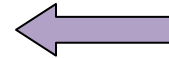


**Board Officers**

Jackie Millet, Chair  
Elise Jones, Vice Chair  
Vacant, Secretary  
Bob Roth, Treasurer  
Sue Horn, Immediate Past Chair  
Jennifer Schaufele, Executive Director

**AGENDA**  
**METRO VISION ISSUES COMMITTEE**  
**Wednesday, February 4, 2015**  
**4 p.m.**  
**1290 Broadway**  
**First Floor Boardroom**



1. Call to Order
2. Public Comment  
The chair requests that there be no public comment on issues for which a prior public hearing has been held before the Board of Directors.
3. Summary of January 7, 2015 Meeting  
(Attachment A)

**INFORMATIONAL ITEM**

4. Presentation on key elements from the *Healthy, Inclusive and Livable Communities* element of *Metro Vision*  
(Attachment B) Brad Calvert, Metro Vision Manager, Regional Planning & Operations

**ADMINISTRATIVE ITEMS**

5. Other Matters
6. Next Meeting – March 4, 2015
7. Adjournment

**\*Motion Requested**

Persons in need of auxiliary aids or services, such as interpretation services or assisted listening devices, are asked to contact DRCOG at least 48 hours in advance of the meeting by calling (303) 480-6701

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METRO VISION ISSUES COMMITTEE MEETING SUMMARY  
January 7, 2015

MVIC Members Present: Bob Roth – Aurora; Eva Henry – Adams County; Bill Holen – Arapahoe County; Bob Fifer – Arvada; Sue Horn – Bennett; Tim Plass – Boulder; Elise Jones – Boulder County; George Teal – Castle Rock; Cathy Noon – Centennial; Tim Mauck – Clear Creek County; Rick Teter – Commerce City; Robin Kniech, Crissy Fanganello – Denver; Roger Partridge – Douglas County; Marjorie Sloan – Golden; Ron Rakowsky – Greenwood Village; Shakti – Lakewood; Phil Cernanec – Littleton; Jackie Millet – Lone Tree; Ashley Stolzmann – Louisville; Joyce Downing – Northglenn; John Diak – Parker; Val Vigil – Thornton; Herb Atchison - Westminster.

Others present: Jeanne Shreve – Adams County; Bryan Weimer – Arapahoe County; Mac Callison – Aurora; Tom Reiff – Castle Rock; Janice Finch, Jane Boand, Alicia French – Denver; Art Griffith, Eugene Howard – Douglas County; Wendi Palmer, Gary Behlen – Erie; Daniel Dick – Federal Heights; George Heath – Firestone; John Cotten – Lone Tree; Alex Ariniello – Superior; Kent Moorman – Thornton; Myron Hora – CDOT; Bill James – RTD Board; Amanda Brimmer – RAQC; Jim Paulmeno – Parsons-Brinckerhoff; Will Toor – SWEEP; Stuart Anderson, Bill Elfenbein, Transportation Solutions; Ted Heyd – Bicycle Colorado; Jennifer Schaufele, Executive Director, and DRCOG staff.

Call to Order

The meeting was called to order at 4:00 p.m.; a quorum was present.

Public Comment

Gary Behlen, Town of Erie, provided comment on Erie's recent Transportation Improvement Program project submittals.

Bill Elfenbein, Transportation Solutions, provided comment in favor of funding Bus Rapid Transit studies in the Transportation Improvement Program.

Bill James, RTD Board member, provided comment in favor of funding Bus Rapid Transit studies in the Transportation Improvement Program.

Will Toor, Southwest Energy Efficiency Project, provide comment in favor of TIP Second Phase Scenario 1 or a variation, noting that it speaks to the demand for additional bicycle and pedestrian projects.

Alex Arieniello, Town of Superior, spoke in favor of TIP Second Phase Scenarios that include the Superior bicycle and pedestrian project.

Summary of December 10, 2014 Meeting

The summary was accepted as submitted.

Move to recommend to the Board of Directors Second Phase projects to be considered for the 2016-2021 Transportation Improvement Program

Doug Rex provided a review of the 3 scenarios for Second Phase TIP projects. A question was asked about the amount of funds available in each of the three pots of money. Mr. Rex noted that in STP-Metro there is approximately \$28 million; Congestion Mitigation/Air

Quality, approximately \$18 million, and Transportation Alternative Program, approximately \$6 million.

George Teal **moved** to recommend to the Board of Directors Scenario 3. The motion was **seconded**. There was discussion.

Members discussed the Scenario at length and provide support for or opposition to the Scenario.

Phil Cernanec offered an **amendment** to Scenario 3, to take the funds from project identified as #58 (MLK Blvd Extension) and put the funds toward projects identified as #103 and #104 (Regional BRT Feasibility Study and SH-119 BRT NEPA Analysis: Boulder to Longmont). The motion to amend was **seconded**. There was discussion.

After discussion the motion to amend **passed** with 13 in favor and 11 opposed.

Discussion continued on the amended motion. The question was called. The motion to stop debate was **seconded** and **passed** with 15 in favor and 8 opposed.

The motion to recommend to the Board of Directors Scenario 3 as amended **failed** with 6 in favor and 16 opposed.

Robin Kniech **moved** to recommend to the Board of Directors Scenario 1. The motion was **seconded**. There was discussion.

