## Unlocking Housing Choices

Attainability and Housing Diversity in Denver's Neighborhoods

Joint Planning Board and City Council Meeting

August 12, 2025



# Agenda

- 1. Advisory Committee Meeting Summary
- 2. Adopted Plan Guidance
- 3. Issue Identification
- 4. Peer City Approaches





## Advisory Committee Meeting Summary 7.28.25

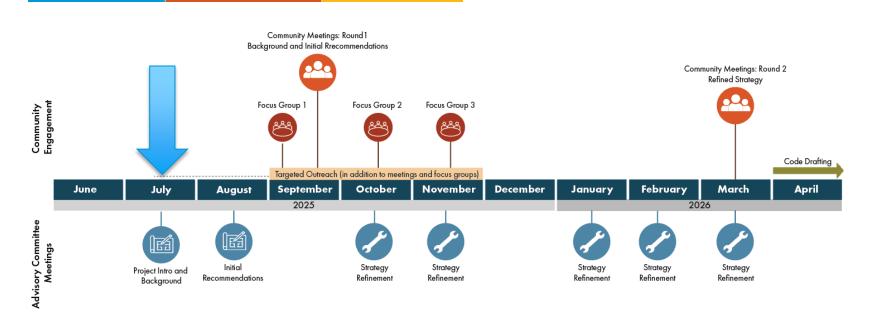
- Introductions and Project Background
- Advisory Committee Roles and Process
- Project Schedule
- Discussion and Questions

Meeting Recording, Notes and Presentation Available on our Webpage



## **Engagement Timeline**

Ongoing: Financial Feasibility Analysis





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## **Adopted Plans**

Denver's adopted plans establish guidance for regulatory and policy decisions.

These include citywide, neighborhood, and small area plans





#### What are Plans?

Community Engagement

Vision for the Future

**Policy Guidance** 









Unlocking Housing Choices directly implements policy guidance to promote the city's vision.



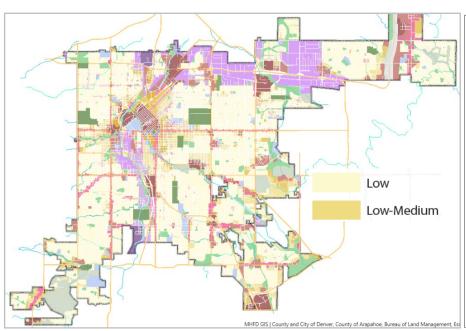


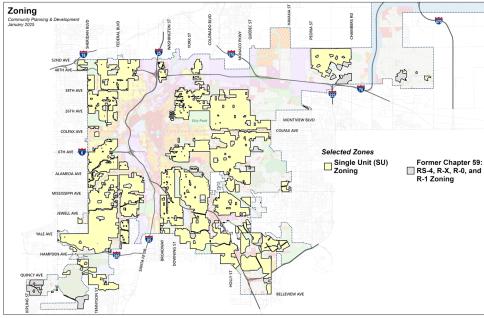
Land Use & Built Form - Housing - Policy 02: "Diversify housing options by exploring opportunities to integrate missing middle housing into low and low medium residential areas."













#### Area Plan Guidance

- Most plans support missing middle housing.
- Each plan addresses missing middle housing differently.
- Some plans are more prescriptive than others and include missing middle housing strategies that focus on:
  - Affordable housing
  - Preservation of existing structures
  - Proximity to amenities
  - Improved design outcomes





#### Area Plan Guidance

Blueprint Denver provides the overarching goals and direction for this citywide project.

- Area plan guidance will be used to fine tune the approaches and develop a Neighborhood Contextsensitive approach.
- Area plan guidance that is more prescriptive will be used to inform approaches across different contexts.





