



Metro Vision 2040

A program of DRCOG

Metro Vision 2040: Regional Housing Strategy & Regional Economic Strategy

Board – July 16, 2014



Stakeholder and Public Engagement

- ◆ Local governments (housing and land use planners)
- ◆ Communities that receive direct allocations from HUD*
- ◆ Affordable housing professionals
- ◆ Housing authorities
- ◆ Private sector developers
- ◆ Regional homelessness experts
- ◆ Providers of housing opportunities for people with disabilities
- ◆ Fair housing organizations

* During and in advance of Strategy development



Growth Dynamics

- ◆ **Region added over 1 million people between 1980 and 2010, but experienced only modest changes to the housing stock**
- ◆ **Regionally incomes have generally kept pace with housing prices**
 - But those in poverty are facing historically high rents and low vacancy rates
- ◆ **Extreme mismatch between affordable housing and job center locations**



Housing Affordability

- ◆ **\$40,000 = Amount renters must earn to afford median rental unit**
 - Affordable submarkets: vacancy at 2.8% or lower
 - Over half of renters are cost burdened
 - Central/Downtown: must earn \$60K to afford median rent
- ◆ **2000 median price of homes listed or sold in the region = \$189,000. In 2010 = \$259,000 (up \$70,000)**
- ◆ **Our region is one of only two regions that have prices that have eclipsed peak (Dallas)**



Housing & Reg. Econ. Strategy

- ◆ Middle to upper skill and wage jobs have pretty good housing choices
- ◆ Ratio of housing prices to income can slow the rate of employment growth in a regional economy
- ◆ Lack of entry level rental housing in peripheral suburban and exurban locations
 - Difficulty attracting and retaining entry level employees



What We've Been Hearing...

RES Interviews

Regional Weaknesses or Threats

- ◆ High housing costs for size of metro area
- ◆ Not educating everyone equally well
- ◆ Broadband access and the digital divide
- ◆ Not attracting Fortune 500, but strong hub for Western and West-Central US
- ◆ I-70 congestion
- ◆ Uneven transit benefits (fare structure / EcoPass)