Members discussed the motion at length and offered support for or opposition to the motion.

After discussion the motion to recommend to the Board of Directors Scenario 1 **passed** with 13 in favor and 12 opposed. Members requested that the close vote be noted for the record.

#### Other Matters

No other matters were discussed.

#### Next Meeting

The next meeting is scheduled for **February 4, 2015**.

#### Adjournment

The meeting adjourned at 6:12 p.m.

# ATTACH B

To: Chair and Members of the Metro Vision Issues Committee

From: Jennifer Schaufele, Executive Director  
303-480-6701 or [jschaufele@drcog.org](mailto:jschaufele@drcog.org)

Meeting Date	Agenda Category	Agenda Item #
February 4, 2015	Information	4

**SUBJECT**

Staff will provide an overview of key elements from the *Healthy, Inclusive and Livable Communities* element of *Metro Vision*.

**PROPOSED ACTION/RECOMMENDATIONS**

No action requested. This item is for information.

**ACTION BY OTHERS**

N/A

**SUMMARY**

Background

The DRCOG Board last adopted a major update to Metro Vision in February 2011. The current effort to update Metro Vision was shaped by 2012 and 2013 Board Workshops. In 2012 the Board directed staff to consult and engage numerous entities in the update to Metro Vision. In 2013 the Board further directed staff to consider issues not previously included in Metro Vision, such as housing, economic vitality, and community health and wellness. Staff will share highlights of two of these issues the Board will consider along with the remaining elements of Metro Vision – housing and community health and wellness.

As approved by the Board, over the past few years DRCOG staff has continuously engaged the public, stakeholders, and local government staff to lay the foundation for the update to Metro Vision. On the issue of housing, the Board of Directors created an ad hoc committee of Board members and alternates to weigh in on the issue of housing and its potential inclusion in Metro Vision. The housing ad hoc committee was comprised of 18 Board members and alternates representing a wide array of communities across the region.

While the potential emphasis on housing and community health and wellness in Metro Vision could be characterized as new, both areas have been addressed to some degree in Metro Vision and related DRCOG activities in the recent past. Previous versions of Metro Vision focused on built and natural environment issues (e.g. land use, transportation options, air quality, etc.) that are increasingly associated with their impact on health outcomes. A renewed focus on health emerged during conversations with stakeholders and the public alike – in particular planning for healthy places is a growing area of focus in local government planning. The Board will consider a revised Metro Vision plan that amplifies the connections between our region’s built and natural environment and health outcomes.

As with community health and wellness, there is a legacy of considering housing issues in Metro Vision. Metro Vision 2035 established a goal of accommodating 50% of the region’s housing growth in designated urban centers. For the past decade DRCOG has

placed an increasing emphasis on reflecting the needs of older adults in our plans and programs, including a focus on housing options, location and affordability that can accommodate the needs of residents throughout the various stages of life. Housing affordability was identified as an area for potential inclusion in Metro Vision when the Board provided guidance on the update in 2011. At each subsequent opportunity to provide additional direction, the Board has affirmed the importance of considering housing more directly in Metro Vision. The Board adopted 2013-14 Strategic Plan committed the Board to exploring ways to eliminate known gaps in Metro Vision – specifically strategies related to housing and economic opportunities. The Board also commissioned a [Regional Housing Diversity Study](#) delivered in the fall of 2013 to research a number of factors identified as potentially contributing to recent housing development trends and conditions.

#### Today's Presentation

DRCOG staff will share an overview of the portion of the revised Metro Vision plan that addresses the issues of housing and community health and wellness. Both issues were noted by the Board as potential issues to integrate into Metro Vision and have been primary areas of interest for stakeholders throughout the process to update Metro Vision. Supportive research efforts and reports are noted below:

- Community Health and Wellness Issue Paper (shared with the Board in April 2014 – also can be found [here](#))
- Regional Housing Strategy – Executive Summary (attached)

The work product of the housing ad hoc committee is also attached. Over the course of four meetings the committee developed an outline of housing outcomes, objectives, strategies and actions for Board consideration to include in Metro Vision.

#### Next Steps

Staff is currently developing the final working draft of a revised Metro Vision plan for Board consideration. The plan update will be a primary area of emphasis during the upcoming annual Board workshop. Additionally, MVIC and the Board will continue substantive discussions related to Metro Vision throughout early 2015. Plan adoption is currently scheduled for summer 2015.

#### PREVIOUS DISCUSSIONS/ACTIONS

July 2, 2014 – MVIC Meeting Summary (Recommendation to form ad hoc committees)  
July 16, 2014 – Board Meeting Summary (Approval of ad hoc committees)

#### PROPOSED MOTION

N/A

#### ATTACHMENT

- *Regional Housing Strategy – Executive Summary*
- *Housing Ad Hoc Committee – Preliminary Outline*

#### ADDITIONAL INFORMATION

If you need additional information, please contact Jennifer Schaufele, Executive Director, at 303-480-6701 or [jschaufele@drcog.org](mailto:jschaufele@drcog.org); Brad Calvert, Metro Vision Manager, Regional Planning and Operations at 303-480-6839 or [bcalvert@drcog.org](mailto:bcalvert@drcog.org)

# EXECUTIVE SUMMARY

## DRCOG Regional Housing Strategy

This Regional Housing Strategy (RHS) is a key deliverable in the Denver Regional Council of Governments (DRCOG) Sustainable Communities Initiatives (SCI). DRCOG identified housing as a missing element in Metro Vision, the region’s long-range plan for growth and development. The need for a regional focus on housing was reinforced in the results of the Metro Vision 2040 Local Government Survey when two-thirds of respondents indicated that growth in low- and moderate-income households was a key challenge. Sustainable Regional Community Regional Planning Grant (SCRPG) recipients are required by the U.S. Department of Housing and Urban Development (HUD) to conduct a fair housing analysis. A companion Fair Housing and Equity Analysis (FHEA) study was also developed.

