

# Housing Working Group

JUNE 27, 2022

## Today's Meeting

- Housing Needs Assessment Report
- Strategy Discussion
  - Review Criteria
  - ADUs
  - Inclusionary Zoning
- Working Group Messaging









Thanks for being here!



## Working Group Ground Rules

- 1. Meetings will begin and end on time.
- 2. Come to meetings prepared.
- 3. Be engaged and fully present.
- 4. Treat co-group members ideas and suggestions with respect.
- 5. Be attentive to the speaker and let others finish before you start talking.
- 6. Raise your hand to speak.
- 7. Everyone will have an opportunity to speak.

- 8. Practice being open-minded to a range of housing ideas.
- Strive for consensus.
- 10. Ask questions. There is no wrong answer City staff and the consultant team are here to help.
- 11. Act as an ambassador of the overall group, not a specific interest.
- 12. External communications about the working group activities shall not be different from what was discussed in the working group.

## Role of the Working Group

- Discuss policy options
  - Before they are rolled out to the broader public
  - Explore how they should be shared with the community
- Provide feedback on proposed revisions to the Land Development Code
- Promote awareness and understanding of proposals that emerge from the process
- Communicate the Housing Study process and work to stakeholders

## Housing Needs Assessment Report



- Preliminary discussion/questions?
- Follow-up questions and comments

Setting the HSPD
Affordable
Housing Goals
and Strategy
Review Criteria



## In the next 5, 10, and 15 years...

		2025	2030	2035		
200	Root Household Projections (based on DOLA)	43,490	46,371	48,732	+8,426 households	+561 households annually
Households	Centennial Next	47,120	50,576	54,285	+10,384 households	+692 households annually
Workers	Root Employment Projections (based on DOLA and CDLE)	76,102	81,227	85,572	+17,791 workers 1.68 jobs/household +10,590 households	+706 households annually

DOLA, CDLE, Centennial Next, ACS

## Defining affordable/attainable

- Affordable housing: Housing units with a contractual requirement (deed-restriction or income restriction) that keeps the cost of rent or mortgages affordable to households making 80% or less of the AMI.
- Attainable housing: Housing units affordable to households making between 80% and 120% of AMI. This can include naturally occurring or deed-restricted properties.
- Workforce housing: Housing affordable to workers in the community such as teachers, fire fighters, librarians, etc. This can include naturally occurring or deed-restricted properties.

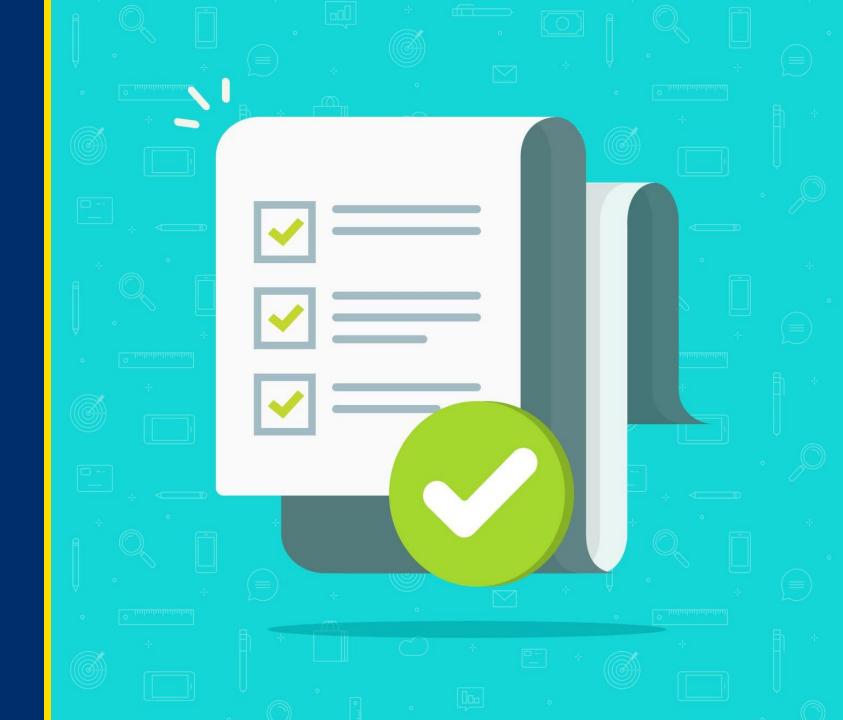
## Setting goals

- Fort Collins: The City of Fort Collins has already adopted a goal of 10% affordable at 80% AMI by 2040.
- Colorado Springs: Increasing affordable housing inventory by 1,000 units each year.
- Longmont: Longmont has a goal to have 12% of its housing stock be permanently affordable by 2035. The city's definition of affordable housing is defined as homes sold at a price that is affordable to households at or below 80% of the Area Median Income and units rented at or below 50% of the AMI.

