Executive Committee



Wynne Shaw, Chair Jeff Baker, Vice Chair Colleen Whitlow, Secretary Richard Kondo, Treasurer Steve Conklin, Immediate Past Chair Douglas W. Rex, Executive Director

Agenda Board Work Session Wednesday, April 3, 2024 4:00 p.m. – 5:30 p.m. Video/Web Conference Denver, CO

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- 1. Call to order
- 2. Public Comment
- Summary of the February 7, 2024 Board Work Session (Attachment A)
- Update on the Regional Housing Needs Assessment (Attachment B) Sheila Lynch, Director, Regional Planning and Development
- 5. Adjourn

Board Work Session | Denver Regional Council of Governments April 3, 2024

Attachment A

Summary of February 7, 2024 Board Work Session

Board Work Session Summary

Wednesday, February 7, 2024 Meeting held via Zoom

Members/Alternates Present

Wynne Shaw, Chair Steve O'Dorisio Jeff Baker Claire Levy Austin Ward Shontel Lewis Andy Kerr Lisa Feret Alison Coombs Angela Lawson Nicole Speer Greg Mills Deborah Mulvey Tim Dietz Steve Douglas Susan Noble Tammy Maurer **Christine Sweetland** Randy Weil Steve Conklin Ari Harrison Lynette Kelsey Paul Haseman Chuck Harmon Jeslin Shahrezaei Joan Peck Judi Kern **Colleen Whitlow** Tom Mahowald Richard Kondo Shannon Lukeman-Hiromasa Justin Martinez Sarah Nurmela **Bud Starker**

City of Lone Tree Adams County Arapahoe County **Boulder Countv** City and County of Broomfield City and County of Denver Jefferson County City of Arvada City of Aurora City of Aurora City of Boulder City of Brighton City of Castle Pines Town of Castle Rock City of Commerce City City of Commerce City City of Centennial **City of Centennial** City of Cherry Hills Village City of Edgewater Town of Erie Town of Georgetown City of Golden City of Idaho Springs City of Lakewood City of Longmont City of Louisville Town of Mead Town of Nederland City of Northglenn City of Northglenn City of Thornton City of Westminster City of Wheat Ridge

Others Present: Douglas W. Rex, Executive Director, Melinda Stevens, Executive Assistant, DRCOG; Michele Riccio, Janet Lundquist, Adams County; Mac Callison, Aurora; Kent Moorman, Thornton; Danny Herrmann, Colorado Department of Transportation; Matt LeFebre, Citizen; and DRCOG staff.

Chair Wynne Shaw called the meeting to order at 4:00 p.m.

The Chair welcomed new members and alternates to the Board: Justin Martinez, new member for the City of Thornton; Ryan Schuchard, new alternate for the City of Boulder;

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Christine Sweetland, new alternate for the City of Centennial; Kim Wright, new alternate for the City of Englewood; Roger Low, new alternate for the City of Lakewood; Shannon Lukeman-Hiromasa, new alternate for the City of Northglenn; Roberta Ayala, new alternate for the City of Thornton; and Claire Carmelia new alternate for the City of Westminster.

Public Comment

There was no public comment.

Regional Transportation Plan and Metro Vision Amendments

Alvan-Bidal Sanchez and Andy Taylor presented the amendments to the directors. DRCOG staff has historically provided an opportunity for sponsors to propose revisions to projects in the plan in a process called cycle amendments. DRCOG initiated a cycle amendments process in September with a call for amendments, which closed on October 3. Since then, staff has reviewed the amendment requests, coordinated with external partners and project sponsors, and have been updating the plan documents to reflect the proposed amendments for processing. All proposed amendments must meet federal fiscal constraint requirements, meaning there must be reasonably expected funding to implement the proposed project. The 2050 RTP as amended must also meet federal air quality conformity requirements and state transportation greenhouse gas emission reduction requirements. The current Cycle Amendments process is scheduled to conclude in mid-2024. Staff proposed amendments to Metro Vision performance measures/targets and may update/ refine performance measures as needed, should improved methods and datasets become available.

Metro Vision performance measures related to housing and employment high risk areas consider both flood and wildfire risk. These depend on the fire risk assessments produced by the Colorado State Forest Service, which underwent significant updates to methodology and data sources. Due to the fire threat index no longer being available, burn probability requires updates to baselines and relative adjustments to future targets via amendment to Metro Vision. Traffic-related deaths and severe injuries are a critical and preventable public health epidemic and social equity issue in the Denver region. DRCOG has adopted Taking Action on Regional Vision Zero, including a commitment aiming to eliminate traffic-related fatalities and serious injuries on the region's roadways. As a result, staff has recommended adjusting both the baseline and target for this measure based on previous guidance by the Board.