The RHS tells a story of the housing market in the Denver region—where it has been, where it is and how it is likely to change. The RHS also incorporates major findings from the required Fair Housing Equity Assessment (FHEA). The principal component of the RHS is a set of recommended strategies from which DRCOG and area partners can work to further a diverse set of housing choices in the region—an important component of sustainable growth.

In addition to quantitative analysis, the RHS was informed through interviews and focus groups with engaged stakeholders and the public.

### Economic importance of housing choice

The concentration of affordable housing—which occurs when only a few communities are the predominant home location of lower-wage workers—has many adverse economic effects. The most prominent are:

- **Increased traffic congestion and wear-and-tear on roads** caused by workers commuting from home to work. Affordable housing in the region has become much more concentrated within a handful of communities. This is likely to continue unless the array of housing choices can be broadened throughout the region.
- **Lower community investment by workers** who commute long distances in volunteering and contributing to civic life, as well as patronizing local businesses. These commuters also have less time to invest in their families and children.
- **The consequence of cost burden**, when a household pays more than 30 percent of its household income in housing cost. This is a problem for renters because it limits their ability to save to buy a home. And in almost every county in the region, more than half of



renters are cost-burdened.<sup>1</sup> Cost burdened owners often need to cut back on other household spending to make their mortgage payments. In the most severe situation, cost burden leads to foreclosure. One-third of the region's owners are currently cost burdened.

- **Constraints on economic development.** In interviews with local, regional, and state economic development organizations (EDOs) conducted for the Regional Economic Strategy (a companion study to the RHS), it was noted that lack of housing affordability and stability (ability to stay in the same home) are threats to economic opportunity. The mismatch between affordable housing locations and job centers creates costly commutes, stresses families, and results in significant turnover in lower-wage jobs.
- **Housing costs and outmigration.** The Center for Housing Policy recently examined lost economic development opportunities that occur when employers and qualified employees move from a community because of high housing costs.<sup>2</sup> According to the report, between 2000 and 2006—the period when housing costs rose at record levels in most U.S. cities—23 of the 35 metropolitan areas in the country with the highest housing costs lost population to out-migration; on average, a 6 percent loss per year.

***Recent research has demonstrated that an increase in the ratio of housing prices to income can slow regional employment growth by as much as 1 percent per year.***

Maintaining a diverse mix of housing choices in the region—a “housing balance”—should be an important focus of the region’s economic growth strategy. This should involve an efficient positioning of future housing for workforce, which takes advantage of existing infrastructure, occurs near job centers and transit, and maximizes areas of new opportunity. It must also involve efforts to increase opportunity for the region’s lowest-income residents, especially children, who will comprise a large part of the future workforce. Finally, it must address the supportive service needs of future older adults, many of whom will age in place, away from easy access to major service centers.

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<sup>1</sup> Cost burden exists when a household pays more than 30 percent of its gross income toward housing and utilities costs. This is an industry standard for being able to afford to buy or rent through both the private and public markets.

<sup>2</sup> *The Role of Affordable Housing in Creating Jobs and Stimulating Local Economic Development: A Review of the Literature*, The Center for Housing Policy, Keith Wardrip, Laura Williams, and Suzanne Hague, January 2011.

## The Denver region: Where we have been

The Denver region ended the last decade—a tough one, for many regions in the U.S.—in a relatively strong place. The region was fortunate that our housing bubble was modest compared to many areas: Prices went up, but not at the rate seen in many parts of the U.S., and the post-recession landing was soft.

Yet many of the region's residents ended the decade worse off than in the beginning. Many residents fell out of, then re-entered, poverty. Incomes failed to keep pace with increased housing costs, eroding housing purchasing power. And the areas in the region where affordable housing could be found declined, narrowing the opportunities for residents to live close to places of employment.

**Population growth.** The region experienced moderate population growth in the 1980s, but saw a population surge in the 1990s when the region added nearly 600,000 residents (a 31 percent increase over the decade). In the 2000s, population growth returned to more moderate increases.