# Questions and Discussion





# Agenda

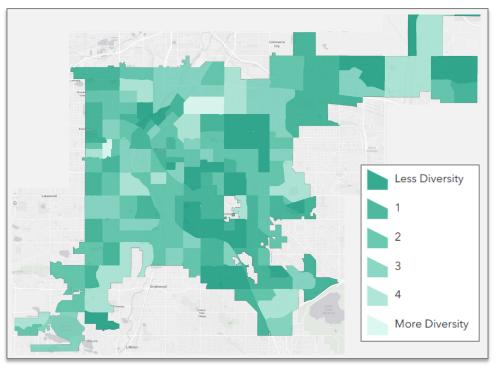
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#### Issue Identification

- 1. Lack of Housing Diversity
- 2. Deficient Housing Supply
- 3. Uneven Pressure Across Denver's Neighborhoods
- 4. Housing Affordability
- 5. Loss of Existing Housing Options
- 6. New Housing Doesn't Fit Existing Neighborhood

Character



Housing Diversity (Blueprint Denver)



# Questions and Discussion





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# Best Practices and Review of Other City Strategies



# **Common Project Strategies**



Allowing more infill housing options in single-unit neighborhoods – this includes allowing duplexes, triplexes, fourplexes, and other multi unit building forms in areas that used to only allow single unit housing.



Updating design standards to encourage the development of small-scale multi-unit buildings.



Utilizing a single set of building standards regardless of the number of units proposed on the lot.



Reducing or eliminating minimum lot size requirements.



Requiring income-restricted units in exchange for additional housing units.

# Summary of Cities Researched

This Review is on-going

Additional cities and topics will be reviewed

	Allow more units in all SU	Allow more units based on geography	Allow in "House" Building Form	Created new middle-housing building forms	Includes affordability incentives or bonuses	Programs for Historic resources
Salt Lake City, UT	Х		Х		Х	
Boulder, CO		Х	Х	Х		Х
Bend, OR	Х			Х		
Minneapolis, MN	Х		Х			
Austin, TX	Х			Х	Х	
Portland, OR	Х		Х		Х	
Sacramento, CA	Х		Х			
Saint Paul, MN	Х		Х		Х	
Spokane, WA	Х		Х		Х	
Boise, ID	Х		Х		Х	
Tacoma, WA	Х			Х	Х	
Durham, NC	Х		Х			
Charlotte, NC	Х			Х	Х	
Arlington, VA	Х		Х		Х	
Lexington, KY		Х			Х	
Eugene, OR	Х			Х	Х	

# Questions and Discussion



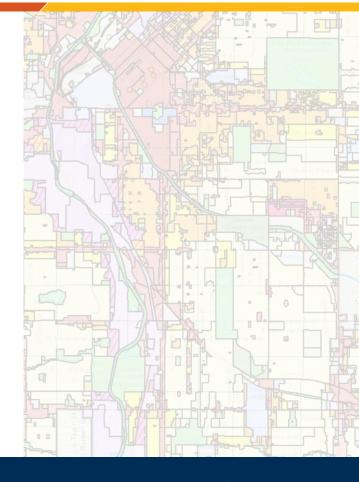


# <u>Appendices</u>

Appendix 1: Adopted Plan Guidance

Appendix 2: Issue Identification

Appendix 3: Peer City Approaches



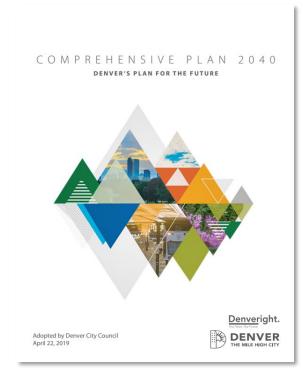
# Appendix 1: Adopted Plan Guidance





## Comprehensive Plan 2040

- A mix of housing options should be built in all neighborhoods to serve a range of incomes, ages, and needs (pg. 28).
- Missing middle housing is encouraged, especially near transit and amenities (pg. 28).
- Design quality should be improved (pg. 34).

