



DOWNTOWN COLORADO, INC. PRESENTS

A TOOLBOX FOR HOUSING

EDCC | GRAND JUNCTION, COLORADO | OCTOBER 19, 2022



ABOUT DOWNTOWN COLORADO, INC.

Colorado's downtown champion since 1982

We are the Doers.

We are committed to building downtowns that are prosperous, equitable, creative, and welcoming.

United in cause, we are Colorado's downtown champions.

Downtown Colorado, Inc. provides five core services to organizations and individuals engaged in downtown + commercial district development:

- Advisory Services
- Educational Events
- Advocacy and Information
- BID, DDA, URA Formation+ Training Assistance
- Colorado Challenge Program




Our Program

Areas

COLORADO DOWNTOWN
CHAMPIONS

- ADVISORY SERVICES + VITALITY CHECK UPS
- BUSINESS IMPROVEMENT DISTRICTS (BIDS)
- URBAN RENEWAL AUTHORITIES (URAS)
- DOWNTOWN DEVELOPMENT AUTHORITIES (DDAS)
- VISTA
- IN THE GAME
- COLORADO CHALLENGE PROGRAM

WHY WE LOVE DOWNTOWN

A large, stylized, gold-colored letter 'E' graphic is positioned on the left side of the page, partially overlapping the white content area and the blue background. It has a thick, rounded, sans-serif font style.

**PEOPLE ARE LONGING FOR
A PLACE NOT ONLY TO
LIVE, BUT ALSO TO LOVE.**

PETER KAGEYAMA

HOUSING TOOLBOX

STATE OF COLORADO AFFORDABLE HOUSING

3 CASE STUDIES



GOALS



STRATEGY



LESSONS + ADAPTATIONS



the state of affordable housing

Steve Johnson
EDCC Drive | Lead | Succeed Conference



vision

Everyone in Colorado will have the opportunity for housing stability and economic prosperity.

housing supply gap

Statewide Gap

225,000

housing units necessary for current Colorado residents in the next couple years, and an additional **100,000** to accommodate new residents¹

Current Production

45,330

Annual Colorado building permit average 2018-2022.

226,651 units in 5 years

¹Colorado Affordable Housing Transformational Task Force Report, published 2.23.2022