Altogether, the region gained over 1.1 million new residents from 1980 to 2010. This growth required development of many residential units to house new residents. *Nearly half of all homes in the region, more than 550,000 residential units, were built during this period.*

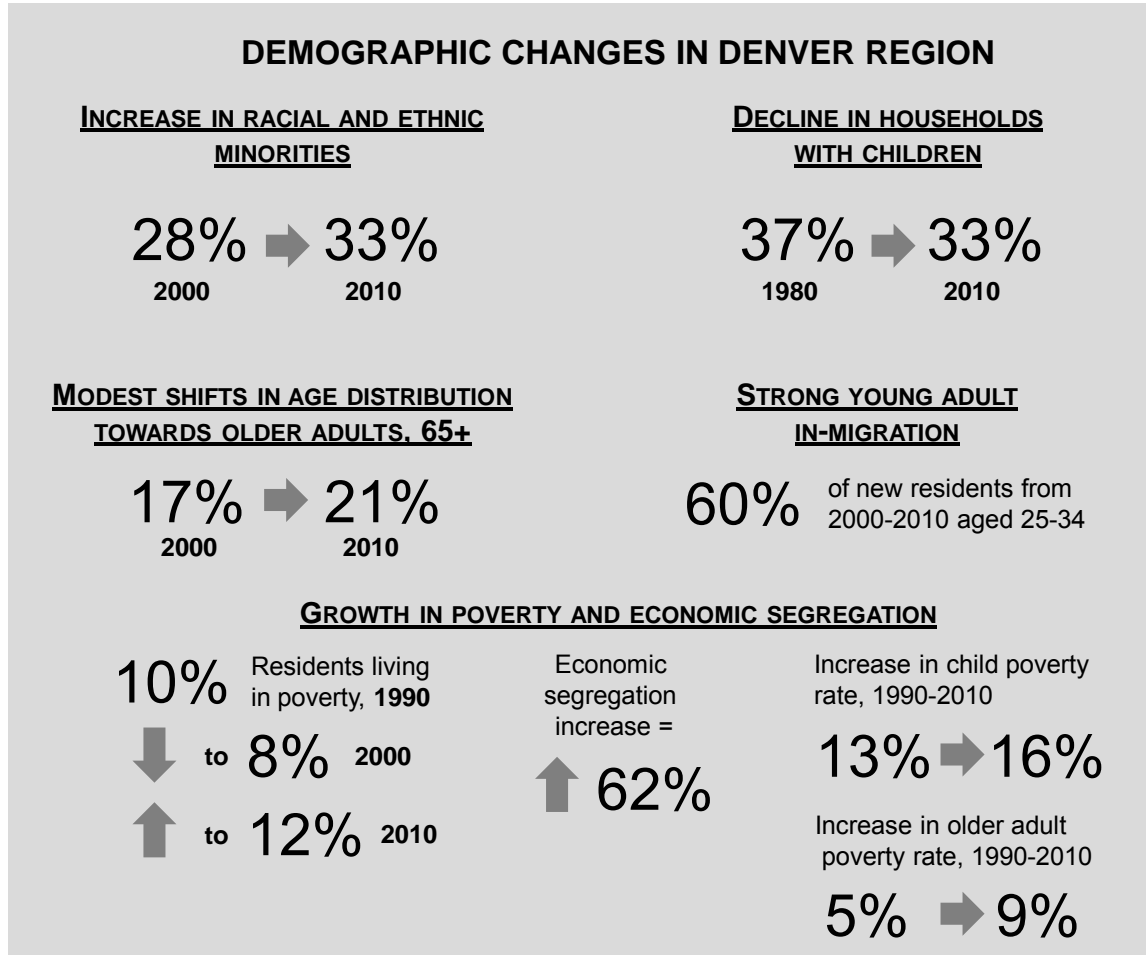
**Diversity.** The region's racial and ethnic diversity continues to increase as the region grows—33 percent of the region's residents were racial and ethnic minorities in 2010 compared to 28 percent in 2000. But this increase was not uniform across the region. The largest shifts in racial and ethnic diversity occurred in Adams and Arapahoe counties, each of which increased its shares of minority residents by about 10 percentage points. Denver's diversity remained the same and Weld County grew less diverse. At the end of the decade, Denver and Adams County remained the most diverse in the region, with minority residents making up a little less than half of all residents.

**Age and household composition.** The region experienced modest shifts in age distribution during the past decade, mostly a tilt toward residents aged 55+ (growing from 17 percent of residents to 21 percent) and away from 35 to 54 year olds (declining from 32 percent to 29 percent). However, the aging of the population will be a critical issue for the region moving forward, as discussed later in the report.

The region saw only a small shift in household composition, a slight movement away from family households and families with children toward single households. Households with children made up 37 percent of all households in 1980 compared to 33 percent in 2010.

**Income and poverty.** Poverty changed little except during the 1990s, when it fell to 8 percent in 2000. Currently, about 300,000, or 12 percent, of the region's residents live in poverty. Poverty is highest in Denver (19 percent) and Adams County (14 percent).

Between 1980 and 2010, residents living in poverty became more segregated from moderate and high-income residents. A 2013 study by the Pew Research Center, *The Rise of Residential Segregation by Income*, used a Residential Income Segregation Index (RISI) to evaluate income segregation by metropolitan area.<sup>3</sup> The RISI for the Denver metropolitan statistical area (MSA) was found to have increased significantly during the past 30 years, from 34 in 1980 to 55 in 2010—a 62 percent increase in the segregation index.



**Housing costs.** At the end of the decade, housing was more expensive, mostly driven by demand to reside in the region. Although incomes rose in tandem with housing costs, the income increase was not enough to keep up with inflation. As of 2010, households needed to dedicate more of their incomes to housing costs than in 2000, causing erosion of purchasing power overall.

