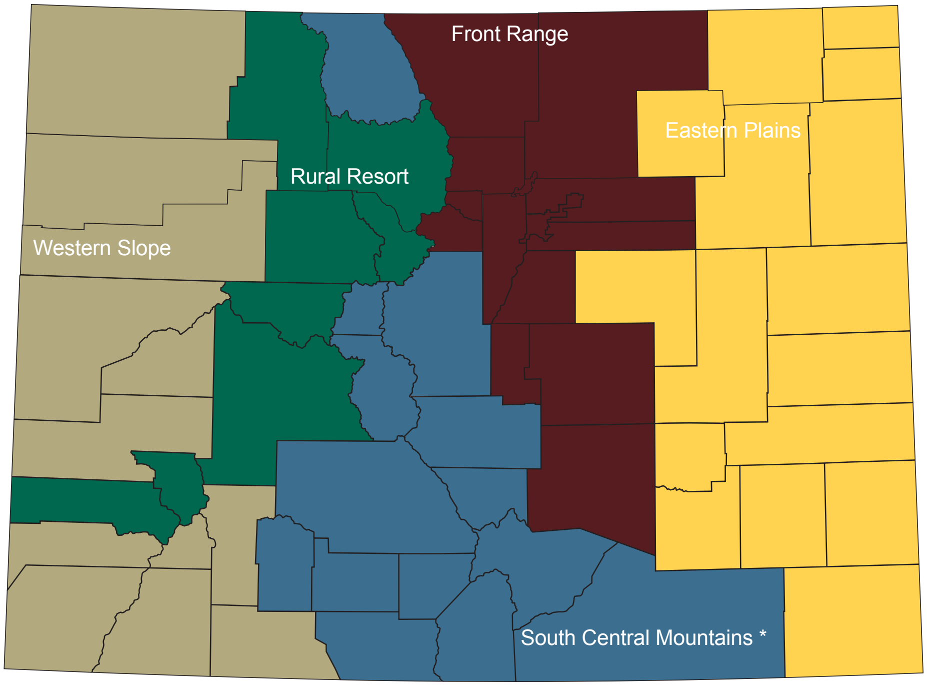
Towns such as Lamar are tackling the challenge through public–private partnerships. Southeast Colorado Enterprise Development, Inc. and Tri-County Housing Development Corporation are examples of private entities partnering with their local communities to offer needed down payment assistance and to identify homes in need of repairs.

With the beautiful high desert growing into national forest areas, the **South Central Mountains** also have just 3 percent of the state's population. The region can boast the highest percentage of homeowners, however, likely because it also has the lowest median home price.

The South Central Region has Colorado's most mature population, with the median age greater than 45 years. Although this indicates a need for housing options for aging adults, it is also a warning to local governments to track whether homes are being sold or if they are being abandoned.

Similar to the Eastern Plains, towns are challenged by vacant, boarded-up homes. Monte Vista is acquiring, rehabilitating, and/or razing and rebuilding homes that are vacant and dilapidated in an effort to improve its housing stock.

## Housing Regions of Colorado




*Jackson County included due to similarity of housing stock.

Attracting visitors from around the globe, Colorado's **Rural Resort** areas face one of the state's greatest affordability crises. Anything limiting the development of housing, and anything that creates more demand, drives up costs and home values. This includes limited developable land, pressure from short-term rentals, and what is called the "zombie zone" in the mountains, communities with a large collection of second homes.

Colorado's beloved rural resort areas have long been a winter wonderland and vacation hotspot. With more people calling it their home year-round and pressure from short-term rentals, the markets are tight for those wanting a longer lease or purchasing their primary residences. This all drives up cost, making the median home price the highest at more than $630,000, and relates to this region having the greatest annual travel times as people drive farther for work.

Necessity is the mother of invention. Communities such as Aspen are getting creative through regional partnerships with the Aspen Skiing Company and a private tiny home manufacturer, repurposing an RV campground into a workforce housing community.

Summit County also is working proactively. Using its local sales tax for housing, it is creating workforce options affordable from 30 percent AMI to 100 percent AMI in its latest development in partnership with a private developer and Vail Resorts.

With a surreal, majestic sunset that magnifies the hues of Grand Mesa and the surrounding mountains, the **Western Slope** has had its booms and busts tied to the price of oil. As the economy diversifies, the housing market is stabilizing and is not fully reliant on one industry. The Western Slope is the largest region outside of the Front Range, with 7 percent of the state's population.

Compared with other Colorado regions, the Western Slope is in the middle of all housing issues, as shown in the table on page 12. The markets are changing, though, so residents have many of the same concerns about rising prices, increased traffic congestion, and families faced with homelessness.

Durango is an example of a community taking a proactive approach and developing a housing plan to tackle the growing challenges of population growth, homelessness, and housing prices. One example from the Durango plan is its intentional work on accessory dwelling units (ADUs) to expand its stock of naturally affordable housing.

With 84 percent of the state's population, the **Front Range** has been challenged to keep up with ever-increasing housing demand. Much has been written about the Front Range. It has been a focal point, even nationally, due to many communities being named the best places to live in the country. This demand has driven up both rental and homeownership costs.

Cities such as Fort Collins and Denver are tackling this growing demand. Fort Collins created a land bank for affordable housing. Working with its local housing authority, Housing Catalyst, the City is developing its first land-banked property for 96 families and individuals.

Westminster is capitalizing on the metro area's expanded public transit plans. On the former Westminster Mall 105-acre site, Downtown Westminster is expected to be home to 2,300 residential units with 4,500 residents when complete. Within the redevelopment area, Eaton Street Apartments will consist of 118 affordable apartments, including homes for very low-income residents and units reserved for people with disabilities.

## Where Do We Go From Here?

In each region around the state, Colorado has dedicated people representing the future of their home communities. A plan or a vision of their municipality shapes decisions as necessary.

Colorado continues to grow, and the affordable housing challenge is keeping pace. As we look to the future, two key priorities can have a positive ripple effect throughout Colorado's housing market and local and state budgets:

- an immediate solution for lower-income households, and
- increasing attainable housing that moves families from rental markets into homeownership.

These priorities and corresponding solutions can become reality only through partnerships, collaboration and leadership. Many examples of these collaborations have been presented above in every region, but how can more be done? The Shift Research Lab released a study in 2018[*] that highlighted key areas to increase production. The following are a few of its recommendations:

- Explore ways to expand labor productivity and bring more supply to the market by using methods such as factory-built modular housing.
- To the extent the labor shortage is affecting supply of housing, identify areas of labor shortage and expand training apprenticeship programs.
- Communicate the true impact of major economic development announcements by accounting for the secondary jobs created by the new primary jobs.
- Expand Colorado's housing options through strategic infrastructure investments statewide, such as broadband, that make other regions of the state economically viable and thus more attractive for housing.

Otherwise, the regional examples above are working — land banking, ADUs, transportation-oriented developments (TODs), multifamily mixed income housing, tiny home workforce developments, density bonuses, strategic housing repair programs, and tactically planning for the future. Credit goes to the leaders across Colorado who make these solutions happen. But how can we make more affordable housing, more efficiently? Colorado is at an important moment in time, when the actions taken now can ensure that Coloradans have housing options enabling them to enjoy all that this beautiful state has to offer.

*The Colorado Division of Housing (DOH) was created by statute in 1970 to improve the access of all Coloradans to decent, affordable housing. Through this housing crisis, DOH works to support local communities in achieving their affordable housing goals. With the Colorado State Housing Board, DOH provides grants and loans, rental assistance, manufactured structures, accessibility modifications, and the Fort Lyon Supportive Residential Community.*

*Funds provided by DOH, particularly for construction, acquisition, or rehabilitation, are highly leveraged. Of the state funds granted and loaned, DOH estimates that the approximately $7 million awarded for affordable housing projects last year will be leveraged by more than $188 million. Additionally, based on these investments in housing stock, in just one year, these investments generate approximately $30 million in tax revenue, of which $8.4 million is estimated in state tax revenue alone.*

* (Factors Impacting Housing Affordability, Exploring Colorado's housing affordability challenges in all of their Complexity, Page 9, Shift Research Lab, 2018)

SPOTLIGHT

## DEVELOPING A HOUSING PLAN

*By Naomi Hawf, Estes Park Housing Authority executive director*

ESTES PARK IS SMALL COMMUNITY OF 6,200 YEAR-ROUND RESIDENTS. MANY WOULD CALL IT A TOURIST town, as it is a neighbor to Rocky Mountain National Park, which annually has more than 4 million visitors. Not long ago, the community was mostly seasonal, as Memorial Day to Labor Day were the high tourism months. Now the timeframe has a broad brushstroke, spanning April to November.