building permit activity

27,464

January – August 2023

36,742

January – August 2022

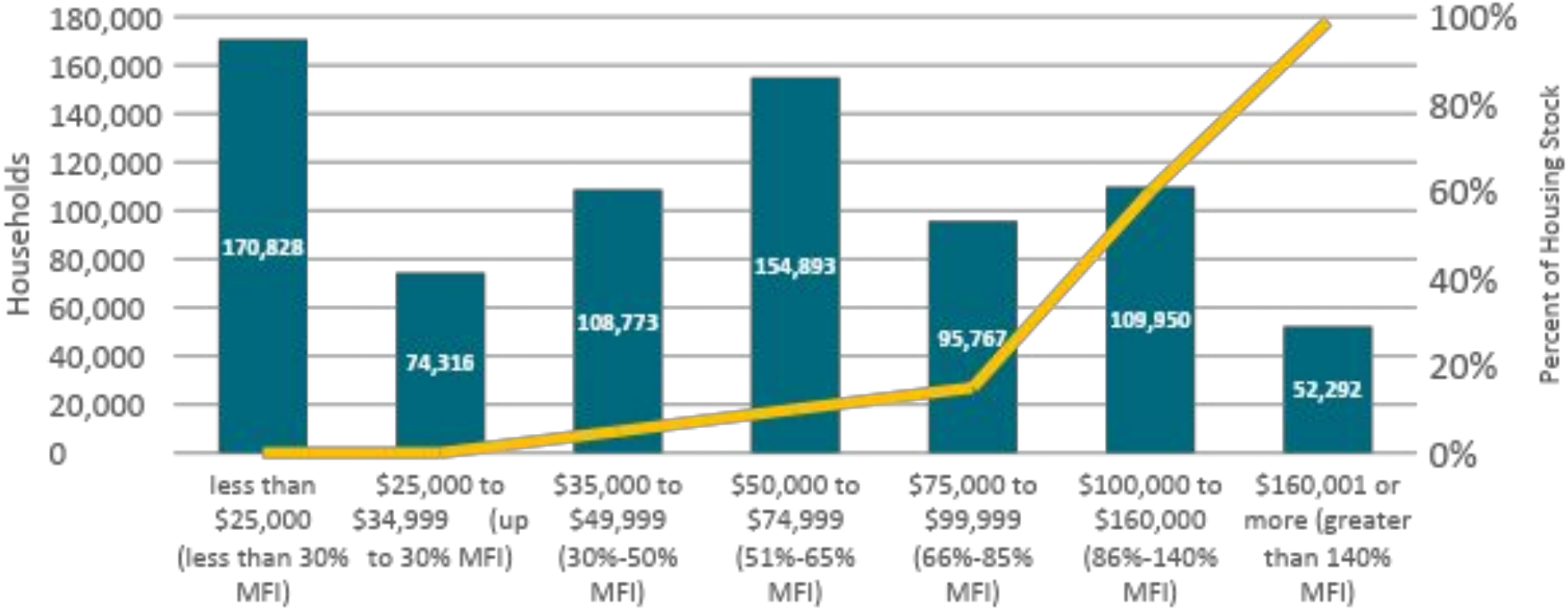
13,251

2023 1 unit

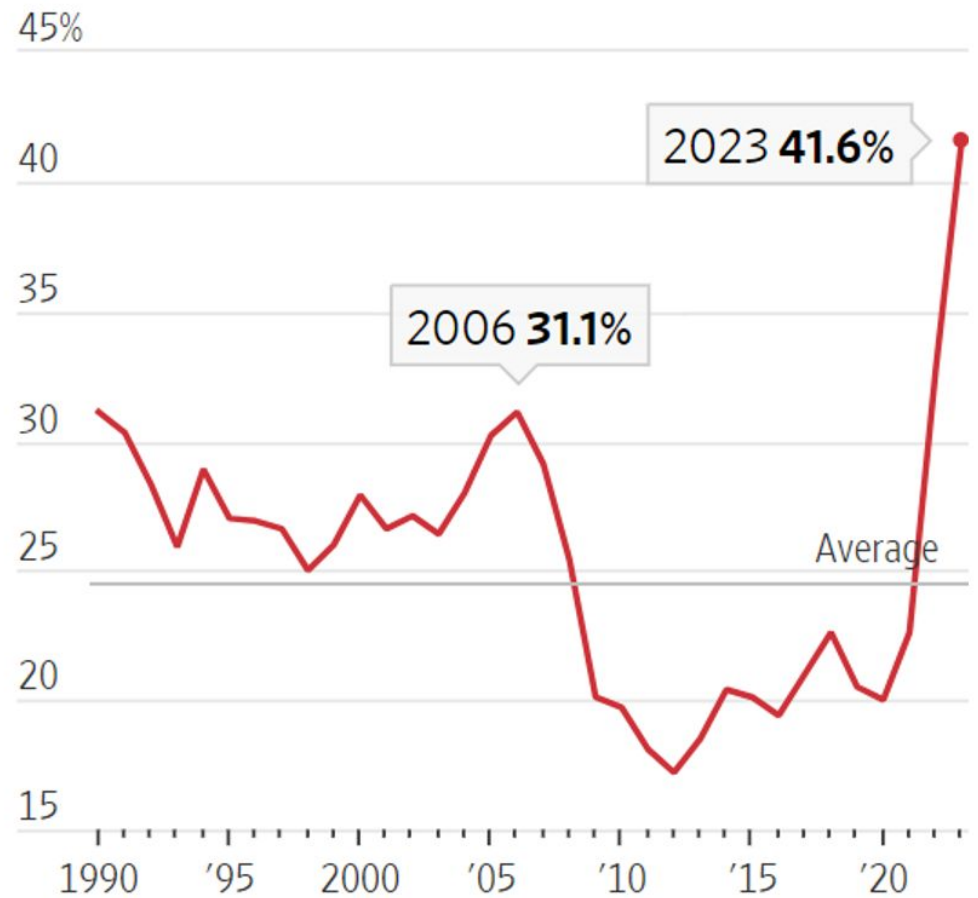
18,713

2022 1 unit

colorado for-sale housing affordability



monthly mortgage costs, share of median household income



Assumes a 10% down payments and 7.5% mortgage rate

Source: UBS analysis

Legend

60% AMI

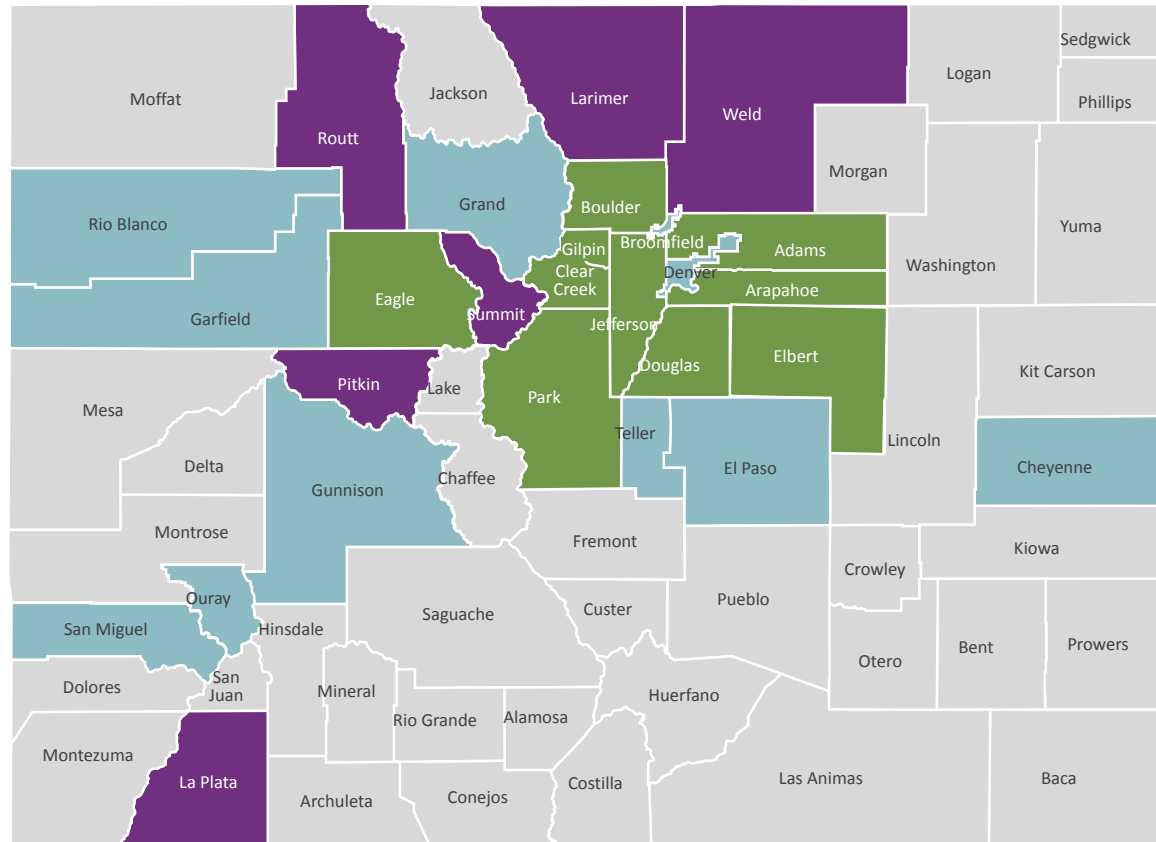
70% AMI

80% AMI

90% AMI

area median income: 2 person household

Area median income for 2-person household both with minimum wage jobs (\$56,784 outside of Denver; \$71,926 in Denver)





thank you

sjohnson@chfainfo.com



TODAY'S EXPLORATION

HOUSING GOALS

**STRATEGY
APPROACH + TOOLS**

**LESSONS +
ADJUSTMENTS**



CASE STUDIES

3

CASE STUDIES

DURANGO

SCOTT SHINE
CITY OF DURANGO

19K POPULATION
SOUTHWESTERN CO

FLAGLER

MIKE SCHOLL
AYRES ASSOC.

POPULATION 500
EASTERN CO

LONGMONT

KIMBERLEE MCKEE
LONGMONT DDA.

