



Report Back on Housing Revenue Research

March 7, 2018

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Denver City Council, At-Large**

Purpose of Today's Briefing

1. Respond to community request, new Council priority to increase funding
2. Examine pros/cons of prop tax bonding for affordable housing specifically (prior meeting covered competition with other capital needs, debt policy, ratings etc.)
3. Identify any next step goals, additional research etc.

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Other Sources That Could be Examined

1) Increasing **Linkage Fees**

- Still far below both the nexus study limit and the feasibility level for all types of development
- Boulder just increased to \$12

2) **Marijuana tax**

- Dedicating portion of existing – would reduce general fund
- Increasing special tax above 3.5% - within Council discretion (up to 15% Council power, if bonded electorate vote needed; every .5% = approx. \$2mill pay-as-you-go)

Other Potential Sources – Did Not Make 2016 Cut

3) **Sales tax** increase – requires vote

- Several Colorado jurisdictions do this
- National interest growing in innovative combining of housing with transportation?

4) Increasing **Occupational Privilege**

5) **Lodger's Tax**

- Some cities dedicate STR Lodger's to housing, would require a vote to separate

Discussion Questions

- 1) Urgency of larger up-front infusion of funds generally?
- 2) Use of *property tax* backed bond as source?
- 3) Replacing existing .5 mil with bond?
- 4) Adding another .5 mil bond in addition to existing pay-as-you go source?
- 5) Interest in exploring other tax source to support a bond?
- 6) Other non-bond ideas to explore?



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