With high demand and low supply, it has become increasingly difficult for individuals and families to find a place to call their own in the Estes Valley. Whether for rent or for purchase, options are limited. That need extends beyond the low and very low incomes. Individuals and families whose income far exceeds the median income in Larimer County ($68,100 for a household of two) also are troubled with finding “affordable” housing options.

To begin to address any affordable housing need, it is best to start with determining the actual need. Create a coalition of public and private entities to explore, and hire an experienced team to conduct the research to assess, the need in the community. It is wise to explore a variety of funding partners — a well thought-out and organized data collection will be expensive. Knowing the need based on sound data will support communication and a shared vision. In 2016, the Housing Needs Assessment in the Estes Valley outlined a need of more than 1,400 housing units — 60 percent for rent and 40 percent for purchase.

Once the qualified and quantified data are available, analysis of that information will be important. Learn and understand the data, then share it with the community to support understanding and buy-in.

A needs assessment should include recommendations, and the community should work together to assess and prioritize the recommendations. Assigning ownership, including area nonprofits and the local housing authority in addition to the municipal government, and establishing consistent checkpoints for follow-up will support long-term solutions. This information can be shared at a town board or council meeting. Estes Park shared its needs and recommendations at a public meeting of not only the funding partners, but community members, large businesses, and other agencies such as the school district, fire district, and medical community.

As priorities are established, obtain knowledge on funding options to build for the demand, focusing on targeted incomes and whether a project is for rent or for purchase. Explore resources such as the Colorado Housing and Finance Authority and the Division of Housing to learn more about tax credit options that will support those with low and very low incomes. While those funding mechanisms typically have an annual and competitive process, the private sector can provide a great deal of energy to build for higher incomes and workforce housing.

Fourth in the line is identifying land, which can be the biggest hurdle — not only in the cost itself, but in correct zoning. Purchasing or rezoning land will take sufficient time and resources. Municipalities can strike a balance by working to lease the land indefinitely, but other creative mechanisms should be studied. In 2016, the Town of Estes Park updated its code to encourage workforce housing development by allowing increased density for workforce and attainable options. From this, several developments are anticipated, totaling more than 308 housing units. Another idea that has come from working together is Estes Valley Land Trust’s application for a Great Outdoors Colorado grant to assist in mapping areas for conservation as well as development.

Public relations will be key throughout the process. Supporting an environment where the community can identify with the need, and demonstrating that need affects the quality of life for everybody, will make change more palatable.

While Estes Park works to resolve its need, the community has a number of resources available, including employer-provided housing (nearly 30 percent of local businesses provide housing for their employees, including the Town of Estes Park); down payment assistance programs; a local fund donated by the Estes Park Board of Realtors; and attainable homeownership options (income-qualified and deed-restricted single-family and townhome style options for moderate-income levels). For its employees, the Town of Estes Park even offers a homeownership program that contributes $20,000 over three or five years to a participating employee’s specified account; participating employees are required to choose either the three- or five-year program, and must contribute roughly $12,000 of their own money into the savings account over that time period.

These resources support some of the need today; however, they will not support a transformation that will provide for the future. Estes Park hopes the housing burden will be somewhat softened with these anticipated developments, and that the community will benefit from continued open dialogue and commitment to working together for creative and innovative solutions to its affordable housing conundrum.

## TACKLING TOUGH HOUSING ISSUES WITH A PLAN

*By Mark Williams, AICP, and Scott L. Shine, AICP, Durango Community Development Department*

THE CITY OF DURANGO ADOPTED A GROUNDBREAKING AND COMPREHENSIVE HOUSING PLAN IN 2018 after a three-year process to develop and vet the concepts laid out in the plan. City publications, as well as documents produced by community organizations as far back as the 1970s, consistently identify Durango's housing affordability as a key concern related to the overall welfare and livability of the community. Above-average land, labor, and material costs, paired with median incomes that lag behind the state average, create a long-term challenge. Following adoption of the housing plan, the Durango City Council identified affordable housing as one of its highest priorities and is already making headway in addressing this perennial challenge.

A core tenet of the plan is the proposition that all residents deserve access to quality housing. Building on this principle, the plan indicates that there are two primary categories of actions in the effort to create more housing opportunities. First, promoting new market-rate housing can be done through a combination of regulatory changes and development incentives. Second, Durango is hoping to take a more proactive approach by establishing a Housing Trust Fund and reviewing existing City-owned properties that may be used as a municipal contribution toward a desirable housing development. Both approaches work to lessen costs related to the development of long-term affordable housing.

As with any plan, it is important to have quantifiable indicators of progress. One such indicator in Durango's Housing Plan is the target of creating 1,000 units of long-term affordable housing by 2040. A minimum wage worker in Durango must work 96 hours each week to afford the average rent, so there is no shortage of demand for affordable housing. Additionally, the service and tourism industry sectors are projected to add the largest number of new jobs to the local economy over the next 20 years. The average wages for these sectors are $42,000 and $28,000, respectively. These, and other local economic and social factors, seem to indicate that demand for affordable housing, especially rental housing, will likely continue to exceed supply.

While many residents may need subsidized housing, a large part of Durango's housing problem is simply an overall lack of supply. Another aim of the housing program is to encourage more market-rate housing for the local workforce through a mixture of regulatory and procedural changes. Already, staff has supported dimensional and parking variances for some larger residential developments as a way of demonstrating the City's commitment to seeing new housing created.

The Durango City Council also has directed staff to expand the City's award-winning accessory dwelling unit (ADU) program into more neighborhoods, meaning that the opportunity to create smaller, dispersed infill housing will be available to more property owners in Durango's existing neighborhoods.

Over the next two years, Durango will evaluate existing off-street parking standards to see if requirements for off-street parking can be "right-sized" to free up more space for housing and lessen development costs.

The City also will reexamine density limits and height standards in mixed-use areas to encourage appropriately concentrated redevelopment.

Although the housing challenges facing the community are substantial, Durango's new Housing Plan is providing the community with the vision and strategies needed to get out ahead of this complicated issue.

## AFFORDABLE HOUSING — AND A FIELD OF DREAMS

*By Phillip Puckett, Buena Vista town administrator*

IN 2018, THE TOWN OF BUENA VISTA, ALONG WITH THE Buena Vista School District, completed a multi-year project centered on a land swap that resulted in 48 new affordable apartment units, a new multipurpose field serving high school sports and recreation programs, and a deeper relationship between these entities that will serve the community well in the future. There were many twists and roadblocks, but with the support and contribution of several local partners, it has proven to be a success. This process proved once again how important it is to have clear and consistent communication and trusting relationships between all of the entities involved.

Like many towns and cities in Colorado, Buena Vista has faced the growing challenge of limited affordable housing stock. In 2014, the Town of Buena Vista, Chaffee County Economic Development Corporation, and Urban Inc. jointly worked on and applied for a Colorado Housing and Finance Authority (CHFA) tax credit project to bring a new affordable housing project to town; however, the project was not awarded these credits because the location selected was on the edge of municipal limits and not within walking distance of downtown.

After this initial setback, the partners came back together and found a new site for the project that was closer to downtown and already had most utilities in place. The challenge: The site belonged to the Buena Vista School District and served as its baseball field. The Town and school district came together to craft a land swap that would give the school some unused parkland for a new field in exchange for the old baseball field. After the deal was negotiated successfully following many meetings, Urban Inc. and the Town of Buena Vista applied for and were awarded $950,000 in CHFA tax credits in September 2016.

Shortly after the land swap deal was negotiated, the Town applied for a Great Outdoors Colorado (GOCO) grant in November 2016 to help fund the construction of the new baseball field. Unfortunately, the grant application was not successful, which put the whole project in jeopardy.

Upon notice that the Town was not awarded GOCO funding, the community pulled together to ensure that the new baseball field would be built. A special election was held in April 2017; a ballot question passed that allowed the Town to swap the parkland with the school to continue the project as planned. Residents did not want to lose the opportunity provided via the CHFA tax credits for affordable housing; the community also saw the need to build a better, safer baseball field for its youth. A new plan was negotiated that secured enough resources to guarantee a new field for the school regardless of the timing and outcome of grant funding.

A tremendous outpouring of community generosity, including materials and labor, led to construction on the new baseball field beginning in July 2017, with the first phase completed in early 2018. The Town Buena Vista and Buena Vista School District were successful in their second attempt at grant funding from GOCO, as well as in an application to the Daniel's Fund. These funds have been applied to Phase 2 enhancements to the field including restrooms, lights, and a concession stand. The new affordable housing project, Collegiate Commons, was completed in August 2018 and is now home to many individuals, couples, and families.

