

# Strategic Framework Along the Continuum

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HOUSING STABILITY



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“At the end of the day, what we are driving toward is **the goal of housing stability for all** of our residents across the entire income spectrum across this city.”

- Mayor Michael B. Hancock



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*healthy, housed, and connected*

## Key Context for Strategic Framework

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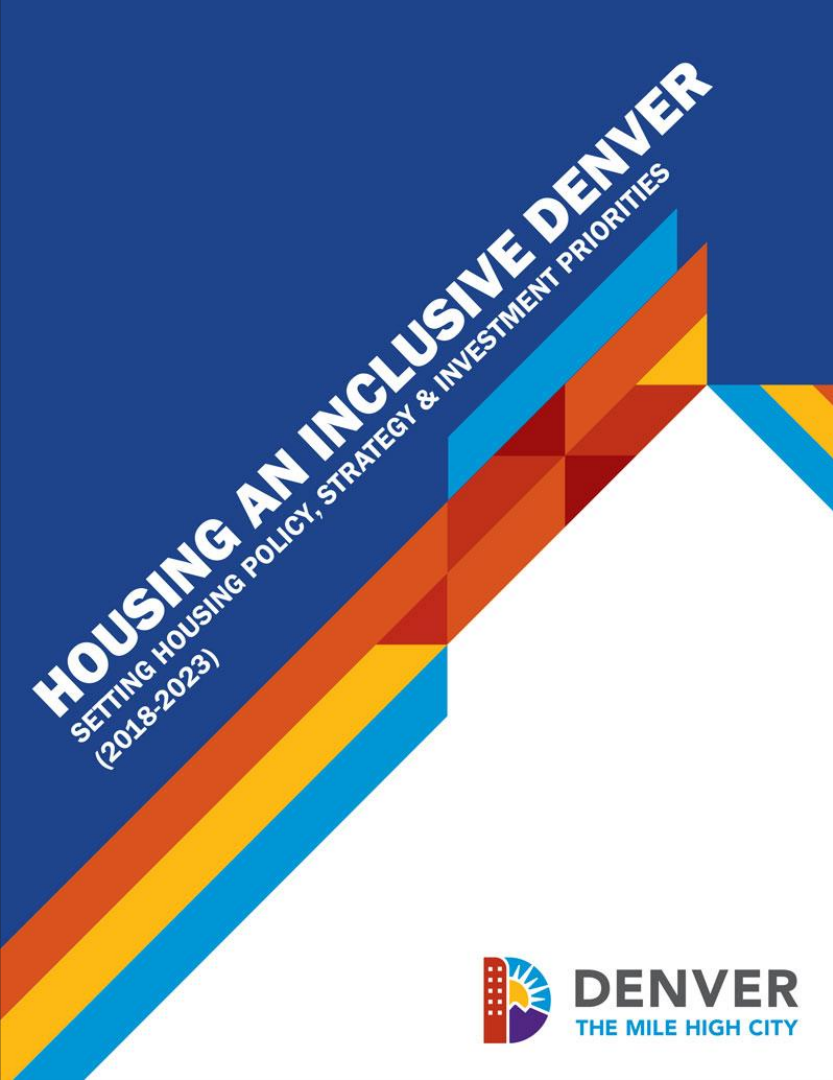
- Equity, Affordability and Inclusivity are key vision elements for Denver
- Housing an Inclusive Denver prioritizes needs along the housing continuum through balance of investment tools and policy strategies
- Shelter Strategy seeks to reframe shelter in the context of a rehousing system, focuses on housing as the solution to homelessness
- Updated strategic plan is being developed for HOST through fall of 2020 to pull together framework across whole continuum

# Housing an Inclusive Denver Background

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## Background on Housing an Inclusive Denver

- ❑ Denver Revised Municipal Code required a housing plan to be developed with input from stakeholders to guide investment of local and federal housing funds
- ❑ Housing an Inclusive Denver was developed between 2017-2018 with the Housing Advisory Committee and input from more than a thousand additional stakeholders and members of public through surveys, public meetings, focus groups, etc.
- ❑ Housing an Inclusive Denver was adopted by City Council in early 2018
- ❑ The plan:
  - Outlines fundamental values and core goals for housing investments over a five year period, including goals for creation/preservation of affordable homes and households served through housing programs
  - Is the first city housing plan to prioritize investments along income continuum