In 2000, the median rent ranged between \$650 and \$800 per month in most counties; by 2013, it approached or exceeded \$1,000 in many counties. Due to strong rental demand in the latter part of the prior decade, 2010 began with rental vacancy rates at low levels—only to decline even

<sup>3</sup> The index adds the share of low-income residents who live in a majority low-income Census tract to the share of upper-income residents living in a majority upper income Census tract; higher indices indicate higher levels of segregation.

further in recent years with continued strong demand. For example, the metro area vacancy rate was 7.7 percent at the end of 2009, dropping to 4.4 percent by third quarter 2013.

The median price of homes to buy rose from \$189,000 in 2000 to \$259,000 in 2012-13—a \$70,000, or 37 percent, increase. The locations of affordable homes, priced at less than \$250,000, shifted away from the southern areas of the region, toward the northeast, farther away from the region’s core job centers.

Homeownership declined in all counties except those in the western part of the region and Weld County. An influx of younger residents who rent contributed to the decline. Indeed, 25- and 34-year-olds—58 percent of whom rent—made up more than 60 percent of all net migration in the region between 2000 and 2010.

### **The Denver region: Where we are now?**

**Age.** The region’s older adults currently make up a relatively small portion of residents (15 percent), but this will change dramatically in the very near future with the aging of the Baby Boomers. With the aging of the population, the region will also experience an increase in population with one or more disabilities; older adults have much higher rates of disability than younger residents.

**Childhood poverty.** Children make up about one-fourth of the region’s residents. They have the highest poverty rate of all residents at 16 percent for the region overall. Almost 40,000 of the children in the region live in poverty. Children have the highest rate of poverty of any age cohort in almost every county in the region. The region has significant disparities in childhood poverty rates by county. In Denver, nearly 30 percent of children live in poverty, while only the figure is only 3 percent in Douglas County.

**Racial and ethnic concentrations.** The region remains predominantly non-Hispanic White (67 percent), with two counties—Denver and Adams—almost “majority minority.” Few neighborhoods in the region mirror the region’s overall racial and ethnic composition. Instead, residents are more likely to live near neighbors who share their race and ethnicity. In 2010, Hispanic residents were nearly three times as likely as the average resident to live in a Hispanic majority Census Tract. African Americans were 10 times as likely as the average resident to live in an African American majority tract.

About 150,000 residents in the region live in neighborhoods with both racial/ethnic and poverty concentrations. Of these, over half (57 percent) are in Denver, 20 percent are in Arapahoe County, 19 percent are in Adams County and 4 percent are in Boulder County. These areas are generally areas of poor-performing schools, as well as areas with poor housing condition and little private investment.

**Economic segregation.** Income or economic segregation in the Denver region is currently the 5<sup>th</sup> worst of the 30 largest cities in the U.S. according to a recent study measuring economic segregation.<sup>4</sup> The study found that the Denver MSA—in addition to New York, San Antonio and

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<sup>4</sup> <http://www.pewsocialtrends.org/2012/08/01/the-rise-of-residential-segregation-by-income/>

Philadelphia—led the 30 largest metro areas in the share of lower-income households residing in majority lower-income tracts. The Denver MSA is just second to New York in the share of households earning less than \$40,000 living in a majority low-income Census tract.

**Housing affordability.** A near halt in rental housing production in the middle part of the past decade following high vacancy rates, coupled with increased rental demand of new residents, has contributed to record low vacancy trends since 2011. Vacancy rates hovered around 4 percent in 2013—a significant change from the 11 percent high in 2004. Low vacancies—and corresponding increases in rental costs—disproportionately affect low-income renters, who already have a limited supply of units in their price range.

As of 2013, the average renter in the region needed to earn \$40,000 to afford the median rental unit. The following table below details median rent (all unit sizes), vacancy rate, and income needed to afford median rent in 2013. Renters looking for more affordable rentals are often only exploring options in limited submarkets within counties—these areas are currently experiencing extremely low vacancy rates, as low as 1 percent according to stakeholders familiar with these areas.

<b>MEDIAN RENTS, VACANCIES, AND INCOME NEEDED TO AFFORD RENT, 3Q13</b>			
	<u>RENT</u>	<u>VACANCY RATE</u>	<u>INCOME NEEDED TO AFFORD RENT</u>
<b>Adams</b>	<b>\$931</b>	<b>5.7%</b>	<b>\$37,000</b>
<b>Arapahoe</b>	<b>\$947</b>	<b>4.8%</b>	<b>\$38,000</b>
<b>Boulder/Broomfield</b>	<b>\$1,172</b>	<b>2.8%</b>	<b>\$47,000</b>
<b>Denver</b>	<b>\$933</b>	<b>4.6%</b>	<b>\$37,000</b>
<b>Douglas</b>	<b>\$1,188</b>	<b>3.5%</b>	<b>\$48,000</b>
<b>Jefferson</b>	<b>\$996</b>	<b>3.6%</b>	<b>\$40,000</b>

The most expensive submarkets for rentals include central and downtown Denver, which require an annual income of almost \$60,000 to afford the median rent. In these two market areas, the median rent exceeds \$1,400 per month.

Lower-income rentals are concentrated in the City and County of Denver. Nearly half the rental units in the region affordable to households earning less than \$25,000 are located in Denver. Denver also has the widest gap between overall regional rental share and share of most affordable units.