SPOTLIGHT

## MEASURES FOR WORKFORCE HOUSING

*By Sarah Meggison, Summit County housing planner*

A SHORTAGE OF AFFORDABLE WORKFORCE HOUSING IS A STRAIN ON MANY COMMUNITIES throughout Colorado, and rural resort areas such as Summit County are especially hard hit. Many interrelated factors — geographical, social, legal, and economic — combine to drive housing prices up and supply down. As a result, much of the Summit County workforce spends a disproportionate share of personal income on housing; seeking financial relief, a significant proportion of workers lives in adjacent counties, making for long daily commutes over high mountain passes. Unsurprisingly, the Summit County housing crisis also puts the squeeze on local businesses, which struggle to recruit and retain employees, with unemployment rates hovering below 2 percent.

Given the social and economic impacts of housing challenges, Summit County and its municipalities have employed a variety of funding strategies to boost the housing stock for the local workforce.

Section 29-1-204.5 of the Colorado Revised Statutes provides that a multijurisdictional housing authority be authorized to levy a sales and use tax within boundaries of the authority. The Summit Combined Housing Authority (SCHA) is a multijurisdictional housing authority created in 2006, with representation from Summit County and the towns of Breckenridge, Frisco, Dillon, and Silverthorne. SCHA serves as a local housing resource through a variety of projects and programs, including homebuyer education, down payment assistance, homebuyer qualifications, deed monitoring, and resale calculations. Throughout the years, voters in Summit County have approved various ballot measures intended to help develop local resident housing throughout all of Summit County and to fund SCHA operations:

- Summit Combined Housing Authority Referred Measure 5A was approved by voters in November 2006. The measure authorizes a temporary sales and use tax of one-eighth of 1 percent (0.125 percent) and a development impact fee of $2 or less per square foot of new construction, to be used for affordable housing purposes for a period of 10 years.
- Summit Combined Housing Authority Referred Measure 5A Extension was approved by voters in November 2015, authorizing the extension of the 2006 measure's sales and use tax commencing Jan. 1, 2017, and continuing thereafter as a voter-approved revenue change.
- A new Summit Combined Housing Authority Referred Measure 5A was approved by voters in November 2016. The measure authorizes a temporary sales and use tax of six-tenths percent (0.6 percent) within Summit County over a period of 10 years to be used for affordable housing purposes to help local workers and their families continue to live in the community, including but not limited to constructing affordable workforce rental and owner-occupied housing units.

SCHA collects the sales tax (which does not apply to groceries), retains budgeted administrative costs, and then distributes the remaining funds to each jurisdiction proportionally based on revenue generation.

The 2016 measure is projected to raise about $7.8 million per year over its 10-year life span, leveraging other funding sources in the effort to close the gap on Summit County's estimated 1,700-unit shortage. Sites for such projects include Lake Hill near Frisco, Wintergreen and West Hills in Keystone, Smith Ranch in Silverthorne, and Block 11 in Breckenridge, among others. In the two years since its passage, more than 300 units have been brought to the market, with several hundred more in the pipeline, all ranging between 70 percent and 120 percent of area median income.

## BRINGING TOGETHER TRANSIT AND HOUSING

*By Jenni Grafton, LEED AP-ND, Assoc. AIA, Westminster housing policy & development manager*

ACROSS THE COUNTRY, COMMUNITIES ARE CONFRONTING the challenge of providing affordable housing for the individuals and families who live and work in them. It is generally accepted that no more than 30 percent of a household's income should go toward the costs of housing. This includes not only the rent or mortgage, but also utilities, insurance, and other maintenance costs. In a rapidly rising housing market such as the Denver metro area, these expenses very quickly outpace incomes, leaving many people to choose between housing and other basic needs such as food, medical care, and transportation.


The U.S. Department of Housing and Urban Development (HUD) releases the area median income (AMI) figures for the country every April. In 2019, the AMI for a family of four in the Denver area was $89,900. A quick estimate shows that this leaves $2,225 for monthly housing costs; with average rental rates for a two-bedroom apartment at $1,725, and $2,073 for those hard-to-find three-bedroom units, there is little room to accommodate annual increases or household emergencies. It also demonstrates the difficulty for those who fall below the AMI, which includes many in the service industries as well as public servants such as teachers, government staff, and first responders — people who are essential for communities to thrive and prosper.

The City of Westminster has established an ambitious goal of being a regional leader in the provision of affordable and workforce housing, and has dedicated staff and financial resources to advancing this effort. Starting with a housing needs assessment in 2016 and a task force of industry professionals and advocacy groups in 2017, the Westminster City Council adopted its first Affordable and Workforce Housing Strategic Plan in October 2017. A major component of the plan is utilizing the assets that the City holds both in terms of land and the ability to assist projects that serve a public benefit. This is particularly promising in Westminster's two primary redevelopment areas — Westminster Station and Downtown Westminster.

Westminster Station is part of RTD's northwest corridor (B Line), which opened in July 2016. The roughly 75 acres of developable land area is envisioned as a compact, walkable urban neighborhood with a balanced housing approach that engages a full spectrum of affordable and market-rate housing options. The City has a strong partnership with Unison Housing Partners, the largest landholder in the neighborhood.

Downtown Westminster is part of the US 36 corridor between Denver and Boulder, and enjoys an optimal location and the busiest bus rapid transit in the RTD system. At a slightly larger scale of 105 acres, the new downtown will provide a full range of amenities at a higher density, all while ensuring that at least 20 percent of the housing units are affordable.

Although it is important to preserve and develop affordable housing in a variety of neighborhoods, the advantage of providing it near transit cannot be overstated. Access to transit provides people with access to jobs, healthcare, and education. It also provides a measure of immunity by allowing a household to reduce its transportation costs and meet other essential needs. Often overlooked, it is a path to social and economic equity for those who have no other transportation alternatives — the disabled, children, and the elderly. Meeting these goals is essential to the well-being of all of our communities.

*By Eric Cobb, U.S. Department of Housing and Urban Development Rocky Mountain deputy regional administrator*

# FEDERAL AFFORDABLE HOUSING TOOLS

ACCORDING TO A SURVEY BY Colorado Mesa University, the cost of housing is the number one issue facing Colorado communities today. Rent has risen 50 percent in Denver since 2010, and 50 percent of renters in Colorado are cost-burdened, meaning they spend more than 30 percent of their household income on rent. They may have difficulty affording necessities such as food, clothing, transportation, and medical care. Severe rent burden is defined as paying more than 50 percent of one's income on rent; these households are more likely than other renters to sacrifice other necessities such as healthy food and health care to pay the rent, and to experience unstable housing situations such as evictions (National Low Income Housing Coalition).

The Department of Housing and Urban Development (HUD) funds programs that aim to create strong, sustainable, inclusive communities and quality affordable homes for all. Under the leadership of Secretary Ben Carson, HUD has many new priorities, including promoting self-sufficiency, fighting to end homelessness, and identifying and mitigating lead hazards in homes. As an agency, HUD recognizes that affordable housing is at the core of almost every program that it funds.

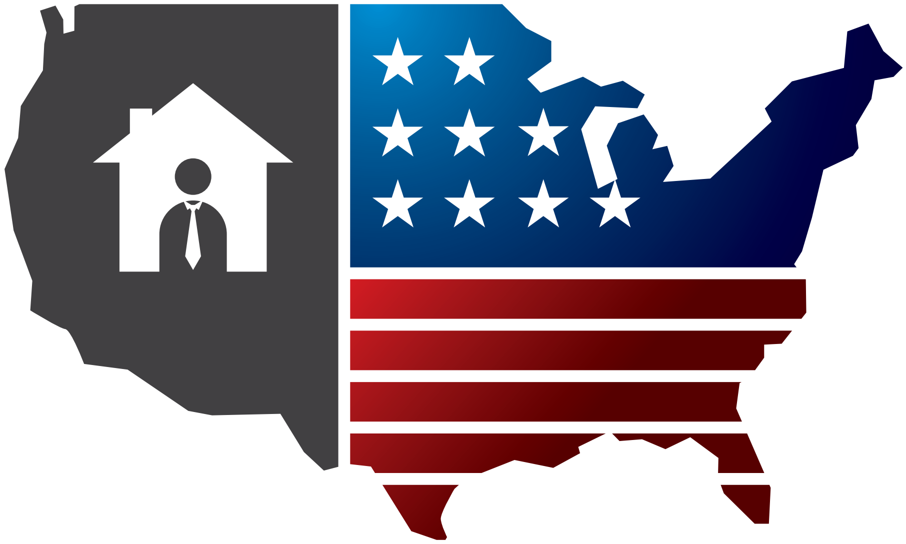
The Housing Choice Voucher Program (HCV), also known as Section 8, is funded by HUD but administered by public housing agencies (PHAs). It assists very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. The assistance is provided on behalf of the family or individual, so participants are able to find their own housing. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

The HUD-Veterans Affairs Supportive Housing (HUD-VASH) program combines HCV rental assistance for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA), which provides these services for participating veterans at VA medical centers (VAMCs) and community-based outreach clinics. VA case managers may connect these veterans with support services such as health care, mental health treatment, and substance use counseling to help them in their recovery process and with their ability to maintain housing in the community.

