Expanding Housing Affordability

Outreach Overview: February 2021 – April 14, 2022

Public outreach and engagement on the Expanding Housing Affordability project began in earnest in February 2021 and continued for more than a year through March 2022. During this time, participants were able to learn about the project, understand housing needs and best practices, provide feedback and insights, ask questions, and speak with city planners. The type of feedback received evolved as the project advanced. The selected comments presented below illustrate the types of comments most commonly received. To examine all comments received and key feedback themes from the various outreach events and focus groups held during the past year, please visit denvergov.org/affordabilityincentive to download the outreach and engagement reports for each project phase.

Key Feedback

Overall, people agree that housing affordability is a top priority and want to see the city and its partners creating more affordable housing. The following are direct quotes from some of the written comments received.

A large majority of comments citied general support for the proposal.

> "I am a resident of Berkeley Neighborhood, in Council District 1 in Denver. I am writing to register my strong support for the Expanding Affordable Housing proposal. I think this is a very important issue in Denver and this is a reasonable and well-thought-out approach."
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> "Thank you for addressing the housing crisis by creating better public policy. As a (*occupation listed*), I cannot afford to live in Denver. The working class is what makes this city great, and it's time to help us."
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> "I think this is a much needed change. Rent in this city has sky-rocketed and has pushed out a lot of generational families from their housing units, typically along racial lines. This city desperately needs affordable housing for all. It will help with the homeless population and help the economy as people have more money to spend elsewhere instead of on rent. This proposal has my full support!"
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> "I appreciate the incorporation of previous public comments, and support the newly proposed project. Denver needs more affordable housing, more options, and the local developers should be contributing more to that goal. It's fine if some of the developers leave this market due to a reduction in profitability - more will come in the future."
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> "I whole heartedly agree with this proposal! My wife and I want to stay in Denver but need to be able to afford housing. Without good policy and a mandate, developers won't do it."

Other community members generally support the proposal; however, they have reservations or critiques. These reservations tend to state the proposal "does not go far enough" in terms of supporting housing needs. Key themes within this category include a desire to see lower AMIs targeted, a higher percentage of affordable units required city-wide, much higher percentage of affordable units required in NEST neighborhoods, support for deeper incentives (including additional height and further reduced parking requirements), higher linkage fees, and a lower unit threshold for the mandatory requirements.

> "Denver needs more affordable housing units for very low income families and moderate income families. I hope these affordable housing units include 30% AMI."
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> "Despite the City already acknowledging that new development clearly causes an increased need for affordable housing, the City has not yet created a funding mechanism that seeks to address the cause-and-effect relationship between new market-rate development and the displacement of low-income community members, particularly Black and Brown community members in rapidly gentrifying neighborhoods of Denver. This must change, and our tools must mitigate the disparate outcomes that result from placing new-market rate development in rapidly gentrifying communities."
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> "I appreciate the focus on housing affordability and finding a balance that increases new housing development available at a range of affordability levels. However, I am very concerned that the plan does not provide adequate focus on lower-income individuals and families, who are the most cost-burdened and likely to experience homelessness or housing instability without affordable housing. Affordable "workforce" housing for our teachers, child care workers, and others is quite important, but Denver needs an affordability plan that also includes those most in need."

Another frequently heard comment was that this policy is a step in the right direction; however, without larger zoning reforms to remove barriers and increase density and housing allowances citywide, housing supply challenges will continue.

> "I strongly support vigorous work on housing affordability. And I would like to voice strong support for reduced parking requirements and increased density in single family districts"
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> "The EHA proposal can be a useful piece of the housing puzzle, but housing won't be affordable until more housing is legal across all of Denver. Fourplexes, ADUs, missing middle...whatever shape it takes, we know that building more housing is the most important part of making housing affordable."
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> "I support the incentives in the EHA proposal. Developers should be incentivized to include affordable housing in their new developments, and I like the fee reductions for including affordable housing in developments. But more important than forcing developers to have a certain number of affordable units is to incentivize multifamily units and disincentivize single-family-unit developments. As fine as "affordable housing" is, most people either cannot access it, have to wait too long to access it, or don't know how to access it. Most of Denver relies on market-rate housing for their housing needs, and the only way to solve the housing crisis is to build more housing in the neighborhoods where people want to live."

Some community members did not express support for affordable housing requirements, but rather, focused on reducing other barriers to development (e.g., density limits, parking requirements, permitting, fees) to increase the supply of housing as the solution to address housing affordability.

> "...These are half-measures that won't meaningfully impact the city's housing supply until several years from now...This plan should abolish parking minimums on ANY development and let the market decide how much parking to be provided... City should also consider expedited reviews on any housing project and lowering fees... Height restrictions should be abolished as well... Denver has the opportunity to be a leader on housing affordability and I'd hate to see it squandered with a policy that doesn't go far enough."
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> "… developers don't make homes for free. I would hope that the City of Denver would be cognizant that by increasing the fees on market rate housing, less market rate housing will be built. Less market rate housing means higher prices for all current market rate housing, which is by far the biggest share of housing. It's clear that Denver's increase in home prices is due to the imbalance of people moving here and the construction of new homes.… But the best way to slow prices would be to flood the market with new housing, regardless of price. Supply has not kept pace with demand, so prices rise. The City should consider things like density bonuses to increase the total amount of units."