## PROPORTION OF RENTALS AFFORDABLE TO RENTERS EARNING < \$25,000/YEAR

	Percent of all rental units affordable to renters earning < \$25,000/year	Distribution of Affordable Units		
		Regional distribution of all rentals	Units affordable at < \$25,000	Difference from all unit distribution
Adams County	15%	13%	13%	0%
Arapahoe County	12%	20%	16%	-4%
Boulder County	8%	11%	6%	-5%
Broomfield County	13%	2%	1%	0%
Clear Creek County	16%	0%	0%	0%
Denver County	22%	33%	49%	17%
Douglas County	3%	5%	1%	-4%
Gilpin County	11%	0%	0%	0%
Jefferson County	11%	16%	12%	-4%
Weld County (DRCOG portion)	7%	1%	0%	0%
<b>DENVER REGION</b>	<b>14%</b>	<b>100%</b>	<b>100%</b>	

An analysis of home sales below \$250,000 indicate significant concentrations in areas that tend to have low levels of elementary school quality, which can negatively affect the region’s ability to grow its own skilled workforce.

These affordable areas for homeownership are also far from job centers in the region. Excluding the relatively small affordable area near the central business district in Denver (which is primarily composed of condos), areas of high job density have no overlap with areas of for-sale affordability.

### The Denver region: Where are we headed?

**Population growth.** DRCOG’s population forecast for the year 2040 shows rates of population growth experienced in the last 30 years. The region is projected to grow by 1.2 million people between 2010 and 2040.

Population growth is anticipated to be strongest in Adams, Arapahoe, Denver and Douglas counties—representing nearly a million new residents between these four counties.

**Age shift.** The demographic composition of the region will be quite different than in the past. The percentage of the population made up of older adults will double by 2040. Many inner-ring suburban communities currently have older adult populations that are over 20 percent of the city’s total population. The region’s outer-ring suburbs will increasingly see their residents age. Douglas County will continue to lead the region in greatest change in senior growth.

Largely due to the growth of older adults, the number of residents with disabilities will increase by 237,000. The increases in persons with disabilities in most counties will be quite significant, resulting in more demand for accessible and visitable housing, transit and supportive services.

A shift away from residents in prime working ages toward residents in retirement will increase demand for new workforce. Ensuring the region's current children have optimal educational opportunities will be an important part of sustaining future economic growth. Continued immigration of well-educated, young adults has and may continue to be an important part of the region's economic growth.

**Increase in poor residents.** If the region fails to improve economic opportunity for its lowest income residents and poverty rates stay the same as they are currently, the number of individuals living in poverty in the region will increase by 141,000, with 46,000 of these individuals being older adults and 39,000 being children.

**Housing preferences.** Another 1.2 million people in the region could require development of at least 550,000 new housing units, if household sizes remain similar to the past.<sup>5</sup> This begs the question of: *will future housing demand be different?*

Housing preferences are difficult to predict, since they are so closely related to personal financial, employment and familial situations. But the behavior and housing preferences exhibited by the two large age cohorts that will drive housing demand during the next 20 years—the Millennials<sup>6</sup> and Baby Boomers—suggest housing preferences could differ from the past.

A 2013 Urban Land Institute (ULI) survey of Millennials found favorable responses to developments that have a variety of housing types, are mixed-use and pedestrian friendly, suggesting a desire for both urban and “urban light,” mixed-use settings that are growing in suburban markets.<sup>7</sup>

Some research has shown similar preferences toward denser, walkable residential environments among Baby Boomers. Yet the behavior of older adults, historically, has been to remain in their own homes as long as possible—due in some part to lack of housing options suitable for aging-in-place. If this continues, there will be a large need for expanded home health care networks to accommodate growth in older adults throughout the region, as well as home modifications to accommodate disabilities, senior-friendly transit and, for older adults who can afford and desire to move, senior-friendly residential communities.

## Primary housing gaps in the region

Considering where the region has been, where it is now and the demographic direction in which it is likely headed, continuing on the same path of housing provision will not meet residents' future needs. But it's not just future gaps in housing; there are current needs as well. The RHS and Fair Housing Equity Assessment (FHEA) identified key challenges that should be addressed.

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<sup>5</sup> 2010 Census data estimate that 566,000 new units were developed in the Denver region between 1980 and 2010.

<sup>6</sup> Millennials are residents between the ages of 25 and 34, also known as Generation Y.

<sup>7</sup> <http://uli.org/research/centers-initiatives/terwilliger-center-for-housing/research/community-survey/> contains a compilation of recent surveys, articles and opinions on Millennials' housing preferences.

The challenges below were informed by data analysis and engagement with informed and knowledgeable stakeholders.

- Declining housing affordability region-wide and geographically limited options for affordable housing, particularly near job centers.
- A growing disconnect between locations of public transit and where lower- and moderate-wage workers, as well as seniors, reside.
- Gaps in opportunity for low-income and minority residents. The primary opportunity gaps are in education, job access, income segregation and neighborhood investment.
- Lack of a flexible funding source, such as a housing trust fund, to address housing needs.
- Lack of rental subsidies and permanent housing for the region's residents living in poverty, in addition to supportive services.
- Urban areas, as the primary provider of housing and services to the region's households with the most severe needs, are sheltering much of the burden. But needs are growing in suburban areas, which initially had relatively low demand, but are now struggling to serve increasing numbers of residents living in poverty.
- More permanent, supportive housing region-wide is needed to address homelessness.
- Information is needed, such as housing condition and best practices in zoning and land use, for jurisdictions to effectively and efficiently address housing issues.

