The impact of changing demographics on Denver and what it means for the future

6 June 2017

- 6400 acres
- 10 neighborhoods
- 65,000 residents
- 22,000 households
- 3 city council districts
**mission**
The mission of the West Denver Renaissance Collaborative (WDRC) is to facilitate the revitalization of West Denver in an **equitable** fashion improving the livelihood of existing residents’ and working to preserve and amplify the rich multicultural character.

**what we do?**
Identify Community Priorities  
Convene local partners across sectors  
Leverage existing assets & new resources  
Advocate for equity & upward mobility in place  
Help to grow local capacity & leadership

WDRC funders: the City & County of Denver, the Denver Housing Authority, Enterprise Community Partners, and The Denver Foundation.

- 128,000 new residents in the last 7 years
- High growth neighborhoods: Auraria, Central Business District, and Civic Center neighborhoods more than doubled in size between 2000 and 2015
- Ethnic clustering: sw Denver Latinos, NE Denver African Americans
- Percent population with bachelors degree increasing in neighborhoods adjacent to downtown … indicator of gentrification
Denver Housing (2000-2015)

- Housing unit growth – 17%, compared with population growth of 23%
- Displacement amongst low income renters is increasing and intersects with race and equity.
- Market rate rental development flourished in recent years

Source: Urban Institute tabulations of 2000 Decennial Census and 2011-15 American Community Survey data
West Denver: housing & household

- Households in west Denver have lower incomes than throughout Denver, but are more likely to be owners.
- 78% of renters and 58% of owners are considered “low income”.
- Over 60% of west Denver renters are considered “very low income” or “extremely low income”.
- Cost burdened residents increased throughout west Denver.
- Rising home assessed values and rising rents are placing pressure on low income households living in west Denver.

Figure 11: Percent Change in Average Sales Prices, Single Family Detached Homes, 2012 – 2016

Source: Denver Multi-List System (MLS)
Figures 30: Low Income Households, 2017

**West Denver**
- Renters 80% AMI or Less: 78%
- Renters 81% AMI +: 22%

**Denver**
- Renters 80% AMI or Less: 59%
- Renters 81% AMI +: 41%

**West Denver**
- Owners 80% AMI or Less: 58%
- Owners 81% AMI +: 42%

**Denver**
- Owners 80% AMI or Less: 70%
- Owners 81% AMI +: 30%

Source: Ribbon Demographics, CSI
WDRC
**WDRC**

**Result: Instability**

- In 2015, 2,915 owners and 6,989 renters in west Denver were cost burdened.
- Seventy eight percent (78%) of west Denver renters cannot afford current rents in the area.

- 2017, Owners must have an income of approximately $76,000, or 95% of the Denver HUD median income to afford the median priced home in west Denver.
- 2015, Renter average income $24,000 and owner average income $56,000
COMMUNITY P Priorities & Concerns

- Housing/displacement
- Engage/grow capacity
- Gentrification
- Education
- Neighborhood plan
- Business support
- Evaluate
- Incentivize
- Leadership support
- Connectivity
- Growth planning
- Neighborhood bus connectivity

Figure 4. Vulnerable Neighborhoods in Denver
Based on 2013 Demographic Data

A tract is categorized as Vulnerable if it meets at least two of these criteria:
- Median household income is lower than Denver’s
- 9% renter-occupied units is higher than Denver’s
- 9% residents with less than a Bachelor’s Degree is higher than Denver’s

Census Tracts
Vulnerable Neighborhoods
Neighborhood Boundaries

Villa Park listening session/survey, 2016
West Denver: Gentrification and Displacement Index

- Percent low income households
- Vulnerability to gentrification (6 criteria)
- Reduction in HH <80% AMI > Denver
- Percent increase in owner median income 2000-2015 > Denver metro area

Disparities are increasing, opportunities are diminishing...so strategies, planning, land use and the built environment are critical
INFORMED STRATEGIES & POLICY

• Data & DEMOGRAPHICS that matter and are a part of solutions
• No ‘DAD’ planning…decide, announce, defend...
• Not just standard focus on traffic (SOV), land use for density and economic development… **but also on**…
  o Infrastructure
  o Public spaces
  o Health
  o Sustainability
  o **Social equity** integrated with sustainability and resilience

2016 consolidated priorities (1:1, leaders & listening sessions/surveys)
DEMOGRAPHICS, PLANNING & SOCIAL EQUITY

WHY
Because Planning & Policy shape the built environment and have equity implications

Land plays a critical role in opportunity, disparity, health, wealth, education, life expectancy)

Location impacts access, connectivity and mobility

Change in land use, the built environment and transportation can have critical quality of life impacts on residents

Equity is foundational and has impact on integration, diversity, opportunity, crime and results in better economies!