#### Denver:

- Create 2,000 new affordable units, of these new units, approximately 90% are expected to serve renters and 10% are expected to serve homeowners.
- Preserve 1,000 existing affordable units, of these new units, approximately 90% are expected to serve renters and 10% are expected to serve homeowners.
- Serve 20,000 households with program resources such as homebuyer counseling, down payment assistance, and supportive services;
- Serve 10,000 households through programs such as tenant-landlord counseling, eviction assistance, and emergency home repair.

Working Group Review Criteria



## Housing Strategy Review Criteria

#### PROPOSED CRITERIA

- Centennial NEXT Implementation Does this strategy support the plan?
- Technical Feasibility Can the City administer this strategy within existing processes, or will a specialized process be needed?
- Administrative Feasibility Can the City administer this strategy with existing staff or will specialized staff be needed?
- Diversity and Equity Considerations [next slide] Does this strategy support a diverse and equitable community?

#### **OPTIONAL CRITERIA**

- Sustainability
  Will the benefits of this strategy last?
- Impact
  Will implementing this strategy make a difference?
- Effectiveness How much of an improvement will this strategy make?
- Cost
  - What are the anticipated costs of implementing the strategy?
  - What are the anticipated costs of not implementing the strategy?

## Diversity and Equity

## PLAN THEMES



#### **OUR NEXT PLACES**



## **OUR NEXT ECONOMY**



## **OUR NEXT INNOVATIONS**



#### **OUR NEXT COMMUNITY**



#### Creating Experiences.

Centennial will create remarkable places that lead to unforgettable experiences. Centennial celebrates the evolving diversity of the community as a place to live; a place to stay; a place to be.

#### Strong, Diverse, Resilient,

of strength, diversity, and grows, and attracts employers business-friendly through policies and practices.

#### A Smart Suburban City.

Centennial will support an As an innovative and smart Centennial will economy to serve as a model suburban city, Centennial arts, culture, technology, and will be a model for others. recreation opportunities within resilience for the region and Centennial embraces the life a beyond. Centennial preserves, cycle of technology to apply providing amenities and emerging and innovative experiences for all walks of life. technologies to connect the Our neighborhoods form the community through essential services.

#### Healthy. Happy. Connected.

integrate connected community foundation of our City, making it a desirable and attainable place to live for all.

CHAPTER 1: INTRODUCTION













## **ADUs**

## Straw Poll Timing?

<b>Strategy</b> ADUs	Consider/ Strong Agree	Consider/ Agree	Neutral	Do not consider/ Agree	Do not consider/ Strong Agree
AD03					
Inclusionary					

## Understanding the Strategy

## This strategy is intended to:

- 1. Add housing to the community
- 2. Allow "gentle" infill that can maintain neighborhood character
- 3. Housing option for immediate family or small household

## It works by:

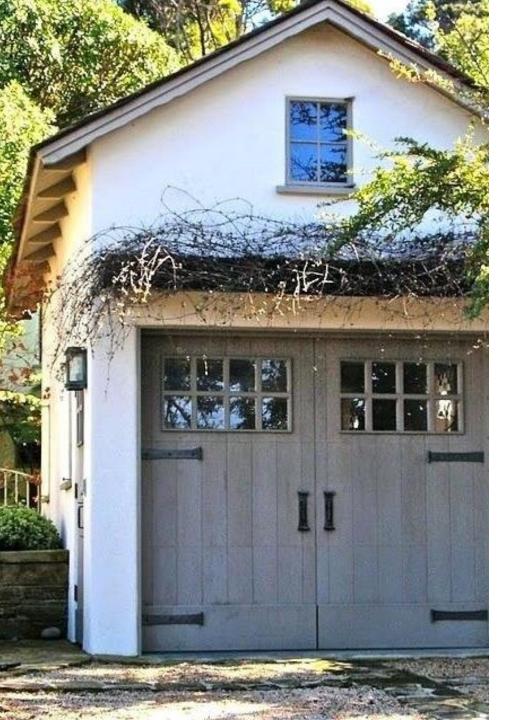
- 1. Changing the land development code to allow ADUs as an accessory use on a lot
- 2. Usually allowed without rezoning, may require development permit, will require building permit



#### **Centennial NEXT:**

Places 4. Provide opportunities for new housing options that meet market trends and the evolving needs of current residents.