### **How can DRCOG make a difference?**

DRCOG has the potential to improve regional housing diversity and, as such, help to further economic opportunity by playing a variety of roles. The recommended strategies are organized around these various roles.

- **Convener.** Provide information and bring together cities, counties, industry experts and other partners to discuss solutions to improve housing options across the region.
- **Incubator.** Set in motion, through provision of information, administrative and/or financial support, new regional programs and initiatives to support increased housing options.
- **Do-er.** Implement programs and policies that support the production and preservation of housing options in location-efficient places, including urban centers, high opportunity areas, and areas well-served by transit.



## **DRCOG as a convener**

### **Recommendation C-1. Sponsor discussions and workshops to provide information about best practices in land use regulations, zoning and housing policies.**

#### **Potential Focus Areas:**

- Education on proactive, flexible, zoning and expedited development reviews that can reduce regulatory barriers in housing production.
- Strategies to build and recognize successful mixed-income developments in urban centers.
- Documenting programs and practices with successful housing outcomes, including well-integrated, racially/ethnically and economically diverse communities.
- Efforts to revitalize aging inner-ring suburban neighborhoods and improving housing condition in aging neighborhoods.

### **Recommendation C-2. Continue and amplify dialogue about visitable and accessible housing demand.**

#### **Potential Focus Areas:**

- Education on successful regulatory tools (e.g. Arvada visitability ordinance) to help communities meet demand.
- Coordinate with private development community to understand and convey key incentives needed to produce units, including clarity on key challenges that must be overcome.
- Continue to promote dialogue at the local level, including documentation of innovative practices, through DRCOG's Boomer Bond initiative.
- Facilitate a discussion of the growing needs (housing, transportation, services, etc.) of seniors in inner- and outer-ring suburban communities.

## **DRCOG as an incubator**

### **Recommendation I-1. Become a catalyst for additional, flexible sources of funding.**

Housing experts consulted in this effort strongly agree that a source of new funding for affordable and workforce housing production is needed to address gaps in current and future affordable housing stock. Ideally, this would be a regional dedicated source of flexible funding.

#### **Potential Focus Areas:**

- Sponsor discussions about sources of funding for housing development.
- Bring together housing advocates, real estate professionals, local leaders and housing finance interests together to develop a funding recommendation.
- Examine if models exist in other regions that could be replicated in the Denver region.

- Explore innovative revenue-generating and -sharing models such as inter-jurisdictional agreements to share in the cost of housing that will benefit multiple communities.

**Recommendation I-2. *Explore a new method of coordinated and collaborative housing planning for homelessness.***

**Potential Focus Areas:**

- Explore partnership opportunities with regional homeless coordinating entities such as the Metro Denver Homeless Initiative (MDHI) to initiate regional planning for homeless initiatives.
- Consider implementation of a single point of entry system and creation of permanent supportive housing region-wide.

**Recommendation I-3. *Gather and make available research on successful ways to improve access to economic opportunity.***

**Potential Focus Areas:**

- Build-on initial analysis of geographic analysis of opportunity in the Denver region initiated in the Fair Housing Equity Assessment
- Work with partner organizations to identify the long-term, multi-faceted, and interrelated challenges that combine to create areas of low economic opportunity
- Determine strategies, resources, and investments that can improve life outcomes for all residents.
- Coordinate with housing providers to determine the most effective interventions and programs that will produce positive outcomes in the areas they serve.

**DRCOG as a do-er**

**Recommendation D-1. *Create and share information about housing condition.***

Information on housing condition is lacking in the Denver region, as it is in many regions. Numerous jurisdictions interviewed for this study identified the need for a condition database that would help them better target home rehabilitation programs and plans for aging housing stock.

**Potential Focus Areas:**

- Create a database and mapping tool that helps local governments assess existing housing condition.
- Variables that are indicative of condition could be used to predict home rehabilitation needs and identify program needs where improvements are not being made.

**Recommendation D-2. *Conduct research, education and outreach to member communities about the economic benefits of addressing housing needs.***

This RHS has barely scratched the surface in identifying the economic benefits associated with diverse housing choices that can meet the needs of all the region's residents. Many interviewed for this study emphasized a need for a continuous stream of information to help decision makers understand the economic benefits of having a diverse array of housing for residents.

**Potential Focus Areas:**

- Conduct research to quantify the economic benefits of reducing income and race/ethnic segregation (a similar study was completed by MetCouncil in Minneapolis/St. Paul).
- Quantify the costs to the region of future, resource-intensive growth patterns on transportation systems, water and resident health.
- Detail the economic impact of development of affordable housing to reduce existing cost burden and meet future housing needs.
- Outline key housing needs identified by the economic development community as part of the Regional Economic Strategy.