10K POPULATION
FRONT RANGE



FLAGLER

DURANGO

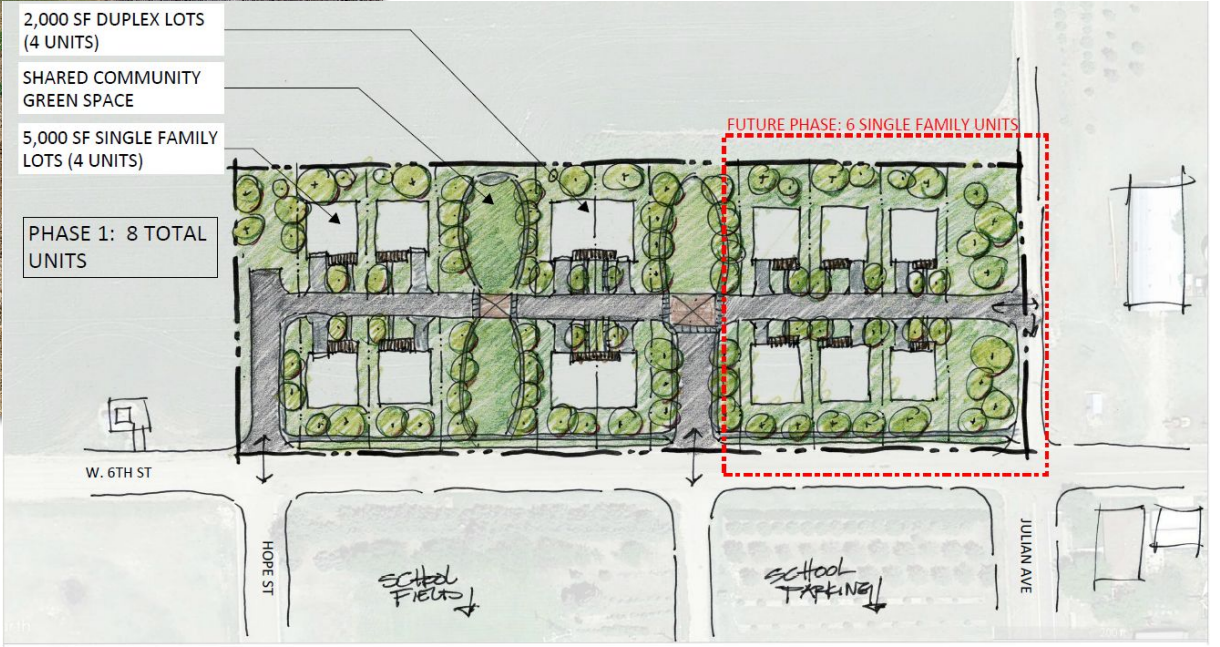
LONGMONT

FLAGGLER

FLAGLER HOUSING GOALS

Strategy C: Use the IHOP grant and IHOI incentive funding to explore innovative housing options, like upper floor commercial conversions, motel retrofits, modular homes, and tiny homes.					
Action	Lead(s)	Supporting Stakeholder	Resources	Baseline Metric	Timelines Short/Medium/Long
Complete the 1271 Housing Assessment process and	Town of Limon, 1271 Planning Group	Local Governments	1271 program has housing incentive funding.	Communities that have submitted Letters of Intent for incentive funding.	Medium/Long
Tasks to Achieve Strategy C					
<ol style="list-style-type: none"> 1. Encourage local participation in the 1271 Housing Assessment plan process to update codes to enable commercial to residential retrofits. 2. Create a roundtable with major employers including the local hospital networks to identify opportunities to link new housing investment with employee needs. 3. Generate redevelopment plans for specific buildings and projects that can be matched with incentive funding opportunities. 4. Develop code language that eliminates the restriction of residential uses in commercial districts, while providing guidance and limitations to offset unanticipated conflicts between uses. 5. Seek Innovative Housing Opportunities Incentive ("IHOI") grant funding to acquire strategic properties for redevelopment. 					

- Began with the State's Regional Roadmap Planning effort.
- A lack of quality new housing.
- Need teacher housing, economic growth.



