



DENVER
THE MILE HIGH CITY

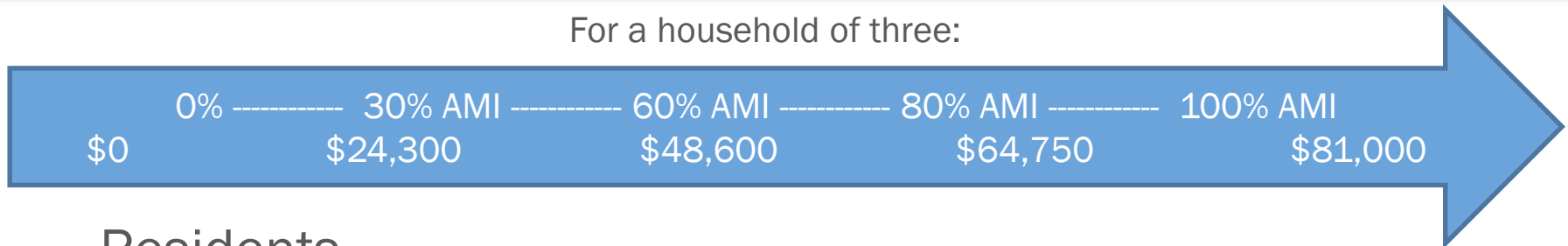
Affordable Housing Overview

July, 2018

FOR CITY SERVICES VISIT | CALL
DenverGov.org | **311**

Denver's Need for Housing

For a household of three:



Residents Experiencing Homelessness

At least 3,336 households reported homelessness in 2017 Point in Time Survey

Median rent at \$1,390 is \$915 more than a 30% AMI household can afford. Services can cost an additional \$10-15k per year.

Affordable Rental Housing

68,000 renters households that are "cost-burdened"

Median rent at \$1,390 is \$450 more than a 60% AMI household can afford

Attainable Homeownership

35,000 owner households that are "cost-burdened"

Median attached home price at \$325K is \$100,000 more than an 80% AMI household can afford

Property Tax

- 0.422 mills in 2017 for housing
- Represents approximately \$7.5 million annually, value is expected to grow slowly but steadily over time

Development Fee

- Will be updated annually based on growth in CPI

Residential	Single-Family/Duplex	\$0.62/sq ft
Residential	Multi-Family	\$1.55/sq ft
Commercial	Hotel/Office/Retail/Other	\$1.76/sq ft
Commercial	Industrial/Agricultural	\$0.41/sq ft



Housing Plan's Key Goals:



Create affordable housing in vulnerable areas AND in areas of opportunity



Preserve affordability and housing quality



Promote equitable and accessible housing options



Stabilize residents at risk of involuntary displacement

Housing an Inclusive Denver Overview

40-50% of housing resources will be invested to serve people earning below 30% of Area Median Income (AMI) and those experiencing homelessness who are seeking to access or maintain rental housing, including:

- 20-25% of housing resources to serve residents experiencing homelessness
- 20-25% of housing resources to serve residents earning below 30% AMI

20-30% of housing resources will be invested to serve people earning 31% to 80% AMI who are seeking to access to rental housing or to maintain rental housing.

20-30% of housing resources will be invested to serve residents seeking to become homeowners or remain in homes they already own.



Proposal to Increase Dedicated Fund

Double the affordable housing fund from \$15M per year to \$30M per year

- Increase RMJ special tax rate by 2%, dedicate proceeds to the AHF (\$8M in 2019)
- Increase annual General Fund transfer to AHF by \$7M starting in 2019

Contract with the Denver Housing Authority to bond current property tax mill, generating approximately \$105M:

- 50% will be used to accelerate DHA unit creation/preservation
- 50% will fund land/property acquisition to create a longer-term pipeline of projects serving our most vulnerable residents

Annual Affordable Housing Fund's Revenues (Local)

Existing: Linkage Fee	\$1,500,000
Existing: General Fund/DHS Transfer <i>(backfills the linkage fee during initial ramp up)</i>	\$6,800,000
Existing: 0.442 mills for 20 years	\$7,500,000
New Starting in 2019: 2% RMJ	\$8,000,000
New Starting in 2019: Annual General Fund/DHS Transfer	\$7,000,000
Total	\$30,800,000

Property Tax Pass Through to DHA for Bonding

Existing 0.442 mills for 20 years	\$7,500,000
Potential bond proceeds over 5 years	\$105,000,000



AHF Outcomes- Current + Framework

Investment Type	CCD \$15M "Pay-as-you-go" (current housing plan)	CCD \$7M "Pay-as-you-go" (proposed starting 2019)	\$105M bonding with DHA (proposed starting 2019)	Total Over Five to Ten Years
OED Projects	~3,000 units	~750 units		3,750 units
OED Programs	30,000 households	1,000 households		31,000 households
Land/Property Acquisition			~1,200 units	1,200 units
DHA's Accelerated Pipeline			~751 units created (202 previously planned, 549 additional) ~543 units preserved (333 previously planned, 210 additional)	1,294 units
Total Projected Outcomes Across all Resources				6,244 units 31,000 households

Proposed Timeline for Adoption

Task	April 2018	May 2018	June 2018	July 2018	August 2018	Fall 2018	January 2019
Stakeholder and Public Outreach	→						
IGA Development	→						
Council Outreach	→						
Council Adoption			→				
2019 Budget Adoption						→	
Revenue Available for Investment					→		