HOW: process
• Data informed baselines/outcomes
• Not just equity goals
• Participation and inclusion to avoid the consolidation and power to create change
• Tools to keep generating affordability, access, opportunity
• Social mobility and creativity
• Range of development and design potential
• ID development and strategic investments
• Guidance on change: parameters for who, how much, when, for whom?
• Visibility to process and accessibility of those tools
• Education
• Local leaders
HOW: inclusive elements and tools

Disparities
Threats
Balanced Streets
**Mobility** and accessibility
Access to services
Safety - 8 year old and 80

LAND USE
Property and land use stewardship...#1 way to build and maintain wealth
PlaceMaking
Risk and instability
**Displacement**
Quality of life - quality of streets, **public spaces**, Access to resources and services
Inequality matters
**Convenience**
Change – how **change** will occur
Homeowner advantages
## WDRC FOCUS AREAS

<table>
<thead>
<tr>
<th>Priority</th>
<th>WDRC Initiatives</th>
<th>Neighborhoods</th>
<th>Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement &amp; Incl. underrepresented</td>
<td>• Community Connectors</td>
<td>Sun Valley (Westwood, Athmar Park)</td>
<td>DHA, Westwood Unidos, The Denver Foundation, Kresge</td>
</tr>
</tbody>
</table>
| Coordination of WD Efforts | • West Denver Community Leadership Committee (WDCLC)  
• Continue WDRC 1:1 Support | All neighborhoods and priority focus areas | All local partners & agencies |
| Business Corridor Support | • WCBID – project support  
• BuCu West – project support  
• Little Saigon – BID guide, vision outline | West Colfax, Sun Valley  
Westwood  
Westwood & Athmar Park | West Colfax BID office, BuCu West, OED, Dept. of Finance, Vietnamese American Community of Colorado (VACC), North Federal BID |
| Housing Affordability & Minimizing Displacement | • WD Housing snapshot  
• West Denver Single Family Plus (WDSF+ Pilot Program)  
• MF owner outreach | All Neighborhoods | WDRC Implementing Partners/funders, OED, CPD, AIA, CHFA, Mayor’s Office HOPE (funders and builders being engaged) |
| District Issues: pedestrian safety, key connections, mobility | • Federal Boulevard  
• Connectivity within and across neighborhoods to amenities | West Colfax, Sun Valley  
Villa Park to SV  
Westwood & Athmar Park | Mile High Connects, RTD, City & County of Denver OED/PW/Forestry, TPL, |
| advocacy, coordination, equity, leveraging $ | • Blueprint Denver  
• 2017 GO Bond | All Neighborhoods |
| data analysis | All Neighborhoods |
| Annual community priorities | All Neighborhoods |
CUSTOM SOLUTIONS NEEDED

WD EXISTING HOUSING

<table>
<thead>
<tr>
<th>UNIT SIZE</th>
<th>PARCELS IN BOUNDARY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 unit</td>
<td>13,113</td>
<td>89.83%</td>
</tr>
<tr>
<td>2 units</td>
<td>998</td>
<td>6.84%</td>
</tr>
<tr>
<td>3 - 9 units</td>
<td>380</td>
<td>2.6%</td>
</tr>
<tr>
<td>10 - 50 units</td>
<td>73</td>
<td>.50%</td>
</tr>
<tr>
<td>50 - 199 units</td>
<td>30</td>
<td>.21%</td>
</tr>
<tr>
<td>200 - 400 units</td>
<td>6</td>
<td>.02%</td>
</tr>
<tr>
<td></td>
<td>14,597</td>
<td>100%</td>
</tr>
</tbody>
</table>