## Housing Plan Key Goals



Create affordable housing in vulnerable areas AND in areas of opportunity



Preserve affordability and housing quality



Promote equitable and accessible housing options



Stabilize residents at risk of involuntary displacement

# Investments focus on low-income residents

## 40-50% of Housing Resources

will be invested to serve people earning **below 30% of Area Median Income (AMI)** and **those experiencing homelessness** who are seeking to access or maintain rental housing, including:

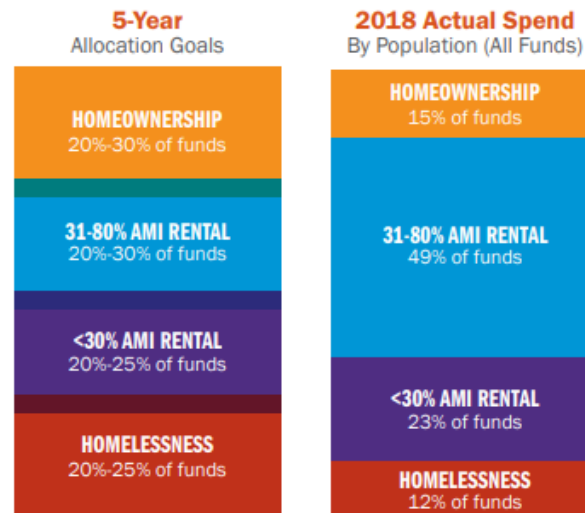
- ✓ **20-25%** to serve residents experiencing homelessness
- ✓ **20-25%** to serve residents earning below 30% AMI

## 20-30% of housing resources

will be invested to serve people earning **31% to 80% AMI** who are seeking to **access** to rental housing or to **maintain rental housing**.

## 20-30% of housing resources

will be invested to serve residents **seeking to become homeowners** or **remain in homes** they already own.



*Resources are prioritized on an annual basis through action plans that align investments with market conditions.*



## Progress Toward Five Year Goals for 2018 and 2019

### Housing an Inclusive Denver Goals:

- Create, preserve or acquire land for at least 6,000 affordable units over next five years
- Serve at least 30,000 households through programmatic assistance

City has made significant progress in first two years of implementation, investing more than \$72M to create or preserve 2,200+ affordable homes and serve almost 20,000 households since 2018

HOST tracks progress toward goals of the five year plan on a public dashboard updated monthly to include new investments and activities: [www.denvergov.org/housing](http://www.denvergov.org/housing)



## 2020 Action Plan

Resources are prioritized under *Housing an Inclusive Denver* on an annual basis through action plans that align investments with market conditions.

Actions plans also prioritize policy and programmatic tools based on stakeholder feedback and city priorities. Examples from 2020 Annual Action Plan include:

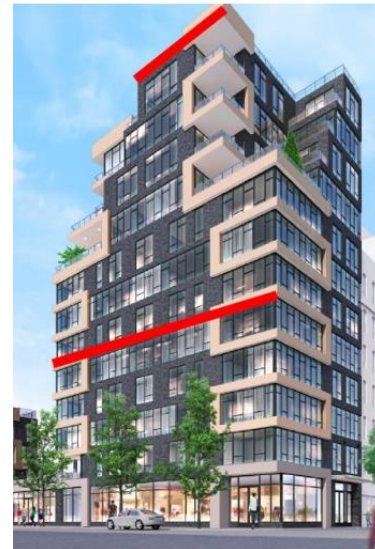
- Kick off project to develop a zoning incentive(s) to promote affordable and mixed-income housing development at transit-rich locations throughout Denver
- Develop clear standards for affordable housing at major redevelopment sites, and provide clear guidance on the process to develop and execute the plan
- Collaborate with partners to update the Inclusionary Housing Ordinance and supporting rules to streamline income verification process and strengthen outreach processes
- Explore preference policy for residents at risk of/previously displaced from Denver