Indicators – Regional Comparisons

Phoenix, AZ

Dallas, TX

Salt Lake City, UT

Austin, TX

Atlanta, GA

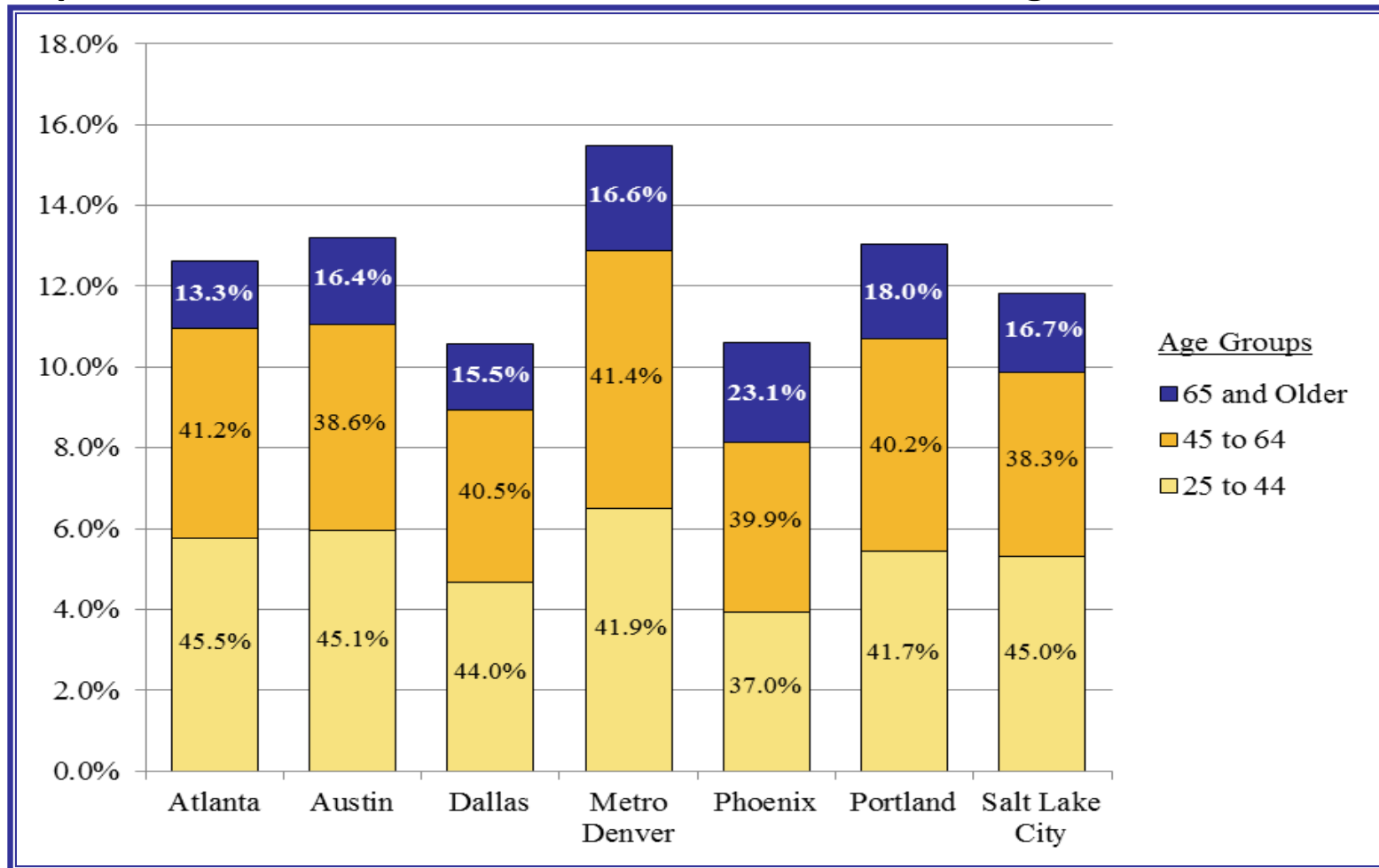
