



ARAPAHOE COUNTY

Affordable Housing in Arapahoe County

What is Cost Burdened?

- Spending 30% or more of income on housing
- Severely cost-burdened = 50% or more of income on housing

What is Affordable?

- For *average* Denver Metro income of \$62,760:
 - Up to \$1,569/month in rent
 - \$260,870 home price
- Littleton's median sales price?
 - \$416,258

Who needs affordable housing?

- Our neighbors and co-workers:
 - Many Arapahoe County employees
 - Retail/sales/service industry
 - Child care workers
 - Entry level professionals
 - Office assistants
 - Educational professionals
 - Retirees

Consequences of Unaffordable Housing

- High housing costs distort labor markets and slow economic growth
- Distorted development hurts the environment
- Low-density development raises public infrastructure costs
- Lower-income families and racial and ethnic minority groups are deprived of access to opportunity

What Research Tells Us

- Land use regulations are a major driver of high housing costs
 - 2016 National Association of Homebuilders study reported that, nationally, regulatory costs (including delay, permit application fees, development standards, land and other dedications, etc.) incurred during the development phase accounted for 18.8% of the cost of a new home sold to an ultimate buyer
 - 2018 study showed that regulatory costs accounted for 32% of the cost of multi-family development
 - Unaffordable housing slows employment growth by 1-2% per year
 - Increased housing supply in just three major U.S. cities would increase U.S. GDP by 9%
 - New development increases rental affordability in low-income neighborhoods by slowing rent increases
 - Increasing the overall supply of housing reduces displacement
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Trends in Littleton

Littleton

Population: **47,035**

Change from 2000: **17%**

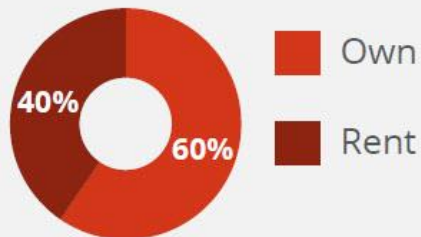
Households: **20,043**

Median Age: **41**

Median Income: **\$73,185**

Average Household Size: **2.32**

Total Housing Units: **20,938**



Median Home Value: **\$379,700**

Median Rent: **\$1,206**

Arapahoe County

Population: **636,671**

Change from 2000: **30%**

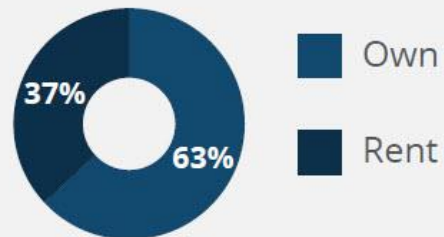
Households: **237,559**

Median Age: **37**

Median Income: **\$73,925**

Average Household Size: **2.66**

Total Housing Units: **248,618**



Median Home Value: **\$327,800**

Median Rent: **\$1,307**

Denver Metro

Population: **3,572,798**

Change from 2000: **36%**

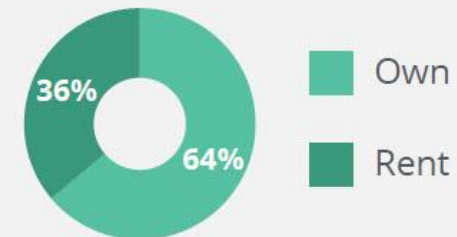
Households: **1,367,634**

Median Age: **36**

Median Income: **\$79,521**

Average Household Size: **2.57**

Total Housing Units: **1,445,480**



Median Home Value: **419,600**

Median Rent: **\$1,384**

Source: Root Policy Research: Presentation to Littleton Planning Commission Feb 2, 2021

Changes in Affordability (Littleton)

	<u>1999</u>	<u>2015</u>	<u>2018</u>	% Change (2015-2018)
Median Gross Rent	\$709	\$1,008	\$1,206	20%
Median Sale Price	\$151,000	\$299,000	\$416,258	39%
Median Income	\$50,254	\$65,221	\$73,185	12%
Purchasing Power	\$158,000	\$267,808	\$304,202	14%

Source: Root Policy Research: Presentation to Littleton Planning Commission Feb 2, 2021

Littleton Rental Market

Income Range	Max Affordable Rent	Renters		Rental Units		Rental Gap	Cumulative Gap
		#	%	#	%		
Less than \$5,000	\$125	257	3%	13	0%	(244)	(244)
\$5,000 to \$9,999	\$250	230	3%	89	1%	(141)	(385)
\$10,000 to \$14,999	\$375	644	8%	292	3%	(352)	(737)
\$15,000 to \$19,999	\$500	362	4%	183	2%	(179)	(916)
\$20,000 to \$24,999	\$625	389	5%	211	2%	(178)	(1,094)
\$25,000 to \$34,999	\$875	935	12%	1,005	12%	70	(1,024)
\$35,000 to \$49,999	\$1,250	1,400	17%	2,781	32%	1,381	357
\$50,000 to \$74,999	\$1,875	1,556	19%	2,699	32%	1,143	1,500
\$75,000 to \$99,999	\$2,500	980	12%	1,119	13%	139	1,639
\$100,000 or more	\$2,500+	1,353	17%	129	2%	(1,224)	415
Total/Low Income Gap		8,106	100%	8,558	100%	(1,094)	