2050 Regional Transportation Plan 2024 Mitigation Action Plan Report Overview

Jacob Riger provided an overview of the report to members. As part of its review of the 2050 Regional Transportation Plan under the state's Greenhouse Gas Rule, DRCOG adopted the Greenhouse Gas Transportation Report that included a Mitigation Action Plan. The Mitigation Action Plan details the region's approach to using mitigation measures to help achieve the greenhouse gas reduction levels required for the DRCOG metropolitan planning organization area for 2030, 2040, and 2050. At the local government level, mitigation measures are voluntary, and the Mitigation Action Plan does not require any local jurisdiction to implement a mitigation measure in any specific location or within any specific timeframe. However, the mitigation measures were specifically chosen to build on

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this region's foundation of integrated transportation-land use planning, particularly around the region's existing and planned rapid transit system and urban centers. The Greenhouse Gas Rule requires DRCOG to complete an annual report on the status of the Mitigation Action Plan by April 1 of each year.

The 2024 Report will focus on the broader framework of how to define the data, methodologies, processes, resources, and other elements of tracking the implementation of the mitigation measures over time. Staff have also been thinking strategically about how to leverage this work with related projects, such as the Regional Housing Needs Assessment currently underway. The ultimate objective is to continue to advance good planning in the region in addition to meeting the specific requirements of the Greenhouse Gas Rule. Staff have also been coordinating with CDOT staff on Mitigation Action Plan reporting, as CDOT has a Greenhouse Gas Mitigation Action Plan associated with its 10-Year Plan. There are some similarities, but also key differences, between both agencies' Mitigation Action Plans. Executive Director Rex wanted to mention that when DRCOG is ready to submit the report to the State, staff will share the report with the Board.

Adjournment

The meeting adjourned at 5:18 p.m.

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Attachment B

Update on the Regional Housing Needs Assessment



Board Work Session

Meeting date: April 3, 2024

Agenda Item #: 4

Update on the Regional Housing Needs Assessment

Agenda item type: Disscusion

Summary

ECONorthwest, the lead consultant for the Regional Housing Needs Assessment, will review key findings, a summary of engagement, and an initial summary of barriers to addressing housing need across the DRCOG region.

Background

DRCOG and the consultant team of ECONorthwest, Community Planning Collaborative, and MIG kicked off the Regional Housing Needs Assessment at the end of September 2023. Metro Vision, the region's plan, prioritizes "diverse housing options to meet the needs of residents of all ages, incomes, and abilities." However, the region's current housing supply falls dramatically short of today's needs. The Regional Housing Needs Assessment will articulate the scale and scope of the region's housing needs and identify the systemic barriers to addressing housing in our region.

Phase 1 of the Regional Housing Needs Assessment focuses on data analysis to define the size and nature of current and future housing supply gaps based on changing demographics and land areas. Phase 2 focuses on stakeholder engagement to identify systemic barriers to meeting housing needs defined in Phase 1. The Regional Housing Needs Assessment is planned to be completed by June 2024.

Action by others

n/a

Previous discussion/action January 3, 2024 – Board work session

Recommendation n/a

Attachments Staff presentation

For more information

If you need additional information, please contact Douglas W. Rex, Executive Director, at 303-480-6701 or <u>drex@drcog.org</u>; or Sheila Lynch, Division Director, Regional Planning and Development, at (303) 480-6839 or <u>slynch@drcog.org</u>.

RHNA Preliminary Findings and Next Steps

DRCOG Board Work Session | April 3, 2024 | 4:00 pm - 5:30 pm



Project update



Launch Project + Initiate Engagement

Oct / Nov '23

Analyze + Project Housing Needs

Nov '23 - Jan '24

Present Findings

Jan / Feb '24

Assess Barriers + Potential Strategies Feb - May '24



Today's agenda

- 1. Review key findings
- 2. Engagement to date
- 3. Systemic barriers
- 4. Discussion
- 5. Next steps