# Zoning Incentive, Large Development Review Next Steps

- Expand affordable housing incentives to encourage construction of affordable and mixed-income housing, particularly in transit-rich areas of Denver
- Seeking to provide more clear guidelines for affordable housing in redevelopment areas when city tools such as zoning and tax increment financing are utilized
- Reviewing pilot at 38<sup>th</sup> and Blake for lessons learned, policy opportunities
- Stakeholder process kicking off in February 2020, will discuss lessons learned, best practices in other communities, and explore policy options for Denver

Residential Sample - Incentive Program, 5 to 12 story



75,000 GSF in base, 105,000 GSF in incentive

## Affordable Units Required

Incentive Build Alternative  
Units: 7 units

+

Citywide Build Alternative  
Units: 3 units

=

Total Build Alternative  
Units: 10 units

Incentive project produces 10x  
as many affordable units as  
the 5-story the pre-incentive  
project



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## Affordable Homeownership Program

- Stakeholder process in 2019-2020 focused on improvements to the process of verifying eligible buyers and supports for stronger education and outreach
- Recommendations/considerations from stakeholder committee:
  - Leverage partners for analysis of eligibility, including lenders/housing counselors
  - Procure external partner(s) to perform verification of eligibility
  - “Pre-qualify” applicants for the program prior to going under contract
  - Streamline income analysis
  - Consider more flexibility in affordability ratio with stronger focus on homebuyer counseling, financial coaching, and mortgage products
  - Increase education/outreach across program partners and prospective buyers
- Next steps include final policy recommendations, procurement, regulatory updates

# Potential Preference Policy

A **preference policy** increases the likelihood that certain types of residents will obtain affordable housing – generally people at risk of displacement, people being displaced, or moderate wage workers

HOST is working with consultant to:

- Explore **best practices**
- Get **stakeholder input**
- *Current stage: Assess implementation logistics and cost*

Initial consultant recommendations:

- Hybrid approach where preference is **based on either location or economic vulnerability to displacement**
- **Use of an online portal for housing applicants** to create centralized waiting list and manage scoring

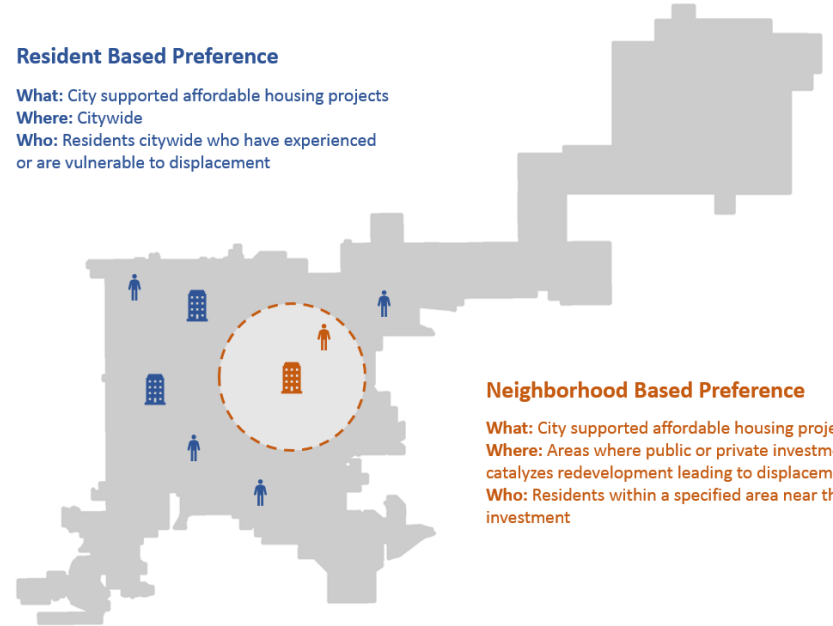
## Potential Policy (Hybrid Approach)

### Resident Based Preference

**What:** City supported affordable housing projects

**Where:** Citywide

**Who:** Residents citywide who have experienced or are vulnerable to displacement



### Neighborhood Based Preference

**What:** City supported affordable housing projects

**Where:** Areas where public or private investment catalyzes redevelopment leading to displacement

**Who:** Residents within a specified area near the investment



# Questions