Portland, OR





Educational Attainment & Age

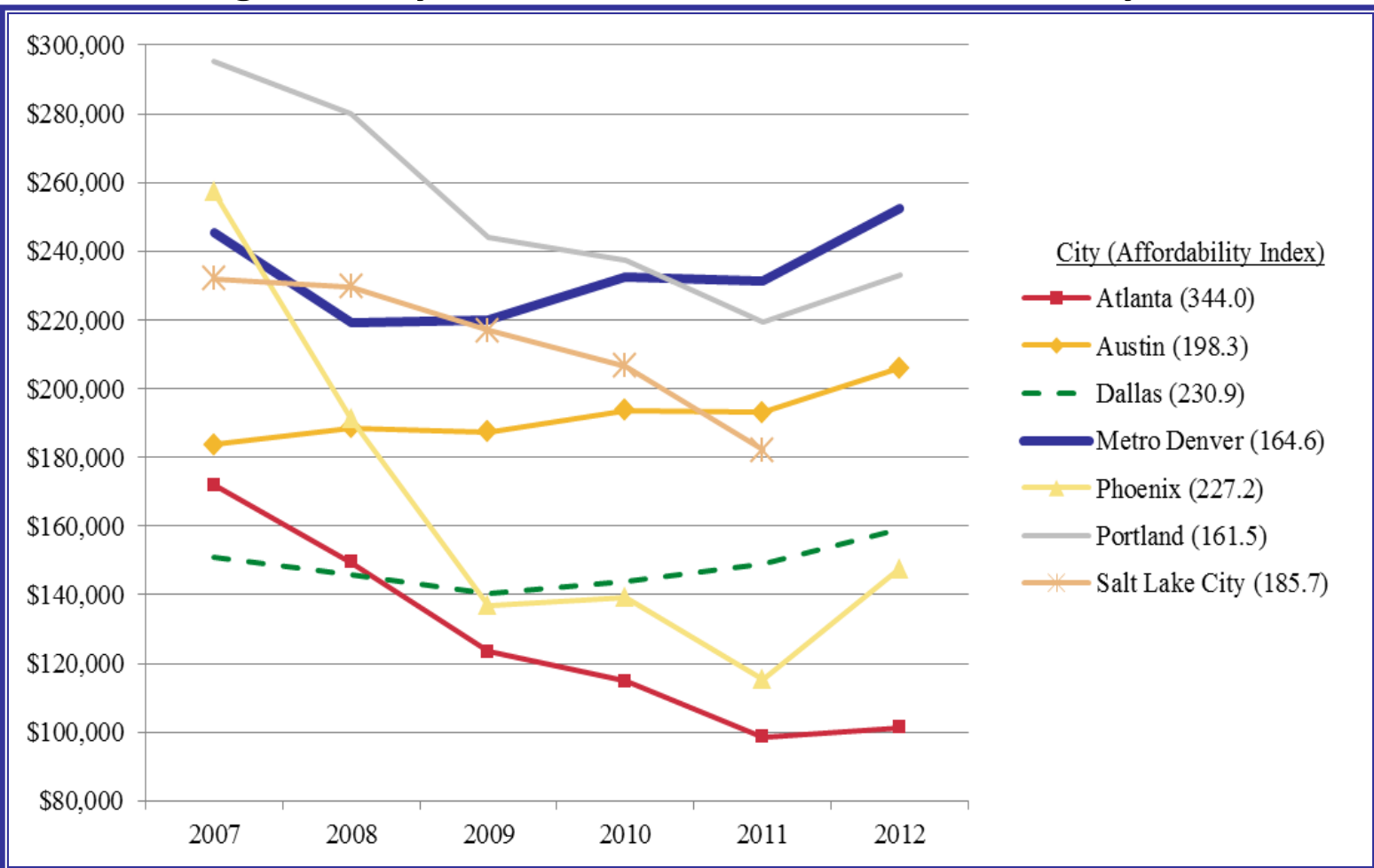
Population 25 Years and Older with an Advanced Degree, 2012