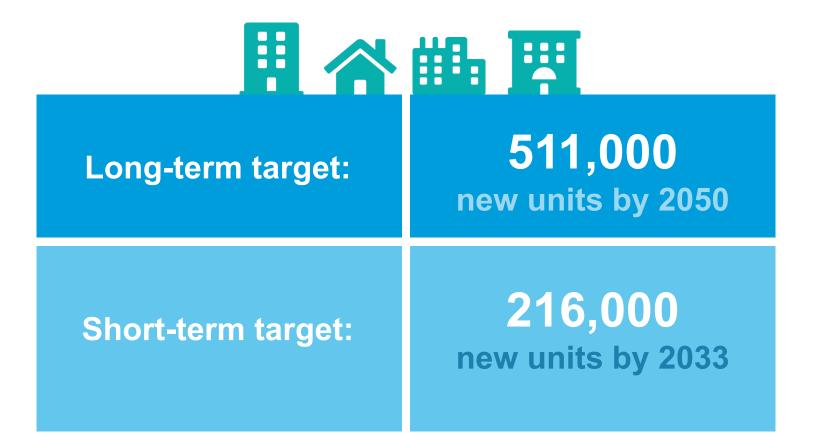




Review of key findings



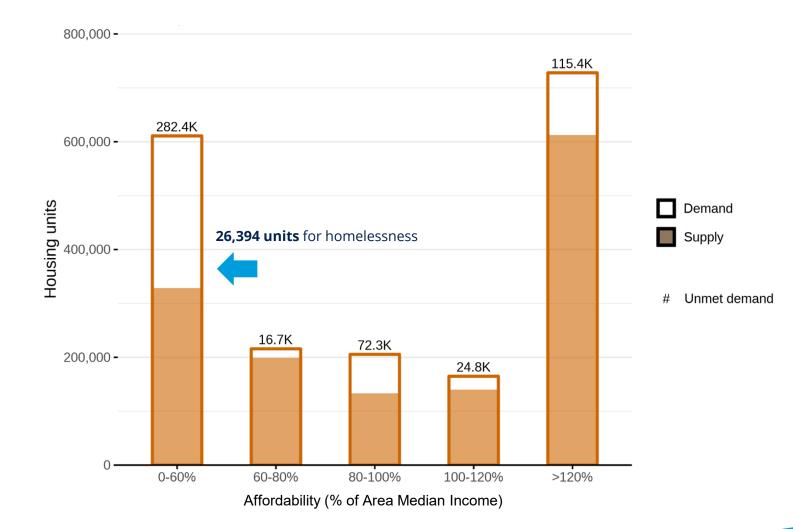
Regional housing needs



137,000+ units (64%) will need to be for low-income households (<60% Area Median Income)

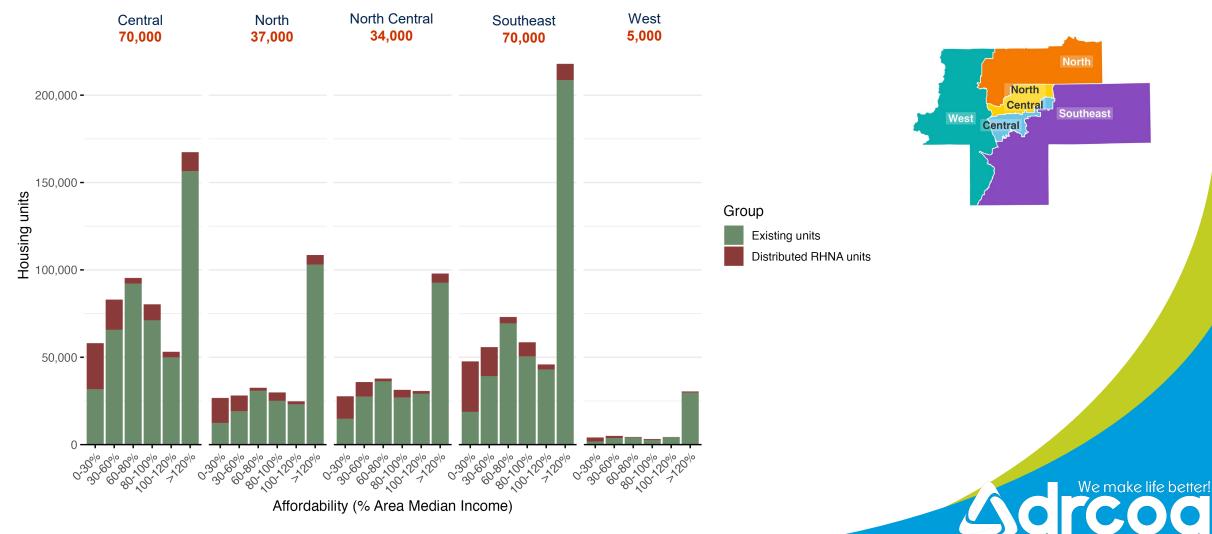


Distribution of need – 2050





Housing needs by submarket, 2023–2033



DENVER REGIONAL COUNCIL OF GOVERNMEN

Housing needs assessment – interim report

- Housing production has largely kept pace with population growth, but is happening in a context of historic underproduction
- Low-income households (below 60% Area Median Income) represent the greatest need for additional housing
- Aging population and smaller household trends will require more diverse housing types
- Housing types and affordability are unevenly distributed across the region