As the nation's housing stock ages and finds itself with a $26 billion backlog of deferred maintenance, it is important to find ways to preserve affordable units. Rental Assistance Demonstration (RAD) was created to give PHAs a tool to preserve and improve public housing properties. RAD also provides owners the opportunity to enter into long-term contracts that facilitate the financing of improvements. Congress initially capped the number of conversions at 60,000 units, but due to the program's success, it approved an increase and RAD is at 225,000 units and climbing. HUD just celebrated the 100,000th RAD-preserved unit, and realizes it is just beginning to scratch the surface.

HUD-subsidized multifamily properties represent an important and valuable resource in addressing the nation's affordable housing needs. The housing subsidies are paid to owners on behalf of tenants to keep the amount that tenants pay for rent affordable. This assistance is tied to the property and differs from the HCV program, where the subsidy follows the tenant when a tenant moves to another property.

HUD's Worst Case Housing Needs Report to Congress (August 2017) found that even with rental assistance, six of 10 extremely low-income renters and four of 10 very low-income renters do not have access to affordable and available housing units. Among very low-income renters in 2015, only



25 percent of households had rental assistance and an additional 43 percent had worst-case needs for assisted or other affordable housing. In other words, only a small share of very low-income renters — 32 percent — avoided severe housing problems in the unassisted private rental market in 2015. A broad strategy at the federal, state, and local levels is needed to continue to rebuild the economy, strengthen and realign markets, and provide assistance to those families most in need.

HUD's HOME Investment Partnership program provides formula grants to states and localities that communities use to fund a wide range of activities, including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

The Housing Trust Fund (HTF) complements the HOME program and many other state and local efforts to increase and preserve the supply of decent, safe, and sanitary affordable housing, with a focus on extremely low- and very low-income households. HTF funds may be used for the creation or preservation of affordable housing through the acquisition, new construction, reconstruction, and/or rehabilitation of non-luxury housing with suitable amenities.

The Community Development Block Grant (CDBG) program is one of HUD's most flexible programs. It grants states and local communities funding based on a formula, allowing those communities to decide what needs they will address by using the funds. CDBG and the HOME Program share similar goals related to improving the living conditions of low-income families, but each program differs in its eligible activities and requirements. CDBG funds can be used for activities that are clearly needed to address a lack of affordable housing — such as land acquisition — or soft costs to support new construction, but 70 percent of these funds must be used for activities that benefit low- and moderate-income persons. Each activity must meet one of the three national objectives for the program: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet an urgent need of the community.

While not a HUD program, the Low-Income Housing Tax Credit Program, administered by the IRS, provides tax incentives, written into the Internal Revenue Code, to encourage developers to create affordable housing. These tax credits are provided to each state based on population and are distributed to the state's designated tax credit allocating agency (in our state, that's the Colorado Housing and Finance Authority). These agencies distribute the tax credits based on the state's affordable housing needs, with broad outlines of program requirements from the federal government. Tax credits are an integral tool, often used with HUD funding to make affordable housing projects throughout the state possible.

As federal budgets are cut, and as municipalities continue exploring ways to address the affordable housing crisis, leveraging every federal dollar possible is paramount to ensuring long-lasting solutions to a problem that looks like it is not going away. Local policies are needed to ensure that available resources on all levels are brought to the table to meet the growing demand of communities. Coloradans are lucky to live where so many creative, innovative, and collaborative people work in state and local government as well as nonprofits and the private sector, all with useful experience and proven success in leveraging these resources. As always, there is more work to do, and HUD looks forward to continuing to build on the affordable housing successes seen throughout Colorado so far.

SPOTLIGHT

## CREATING PLACES OF OPPORTUNITY

*By Bridget Jackson, NeighborWorks America senior public affairs and communications advisor*

NEIGHBORWORKS AMERICA IS A CONGRESSIONALLY CHARTERED, NONPARTISAN NONPROFIT DEDICATED to creating and transforming communities across the country into places of opportunity. NeighborWorks America receives a direct annual Congressional appropriation to support its work of strengthening communities and expanding opportunities for affordable housing; these grant funds are limited to NeighborWorks network members.

Since 1978, it has grown from a single Neighborhood Housing Services chartered organization in Pittsburgh to a network of more than 240 independent, nonprofit organizations in 50 states, the District of Columbia, and Puerto Rico. It strengthens its network members' ability to serve by helping them build technical skills, supplementing funding, and amplifying the reach of their grassroots work to achieve their missions.

Based in Washington, D.C., NeighborWorks America provides operational support for its member network via five regional offices, including its western region office in Glendale, Colorado, which serves 71 affordable housing and community development nonprofits in 14 states. In Colorado, NeighborWorks America supports seven nonprofits: Community Resources & Housing Development Corporation (Westminster); Housing Resources of Western Colorado (Grand Junction); Neighbor to Neighbor Inc. (Fort Collins); NeighborWorks Southern Colorado (Pueblo); Rocky Mountain Communities (Denver); Thistle Community Housing (Boulder); and Tri-County Housing & Community Development Corporation (Fowler).

The mainstay of the NeighborWorks model is based on providing solutions to community challenges at the local level. Network members provide a range of services that meet the unique needs of their service areas, including, but not limited to, homeownership counseling, foreclosure prevention/mitigation, manufactured housing, comprehensive community development, rural and multifamily affordable housing development, and more.

The current housing challenges in Colorado are common to a large percentage of network members across the country: high-cost housing markets creating barriers to achieving homeownership, a shortage of affordable housing stock, and resident displacement caused by skyrocketing rental costs. Through NeighborWorks' ability to leverage public and private partnerships, however, it was able to invest $59 per every $1 received of its federal appropriation into its member network in 2017. This level of support, combined with the local expertise of network members, helps build resilient communities with vibrant economies, employment opportunities, strong businesses, and stable housing markets in which families want to invest.

Another one of the many ways in which NeighborWorks America bolsters the impact and reach of its "Network of Excellence" is through its training and professional certification opportunities. No other organization can match the caliber of community development education offered at NeighborWorks Training Institutes, which are held three times a year, and specialized place-based training sessions that are brought to various communities year-round. The unparalleled curriculum provides long-lasting institutional knowledge and capacity building for professionals who bring residents together to revitalize communities and improve quality of life. Courses are offered in economic development, community engagement, revitalization, and lending for families and small businesses, and enrollment is not limited to network members.  The training foundation is built on strategic relationships with leading financial institutions and other established partnerships through the U.S. Department of Housing and Urban Development and the Community Development Financial Institution Fund.

For more information about NeighborWorks America, visit *www.neigborworks.org* or contact the western region office at 877-316-8881.

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 *By Jerilynn Martinez, Colorado Housing and Finance Authority director of marketing and community relations*

# TAX CREDITS LEVERAGE AFFORDABLE HOUSING FUNDS

FINDING AN AFFORDABLE PLACE to rent is challenging. Community leaders are grappling with ways to help their residents and workforce manage rents that have risen on average by 36 percent over the past five years, while wages have predominantly stayed the same. In today's market, Coloradans need to earn $55,240 annually to afford the median statewide rent of $1,381.

Among the solutions available are state and federal affordable housing tax credits. These tax credits often are referred to as low-income housing tax credits (LIHTC) or housing credits. Housing credits have helped finance 58,774 affordable rental units in Colorado by leveraging nearly $3 billion in private-sector equity investment into the state's affordable housing need.

The federal LIHTC program was originally created in 1986 under President Ronald Reagan's administration. Since being created, the federal LIHTC program has become the most successful affordable rental housing production strategy in the nation. To model this performance, the Colorado Affordable Housing Tax Credit program was authorized for a two-year term in the early 2000s, and then reauthorized in 2014, 2016, and most recently in 2018.