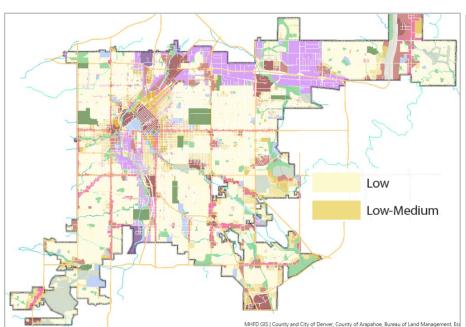


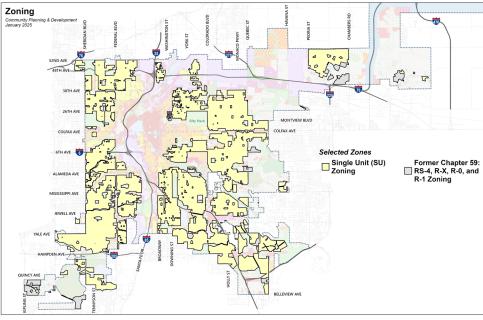


Land Use & Built Form - Housing - Policy 02:
Diversify housing options by exploring
opportunities to integrate missing middle
housing into low and low medium residential
areas.











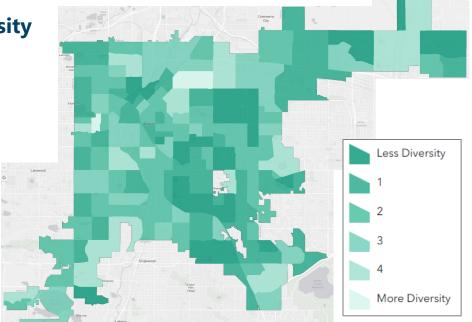
#### **Strategy A:**

**Integrate missing middle housing** into low and low-medium residential areas, <u>especially those that score low in Housing Diversity.</u>

This should be implemented through holistic revisions to the zoning code at a **citywide scale**, with a **focus on discouraging demolition and encouraging affordability**.



**Housing Diversity** 









#### **Strategy A:**

Zoning code revisions should be informed by an inclusive community input process and could include:

- Allowing 2- to 4-unit structures, tandem houses, and/or smaller minimum lot sizes in locations where slightly higher density may be appropriate.
- This might include lots on corners, near transit, and/or adjacent to centers or corridors.
- This allowance should advance goals for affordability, such as including a requirement to provide affordability in exchange for increased density.

# Blueprint Denver Defined Term

**Affordable Housing** - Housing for which the occupant(s) pay(s) **no more than 30 percent of their income** for gross housing costs.

Affordable housing is a general term that includes attainable housing. Affordable housing may be subsidized or naturally occurring affordable housing, which is not subsidized but still affordable compared to average market rents/prices.





#### **Strategy A:**

Zoning code revisions should be informed by an inclusive community input process and could include:

Encouraging the reuse, rather than demolition, of existing structures. This could be
accomplished by allowing additional unit(s) to be added to an existing structure if
the structure is preserved.

#### **Related policies:**

- Incentivize affordable housing (pg. 82, 85)
- Increase housing units near transit, services, and amenities (pg. 82, 85)
- Improve design outcomes (pg. 99)
- Preserve existing structures (pg. 83)



## Blueprint Denver Equity Metrics

Improving
Access to
Opportunity

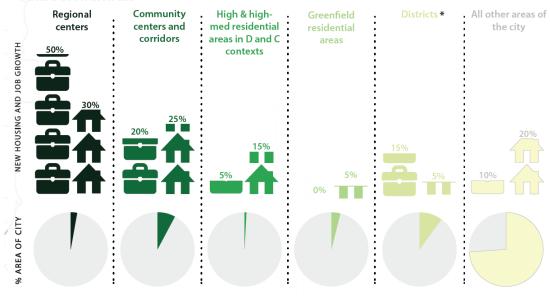
creating more equitable access to quality-of-life amenities, health and quality education. Reducing Vulnerability to Displacement

stabilizing residents and businesses who are vulnerable to involuntary displacement due to increasing property values and rents. Expanding Housing and Jobs Diversity

providing a better and more inclusive range of housing and employment options in all neighborhoods.



#### **Future Growth Areas**



% of new households by 2040
DIA Influence Area
Land use and other regulatory restrictions apply within the
DIA Influence Area. Refer to page 290 for more details.