**Recommendation D-3. *Reward communities that work to improve their affordable housing choices.*** Stakeholders suggested the most successful way to produce geographically-based affordable and workforce housing is through mandates or incentives. They pointed to DRCOG's role in the allocation of federal transportation funds as an opportunity to ensure affordable housing production and preservation.

**Potential Focus Areas:**

- Reward or incentivize communities to provide (or plan to provide) a certain proportion of affordable and workforce housing near employment/job training centers as identified in local housing needs assessments.
- Provide Transportation Improvement Program (TIP) points to communities that demonstrate a commitment to the efforts listed above.
- Prioritize transportation projects that are catalysts to revitalization of disadvantaged areas, including projects that connect low-income residents and older adults to services, job training, and employment.

**Recommendation D-4. *Support expansions of existing programs to create mixed income housing in desired locations.***

**Potential Focus Areas:**

- Support the efforts of the region's innovative, successful organizations and programs that are already catalysts to affordable housing creation.
- Support land banking efforts of non-profits to assist with affordable housing production.
- Expand eligibility of existing Urban Center/Station Area Master Plan funds to include housing authorities.

# Metro Vision 2040 Housing Ad Hoc Committee

## Preliminary Outline for MVIC/Board Consideration

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### **Outcome 1: Diverse housing options meet the needs of residents of all ages, incomes and abilities.**

A range of housing options across the region benefits both individuals and families, and can improve the economic vitality and diversity of local communities. Viable housing choices allow individuals and families to find desirable housing affordable and accessible to them in the communities where they want to live and stay in their community of choice as their economic or life circumstances change.

#### **OBJECTIVE 1.1: INCREASE THE REGIONAL SUPPLY OF OWNERSHIP AND RENTAL HOUSING THAT IS AFFORDABLE TO A VARIETY OF HOUSEHOLDS AT ALL INCOME LEVELS**

##### **Strategy 1.1(a): Remove regulatory barriers and reduce cost of developing housing**

Proactively pursue strategies that reduce regulatory and procedural barriers and expedite the development of housing in desired locations.

##### **Strategy 1.1(b): Encourage creative approaches to foster the development of affordable, accessible workforce and senior housing**

Coordinate with the private development community to understand and convey need to produce units, including clarity on key challenges that must be overcome. Identify realistic and effective incentives that can stimulate the production of housing products that meet the needs of residents of all ages, incomes, and abilities.

##### **Strategy 1.1(c): Monitor and provide input on changing demands and preferences for new and different types of housing**

Develop mechanisms to assess housing needs of current and future residents as they progress through various stages of their lifecycle, including changes in familial status, income, employment and disability.

##### **Strategy 1.1(d): Promote better jobs-housing balance in employment-rich areas**

Expand the supply and range of housing, including affordable and accessible units, in and adjacent to major employment centers around the region.

#### **REGIONAL ACTIONS**

- Share best practices in land use regulations, zoning and housing policies with local governments and other stakeholders.
- Convene local government officials and housing experts to identify ways to expand affordable, accessible workforce and senior housing development opportunities in local communities.

#### **LOCAL ACTIONS**

- Review local plans and regulations to ensure that they encourage a mix of housing types and densities.
- Consider incentives to support affordable, accessible workforce and senior housing, particularly within centers and other areas that are or may be served by transit.
- Promote a variety of housing options to meet the needs of older adults, including independent and supportive options.

# **Metro Vision 2040 Housing Ad Hoc Committee Preliminary Outline for MVIC/Board Consideration**

## **OBJECTIVE 1.2: ENCOURAGE OPPORTUNITIES FOR DIVERSE HOUSING BY LEVERAGING TRANSIT INVESTMENTS**

Integrating housing development and transit planning and implementation creates development patterns that support high transit demand, expand travel choices for households, and can reduce VMT.

### **Strategy 1.2(a): Promote transit-oriented communities that ensure a mix of housing affordability in transit station areas, including preservation of existing affordable housing**

Implement programs and policies that support the production and preservation of housing options in location-efficient places, including urban centers, high opportunity areas, and areas well-served by transit.

### **Strategy 1.2(b): Encourage transit investments where housing densities support transit already, or are guided to support such densities through local community planning processes**

Promote new and enhanced transit service in areas with densities that make bicycling, walking and taking transit viable options to reduce reliance on the automobile and enhance the independence of those who do not drive, by choice, or financial or physical circumstance.

### **Strategy 1.2(c): Elevate awareness of the catalytic role housing can play in transit-oriented community strategies**

Develop small area plans for transit station areas that document future land uses, circulation needs, market conditions and implementation strategies. Prioritize catalytic developments that provide affordable, accessible workforce and senior housing and expand demand for other key amenities including commercial development and community services.

## **REGIONAL ACTIONS**

- Continue to support local planning that furthers the implementation of the region's transit system and Urban Centers.
- Develop and share guidance based on existing best practices, to aid local communities in the identification of high opportunity sites, districts, or areas.

## **LOCAL ACTIONS**

- Assess current and future housing needs and programs in transit communities.
- Assess transit and mobility gaps near higher density, affordable, accessible, workforce, and senior housing.
- Plan for increased residential density in strategic transit and transportation corridors.
- Develop a focused strategy for preservation and rehabilitation of existing housing located near current and future transit areas.
- Develop and maintain cooperative efforts with entities focused on developing accessible, affordable, workforce and senior housing.