Denver Community Planning and Development (CPD) and the Office of Housing Stability (HOST) are looking for ways to encourage construction of affordable and mixed-income housing, particularly in transit-rich areas.

**Why this project?**

As housing costs go up, more families in Denver are spending more of their budgets on where they live or finding themselves priced out of neighborhoods. Citywide plans and policy documents reflect this need and call for new tools to create more housing opportunities.

- Comprehensive Plan 2040 calls for Denver to be an equitable, connected and healthy city.
- Blueprint Denver recommends addressing the community’s strong desire for more affordable housing options.
- Housing an Inclusive Denver calls for the creation of housing to meet the growing housing needs.

**What is affordable housing?**

Housing is considered affordable when no more than 30% of a person or family’s income covers the rent or mortgage. This leaves money to pay for other necessities like food, healthcare, transportation, education, child care and savings. Affordable housing can refer to properties that can only be rented or bought by people below a certain income (dedicated or income-restricted affordable housing) or those priced so that more people are able to pay for them (attainable affordable housing). While both are critical to meet community needs, this project will focus on increasing the supply of income-restricted affordable housing for low-to moderately low-income households. Maintaining and growing dedicated affordable housing is essential housing stays affordable, especially in neighborhoods where market rents are rising rapidly and families are vulnerable to displacement.

**Why incentives?**

Currently, Colorado state law on rent control and related court decisions significantly limit Denver’s ability to address the need for affordable housing. Something we can do is create incentives through zoning. Increased density, reduced parking, reduced fees and other strategies can offset costs for developers and can be used as incentives to include affordable units in what may otherwise be a market rate development.

In 2018, Denver adopted a pilot program in the neighborhood around the 38th and Blake RTD light-rail station to direct growth around transit by allowing buildings to be taller in exchange for including more affordable units in those buildings. We’re looking at this program to see if it can work citywide.

**Where will the incentive apply?**

The city’s plans call for creating more housing opportunities that more people can afford in areas near train stations and bus stops. We will also consider using potential incentives in regional and community centers and corridors where multifamily and mixed-use development is appropriate and where people can live near jobs and amenities.
Project Process and Timeline

The project is expected to last about 18 months starting in January of 2020. City staff will work with a volunteer advisory committee of community and industry representatives and the broader public to develop recommended changes to the Denver Zoning Code (DZC) and Denver Revised Municipal Code (DRMC).

The project contains five key phases:

1. Evaluating best practices and programs in other cities: We will research what cities similar to Denver are doing, analyze existing programs and establish criteria for evaluating an incentive system.
2. Evaluating potential alternatives: We will develop and evaluate different approaches to an incentive system, including testing financial feasibility and how well it produces the anticipated community benefit.
3. Confirming our strategy: We will develop a final incentive system based on the review and testing of the alternatives and report out on the final strategy.
4. Drafting: We will create an outline and draft code language of the proposed changes to the DZC and DRMC.
5. Legislative review: The Denver Planning Board will review, hold a public hearing and make a recommendation to City Council, who will make the final decision.

Community outreach will be integrated into each phase of this project.

How can I get involved?

Every planning and implementation project is guided by community voices and the variety of perspectives and expertise you bring to each project.

At each step, we will engage community members to address key questions, including identifying issues and selecting strategies to develop the incentive system. All content and opportunities to participate will be online.