Both the state and federal programs provide an income tax credit designed to incentivize private sector investment in affordable housing development and preservation. In Colorado, for-profit and nonprofit housing developers apply to receive an allocation of tax credits from Colorado Housing and Finance Authority (CHFA, *www.chfainfo.com*), which administers the program. If awarded tax credits, the developer will sell them to private sector investors to raise capital needed for construction and development costs. This allows developers to borrow less money and pass through the savings in lower rents for low-income tenants.

Typically, equity raised from the sale of federal tax credits will help raise sufficient capital to offset 30 to 70 percent of a project's development costs.

In exchange for being awarded tax credits, the developer must agree to make the housing available to households who earn no more than 60 percent of area median income (AMI), as adjusted by county and household size. These rent restrictions will be recorded with the property and remain in place for 30 to 40 years. In 2018, Congress approved legislation that will allow tax credit-supported developments to serve households earning up to 80 percent of AMI, so long as the overall average of incomes supported at the property does not exceed 60 percent of AMI. This new flexibility is referred to as "income averaging." CHFA will begin allowing developments applying for tax credits in 2019 to start utilizing this new income averaging structure.

To provide some context, below is a chart showing the income limits for one- and two-person households earning either 60 percent or 80 percent of AMI in various counties across the state.

## Types of Credit

There are two types of federal LIHTC: the 9 percent credit and the 4 percent credit.

Each state's 9 percent housing credit allocation is subject to a volume cap based on its population that limits its availability. In 2018, the 9 percent credit cap is $2.70 times the state's population, with a state minimum of $3.105 million. Colorado's allocation of 9 percent credit available for reservation in 2019 is estimated to be $15 million. Typically, the sale of 9 percent credits will generate equity

**2018 Area Median Income by Household Size**

| County | 1 Person @ 60% AMI | 2 Person @ 60% AMI | 1 Person @ 80% AMI | 2 Person @ 80% AMI |
|---|---|---|---|---|
| Alamosa | $28,320 | $32,340 | $37,760 | $43,120 |
| Denver | $37,800 | $43,200 | $50,400 | $57,600 |
| El Paso | $36,540 | $41,760 | $43,520 | $49,760 |
| Larimer | $35,760 | $40,860 | $47,680 | $54,480 |
| Mesa | $28,320 | $32,340 | $37,760 | $43,120 |
| Pitkin | $45,360 | $51,840 | $60,480 | $69,120 |


The Edge in Loveland.

sufficient to cover 70 percent of a development's costs. This credit is especially critical for housing that is serving very low-income populations and developments in high-cost areas. Developments seeking 9 percent credit compete for this limited resource through CHFA's annual 9 percent allocation round. Given the demands upon the credit, CHFA is typically over-subscribed for 9 percent credit requests by $3 to $1.

While the sale of 9 percent credits will help generate equity to cover 70 percent of a development's costs, 4 percent credit equity proceeds will typically cover 30 percent of costs. The 4 percent LIHTC can be triggered only by the use of tax-exempt private activity multifamily housing bonds. Because multifamily housing bonds are limited by the private activity bond volume cap, the 4 percent credit is not subject to the housing credit volume cap. Not only do housing bonds make possible the production of substantial numbers of new housing credit properties, but they are essential to state efforts to preserve affordable housing. The 4 percent credit program often is referred to as the noncompetitive credit because, unlike the 9 percent credit, developers may apply for an allocation at any time. Likewise, their applications are not competing with other applications in a single allocation round, but instead are evaluated simply on their own merits based on the criteria established within CHFA's Qualified Allocation Plan.

## State Credit

Colorado is fortunate to have a state Affordable Housing Tax Credit available. CHFA pairs the state credit with the federal 4 percent credit as a strategic way to help take pressure off the very competitive 9 percent credit program. If a deal is not financially feasible with the more limited equity proceeds generated from a stand-alone 4 percent transaction, it may be feasible with additional equity raised from a state credit allocation. Since being renewed in 2014, the state credit has helped CHFA support an average of 1,200 more units annually. It also has assisted Colorado in leveraging the 4 percent credit, which had been underutilized until the state companion was available. In total, this matchmaking has generated $534 million in new private sector investment into the state that otherwise would not have likely occurred. CHFA is authorized to allocate $5 million in state credit annually. Given the limitation on this resource, allocations of state credit are competitive.

## Serving Colorado

While the dollars and cents are necessary to make affordable housing come to fruition, the true investment generated from housing tax credits is realized in the lives of those who have found a place to call home. Studies show that stable housing improves health and education, and increases property values — all while creating local investment through construction activity and job creation.

## AFFORDABLE HOUSING PROFILES

**The Edge, Loveland**

*When I first moved in, I was a little overwhelmed but I felt a sense of relief. What I like the most about living here is the fact that I have a place to live!*

*Plus, the staff has been really supportive.*

— Charles, U.S. Navy veteran, was homeless but fortunately connected with The Edge and moved into an affordable apartment in 2017

**Anthracite Place, Crested Butte**

*We would have a lot more overcrowding, and the workforce — the people who are making the community work — cannot afford a one-bedroom rent without bunking up with someone else. Having this brand new, beautiful, well-done apartment complex is invaluable.*

*Anthracite Place is a model public–private partnership. Even local citizens are pointing to it, saying, "Look at this success" and asking for more projects like it in the area.*

*I am most proud of how this development has helped residents become more united with the community in which they work.*

— Jennifer Kermode, Gunnison Valley Regional Housing Authority executive director

By Cathy Alderman, Colorado Coalition for the Homeless vice president of communications and public policy

# UNDERSTANDING HOMELESSNESS IN COLORADO

WITH NEARLY 11,000 PEOPLE experiencing homelessness statewide, it is abundantly clear that no community in our state is immune from the causes and consequences of homelessness. Complex issues such as homelessness require multifaceted solutions paired with a comprehensive understanding of the roots and causes, impact in the community, response of housed neighbors, and unique and collaborative ways we must address homelessness as responsible community members.

Homelessness often does not happen overnight. It does not result from one single "bad" decision, but from an overwhelming number of unfortunate circumstances compounded by systems that make it nearly impossible to crawl out of the cycle of poverty and homelessness. Homelessness can be the result of a severe mental health crisis with no access to medical care causing a loss of employment; domestic violence situations that include financial abuse; severe childhood trauma that leads to years of self-medicating with alcohol and drugs to combat mental health issues; and many other compounded situations.

The "Out of Reach" report by the National Low Income Housing Coalition states that a person needs to work a minimum of 74 hours per week at minimum wage to afford a one-bedroom apartment at fair market rent. This data is an average across the state, meaning a person living in a more expensive city such as Denver or Boulder would invariably need to work more hours at minimum wage to live in the same one-bedroom apartment. But living in suburban or rural communities to afford an apartment may come with another price tag: minimal social services and lack of public transportation. The report applies to all people — college students, the elderly, single parents, and people with disabilities. It spares no exception. Additionally, this report does not take into consideration college tuition, medical bills, car repairs, or life events that occur without warning or fault.

## Can We Solve Homelessness?

Organizations across the country are working diligently to bring an end to homelessness as we know it with a variety of services including much-needed shelters, emergency cold weather shelters, transitional and permanent housing, comprehensive healthcare, support services, food banks, and substance use recovery programs. These programs provide critical services but are constrained by limited financial resources. In the Denver metropolitan region alone, there are more than 70 organizations providing all these services and others; however, they are working to serve at least 5,100 people experiencing homelessness and are inundated with unmet and severely complex needs. The wait list for housing is often years. Shelters are full. Food banks have lines around the block. Simply put, the need far outweighs the available resources.

One of the biggest reasons for this is that Colorado is one of only three states that does not have a permanent dedicated housing fund. Without a permanent fund, very limited housing resources are competing against other public interests such as education and transportation, which are all essential in our growing community. Most of the funding for housing in Colorado comes from federal funds that are uncertain and stagnant.

## Creative Solutions

Innovative ideas are the way to move the needle on ending homelessness. First and foremost, closing the gap on needed affordable housing units (3.9 million nationwide) will help people who are living on the edge of homelessness find suitable and safe housing so they will not need to choose between housing and food, or housing and health care.

The Housing First approach is known to work. It is designed to help people experiencing chronic homelessness move more quickly off the streets or out of the shelter system and into housing through low-barrier housing options. Housing First includes rapid access to housing, crisis intervention, and follow-up intensive case management and therapeutic support services to prevent the recurrence of homelessness. It quite literally houses a person first and then diligently works to address substance use disorders, mental health, psychiatric disabilities, and much more through intensive treatment and case management. Nationwide, this model has worked to house people and help them remain housed for two decades, but more support for programs like this is imperative.

