



Housing Working Group

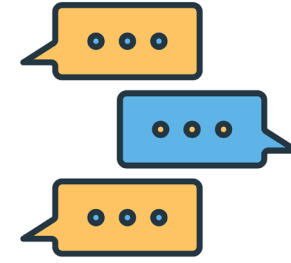
JULY 25, 2022

Today's Meeting

- Strategy Discussion
 - Bonus Density
 - Expedited Approvals
 - Land Acquisition/Banking
 - Updates to Review Criteria
- Potential Survey Questions
- Community Outreach Update
- City Council/P&Z Update
- HNA Comment Version
- 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.
9. 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.

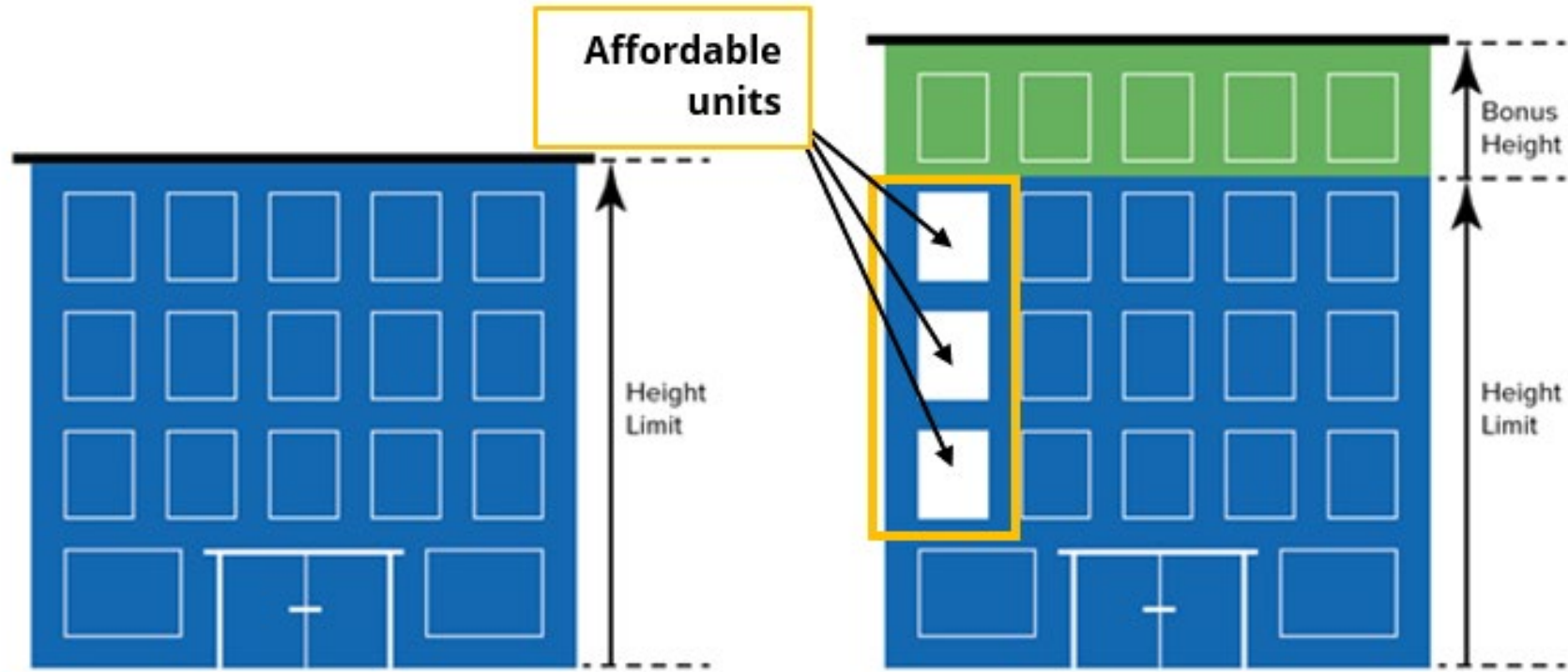
Role of the Working Group