Housing Affordability (SF)

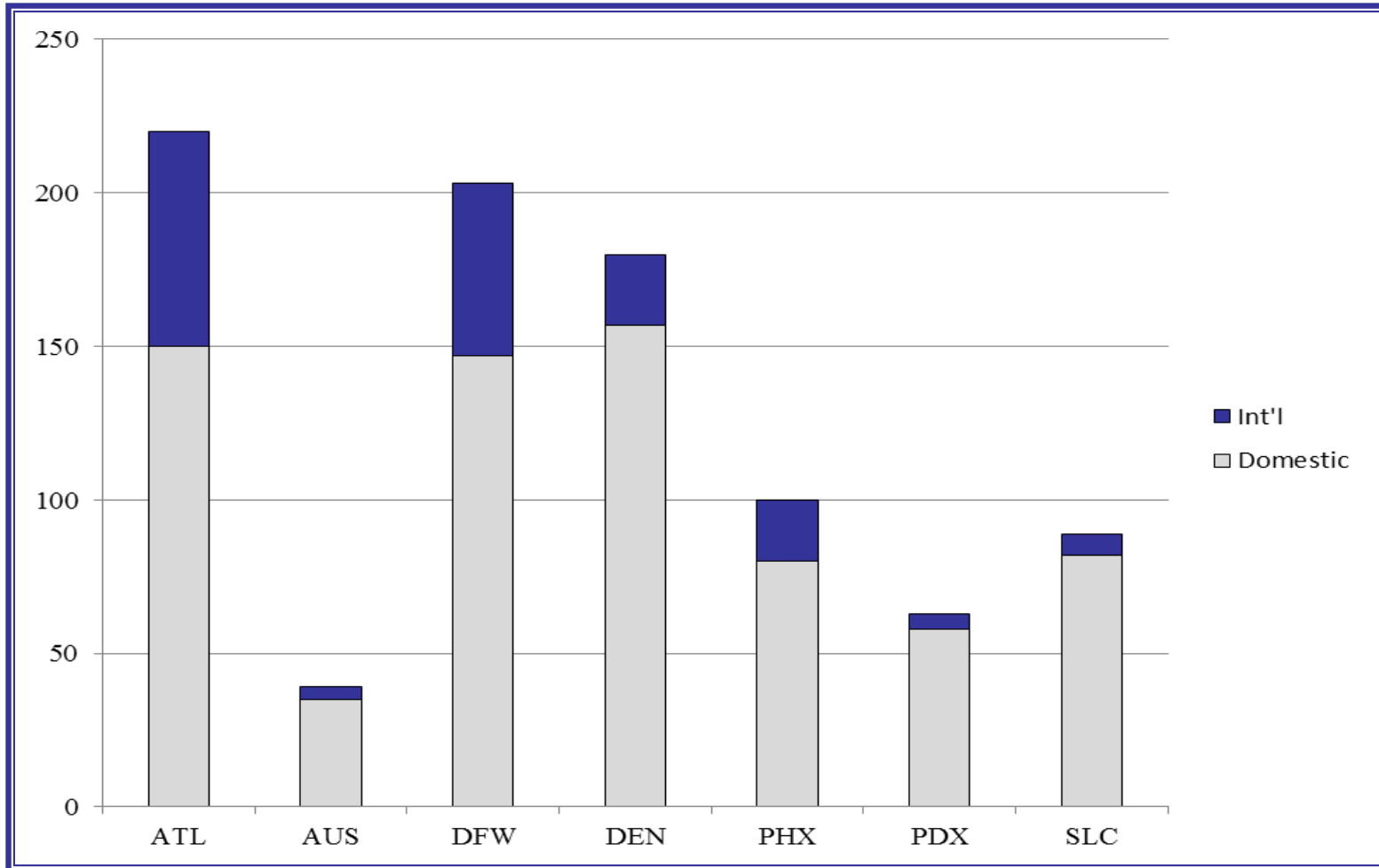
Median Single-Family Home Price and Home Affordability Index