Housing First helps people experiencing homelessness, but it also saves cities and towns money since people with stable housing are less likely to chronically use emergency rooms, inpatient medical and psychiatric care, detox services, incarceration, and emergency shelters. The Social Impact Bond Initiative, a partnership between the City of Denver, Mental Health Center of Denver, Colorado Coalition for the Homeless, and private investors, which housed 250 people experiencing chronic homelessness, is a proven example of this. In its first year, the project had remarkable success with participants spending a total of 12,457 days in housing, resulting in more than $188,000 in Denver's first repayment to investors and the mayoral endorsement for additional funds to expand the program.

Greater investments in substance use treatment and mental health care are essential. The Fort Lyon Residential Supportive Community program provides transitional housing and support services to people experiencing or at risk of homelessness with substance use disorders from across Colorado, with a priority on providing services to veterans experiencing homelessness. Situated on 552 acres in the Lower Arkansas Valley, the Fort Lyon program is a statewide collaborative led by the Colorado Coalition for the Homeless, Bent County, and Colorado Department of Local Affairs. Residents participate in peer-led recovery groups, vocational training programs, and a variety of life skill-building activities, as well as pursuing educational opportunities at the local community colleges, and employment in the community. Over five years, Fort Lyon has helped hundreds of people recover from substance use disorders and attain housing.

Housing First and innovative programs such as the Fort Lyon Residential Supportive Community program are just two chips off an iceberg of creative ideas and solutions to end homelessness.

### What You Can Do Today

**Learn.** The Colorado Coalition for the Homeless offers a Homelessness 101 training for workplaces, schools, and community groups. Call 303-312-9642 to schedule a presentation or talk.

**Advocate.** Educate yourself on the issues impacting low- to no-income residents and consider the laws in place that make it more difficult to end the cycle. Challenge those in the community who say "Not in My Backyard" to create more welcoming communities. Join the Colorado Coalition for the Homeless mailing list to learn about these topics and how to advocate on them: *coloradocoalition.org/subscribe*.

**Connect.** Determine what the providers in the community are doing and engage on those initiatives. Volunteer, donate, or join a board, but do not be complicit. Change happens when we rally together.

SPOTLIGHT

## HOMELESSNESS RESPONSE ACTION PLAN

*By Andrew Phelps, Colorado Springs homelessness prevention and response coordinator*

COLORADO SPRINGS IS NOT ALONE IN FACING THE DIFFICULT ISSUE OF HOMELESSNESS. THE CITY'S annual "point-in-time" count shows that the community is at near-average numbers of homelessness per capita for a community its size. Even so, the City finds it unacceptable that some in the community still sleep outside in places not meant for human habitation, and regularly receives thoughtful input from those who are concerned about this issue.

What is most interesting about the public comment received regarding the issue of homelessness is that it tends to take one of two very different tones. The City often hears from advocates who believe Colorado Springs should be doing more to assist those experiencing homelessness, citing concerns over gaps in services related to affordable housing, substance abuse treatment, and mental health treatment. The City appreciates this sympathetic approach and recognizes its merits.

The City also hears from those who are angry about trash in camps along the trail system, safety of parks, unsanitary conditions in homeless camps, illegal fires, and crime in their neighborhoods. Many of these individuals feel that the City, El Paso County, the faith community, and homeless agencies do too much enabling and that many people abuse the system. These are also valid concerns.

Finding the balance in providing adequate shelter and services to those experiencing homelessness while respecting the needs and concerns of all residents remains a priority for the City of Colorado Springs. For this reason, the City is developing a Homelessness Response Action Plan for 2019. This draft plan does not set out to end homelessness, but instead aims to positively impact homelessness-related issues by setting short-term attainable goals. The Homelessness Response Action Plan works in conjunction with the City's Community Development Division Action Plan, which lists increasing the supply of affordable housing and ending homelessness as its top priorities.

The Community Development Division estimates that the City will receive approximately $4.5 million in Housing & Urban Development funds in 2019. The funds will come from three different grant programs: $2.8 million from the Community Development Block Grant, $1.4 million from the HOME Investment Partnership program, and approximately $250,000 from the Emergency Solutions Grant (ESG). The ESG and HOME programs have very specific uses. ESG is used to fund efforts to prevent and end homelessness; HOME is used to encourage the development and preservation of affordable housing. CDBG funds can be used for a variety of purposes, including capital projects such as the expansion of the City's low-barrier shelter facilities, and that effort is underway now. CDBG also can be used to clear a site for affordable housing development. The common thread in all of these efforts is that the funds must benefit low- to moderate-income members of the community.

The Homelessness Response Action Plan (*www.helpcos.org*) lists 10 goals for Colorado Springs in 2019:

1. Continue educating the public via the HelpCOS campaign.
2. More than double the low-barrier shelter bed capacity for adults.
3. Add low-barrier shelter opportunities for families experiencing homelessness.
4. Implement a homeless outreach court program.
5. Establish a Veteran Incentive Fund to incentivize landlords to house homeless veterans.
6. Develop a comprehensive affordable housing plan.
7. Support funding for additional homeless work programs with an area nonprofit.
8. Add staff to the City's Neighborhood Services Department to aid in cleaning up illegal camps.
9. Increase outreach to aid in connecting those experiencing homelessness to available shelter and services.
10. Increase Colorado Springs Police Department response to homelessness-related issues like illegal camping.

# ONLINE TRAINING MATERIALS

CML has a wide variety of training materials available online.

Simply visit *www.cml.org* and look under Resources > Training Materials for the most recent content, or under Issues to search by topic.

Want more information on affordable housing?
Watch CML's recent Affordable Housing Summit online under Issues > Affordable Housing.

 By Mark Williams, AICP, Durango Community Development Department planner

# TRENDS IN HOUSING DEVELOPMENT

NO TOPIC ENLIVENS LOCAL government public discussion like development. In Colorado, more often than not, that means housing, a trend subject to increasing scrutiny as housing prices continue to soar. According to the Federal Housing Finance Agency, homes in Colorado have appreciated 366 percent since 1991, the most of any state. Colorado's population growth is also strong, leading more places to deal with high prices and growth infill development, and that trend is at the intersection of public process, good design, and the distinct culture and character of each municipality.

But housing costs are also a national problem, and cities and towns nationwide are responding with new strategies. The outcomes of these efforts, however, vary widely. This article examines a few recent responses to escalating housing costs from different cities, as well as resources available in Colorado for officials who regulate housing development.

## Housing Trends

Before World War II, cities and towns had a variety of housing types and densities — single-family homes, duplexes, and small apartments were commonly mixed together, sometimes on the same block. A recent national resurgence in mixed-density housing, reminiscent of the pre-War era, is slowly strengthening nationwide and is commonly referred to as missing middle housing. The need for affordable housing is more acute for areas with greater population and job growth, and where housing production has not kept pace with demand. Denver, Austin, and Minneapolis are three cities affected by this combination of forces, and attacked the urgent need for new housing with mixed results.

**Minneapolis.** The Minneapolis City Council approved its comprehensive plan, Minneapolis 2040, in December 2018. In the works for years, the 2040 plan would radically overhaul zoning in Minneapolis and allow triplexes on all single-family lots. In a city where 75 percent of residents live in areas zoned for single-family houses, this initiative could turn out to be one the most important housing reforms in decades — not just for Minneapolis, but for the country. It could be a precursor to a major change in zoning nationwide. Or not, because …

**Austin.** The City of Austin spent more than $8 million to craft a new zoning code, CodeNEXT, which also would have increased density in many single-family neighborhoods, though not as extensively as the 2040 plan. The public, business community, and elected officials lost confidence in the plan for a variety of reasons, and the City pulled the plug on the effort in 2018, after years in the works. Resistance from most neighborhoods to these types of changes is hardly surprising, and the proponents of the process were not able to overcome the inherent opposition. The City is not giving up entirely, however, and some form of a scaled-back version is being evaluated.

**Denver.** Closer to home, growth in Denver has shifted into overdrive, with more than 100,000 new residents since 2010, according to Census data. Denver planned to get ahead of the curve by adopting the Blueprint Denver Plan in the early 2000s, concentrating density and population growth in areas judged to be better suited for that growth. Part of increasing density in many neighborhoods involved the so-called slot house, which could replace one single-family house with up to 12 townhouse units, increasing density and affordability. However, the slot house design was widely panned and replaced a significant amount of Denver's historic residential architecture. These structures, which often were indifferent to the


Slot house in Denver (Source: The Denver Post)

Mixed-use infill in Durango (Source: Google Maps Image)

streetscape, created a good deal of controversy, and in 2018 Denver enacted new design standards to reduce the intensity and improve their appearance.