Parcels are not consolidated for large holdings by DHA properties and Valley Park.
<table>
<thead>
<tr>
<th></th>
<th>Athmar Park</th>
<th>Barnum Park</th>
<th>West Barnum</th>
<th>Lincoln Park</th>
<th>Sun Valley</th>
<th>Valverde</th>
<th>Villa Park</th>
<th>West Colfax</th>
<th>Westwood</th>
<th>Denver</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Owner Occupied Units Built after 2010</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>36</td>
<td>40</td>
<td>16</td>
<td></td>
<td>3,023</td>
</tr>
<tr>
<td>Number of Rental Units Built after 2010</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>107</td>
<td>0</td>
<td>8</td>
<td>112</td>
<td>14</td>
<td></td>
<td>4,292</td>
</tr>
<tr>
<td>Homeownership Rate, 2017</td>
<td>63%</td>
<td>56%</td>
<td>68%</td>
<td>28%</td>
<td>4%</td>
<td>45%</td>
<td>42%</td>
<td>26%</td>
<td>44%</td>
<td>49%</td>
</tr>
<tr>
<td>Percent of Owners &lt;80% AMI, 2017</td>
<td>53%</td>
<td>67%</td>
<td>51%</td>
<td>46%</td>
<td>53%</td>
<td>66%</td>
<td>62%</td>
<td>49%</td>
<td>68%</td>
<td>30%</td>
</tr>
<tr>
<td>Percent of Renters 0 - 80% AMI, 2017</td>
<td>77%</td>
<td>73%</td>
<td>73%</td>
<td>69%</td>
<td>91%</td>
<td>81%</td>
<td>75%</td>
<td>82%</td>
<td>83%</td>
<td>59%</td>
</tr>
<tr>
<td>Percent of Owners who are Cost Burdened, 2015</td>
<td>27%</td>
<td>33%</td>
<td>30%</td>
<td>23%</td>
<td>50%</td>
<td>46%</td>
<td>37%</td>
<td>24%</td>
<td>37%</td>
<td>25%</td>
</tr>
<tr>
<td>Percent of Renters who are Cost Burdened, 2015</td>
<td>49%</td>
<td>59%</td>
<td>58%</td>
<td>45%</td>
<td>53%</td>
<td>61%</td>
<td>56%</td>
<td>53%</td>
<td>54%</td>
<td>47%</td>
</tr>
<tr>
<td>Percent of Owners with No Mortgage, 2015</td>
<td>13%</td>
<td>14%</td>
<td>9%</td>
<td>15%</td>
<td>100%</td>
<td>9%</td>
<td>14%</td>
<td>17%</td>
<td>15%</td>
<td>13%</td>
</tr>
</tbody>
</table>
WD HOUSING STRATEGY: MF & Single Family

1,500 MF parcels (appx. 10%) in the West Denver focus area

Multi-family sites
- Owner forums on options
- Preservation of buildings & sites
- Rehab expanded
- New MF in high benefit areas

5,900 of the total 13,000 parcels
Zoned for SF + ADU eligible by zoning and min lot size for a detached ADU

3,355 of those parcels
allow SF homes plus ADU or more eligible solely by zoning and minimum lot size for a detached ADU, Tandem House, or Duplex

- SF + ADU
  - New Rental options
  - Build equity, Build wealth
  - Homeowner Options
  - Expand homeowner options, stabilize neighborhood, new rental and ownership opportunities

- SF + Tandem Home
  - New Owner options

- Duplex
  - Owner & Rental options
  - Build equity, add units

1,500 MF parcels (appx. 10%) in the West Denver focus area
West Denver Single Family Plus (WDSF+) - Pilot Program

The West Denver Renaissance Collaborative (WDRC) proposes to lead an initiative that will expand west Denver homeowner options and stabilize neighborhoods by targeting affordable and equitable access to Accessory Dwelling Unit (ADU) and tandem home construction.