\*New jobs in Value Manufacturing, Innovation Flex, certain Campus (only university and hospitals), Airport Districts. New households in Innovation Flex and certain Campus (only universities) Districts. Excludes DEN land area.

#### 2017-2040 Projections:

Population: **+189,000** 

Households: +90,000

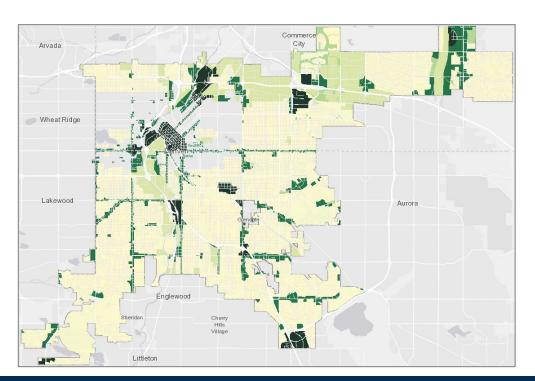
#### All other areas of the city:

Population: **+37,800** 

Households: **+18,000** 

(20% of the population and housing growth should occur in "All other areas of the city")





All other areas of the city mostly align with Low Residential Future Places

#### Within All Other Areas of the City:

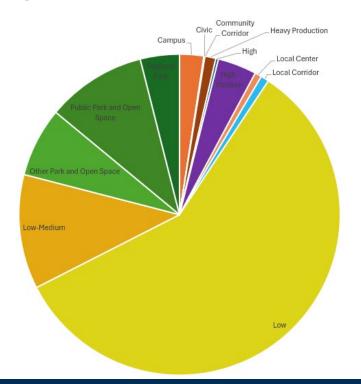
58.2% Low Residential

11.5% Low Medium Residential

21% Parks

9.3% All Other Future Places





All other areas of the city mostly align with Low Residential Future Places

Within All Other Areas of the City:

**58.2% Low Residential** 

11.5% Low Medium Residential

21% Parks

9.3% All Other Future Places



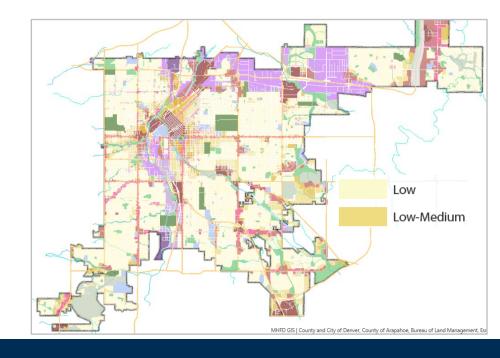
Low and Low Medium Residential Future Places are almost entirely in All Other Areas of the City

#### Within Low Residential:

97.9% All Other Areas of the City 2.1% Greenfield Residential

#### Within Low-Medium Residential:

98.6% All Other Areas of the City
1.4% Greenfield Residential

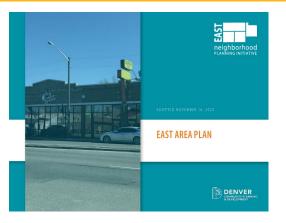




### **East and East Central:**

- Designate certain areas as Low Residential Single-Unit and Two-Unit. These areas should remain predominately single or two-unit, with 2-4 unit missing middle housing integrated where appropriate.
- These plans also state that

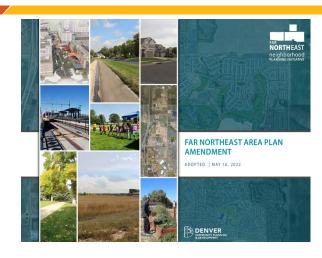
"additional primary units would only be appropriate where they already exist or as determined through a future regulatory process to integrate missing middle housing in some locations"





#### **Far Northeast**

- The Far Northeast Area Plan states that single-unit uses should be maintained where they currently exist and new housing should match the use, lot size, and development pattern of these areas (pg. 34).
- Maintain the Character of Existing Residential Neighborhoods:
  - Match zone districts according to the prevailing lot sizes, and then also try to ensure that the zone district's other development standards

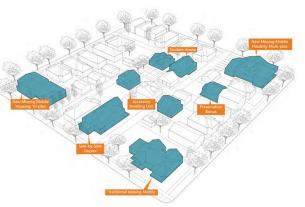


#### **Near Northwest**

Middle Housing Concepts (Policy L10)

- Expand missing middle housing options while incentivizing preservation and promoting affordability within Low Residential places.
- Develop **new missing middle housing building forms** that allow for more units within a single structure but limit its overall size and scale.