What do Minneapolis, Austin, and Denver have in common? Among other things, they are primary drivers in America's economy, and the surge in new residents is outpacing their ability to create new housing. As Colorado State Demographer Elizabeth Garner says, population follows jobs, and in Colorado, even though most growth is on the Front Range, many places feel this pressure. In fact, according to the Census, the West has the fastest population growth in towns of fewer than 50,000 people, so chances are your community feels the need for more housing as well.

## Approaches for Local Leaders

The above examples are meant to show that density is becoming more widely accepted, but that inadequate leadership or public process, or the lack of appropriate design standards, have the potential to derail any effort if it is not done right. What are some tools for elected or appointed officials that can help your community deal with the need for more housing?

**Design.** With increased density, design is crucial, but so is the approach to the concept of density. Density is important, but it is to some extent just one factor among many. In other words, do not assume that a density of, say, 12 units per acre is the most critical factor in regulating growth. Development with 12 units per acre can be charming, or it can be of the cookie-cutter variety; the materials can be high quality, or built to last 30 years; it can be overparked, or can enhance walkability. The design and regulation of density can be just as impactful as the density itself.

Residents of single-family neighborhoods often oppose change, unsurprisingly, but many do not. This is especially so in older neighborhoods with a variety of building types, but it can also be the case in newer, more uniform neighborhoods. In Durango, for example, the majority of residents the City communicated with applauded its efforts to allow accessory dwelling units (ADUs) in most residential neighborhoods, although the support was far from unanimous. Older neighborhoods can be denser than even the residents think they are, but people tend to like them because of the feel and design, and not because they are focused on units per acre.

**Form-based zoning.** Most zoning is Euclidean — governing by use and zone — while form-based codes emphasize design over use. Traditional regulatory mainstays such as parking minimums, density, and the rigid separation of uses are less important in form-based codes. Visit the Congress for New Urbanism website for details (*www.cnu.org*).

**Public process.** A strong public process is essential when changing something as integral to the identity of a place as its housing. The Colorado Chapter of the American Planning Association (APA) grants awards for the best public engagement process each year as a way to recognize the importance of this dialogue between municipal government and residents. An archive of past award is available at *apacolorado.org/awards* and provides good ideas for jurisdictions that are going to enter a public process.

**Other resources.** The Colorado APA and the Colorado Department of Local Affairs (DOLA) provide trainings at the APA's annual conference for planning commissioners. DOLA's website has an extensive archive of information for planning commissioners and other public officials who wish to run a better public meeting or expand their knowledge on technical issues, in addition to many other sources of information.

## Final Thoughts

Most communities in Colorado will face growing pressures to house current and new residents, and much of this housing will be built in existing neighborhoods. A thoughtful and engaged approach to new housing types has a good chance to succeed. In Colorado, new ways to accommodate population growth are essential, and numerous resources are available to help decision makers make this happen.

*Durango will permit ADUs in most residential areas in 2019, including detached units (not shown) in some areas. (Source: Durango Land Use and Development Code)*

SPOTLIGHT

## A HOUSING PROGRAM TO BE A COMMUNITY OF CHOICE

*By Virgil Turner, Montrose director of innovation and citizen engagement*

ONE OF THE BIGGEST EVOLVING CHALLENGES FACING CITIES AND TOWNS ACROSS COLORADO IS THE lack of affordable housing. This was recently evidenced by the Colorado Association of REALTORS'® announcement in November that its statewide housing affordability index had reached the lowest levels since it began observing this metric in 2010.

With the regional economy heating up and the resulting increase in jobs, Montrose is facing challenges with low housing inventories. This demand has resulted in rapidly escalating rental rates. For instance, since the beginning of the area's recovery in 2012 through 2018, the average apartment rental rates in Montrose have increased by more than 50 percent.

The City of Montrose has been exploring ways to increase inventories of housing units that are affordable for those who desire to live there. In 2018, the Montrose City Council approved a workforce housing incentive program to make progress toward this goal. This program provides incentives targeted at creating attainable housing opportunities based on county average median income levels. Builders and developers are eligible to receive incentives to keep pricing attainable so current and potential residents making a working wage can afford housing. In turn, more readily available and attainable housing makes Montrose a more attractive community for talented professionals who may have difficulty finding comparable opportunities elsewhere. By showcasing its workforce housing program and quality housing that is available to these professionals, Montrose is more likely to be the community of choice.

A special emphasis for the workforce housing incentive program is placed on projects located within the historic downtown core and redevelopment overlay district. This helps to increase residential density, prevent urban sprawl, and create a larger population of residents who are within walking distance of downtown amenities as a built-in customer base for downtown businesses.

Two projects have applied for and received incentive funding to date through this program, which will soon bring a dozen new attainable housing units into the inventory as well as preserving two important historic buildings.

Habitat for Humanity of Montrose County received City support through in-kind services and permit fee waivers to build a triplex townhouse project in downtown Montrose. This project will provide quality affordable housing for three families. Not only is this project changing the lives of three families, but it has spurred neighboring properties to undergo rehabilitation. This project marks a shift for Habitat for Humanity of Montrose County away from development of new affordable housing subdivisions on the outskirts of town to building new infill housing downtown, where infrastructure and community amenities already exist.

The City of Montrose hopes to complete a housing study in early 2019 to understand its housing needs and continue to develop initiatives and partnerships that ensure that those who want to live in Montrose have an adequate inventory of housing at a price that they can afford.

SPOTLIGHT

## MAKING HOUSING POLICY A PRIORITY

*By Catherine E. Trotter, AICP, Fraser town planner*

THE LACK OF SUFFICIENT HOUSING IS IMPACTING QUALITY OF LIFE AND ECONOMIC DEVELOPMENT IN the Fraser Valley, much as it is in many Colorado communities. So much so that the Fraser Town Board has identified housing as a policy priority.

In 2016, the Town commissioned a Housing Needs and Development Study. Last year, the Town overhauled its zoning and subdivision regulations in an attempt to reduce some regulatory barriers to development. Discussions suggested that the community wanted to encourage more community housing, and infill development and policy changes were necessary to achieve these objectives.

The Fraser Town Board thus established an attainable housing plan investment fee incentive program that allows for a reduced tap fee for smaller residential units. The new Land Development Code (LDC) allows for smaller lot size and width, as well as reduced dimensional standards for setbacks and minimum area of a building on the ground floor using a conditional use process. The LDC also relaxes parking requirements and allows for density bonuses if deed-restricted affordable housing units are incorporated into the development.

The board also amended the plant investment fee (PIF) schedule to reduce the PIF for apartments, accessory dwelling units, and mixed-use developments. In an effort to decrease the initial development expenses affecting the cost of housing, PIFs may be paid prior to issuance of a certificate of occupancy rather than at building permit issuance, and the Town also has reduced the water and sewer service fees during construction.

Fraser staff has reached out to the Town of Vail to learn more about its InDEED program, which provides incentives for people to record a deed restriction on an existing or newly purchased residential property. The Vail program has no appreciation cap, no income cap, and no household size requirement, and the Fraser Town Board is very much interested in developing a similar deed restriction program, believing that a variety of housing within the community for employees and families is an important component of community character, sense of community, and sustainability.

The Fraser Town Board is open to reviewing proposals that provide for long-term provisions of community housing, workforce, employee, and/or attainable housing. Such proposals may be eligible for concessions such as property tax rebates, use tax waivers, plant investment fee waivers or deferrals, service fee waivers during construction, development review fee rebates, density bonuses, parking waivers, grants, and other incentives.

Current trends indicate an extreme shortage of housing for locals, rising rents and sale prices, increased demand in VRBOs (vacation rentals by owner), and increased costs of development. While there is no silver bullet, policy changes such as those mentioned above certainly can help to reduce the building costs that are passed on to the consumer.

Locals want to live in funky Fraser, and the Fraser Town Board wants to help house the area's year-round workforce.

*By Traci Stoffel, Colorado Municipal League communications & design specialist*

*Each issue of* Colorado Municipalities *magazine introduces you to a key person in municipal government through the "Get to Know … " column. Each person featured answers questions about his or her position and municipality, and how he or she ended up in municipal government.*

# GET TO KNOW ... TAMMY KING

## CASTLE ROCK ZONING MANAGER

### How did you end up in public service?

I started as an intern in the assessor's office in Arapahoe County and felt the need to be the helpful side of government and change the perception of "the government worker."

### What do you enjoy most about your position?

I most enjoy resolving issues and trying to achieve a win–win approach whenever possible, again removing the government stigma from the minds of our constituents.