**4e.** Explore the allowance for Accessory Dwelling Units (ADUs) within residential areas, subject to operation and design guidelines that respect the character and context of the City's various neighborhoods and zone districts.



## **ADUs: Feasibility**

## **Technical Feasibility:**

- ADU approvals can be accommodated within the existing land use approval process
- Code enforcement issues are possible with ownership/residency requirements

#### **Administrative Feasibility:**

The following changes to the LDC will be needed to administer ADUs

- Updated zone district use permissions, potentially linked to a review/permit process
- Creation of ADU-specific standards (type, size, location)

## **ADUs: Diversity and Equity**

#### Considerations for homeowners who want to build ADUs

- 1. ADUs are less expensive to build than a new home, but still fairly expensive, and funding may be an issue for some homeowners
- 2. ADU approval and permitting processes can be opaque to people outside of the development "world"

#### Considerations for residents who want to live in ADUs

- ADUs can provide more housing for a range of incomes and smaller household sizes
- ADUs can be designed for a wide range of people in terms of age and abilities



## Potential ADU Survey Questions

- 1. Survey about preference for ADU types (internal, attached, stand-alone, with other accessory structure)
- 2. What are important advantages of ADUs: supplemental income for homeowner, security and assistance for elderly, affordable housing opportunities, increase amount of available housing, housing for adult children or other family members, additional resource for mortgage qualification, other
- 3. What are potential disadvantages of ADUs: increased cars/parking, lack of property maintenance, more noise, disrupt fabric of neighborhood, other
- 4. How could the disadvantages be mitigated?
- 5. If ADUs were allowed in your neighborhood, how likely would you be to create one on your property in the next 1-5 years?



## Inclusionary Zoning

## Discussion and Straw Poll

- 1. Potential positive outcomes
- 2. Potential negative outcomes
- 3. Intangible outcomes

Strategy	Consider/ Strong Agree	Consider/ Agree	Neutral	Do not consider/ Agree	Do not consider/ Strong Agree
ADUs					
Inclusionary					

# Understanding the Strategy

This strategy is intended to:

- 1. Create mixed-income communities
- 2. Increase the amount of affordable housing
- 3. Leverage private-sector development

It works by: Requiring the provision of a specified percentage of affordable housing as a part of any residential development project of a certain size.



#### **Centennial NEXT:**

**Places 4.** Provide opportunities for new housing options that meet market trends and the evolving needs of current residents.

**4d.** Update the LDC to ensure new residential development provides a variety of housing sizes, types, densities, styles, and price ranges to meet market demands.

**Economy 4.** Attract and develop an exceptional workforce equipped to adapt to a changing economy.

**4a.** Investigate housing demand with specific consideration given to identifying housing types needed to attract and retain the current and future targeted workforce.

## Inclusionary Housing: Feasibility

## Technical Feasibility:

- An inclusionary zoning program can be accommodated in the current development review permitting process
- New processes may be needed if the IZ program extends beyond construction and allows payment of fees in-lieu of construction

#### Administrative Feasibility:

- IZ requires long-term administration for:
  - Coordination between development review and construction
  - Selling or renting the units
  - Monitoring and enforcing deed/rent restrictions
  - Tracking results
  - Refining the program

## Diversity and Equity

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Inclusionary					

## Potential IZ Survey Questions

- 1. Would you support a program that requires some affordable housing to be created as part of any larger housing development (such as more than 10 or 20 units)?
- 2. What are important benefits of inclusionary zoning:
  - a. Increased supply of affordable housing,
  - b. Health benefits of living in a mixed-income community,
  - c. More income diversity in a neighborhood,
  - d. Less direct government spending to produce affordable housing
- 3. What are potential disadvantages of inclusionary zoning:
  - a. The regulations will be controversial,
  - b. The affordable unit requirement could place a cost burden on the property owner,
  - c. The affordable units usually do not serve very low-income residents,
  - d. it takes too long for the market to produce enough affordable units

## Next Steps

- July 11: City Council (update)
- July 13: Planning & Zoning Commission (update)
- July 25: Next Working Group Meeting
- August 9: Community Workshop #2 at Newton Middle School
- **August 17:** Joint City Council/P&Z Update
- Keep an eye on the project website for updates: centennialco.gov/housing

## Project Messaging

- What are the groups key takeaways from today?
- Is there anything you would like to share?



## Thank you for your time & input!

NEXT WORKING GROUP MEETING: JULY 25