Air Travel Connectivity

Nonstop Domestic and International Destinations (2014)





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Regional Housing Strategy

Background

- ◆ **2013 Board Workshop – Housing identified as key local and regional issue**
 - Lack of housing options (including mix of rental products)
 - Housing as a key component of aging-in-place strategies
 - Outdated housing stock that can't meet changing needs
- ◆ **MVIC provided feedback on strategy direction in June 2013**
- ◆ **BBC Research and Consulting hired to complete Regional Housing Strategy**

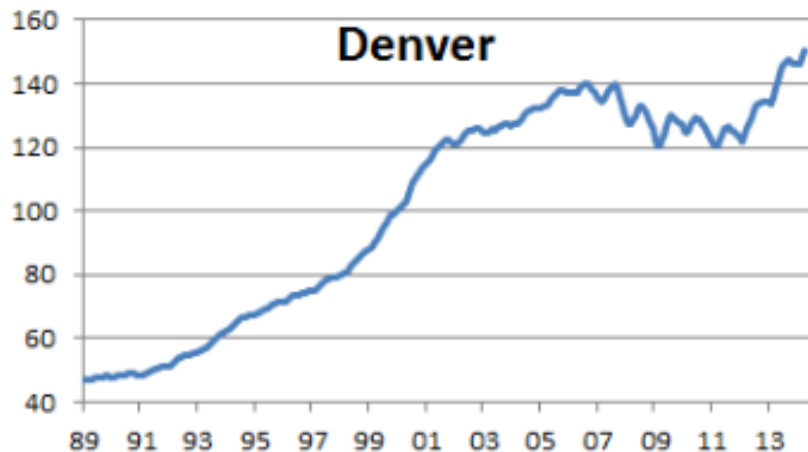
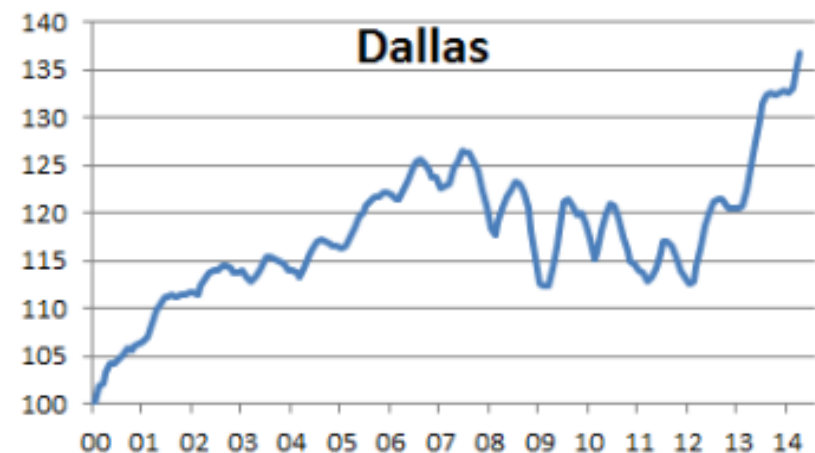
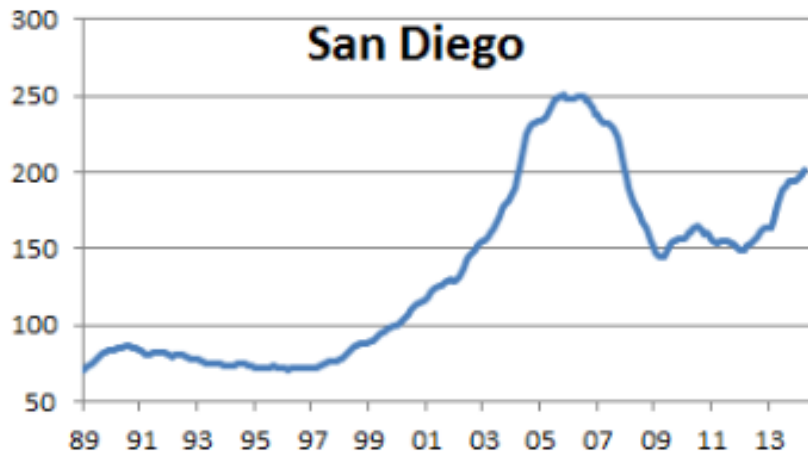


MVIC Feedback – June 2013

- ◆ Will the study identify housing needs at the individual community level? **Staff: No**
- ◆ Housing as a regional, connective issue (across issues and generations)
- ◆ Will the study identify how the demographics of poverty has changed? **Staff: yes**
- ◆ Competition for land (e.g. manufacturing/industrial areas)
 - **Regional focus of strategy doesn't lend itself to this level of analysis, but SCI catalytic and technical assistance efforts might shed some light**



S&P/Case-Shiller (1989 – 2013)





Regional Economic Strategy

Economic & Planning Systems hired to complete Regional Economic Strategy

Key Outcomes

- ◆ **Identify specific roles, responsibilities, policies, and actions for DRCOG**
 - Functions in support of larger economic sustainability efforts
 - Products to be used by others (e.g. data products)
 - Value-add services (e.g. forums, input/coordination activities, etc.)
- ◆ **Better understanding of community development and infrastructure issues impacting economic vitality**
- ◆ **Key linkages that should be addressed to ensure competitiveness, equity, and resiliency**