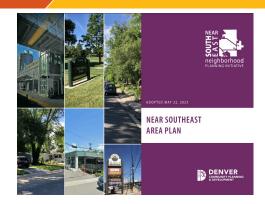


#### **Near Southeast Area Plan**

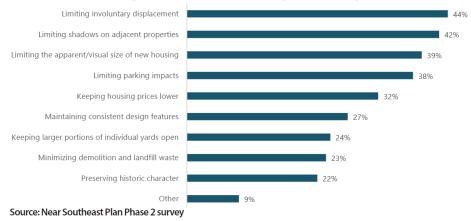
Residential Low Concepts in Policy 2.4.7 encourage:

- Preservation of existing housing stock,
- Creation of design standards for better forms,
- Development and expansion of programs to reduce involuntary displacement.
- Specify locations where duplexes are appropriate within Low Residential Areas

LU-8: Use these recommendations to provide guidance for future citywide projects to implement *Blueprint Denver* missing middle goals. **Citywide policies may add additional missing middle options** in Near Southeast not contemplated by these recommendations.



### COMMUNITY FEEDBACK "The Most Important Considerations for Missing Middle Housing Are..."

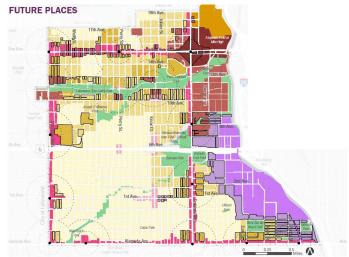


#### **West Area**

Policy L5 promotes the expansion of missing middle housing in targeted locations:

- parks
- schools
- transit
- corner lots





Southwest and Far Southwest (in progress)

Draft recommendations focus on

- Compatible design
- Proximity to transit and amenities
- Preservation and affordability



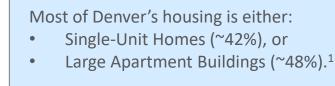


# Appendix 2: Issue Identification



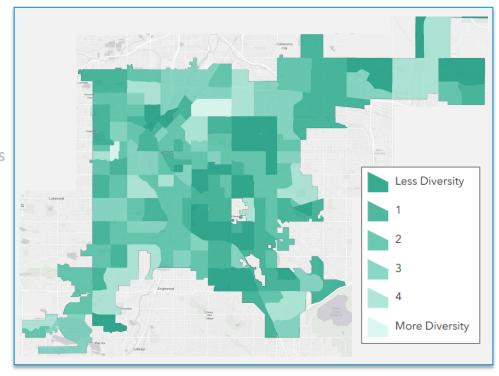


- 1. Lack of Housing Diversity
- 2. Deficient Housing Supply
- 3. Uneven Pressure Across Denver's Neighborhoods
- 4. Housing Affordability
- 5. Loss of Existing Housing Options
- 6. New Housing Doesn't Fit Existing Neighborhood