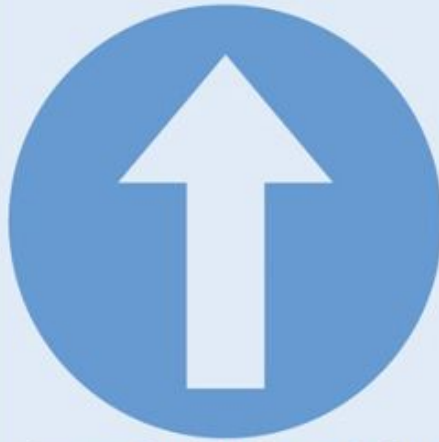
Housing Study - FLAGLER, CO
APR 25 10/10/22
SCALE: 1" = 60'-0"

FLAGLER HOUSING SITE PLAN

DURANGO

DURANGO HOUSING SITUATION

Housing affordability relates directly to:



Increasingly high costs for land, labor, and materials



Local incomes that lag statewide levels, while housing costs exceed state levels



A lack of supply for units, especially rentals



Financial burden imposed in the form of impact fees



Development review processes



Local land use policies

DURANGO HOUSING GOALS



Increase affordable housing options for all residents



Create market-friendly policies and regulatory changes



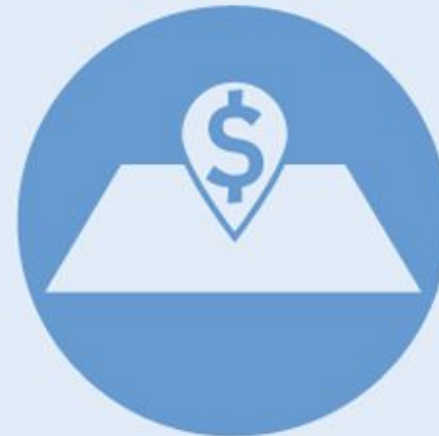
Make 1,000 housing units long-term affordable by the year 2040



Prioritize density and infill development



Establish a permanent housing trust fund



Establish a land banking program

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Available spring 2022: 73 high-quality, environmentally-sustainable 1-, 2-, and 3-bedroom rental homes located at 518 Coffman Street, in Longmont, Colorado.

Below-Market-Rate Rent



Rents are below market-rate and include utilities!

Utilities Included in the Rent



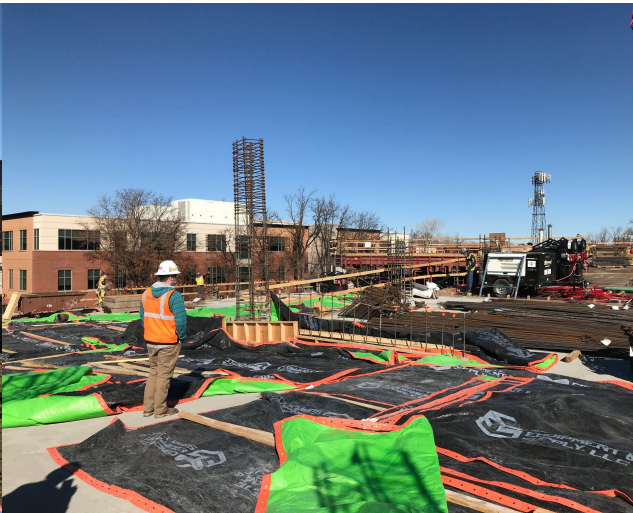
Electricity, heating/cooling, water, trash, and recycling are included in rent!