Additionally, some community members, and particularly some industry groups, continue to cite that requirements for affordable housing will only further increase costs for many Denver residents who rely on market-rate housing.

> "I am opposed to this proposal. While I agree that affordable housing is a huge problem, this proposal is just a tax on the middle class. Looking at the future linkage fees, an average family is expected to pay thousands of dollars more to build their house. This is not the American Dream. You're making housing more unaffordable to a greater number of people and will create a larger problem in the long-run."

Key Milestones

- Project re-launched with an updated scope, advisory committee, project timeline and outreach strategy in February 2021
  - The original project (Affordable Housing Zoning Incentives) launched in February 2020 and included a smaller stakeholder group with a focus solely on zoning incentives to create affordable housing
- Background report released on February 18, 2021
- Financial feasibility results released on July 15, 2021
- Revised financial feasibility with additional sections on incentives and fee-in-lieu released on October 1, 2021
- Draft policy proposal released on October 1, 2021
- Comments were due on December 31, 2021
- Public review draft of the Denver Revised Municipal Code (DRMC), Denver Zoning Code (DZC), and an updated policy document released on February 1, 2022
- Comments were due on March 14, 2022
- Revised proposal released on March 30, 2022, prior to legislative process

Expanding Housing Affordability Advisory Committee

6 Advisory Committee Meetings with members who have different perspectives and experiences. Members helped to inform and review the proposed policy and recommend changes. All meetings were open to the public. (Six additional meetings were held prior to the project scope's expansion.) Advisory committee members and meeting materials are available at denvergov.org/affordabilityincentive.
Dates: March 2, June 15, July 22, October 7, and November 16 of 2021 and February 10 and March 22 of 2022.

City Council Committee Meetings

6 Informational Meetings with the Denver City Council Budget and Policy and Land Use Transportation and Infrastructure Committees. All meetings can be viewed on Channel 8.
Dates: March 4, July 29, October 18 of 2021 and February 8, 15, and 22 of 2022

Denver Planning Board

4 Informational Meetings with the Denver Planning Board.
All meetings can be viewed on Channel 8.
Dates: March 17, August 4, and October 20 of 2021 and February 16 of 2022

Focus Groups

13 Focus Groups held in 2021 for specific topics (e.g., financial feasibility). Most focus groups included a brief staff presentation, breakout rooms and further discussion with attendees.
330 total participants (note, some participants participated in multiple focus groups)

- 13 organizations participated in the April 22 or April 27, 2021, community conversations focused at engaging underrepresented organizations and community in the process
- 26 individuals participated in the May 18, 2021, focus group with industry partners reviewing peer city and best practice research
- 16 individuals participated in the May 26, 2021, focus group industry partners reviewing assumptions for the financial feasibility report
- 70 individuals participated in the September 8 and 9, 2021, focus group on financial feasibility report outcomes
- 40 individuals participated in the September 30, 2021, focus group for the implementation date and approach for existing projects
- 55 individuals participated in the November 1, 2021, focus group on the proposal overview
- 36 individuals participated in the November 4, 2021, focus group on the mandatory housing and alternative compliance portion of the proposal
- 26 individuals participated in the November 8, 2021, focus group on the program incentives
- 30 individuals participated in the November 10, 2021, focus group on the linkage fee
- 19 individuals participated in the November 10, 2021, focus group on the 38th and Blake incentive overlay
- 9 individuals participated in the December 22, 2021, focus group on the changes specific to the downtown FAR based system
- Additional focus groups were held in 2020 with affordable housing developers, business improvement districts (BIDs), and community groups.

Office Hours

8 Office Hours held in 2021 to offer a deep dive on specific topics for individuals and groups.
Dates: September 22, October 28, and November 9 of 2021 and February 3, 24, 28, March 3, 10*, 2022

Open Houses

2 Open Houses including a brief staff presentation, interactive audience polling, and live Q&A session
104 individuals participated in the February 17, 2022, open house and **50 individuals** participated in the November 4, 2021, open house

Written Comments

171 comments submitted to the project website with an additional **50 questions** to which staff responded.
17 formal letters submitted to staff to which staff responded.

Online Survey

104 individuals participated in the survey avaliable from February to March 14, 2022

Organizations Engaged

Over 267 organizations either invited staff to present and receive feedback at their meetings, attended focus groups or office hours. Organizations included community advocacy groups, Registered Neighborhood Organizations (RNOs), and larger industry organizations that represent a wide variety of commercial real-estate companies and development interests.

Organization Meetings

Staff attended 45 convening organizations' existing meetings to provide a project overview/update and take feedback on the proposal. (Note, some of these were duplicative organizations where staff met with the group multiple times throughout the process.)

Further details (dates, times, feedback received, organization names, and more) are provided in the Phase 1, Phase 2, and Phase 3 public outreach and engagement reports available for download at www.denvergov.org/affordabilityincentive.