Target affordability and equitable access for ADU/Tandem Home construction in vulnerable neighborhoods of WD by addressing obstacles in ADU design, review, financing, construction, and education. Streamline the ADU/tandem home process and identify funding to support the WDSF+ initiative to support low income homeowners who want to stay in their neighborhood, can leverage their equity, and want additional space for living or rental income. Get ahead of market efforts to simplify the ADU/tandem home process citywide.

a.1 Identify WDSF+ partners to address: ADU/tandem home obstacles (see below) AND homeowner needs, services, counseling, and support.

a.2 Launch WD housing forums to increase home owner knowledge of and connections to partners providing assistance for: high risk mortgage, primary home rehabilitation, and due diligence for potential construction of ADU & Tandem homes.

a.3 Within 18-24 months, provide lessons from several pilot projects that can help to scale ADU/Tandem Homes as a tool for minimizing displacement, providing new below market rate rental units, and new homeowner opportunities in other Denver neighborhoods.

a.4 500 units rehabed and built in 5 years - Year 1: 20 units, Year 2: 25 units, Year 3: 100 new units, Year 4: 100 units; rehabilitation in partnership with existing programs (250 in 5 years)

outcomes

Stabilize west Denver neighborhoods and minimize involuntary displacement by providing homeowner education, homeowner assistance to service providers (mortgage, rehab), and offering SF+ support services for low income homeowners interested in building an ADU or tandem homes in west Denver. Support wealth building in place, equitable access to infill development, and provide additional SF rental units (ADUs) or homeowner opportunities (tandem homes).

WHO

WDRC (DHA, OED, ECP, TDF), HOPE, CPD, Builder Partner(s), WDSF+ Funders, and Financing Partner
## Building the WDSF+ Pilot Program

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Homeowner Options</th>
<th>Dev Review/Fees</th>
<th>ADU Interest &amp; Eligibility</th>
<th>Design</th>
<th>Financing</th>
<th>Build</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>not well connected</td>
<td>few reviewed, so not well known (custom each time)</td>
<td>Eligible, but interested? Some neighborhoods aren’t zoned for ADUs</td>
<td>custom</td>
<td>custom &amp; difficult to finance</td>
<td>few builders; custom build</td>
<td>mortgage, maintenance, and landlord training will be needed</td>
<td></td>
</tr>
</tbody>
</table>

### Goal
- Identify local service providers for mortgage assistance, credit counseling, and home rehabilitation; outreach to local partners to get the word out
- Work with CPD/OED to review ADU code and fees. Pilot development review fees on City-owned sites in Villa Park
- Identify areas of need and readiness; reach out to homeowners in high potential areas. Conduct site evaluations directly with interested owners.
- Work with the AIA and CPD to design and preapprove ADU building type sets for WDSF+ pilot program. Identify areas of code that may need changes (ADU bundle).
- Identify financing qualifications, terms, and sources: loan guarantee, revolving low-interest loan, forgivable loan, fee waivers.
- Identify a builder for Year 1 and 2; work together to build capacity for ADU production, reduce price per sf, increase delivery of units for years 3-5
- Owner counseling, training, and support services for homeowners in the ADU or tandem home process; or managers of a ADU

<table>
<thead>
<tr>
<th>Partner lead, supporting, potential</th>
<th>WDRC, OED, SWIC, Habitat for Humanity, DURA</th>
<th>OED, WDRC, ECP, developer</th>
<th>WDRC</th>
<th>OED, ECP, CHFA, Habitat for Humanity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Timeline</td>
<td>with initiative launch</td>
<td>ongoing</td>
<td>initiated, will follow OED zoning review</td>
<td>Q2 2017</td>
</tr>
<tr>
<td>Funding (Y1 to launch)</td>
<td>50,000</td>
<td>n/a</td>
<td>75,000</td>
<td>25,000</td>
</tr>
</tbody>
</table>

### Outcome
- Raise awareness of homeowners options and contacts
- More predictable zoning and development review of ADUs & tandem homes
- A pipeline of eligible sites and info sharing with owners seeking entitlements in WD
- Standard sets of ADU types that are approved for building permit; id code limitations & seek policy change
- A range of financing options for homeowners <80% AMI
- A nonprofit ADU production builder and lessons for building affordable ADUs
- Owners building wealth in place; additional SF rental units