Full interim report will be available April 2024



Systemic barriers

What we know



Assessing barriers to housing production

Barriers can operate at various levels, interact in complex ways, and vary in significance, impact, and dynamics across the region. They include:

- Zoning, land use, and regulatory process barriers
- Construction and finance barriers
- Infrastructure barriers
- Ongoing funding for below market rate housing
- Political will and collective action barriers



Assessing barriers to housing production

Zoning, land use, and regulatory process	Construction and finance	Infrastructure	Funding capacity for housing	Political will and collective action
 Zoning for a narrow range of housing types Exclusively commercial zones Permitting and procedures Flat-rate impact fees 	 Shortage of construction labor Rising costs of construction and financing 	 Long-term water availability Infrastructure requirements Limited funding for infrastructure expansion 	 Limited state funding Not enough tax credit capacity Regional and local funding sources 	 Attitudes and perceptions toward development Regional coordination on where to build



Systemic barriers

What we are hearing



Focused conversations – phase 1

Two focus group discussions

Member governments Land use planning and housing staff

Climate and sustainability groups

Both focused on key barriers and DRCOG's role

- → Member governments also discussed needs by Area Median Income
- → Climate group also discussed challenges and priorities at the intersection of housing and sustainability



Focused conversations – phase 2



Advisory group



Greatest perceived needs

- Housing for low-income households and those vulnerable to or experiencing homelessness
- Missing middle options to meet diverse housing needs
- Housing for seniors and a growing population of older adults
- Housing that is close to jobs, services, and transit



Then, we started unpacking more nuance:

Zoning, land use, and regulatory process:

- Balancing incentives for affordable housing or conversion of land use with fiscal responsibility
- Permitting processes have become more subjective, lengthy, and costly
- Multiple goals are at odds and contribute to prohibitive complexity (affordability, sustainability, transit-oriented development, character, etc.)



Construction and finance

- Market forces (labor, materials, interest rates, etc.)
- State construction defects law drives up costs for condominimums
- Need to be resilient in the face of market boom/bust cycles

Infrastructure:

- Prohibitive cost of adding/expanding infrastructure (and working with providers)
- Pressure to electrify (requires capacity expansion, costly)
- Reliance on metro districts to pay for new and improved infrastructure
- Lack of clear understanding for long-term water availability
- Inadequate transit service



Funding and capacity:

- Limited funds and incompatible requirements between sources
- Seeking and managing grants is costly, smaller communities don't have staff capacity
- Needs significantly outweigh service provision for residents at risk of homelessness (funding, staffing, units, etc.)
- Degree of criticality not usually weighted appropriately in determining "needs"
- Subsidies are not deep enough ("affordable" isn't really affordable)
- Insufficient organizational capacity for operating and managing affordable developments
- Preservation of existing affordable housing and naturally occurring affordable housing



Collective action and political will:

- Lack of understanding
- Opposition to growth, fear of change
- Lack of "fair share" collective will



Opportunities for DRCOG's role

- Technical assistance for data collection, provision, and standardization
- Convener who would identify and actualize shared strategies across the region and facilitate greater resource alignment and partnerships
- Benchmarking among jurisdictions
- Guidance and resource sharing: Research, best practices, education, and local implementation
- Funding and advocacy
- Consider housing in coordination with transportation planning and funding role
- Create or support a regional system for subsidized affordable units



Questions and discussion



Discussion questions

- What are you hearing from your staff and constituents about the barriers to housing development and affordability they experience?
- How do you see the roles, responsibilities, and strengths of agency partners, the development community, and non-profit organizations in addressing housing affordability and accessibility in the Denver region? How can they work better together to meet current and future needs?
- How can DRCOG support regional strategies to address these barriers?





Zoning, land use and regulatory processes

Construction and Infrastructure finance



Funding and capacity



Political will and collective action





Next steps

- Continued engagement to build preliminary strategy framework
- Final report delivered June 2024



Thank you!