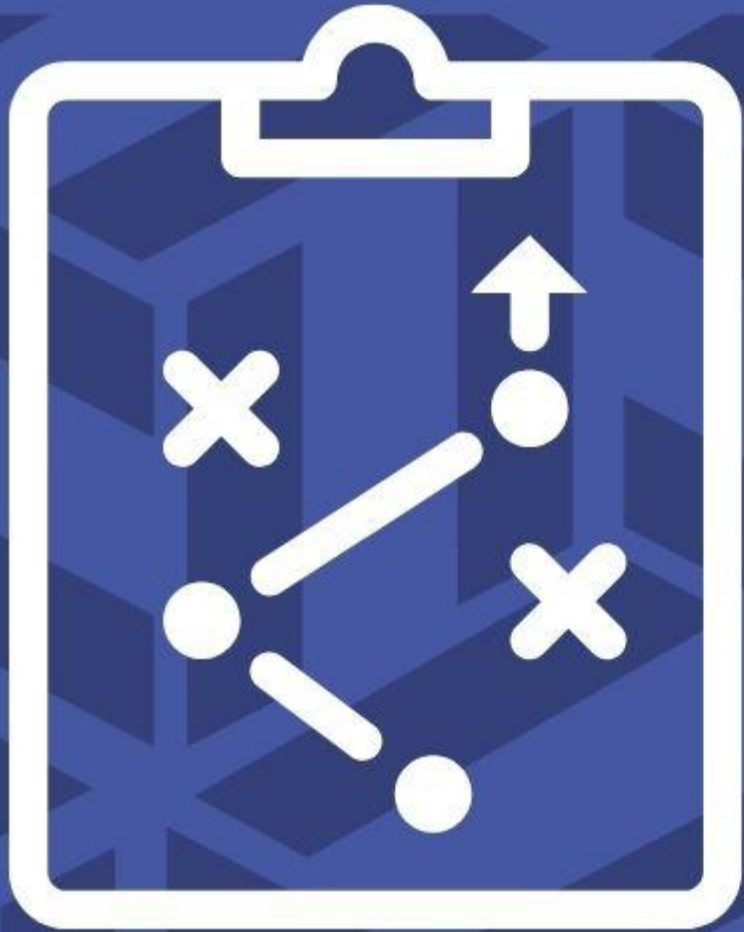
Low Security Deposit



\$200 to \$300 based on number of bedrooms.

- Better utilize government owned surface lots
- Provide affordable housing options
- Provide increased parking
- Provide workforce housing





DURANGO

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Integrated, Holistic Community Development

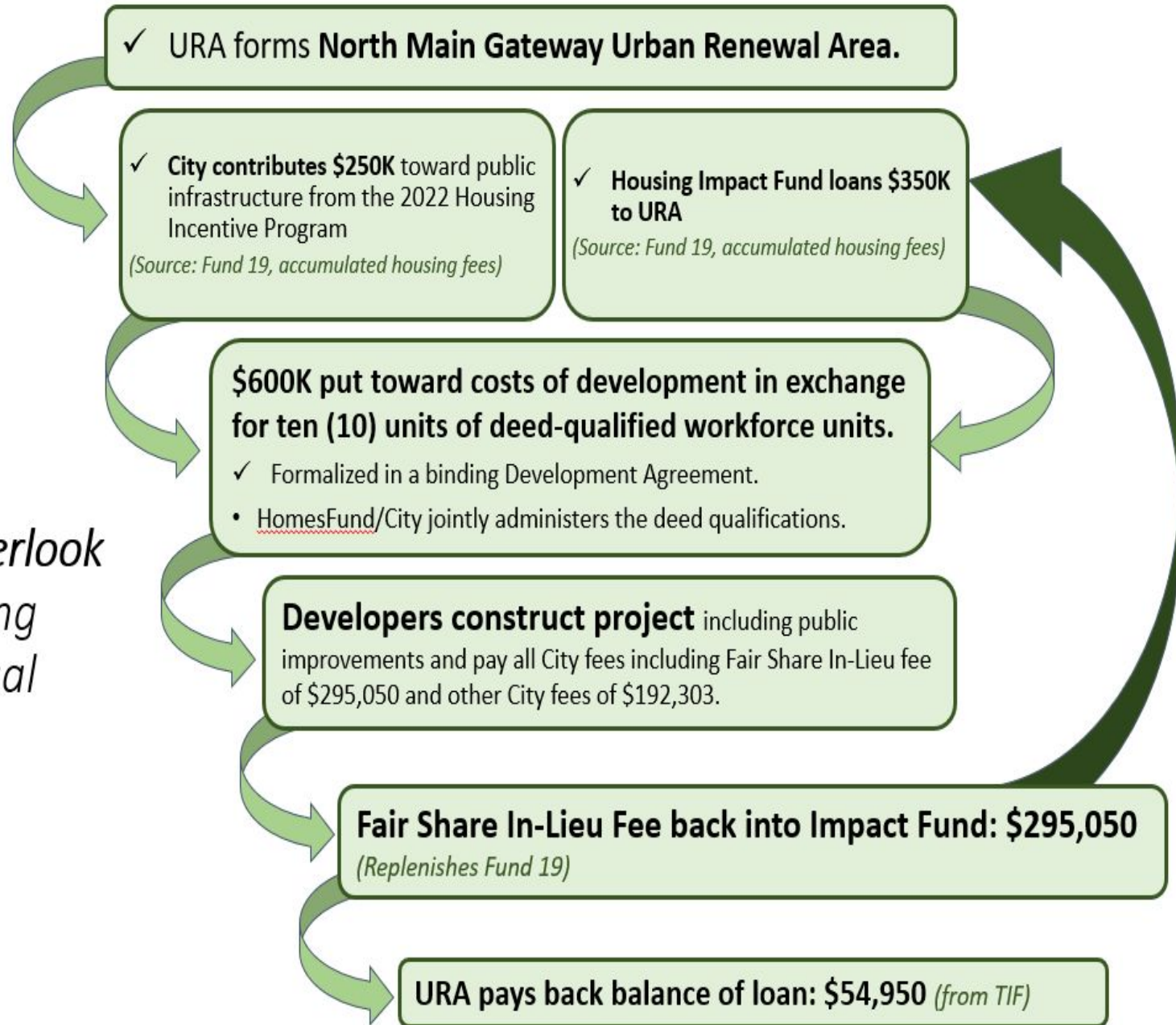
- Development Services
- Urban Renewal Authority
- Housing Innovation
- Economic Opportunity