- 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

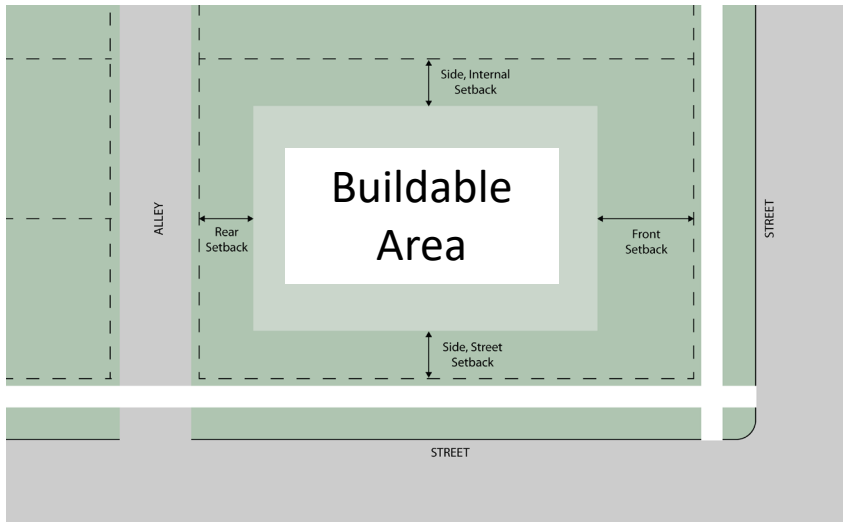
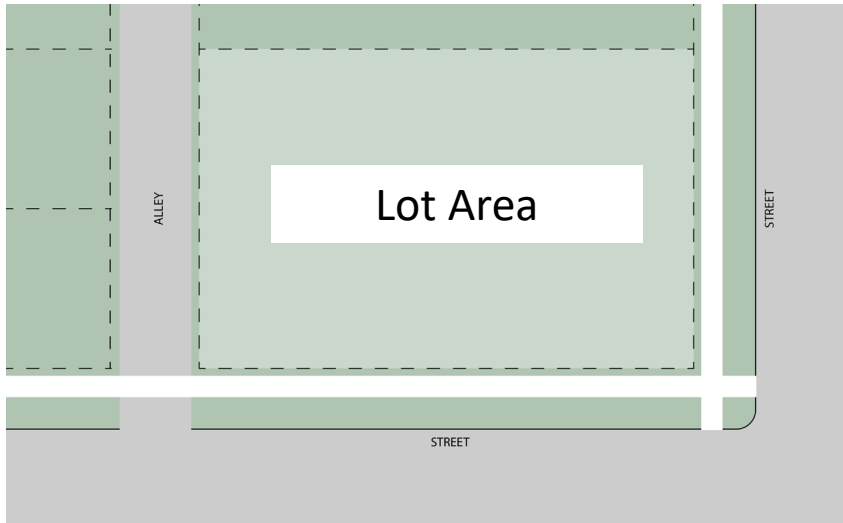
July Strategies

BONUS DENSITY | EXPEDITED REVIEW | LAND BANKING





Bonus Density



Understanding the Strategy

This strategy is intended to:

Allow more housing on a lot that would be allowed by the current regulations

It works by:

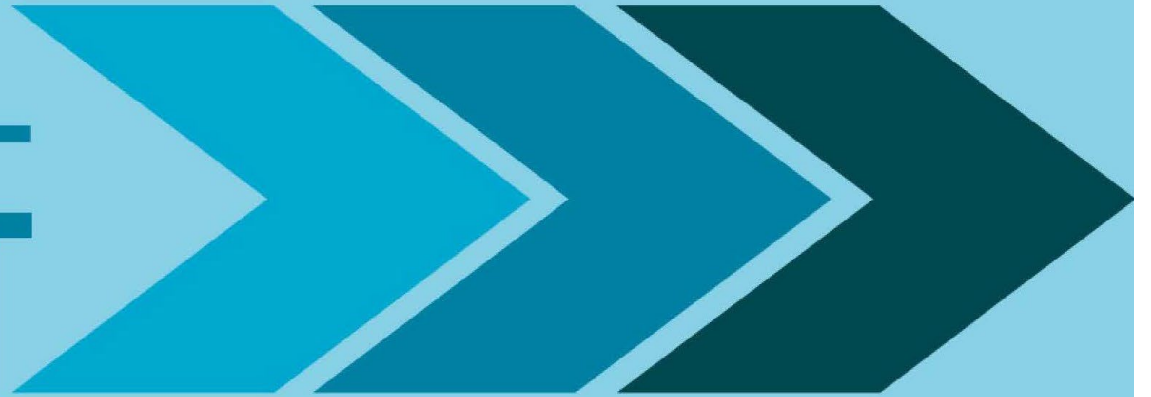
Changing required zoning standards in a manner that allows the construction of more building area. Bonuses could include:

- Relaxing dimensional standards such as minimum lot size, lot coverage, or setbacks
- Permitting a larger number of dwelling units in a building or development site
- Providing a bonus height allowance or exemption from height restrictions that allows for construction of additional stories
- Reducing the amount of open space required on a development site
- Reducing the required number of parking spaces

It works with:

Density bonus is often used in conjunction with inclusionary zoning.

CENTENNIAL
NEXT



Does it implement the
comprehensive plan?



Feasibility

Technical Feasibility (Can the City implement this?):

- Yes, density bonus is implemented through the Land Development Code and regular development approval process

Administrative Feasibility (Can the current staff implement this?):

- Yes, as part of the development review process.



Austin, Texas density bonus for
commercial conversion

Diversity and Equity

Bonus density can:

1. Increase the amount of housing that can be provided in different areas;
2. Support the creation of workforce housing by locating more housing in and near employment areas; and
3. Potentially provide smaller units that are affordable/attainable to a wider cross-section of the community.

Impact + Effectiveness

Will implementing this strategy make a difference in terms of providing affordable housing? How much of an improvement will this strategy make? Impact | **Contributing**

The effectiveness of this strategy will depend on how the bonus density is triggered:

- Voluntary, at the developer's option, with a review process
- Automatically triggered for development in certain locations (e.g., TOD sites)
- Automatically triggered for developments that provide affordable housing
- Automatically triggered for certain types of development: mixed-use, adaptive reuse of commercial to residential

Working Group Discussion:

1. Can we group Impact and Effectiveness?
2. What scale do we want to use for Effectiveness?

Cost

Working Group Discussion:

How do we want to measure costs to the City?

What are the anticipated costs to the City of implementing this strategy?

Centennial Cost Category	No Additional Cost	Start-up Cost	Operational Cost	Triggered Cost at a Unit Threshold	Unknown
Planning Staff					
Public Services Staff/Resources					
Public Infrastructure Construction					
Public Infrastructure Maintenance					
Land					

Costs

What are the costs of not implementing this strategy?

Working Group Discussion:

How do we want to measure costs of not implementing?

Loss of Housing	Loss of Benefits	Future Loss of
Affordable Housing	Economic – workforce housing	Existing and future residents and residential diversity
Range of Unit Sizes	To the at-risk community: affordable housing is the most cost-effective strategy for increasing economic mobility and decreasing childhood poverty	Current business expansion and new business creation
Mixed-Use Infill and Redevelopment	Increased traffic/transportation demand from more employees driving in to work from other communities	Wages, taxes, sales
	Current household stability	

Bonus Density Survey Questions

- A. Should Centennial consider encouraging the creation of more residential construction by allowing projects to have “bonus density” in the form of extra height or extra building size?
1. Yes, for all projects
 2. Yes, for attached (duplex, triplex, townhomes) and multifamily (apartments/condos) housing
 3. Yes, when the project includes affordable housing
 4. Yes, in certain parts of the City [please specify below]
 5. No, instead of a bonus, the City should change the Land Development Code to allow more development in places where it fits
 6. No
 7. [Comment]
- B. If a housing development provides affordable housing, should the project be provided any of the following regulatory changes to help add more building space and offset the cost of providing the affordable units? Choose as many as you think are applicable.
1. Extra height of one story above the height allowed in the zone district
 2. Reduced on-site parking requirements
 3. Reduced setbacks (how far the buildings have to be located from the lot line)
 4. Reduction to the required landscaping or open space on the lot
 5. Other [please describe below]
 6. None
 7. [Comment]



Expedited Development Approval

1. AFFORDABLE HOUSING
2. COMMERCIAL ADAPTIVE REUSE TO AFFORDABLE RESIDENTIAL

Understanding the Strategies

This strategy is intended to:

Allow affordable housing development applications to be processed faster to help minimize project delays and costs.