Foundation for a Sustainable Economy

Economic Vitality



Community Development



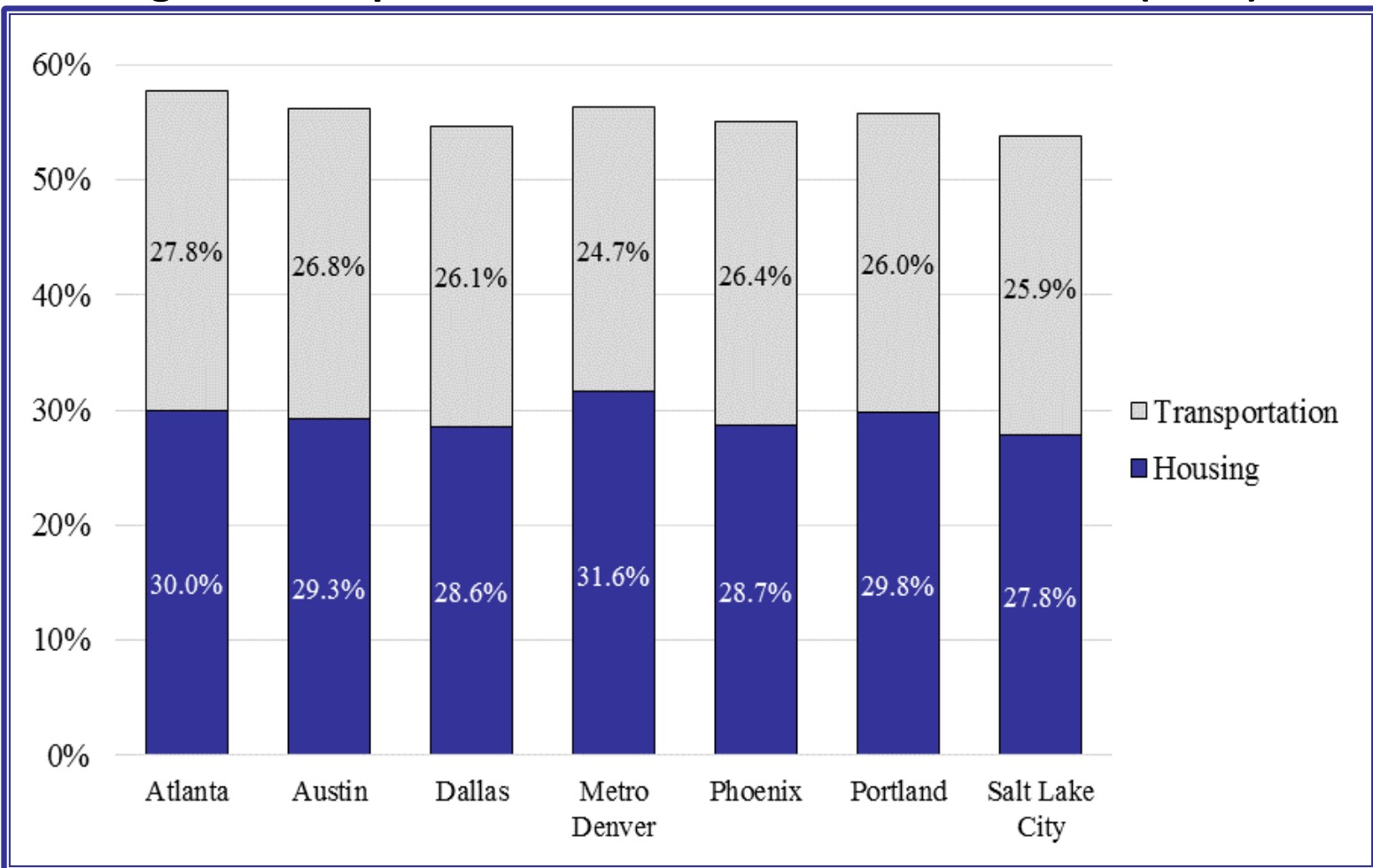
Purpose – Economic Indicators

- ◆ **Track baseline economic conditions**
- ◆ **Identify and track metro Denver's competitive position over time**
- ◆ **Should point to strengths and weaknesses**
- ◆ **Peer region analysis suggests this is a common practice**



Housing + Transportation Costs

Housing and Transportation Costs as a Percent of Income (2012)





Other Findings – RES & RHS

◆ RES – Other Regional Indicators

- Business costs (Denver – 1)
- Population growth (Denver – 2)
- Cost of Living (Denver – 2)

◆ RES and RHS – Peer Activities

- Best practice toolkits and case studies
- Data and resource websites
- Direct technical assistance
- Economic benchmarking
- Member and convener of issue-oriented coalitions
- Integration into regional plans



Today's Action

Staff requesting two ad hoc groups of Board members and alternates to assist with the exploration and integration of issues (housing and economic vitality) into Metro Vision 2040

Purpose of Ad Hoc Groups

- ◆ **Assist staff in developing policy framework in Metro Vision 2040**
 - Strategy documents bring together data and stakeholder input to inform regional strategies, including roles for DRCOG – only a piece of the puzzle
 - New territory for DRCOG - Board should have key role in developing policy foundations