Project Site



Animas City Park Overlook Workforce Housing Financing Proposal







Vast Landscapes | Vivid Past | Vibrant Future



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Partnerships. Sheer Will.

<u>Residential Portion of Project</u>	<u>Closing Budget</u>
Sources	
Permanent Financing	10,835,000
Federal LIHTC Equity	7,708,254
State AHTC Equity	4,185,000
Deferred Developer Fee	1,676,558
CDOH DR	3,730,000
HOME Consortium	1,550,000
Total Sources	29,684,812

<u>Commercial/Parking Garage Portion of Project</u>	<u>Closing Budget</u>	<u>Updated with Cost Reallocation</u>
Sources		
LIHTC Partnership Funds	1,461,409	1,461,409
Boulder County Funds	4,100,000	4,100,000
BCHA Worthy Cause Funds	1,644,187	1,644,187
BCHA Funds	1,401,798	1,401,798
BCHA Cash from Land Sale	790,000	790,000
LDDA Funds	2,000,000	2,000,000
LDDA Permit Fee Reinvestment	300,000	300,000
BCDHHS - Additional Funds (Deposited 2021)	-	1,300,000
BCHA Funds for 2021 Reallocation	-	791,878
BCHA Funds for 2022 Reallocation	-	55,000
Total Sources	11,697,394	13,844,272

Partnerships & Creativity



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FLAGLER HOUSING STRATEGY



- Regional IHOP grant to assist with identifying project sites.
- Awarded a CHFA Technical Assistance grant.



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DURANGO

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STOP

Be willing to compromise, share and speak up - Respectfully



LOOK

Bright side - A pandemic isn't a bad time for construction



LISTEN

Stay focused on community goals and needs - it is worth it

CELEBRATE



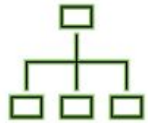
FLAGGLER



- Lack of capacity in rural communities to support housing projects.
- Lack developers and contractors.
- Huge economic imbalance between cost and revenue.

DURANGO

Lessons Learned...so far



Align organizational structure with community goals.

Layer incentives & add value to things already happening.



URA is more than just a financial tool...forum for collaboration.

Carefully plan unit selection communication & dynamics



Small is beautiful & attainable. Set & communicate realistic goals.

QUESTIONS +THOUGHTS



UPCOMING EVENTS

OCT 25

Developing an Investment Ready Project

OCT 26

Tax Increment Finance Summit, Pueblo

NOV 14

Creating a New Downtown Webinar #2

DEC 7

Holiday Networking Party

APR 2-5, 2024

**IN THE GAME Vibrant Downtown
Conference, Durango, CO**

We are fun

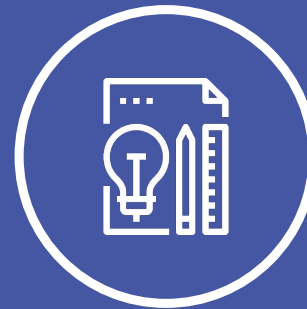
AND WE INVITE OUR MEMBERS
TO JOIN US



REGULAR PEER
MEETINGS



TRAINING, DIRECTORY +
BOARD MANUAL



OPPORTUNITIES TO
LEAD



MOST FUN EVENTS
EVER

CONTACT DCI

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A black circular logo with white text. The text reads "DO-ER." in a large, bold, sans-serif font. Below it, in a smaller font, are the words "DOWNTOWN COLORADO" followed by "inc." with a small horizontal line under the "i".

DO-ER.
DOWNTOWN
COLORADO
inc.