It works by:

There are a few options to expedite development review:

- Eliminate hearing requirements and allow affordable housing projects to be approved administratively,
- Fast-track (moving to the front of the application line) affordable housing project applications, and/or
- Assign a City staff member as a project advocate/expediter.

It works with:

Expedited review is often used together with application fee waivers.

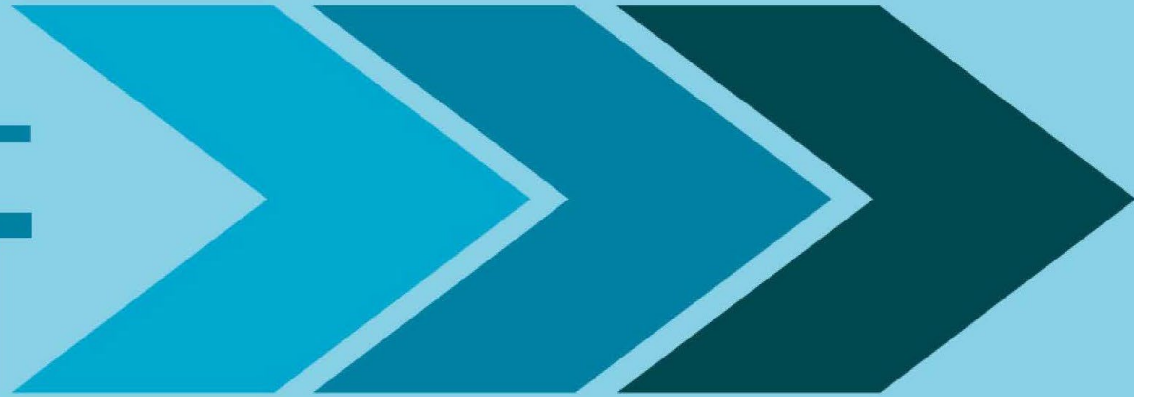




Development Review Timing

Application Type	Review Period	Approval Process
Single Family Home (new home on NC/NI lot)	10-15 days	Director/Building Official
Single Family Home within a development that requires a Site Plan process	6 mo - 1 year	PZ recommendation with CC Approval
Townhome/duplex within a development that required a Site Plan Process	6 mo - 1 year	PZ recommendation with CC Approval
3 story rental residential within a development (sample: Villas At Holly)	6 mo - 1 year	PZ recommendation with CC Approval
5 story rental residential within a development (sample: Doran MF)	6 mo - 1 year	PZ Approval w/ CC ratification
8 story rental residential within a development (sample: Jones)	6 mo - 1 year	PZ Approval w/ CC ratification
12 story rental residential within a development	6 mo - 1 year	PZ Approval w/ CC ratification

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NEXT



Does it implement the
comprehensive plan?

Feasibility

Technical Feasibility (Can the City implement this?):

- The City can expedite approvals and permits reviewed by City departments
- The City cannot expedite permits subject to external agency control (CDOT)

Administrative Feasibility (Can the current staff implement this?):

- If affordable applications are allowed to jump the line:
 - How will this impact the processing of other applications?
 - Will all departments need to create an expedited process (e.g., infrastructure or building permit)?
- If affordable applications are approved administratively, current staff should be able to administer



Feasibility: Which Projects to Expedite?



2022 Income Limit and Maximum Rent Tables for All Colorado Counties 20% to 120% of Area Median Income (AMI)

HUD Effective Date: April 18, 2022

- The IRS allows Housing Tax Credit projects that placed in service as of 12.31.2008 to use higher HERA Special limits.
- All Housing Tax Credit and CHFA Loan projects are "held harmless" from limit decreases. To be "held harmless," a project must be in service before 06.03.2022.
- Housing Tax Credit and CHFA Multifamily Loan projects whose counties experienced a decrease in 2022 limits and that place in service before 06.03.2022 may continue to apply the same limits used in 2021.