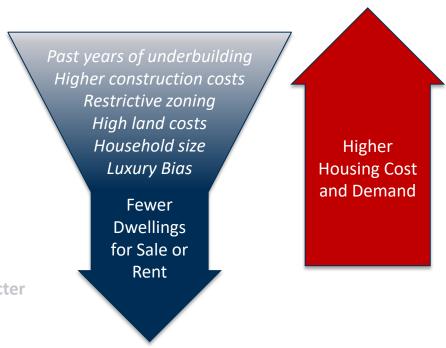


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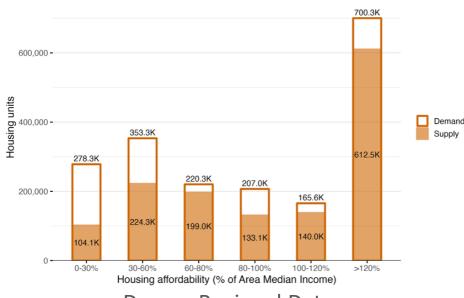
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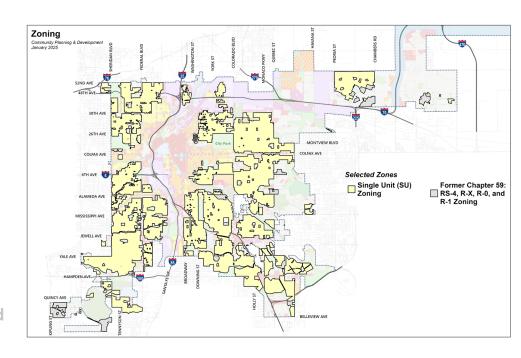
**Character** 

Exhibit 4: Housing need compared to current supply by income, 2023–2050



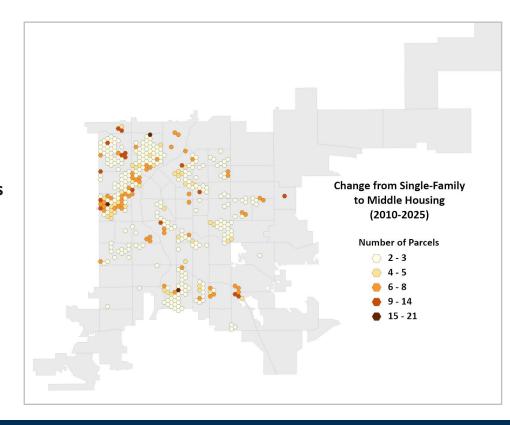
Denver Regional Data

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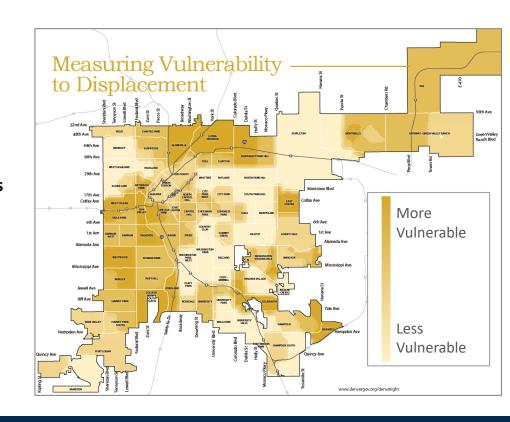




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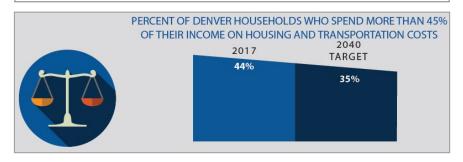
Character

From 2005 to 2025

Denver added more than **162,000 new residents** (29% Increase) The average home price in Denver has climbed from \$260,600 to \$619,500 (138%)

From 2011 to 2018

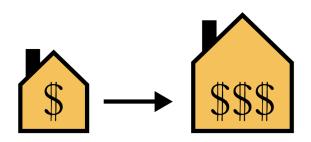
Median rent for a one-bedroom apartment rose from \$801 to \$1,432 (79%)



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  Character

Where houses or duplexes were replaced in 2024



**1,299 sf**Average Original Home
Size

**4,405 sf**Average New Home
Size

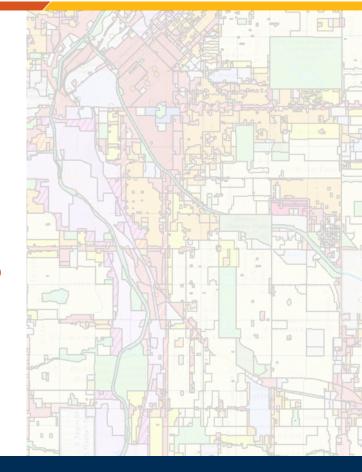
**3,125 sf**Average increase in home Size



