

FOCUS GROUP: Affordable Housing Developers

Meeting Notes

Thursday May 14, 2020 3:00 – 4:30 pm
Virtual Meeting Via WebEx

Meeting Objectives:

- Review project objectives, timeline, and scope
- Discuss current barriers to the development of affordable housing
- Discuss solutions to the development of affordable housing

Welcome, Introductions and Agenda Review

The following organizations were present:

Project/Focus Group Overview

Barriers to Development

From the registration survey and prior conversations with stakeholders, the following have been identified as the top barriers to developing affordable housing:

- Land Availability
 - *Broad term. Focusing housing near TOD and employment areas.*
 - *Not only availability of land, but price of land as well.*
 - *Ideally housing can go in areas close to transit, services and employment which is often hard to find*
 - *Does repurposing of existing buildings “count” towards the land availability conversation?*
 - *Much of the available land has “issues,” such as environmental cleanup, incomplete streets, disinvestment in city infrastructure.*
- Development Review/Permitting Process
 - *Challenges to affordability arising in other, adjacent departments, such as Public Works requirements.*
 - *Regulatory barriers: interaction with Landmark, etc. Coordinating development review – especially on unique projects.*
 - *Expediency, time and resources it takes to get through these areas. Expedited permit review suggested – pilot project in the works.*
- Rezoning Process
 - *Unpredictable and costly process*
 - *Many of the remaining land in the city needs to be rezoned to allow for the housing project*
- Parking standards
 - *More vehicle parking is required by code than needed, especially for lower AMI projects and those in transitional housing*

Discussion Questions:

- Is there something that is not on this list that should be discussed today?
 - Community Engagement Process
 - *Hear more from citizens who have the “luxury of time” rather than affected communities.*
 - *How do we “plug in” equity at all steps of the process?*
 - Financing/Money: *everyone competing for the same LIHTC dollars*
 - Adaptive Re-Use: *Need to enable for motels and other existing buildings to be easily modified and used for affordable housing*
- Are these barriers unique to Denver? What are other communities doing to better address them?
 - *Many other communities across the front range have similar challenges*
 - *Eagle County: implementing a “fast tracked” permitting system.*

AFFORDABLE HOUSING ZONING INCENTIVE

- *Tap and Impact Fee waivers for units at 20% and 30% AMI*
- *Chicago: Micro Market Recovery Program*
- *LA: small lot development program*

Proposed Solutions (30m)

Some of the following solutions have either been proposed by stakeholders and/or being explored by the city. We would like to know more about what solutions are most important and how they should be approached.

Discussion Questions:

- What are some solutions the city and its partners should explore to improve land availability?
 - *City should explore or partner on land banking*
 - *Legislative rezonings, which can take the risk out of the development equation. However Legislative rezonings would need to be structured in a manner that makes it appeal to take advantage of affordable housing incentives. Don't "give away the store"*
- What are considerations or factors that go into site selection?
 - *Transit access, lot size, existing infrastructure, existing entitlement/zoning*
- What are some solutions that the city should explore regarding the development review process?
 - *expedited/priority review processes*
 - *Waiver of rezoning fees, even though its small, it's a gesture of the city's priorities*
 - *Be mindful of any new policies and changes put in place. Reach out to developers to make sure changes "work"*
- What are some solutions that the city should explore regarding the rezoning process?
 - *Priority scheduling for affordable projects*
- What are some solutions that the city should explore regarding parking standards?
 - *Parking "crunch," especially on smaller sites. Would rather have open space for kids to play outside than a parking lot.*
 - *No cars for smaller units or PSH units. Could also look at reducing parking for boardinghouse type products.*
 - *Parking is sometimes needed for for-sale units where a member of the household drives for a car share service, therefore thinking about need from a rental vs for-sale perspective may be useful*
 - What is the actual parking need for your projects? How does vary by AMI level, demographic served (senior housing); on-site services, etc.
 - *Density generally based off parking. Parking need lower for senior housing (1:1).*
 - *Parking not utilized in projects targeting 30% or less AMI – huge barrier. Could be significantly reduced.*
 - *Affordable housing developers always trying to "crank down" parking totals. More cars at higher AMIs. Supplementing of income by driving Uber, etc.*
 - *Most parking being provided in driveway space.*
 - *Most districts established with reduced parking requirements anyway, so developers not often taking advantage of code-based parking reductions (development near transit stations, etc.)*
- What are other changes or incentives the city should explore to promote the development of affordable housing?
 - *Development fees are hitting affordable projects at the same level as free market projects, even though many affordable projects have less impact on the land. Even must pay the linkage fee sometimes.*
 - *Density bonuses are a good idea – valuable tool.*

Other Comments:

- *The nature of neighborhoods may be changing in the next 5-10 years. Multi-use neighborhoods may become more common and popular.*
- *Find ways to encourage complete neighborhoods.*
- *Need for housing is going to be even greater post-COVID.*
- *While incentives are meaningful for market rate developers, affordable developers need the playing field level, so they can also compete for land and development to serve lower income folks.*