County	HERA	AMI	2022 Maximum Rents					2022 Income Limits							
			0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Arapahoe	Y	60%	1,237	1,326	1,591	1,838	2,050	49,500	56,580	63,660	70,680	76,380	82,020	87,660	93,300
Arapahoe	Y	55%	1,134	1,215	1,458	1,685	1,879	45,375	51,865	58,355	64,790	70,015	75,185	80,355	85,525
Arapahoe	Y	50%	1,031	1,105	1,326	1,531	1,708	41,250	47,150	53,050	58,900	63,650	68,350	73,050	77,750
Arapahoe	Y	45%	928	994	1,193	1,378	1,537	37,125	42,435	47,745	53,010	57,285	61,515	65,745	69,975
Arapahoe	Y	40%	825	884	1,061	1,225	1,367	33,000	37,720	42,440	47,120	50,920	54,680	58,440	62,200
Arapahoe	Y	30%	618	663	795	919	1,025	24,750	28,290	31,830	35,340	38,190	41,010	43,830	46,650
Arapahoe		120%	2,463	2,638	3,165	3,657	4,080	98,520	112,560	126,600	140,640	151,920	163,200	174,480	185,760
Arapahoe		100%	2,052	2,198	2,637	3,047	3,400	82,100	93,800	105,500	117,200	126,600	136,000	145,400	154,800
Arapahoe		80%	1,642	1,759	2,110	2,438	2,720	65,680	75,040	84,400	93,760	101,280	108,800	116,320	123,840
Arapahoe		70%	1,436	1,539	1,846	2,133	2,380	57,470	65,660	73,850	82,040	88,620	95,200	101,780	108,360
Arapahoe		60%	1,231	1,319	1,582	1,828	2,040	49,260	56,280	63,300	70,320	75,960	81,600	87,240	92,880
Arapahoe		55%	1,128	1,209	1,450	1,676	1,740	45,155	51,590	58,025	64,460	69,630	74,800	79,970	85,140
Arapahoe		50%	1,026	1,099	1,318	1,523	1,700	41,050	46,900	52,750	58,600	63,300	68,000	72,700	77,400
Arapahoe		45%	923	989	1,186	1,371	1,530	36,945	42,210	47,475	52,740	56,970	61,200	65,430	69,660
Arapahoe		40%	821	879	1,055	1,219	1,360	32,840	37,520	42,200	46,880	50,640	54,400	58,160	61,920
Arapahoe		30%	615	659	791	914	1,020	24,630	28,140	31,650	35,160	37,980	40,800	43,620	46,440
Arapahoe		20%	410	439	527	609	680	16,420	18,760	21,100	23,440	25,320	27,200	29,080	30,960

Diversity and Equity

How will this strategy help implement Centennial's diversity and equity goals?

1. Expedited development review for affordable housing may incentivize the creation of affordable housing.
2. Expediting development review for the conversion of underutilized commercial structures to affordable housing may help place residents of affordable housing closer to employment centers and transportation services.

Will this strategy have a positive impact on special populations in Centennial? The focus on creating more affordable housing in traditionally non-residential areas and in commercial structures may have benefits for residents who use public transportation as well as those who need mobility assistance.