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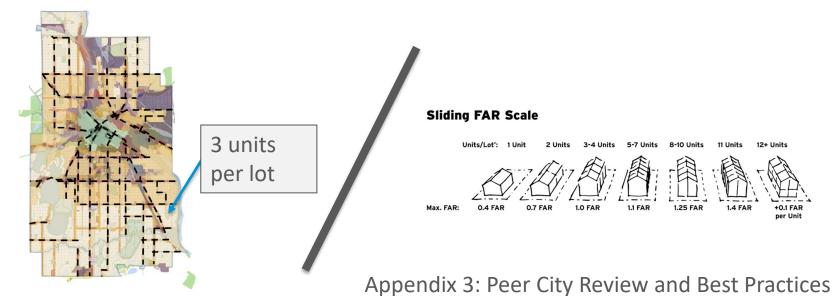
# Appendix 3: Peer City Review and Best Practices





# **Allowing Additional Units**

- Two main approaches to regulating how many units are allowed on a lot:
  - 1) Allow a fixed number of units per lot in different zone districts, or
  - 2) Allow density or building form standards to control the number of units per lot

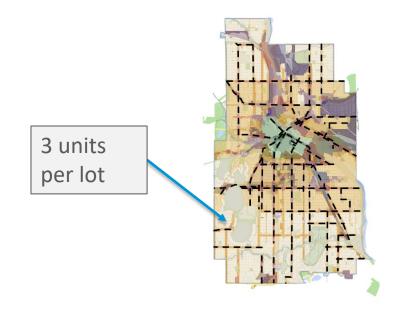


# **Allowing Additional Units**

Approach 1: Allow a fixed number of units per zone district

### **Examples:**

- Minneapolis allows up to 3 units on every residential lot.
- Charlotte allows up to 4 units on every lot in neighborhood zone districts.

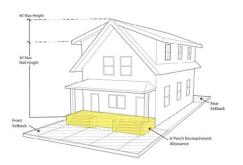


# **Allowing Additional Units**

Approach 2. Allow density or building form standards to control the number of units per lot

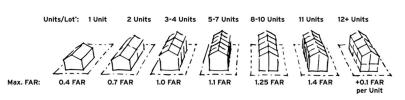
#### **Examples:**

Spokane does not limit the number of units that can be built on a lot, as long as building form and other code requirements are met.



Sacramento has a sliding scale Floor Area Ratio (FAR) system that gives a larger allowance to structures with more units.

#### Sliding FAR Scale



Appendix 3: Peer City Review and Best Practices

# Case Study: Portland

#### Key Strategies

- Allows duplexes, triplexes, and fourplexes as residential infill options in single-dwelling areas.
  - These buildings generally follow the same design standards as single-unit residences.
- Allows six-unit developments when at least 50% of the units are affordable to 60% area median income (AMI) households for rent or 80% AMI for sale.
- o Requires a minimum of two units on larger lots.
- Allows cottage clusters.







# **Portland: Outcomes**

#### Key Outcomes

- Missing middle housing production has increased significantly.
- New middle housing types have outpaced single unit dwellings
- The number of demolitions has not increased
- Permitting activity has been focused in the same areas of the city before and after the project.

Appendix 3: Peer City
Review and Best Practices

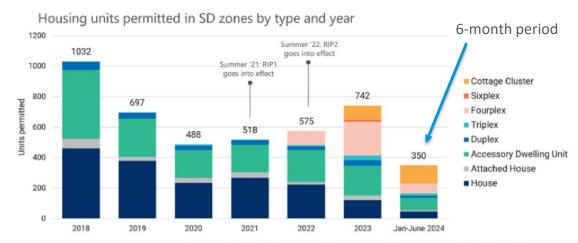


Figure 2: Housing units permitted in single-dwelling zones by year and type in Portland, OR from 2018 to the first half of 2024.