Source: Root Policy Research: Presentation to Littleton Planning Commission Feb 2, 2021

Affordability in Littleton

Industry	Average Annual Wage in Metro Denver	Job % for Littleton residents	Job % for Littleton workers	Max Affordable Rent	Can Afford Median Rent?	Max Affordable Home Price	Can Afford Median Home Price?
All industries	\$62,760	100%	100%	\$1,569	Yes	\$260,870	No
Health Care and Social Services	\$57,984	12%	13%	\$1,450	Yes	\$241,018	No
Retail Trade	\$37,476	11%	12%	\$937	No	\$155,774	No
Professional Services	\$95,364	10%	7%	\$2,384	Yes	\$396,393	No
Accommodation/Food Services	\$29,328	10%	7%	\$733	No	\$121,906	No
Educational Services	\$56,208	8%	12%	\$1,405	Yes	\$233,636	No
Admin. and Waste Services	\$51,024	6%	9%	\$1,276	Yes	\$212,088	No
Construction	\$69,732	6%	4%	\$1,743	Yes	\$289,850	No
Finance and Insurance	\$90,276	6%	3%	\$2,257	Yes	\$375,244	No
Manufacturing	\$73,716	5%	4%	\$1,843	Yes	\$306,410	No
Wholesale Trade	\$86,160	4%	5%	\$2,154	Yes	\$358,135	No
Information	\$98,724	4%	7%	\$2,468	Yes	\$410,359	No
Public Administration	\$71,268	4%	9%	\$1,782	Yes	\$296,235	No
Other Services	\$46,512	3%	3%	\$1,163	No	\$193,333	No
Arts, Entertainment, and Recreation	\$31,452	2%	1%	\$786	No	\$130,734	No
Management of Companies and Enterprises	\$90,924	2%	1%	\$2,273	Yes	\$377,937	No
Transportation and Warehousing	\$58,824	2%	1%	\$1,471	Yes	\$244,510	No
Real Estate and Rental and Leasing	\$64,440	2%	1%	\$1,611	Yes	\$267,853	No
Natural Resources (incl. Oil and Gas)	\$127,632	1%	0%	\$3,191	Yes	\$530,519	Yes

Source: Root Policy Research: Presentation to Littleton Planning Commission Feb 2, 2021



HOUSING AUTHORITIES

Aurora Housing Authority

South Metro Housing Authority (Littleton)

Innovative Housing Concepts (Englewood)



HOUSING AUTHORITIES

- Manage Housing Choice Vouchers (Section 8 and others such as HUD VASH)
- Develop and manage senior, family, disabled housing
 - Scattered site housing
 - Senior/disabled buildings
 - Family housing
 - Chronic shortage of funding opportunities for all affordable housing



AFFORDABLE HOUSING DEVELOPMENT

DEVELOPERS

- Identify and secure property
- Apply for funding streams
 - Low Income Housing Tax Credits
 - HUD funding-fairly rare and usually to Housing Authorities
 - State Housing Funds such as HOME Investment Partnership
 - Local funds – City/County
 - Private Activity Bonds
 - Partnerships for other private funds
 - Partnerships with Housing Authorities for tax exempt status
 - Partnerships with City/County for fee waivers
 - Multi-year projects to go from property acquisition to lease up

The Foundry Apartments (Englewood)

Income-restricted:

1 Person- \$35,280

2 People- \$40,230

3 People- \$45,360

4 People- \$54,420



Prentice Place Lofts (Greenwood Village)

Income Restricted:

- 1 Person- \$28,000 (40% AMI)
\$35,000 (50% AMI)
- 2 People- \$32,000 (40% AMI)
\$40,000 (50% AMI)
- 3 People- \$36,000 (40% AMI)
\$45,000 (50% AMI)



Impediments to Fair Housing Choice

- “Not in My Backyard!”
- Lack of affordable units for low and very low income households
- Local government and County regulations and fees
- Lack of rapid rehousing options and transitional housing

Land Use/Zoning/Implementation Tools

- Mobile home zoning
- Accessory dwelling units
- Density (and building height)
- Reduced parking requirements
- Mixed use zoning (allow residential in commercial areas)
- Multi-family zoning districts
- Fees/fee waivers

Questions?