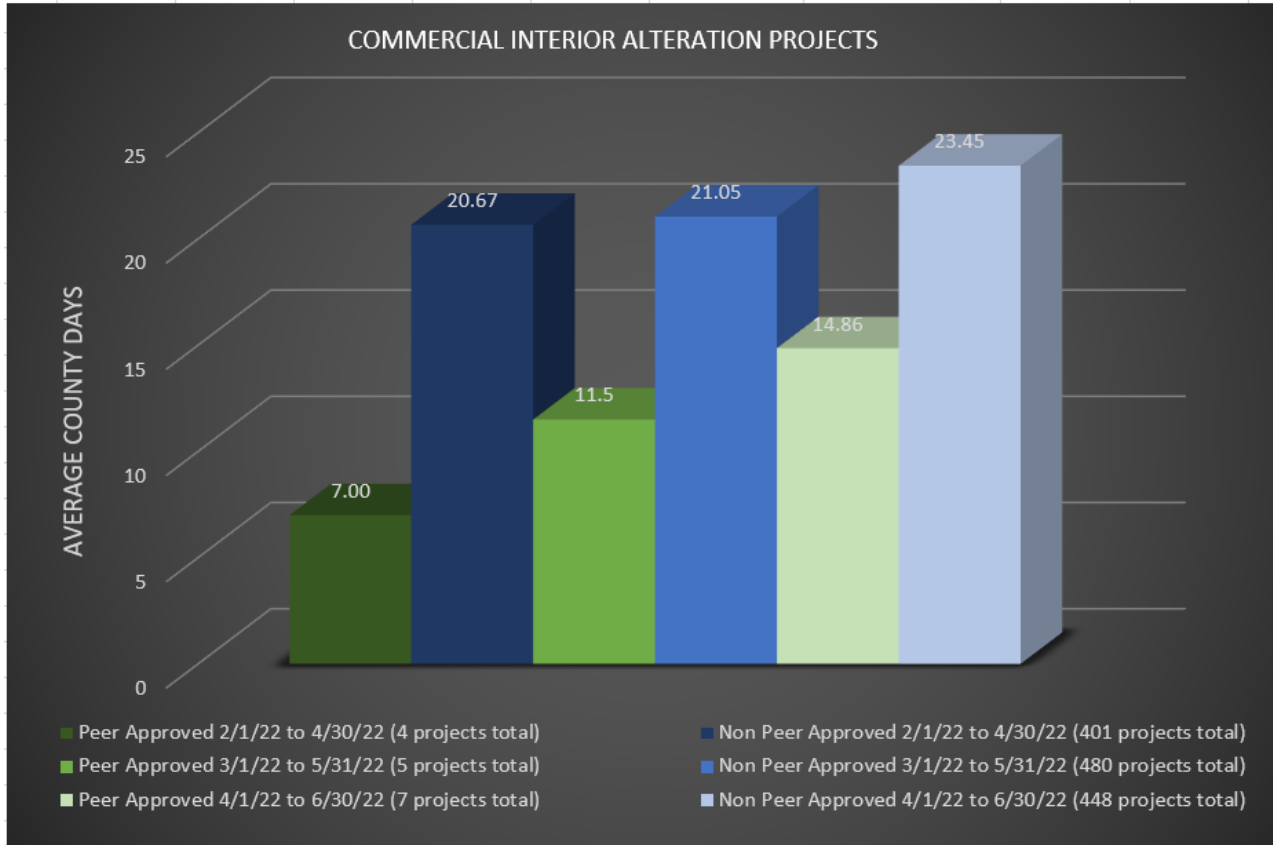


Impact + Effectiveness

Will implementing this strategy make a difference in terms of providing affordable housing? How much of an improvement will this strategy make? Impact | **Contributing**

Expedited approval has been effective in some communities, typically when paired with another program such as fee reduction.

Determining the long-term effectiveness of expedited approvals may be challenging because providing an approval does not always translate into completed construction.



Fairfax County, Virginia Expedited Building Plan Review

Cost

What are the anticipated costs to the City of implementing this strategy?

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Planning Staff					
Public Services Staff/Resources					
Public Infrastructure Construction					
Public Infrastructure Maintenance					
Land					

Costs

What are the costs of not implementing this strategy?

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Mixed-Use Infill and Redevelopment	Increased traffic/transportation demand from more employees driving in to work from other communities	Wages, taxes, sales
	Current household stability	

Expedited Review Survey Questions

- A. Should Centennial create a streamlined review process that allows residential developments that meet all of the zoning requirements and that include more than 10% affordable housing to be approved without a public hearing? There will still be multiple opportunities for public input.
1. Yes
 2. Yes, as long as the project meets all of the design requirements
 3. Yes, for small projects (fewer than 10 units)
 4. Yes, in certain circumstances (please describe below)
 5. No
 6. [Comment]
- B. Should Centennial create an option for residential developments that include more than 10% affordable housing to be “expedited” or moved to the front of the City’s application review line?
1. Yes
 2. Yes, for projects that will provide more than 5 affordable units
 3. Yes, as long as this does not significantly delay the review of other applications
 4. Yes, in certain circumstances (please describe below)
 5. No
 6. [Comment]



Land Banking

An aerial photograph of a suburban neighborhood. Five red location pins are placed along a row of houses, each with a white line pointing to a specific address: 20121 53 Avenue, 20131 53 Avenue, 20141 53 Avenue, 20151 53 Avenue, and 20161 53 Avenue. Below these addresses, a red-outlined rectangular area encompasses a row of five lots, each containing a house. The street below this area is labeled '53 Ave'.