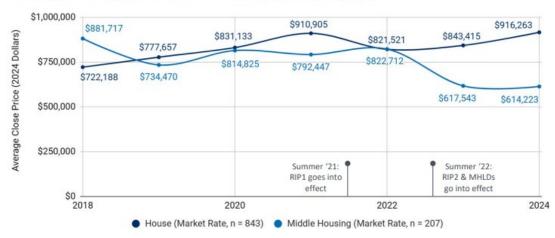


# Peer City Approaches to Addressing Infill Compatibility

According to Portland's fiveyear middle housing progress report:

- Limiting floor area is essential to keeping the cost of new units lower.
- Average price of a new middle housing unit was about \$250,000 less than a new single detached house

Average closing price (2024 dollars) by housing type

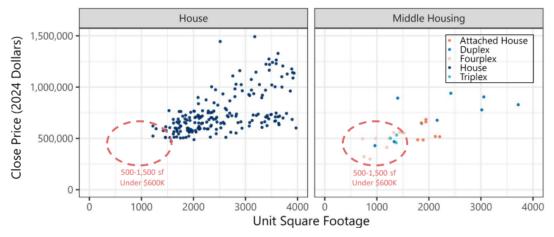


Appendix 3: Peer City Review and Best Practices

# Peer City Approaches to Addressing Infill Compatibility

- Limiting unit size is essential to keeping the cost of new units low.
- The most common middle housing dwelling unit is a 2-bedroom, roughly 900 square foot for-sale unit

### Closing price (2024 dollars) by housing type and unit size, post-RIP permits



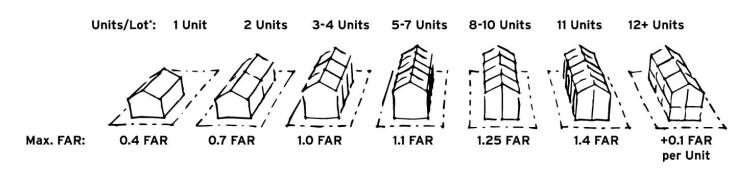
Appendix 3: Peer City Review and Best Practices

# Case Study: Sacramento

#### **Residential Infill Project:**

- Allows additional neighborhood-scale, multi-unit dwellings and encouraged small lot development in previously single-unit residential zone districts (R-1, R-1A, R-1B, and R-2).
- To incentivize additional units, the City of Sacramento implemented a sliding floor area ratio (FAR) scale.

### Sliding FAR Scale



# Sacramento: Anti-Displacement

New development must also meet the anti-displacement findings of the ordinance to receive approval. The project shall not result in any of the following:

- 1. Fewer dwelling units than existed at the time planning entitlement is approved,
- 2. Demolition of a dwelling unit that was covered by a rental or lease agreement that was in effect within 365 days before planning entitlement is approved, or
- 3. Demolition of one or more dwelling units covered by an affordable-housing regulatory agreement.

### High Vulnerability, Low Change

Neighborhoods with a high proportion of residents vulnerable to displacement, but not yet experiencing gentriication.

# High Opportunity, Low Vulnerability

Neighborhoods with a low proportion of vulnerable residents and high quality urban amenities.

### High Vulnerability, High Change

Neighborhoods with high proportions of vulnerable residents who are actively experiencing gentrification.

# **Additional Project Strategies**

- Affordable housing requirements
- Building form changes and incentives
  - Ex: FAR sliding scale
- Changes to parking standards
- Demolition fees and conversion fees
- Conservation overlays
- Affordable housing preservation database
- Anti-displacement toolkit
  - Based on a vulnerability to displacement index, overlays, tools, and disincentives are used to mitigate negative impacts of new allowances for housing

Appendix 3: Peer City Review and Best Practices





# Case Study: Spokane

One set of standards apply to all residential development in the affected zone districts regardless of the number of units being built.

- No maximum unit count on sites of less than two acres.
- 1,200 square foot minimum lot size.
- 65% lot coverage maximum.
- 40-foot height limit.
- 10-foot front setback, three-foot side setback.
- Detached ADUs get reduced setbacks.