### What is the most challenging part of your position?

The Town of Castle Rock is growing rapidly, and achieving that balance of preserving the historic parts of the town while planning for and acting to manage the impacts of growth, as well as focusing on quality development by seeking out and encouraging great projects.

### What are some exciting things going on in Castle Rock?

The Town has some impressive projects going on downtown, with some renovations of existing businesses and a project downtown on Wilcox Street called "Riverwalk," an impressive four-story, 35,229-square-foot building and a six-story, 38,206-square-foot building connected by a bridge over the gulch. The buildings will contain retail on the first floor, office space on the second floor, and residential on the upper floors. The remainder of the town continues to grow with residential and the supported infrastructure and amenities.

### What project or undertaking are you most proud of and why?

The two projects I completed in 2018 were adding accessory dwelling units (ADUs) to our municipal code as an allowed use within the Town and updating the group home regulations.

### How can zoning help address affordable housing?

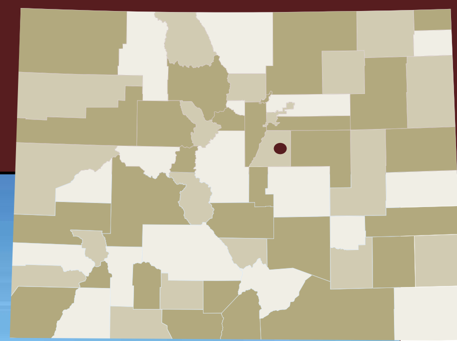
Currently, the Town has a vast variety of housing options, and ADUs are just another housing type approved and introduced into our Town this past spring.

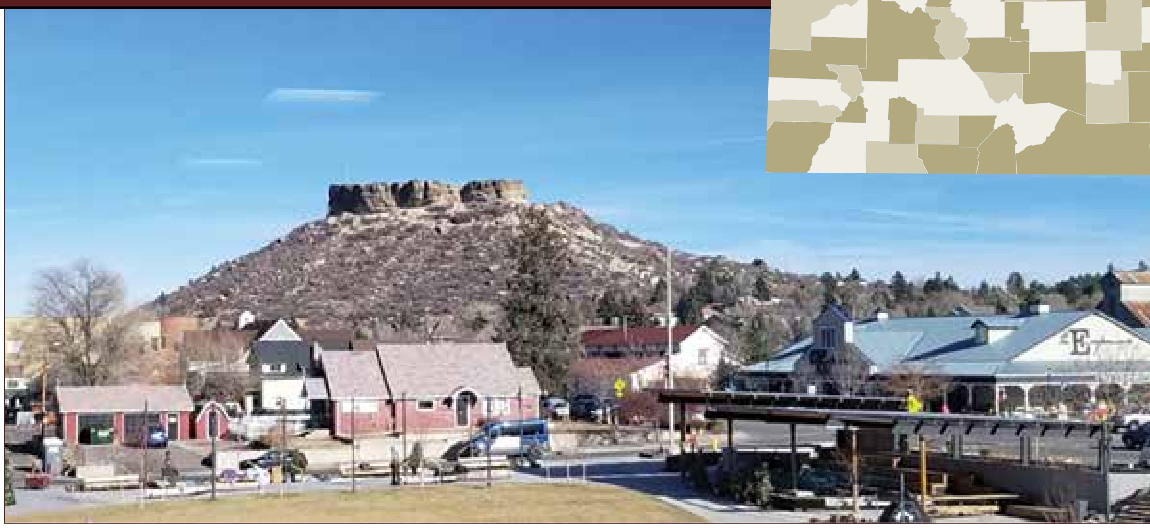
### What is the funniest thing to happen while at work?

The funniest things are the new businesses people try to do out of their homes to make a dollar.

# GET TO KNOW THE TOWN OF CASTLE ROCK

- **Incorporated in 1881**
- **Population: 57,289**
- ***www.crgov.com***





**What website(s) and/or publication(s) do you refer to when seeking information?**
The American Planning Association, Rocky Mountain Land Use Institute, and Colorado Association of Code Enforcement Officials are my main sources for research and information.

**What book are you currently reading? Are you enjoying it?**
*Crucial Accountability* and *A Model for Change in Business, Government, and our Community*. They are both effective tools for being the model government official.

*Tammy King is a zoning manager with the Town of Castle Rock, supervising a zoning staff responsible for building permits as well as zoning inspections. Tammy is also responsible for the neighborhood liaison, a relatively new position, who works to bridge communication and build relationships between neighborhood homeowners' associations, governing bodies, and residents. She is also responsible for keeping code updates. Tammy has worked in the field of development for 39 years, with 37 years spent with Arapahoe County. She has lived in Colorado for 40 years and is an outdoor adventurist (snowmobiling, riding her ATV, and waterskiing) and loves spending time with her grandbabies.*

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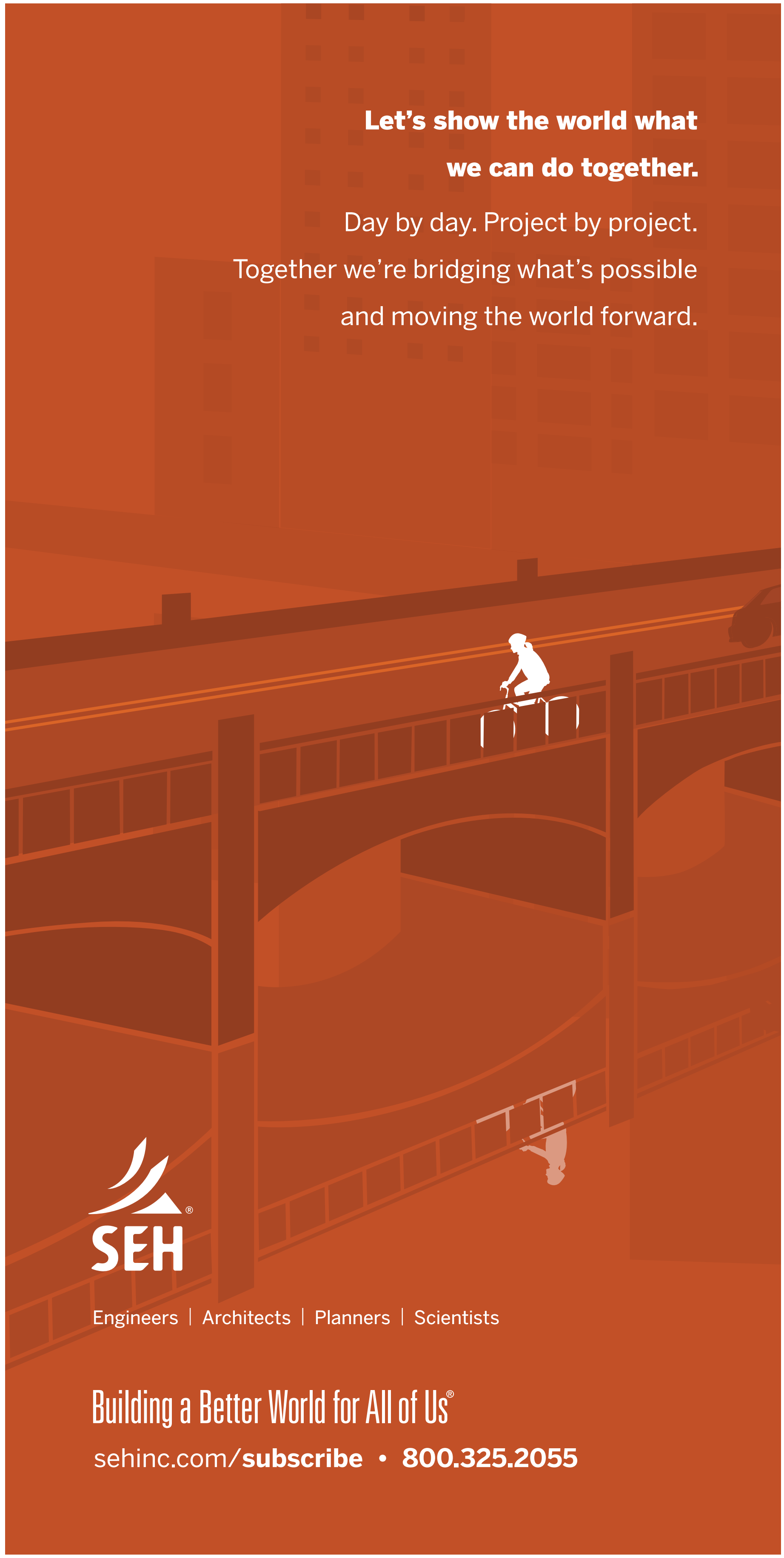


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