Understanding the Strategy

This strategy is intended to:

Establish a local government program that can buy, acquire, and hold land for later development as affordable housing.

It works by:

- Acquiring, assembling, and holding land to be used for affordable housing
- Reducing land ownership holding costs for affordable housing developers
- Maintaining the property owned by the bank
- Negotiating the sale or donation of the property.

It works with:

Land banking can support a variety of other housing strategies.



Feasibility

Technical Feasibility (Can the City implement this?):

- The City will need to establish a land bank, either as a stand-alone program or part of an existing program.
- The City may also be able to participate in a regional land bank – this will need to be explored further.

Administrative Feasibility (Can the current staff implement this?):

- Land banks typically require a dedicated administrator with land banking/legal experience.



Diversity and Equity

How will this strategy help implement Centennial's diversity and equity goals?

1. Land banking can help incentivize the creation of affordable housing but may only have limited impact on the distribution of that housing across the City.
2. Strategic land banking may help encourage reinvestment in areas with naturally occurring affordable housing.

Impact + Effectiveness

Will implementing this strategy make a difference in terms of providing affordable housing? How much of an improvement will this strategy make? Impact | Contributing

- Land banking has been effective in creating and rehabilitating affordable housing units in other communities.
- Over the longer term, including a period of strong markets and soft markets, land banks in other communities have shown significant results in retaining and adding affordable housing options.
- A land bank that can accept land and funding donations can create a multiplier effect through teaming with private funders and foundations. For example, the Annie E. Casey Foundation purchased 53 properties in Pittsburgh that it worked with local agencies to hold and redevelop as affordable housing over a 10-year period. The Atlanta Land Trust was the beneficiary of a recent \$900,000 grant for affordable housing.

Cost

What are the anticipated costs to the City of implementing this strategy?

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Public Services Staff/Resources					
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Land					

Costs

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Mixed-Use Infill and Redevelopment	Increased traffic/transportation demand from more employees driving in to work from other communities	Wages, taxes, sales
	Current household stability	

Land Banking Survey Questions

- A. Should Centennial establish a public land bank (a City entity that can buy land or accept land donations) with the authority to purchase existing vacant or abandoned properties that are tax delinquent, and then clean-up and hold those properties for later development of affordable housing?
1. Yes
 2. Yes, but only in areas that are mostly multifamily
 3. Yes, for commercial properties only
 4. Yes, in certain circumstances (please describe below)
 5. No
 6. [Comment]
- B. Should Centennial establish a public land bank with the authority to purchase any property to hold for future affordable housing development?
1. Yes
 2. Yes, but only in areas that are mostly multifamily
 3. Yes, for commercial properties only
 4. Yes, in certain circumstances (please describe below)
 5. No
 6. [Comment]

Discussion and Straw Poll

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

Strategy	Yes	No	Neutral
Bonus Density			
Expedited Approval – Affordable Housing			
Expedited Approval – Commercial Conversion to Residential			
Land Banking			



Community Outreach Update

Responses to Question 5 included in WG packet

All strategies were listed with short explanations.

Survey question:

1. Please select all of the strategies that generate questions for you.
2. Please expand on what questions you have about any of these strategies.

Feedback: City Council and P&Z Updates

- Strategy Review Criteria are acceptable
 - Include impact, effectiveness, and cost as review categories.
 - Consider combining impact and effectiveness.
 - Consider cost in terms of public facilities and services.
- Curious about Colorado Spring's experience with ADUs
- Collect more specific information about inclusionary zoning and report back
 - Curious about Longmont's experience
- Continue community outreach and feedback



Next Steps

- **August 9:** Community Workshop #2 at Trails Recreation Center, Conestoga Meeting Room
- **August 13:** Centennial Under the Stars at Centennial Center Park
- **August 17:** Joint City Council/P&Z Update
- **August 22:** Next Working Group Meeting
- 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: AUGUST 22