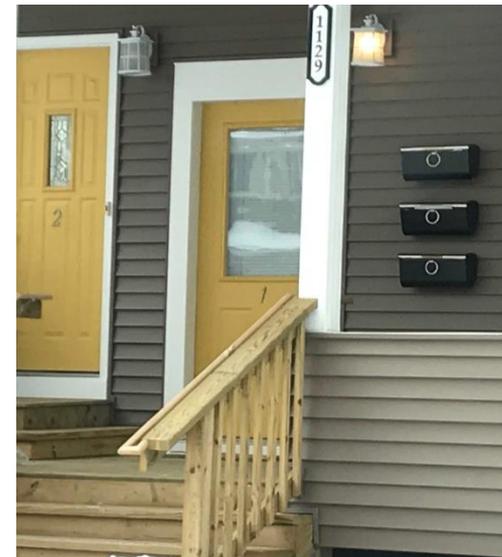


# Disruptive Responses to the Affordable Housing Crisis



*Rocky Mountain Land Use Institute  
University of Denver Sturm College of Law  
March 8, 2018*

# Disruptive Responses to Housing Costs

## The Panel

**George Adams**

**Director of Planning & Development Services**

**Aurora, CO**



**Joelle Greenland**

**Community Development and  
Long Range Planning Manager**

**Adams County, CO**



**Don Elliott**

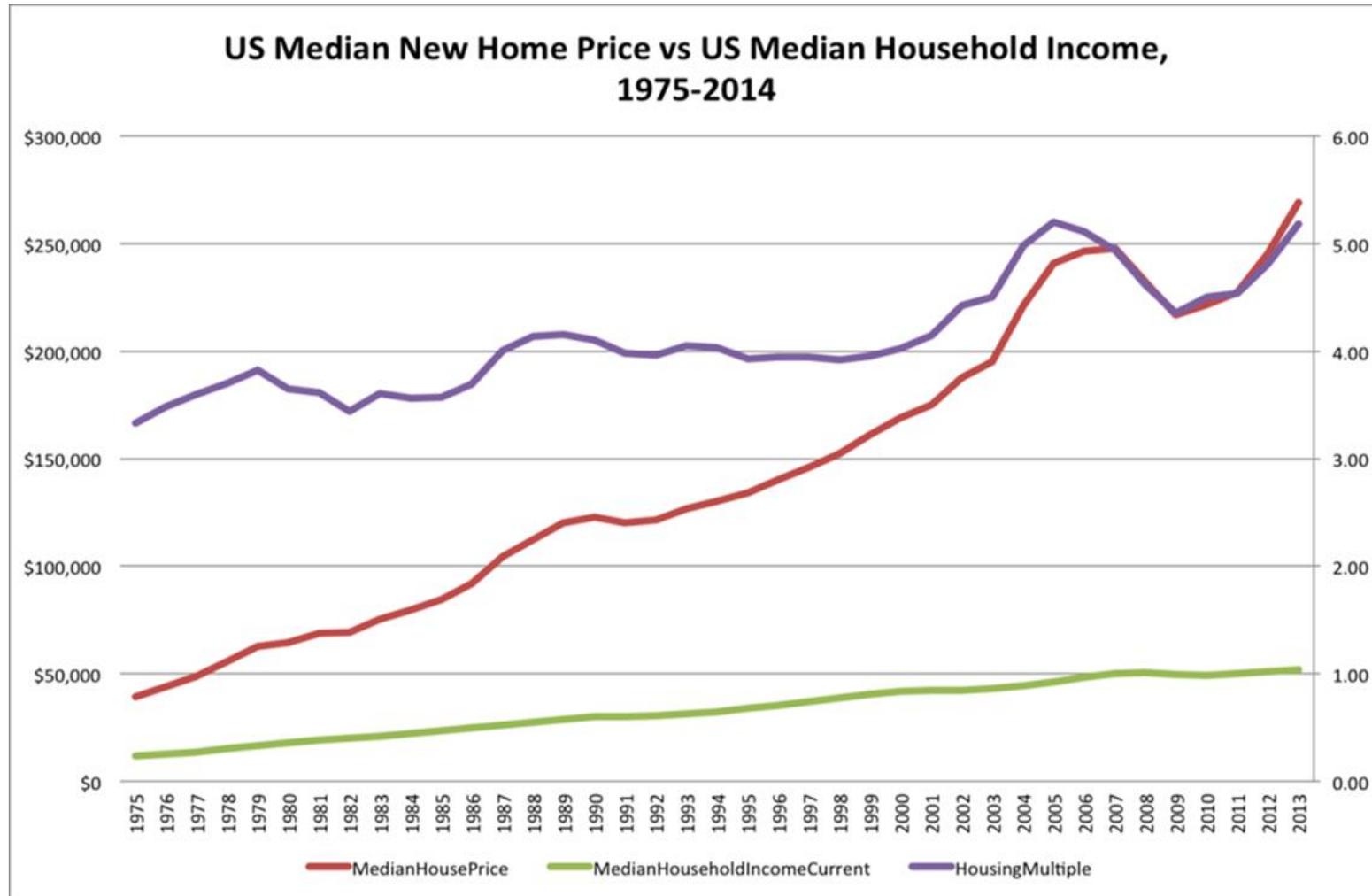
**Director, Clarion Associates**

**Denver, CO**



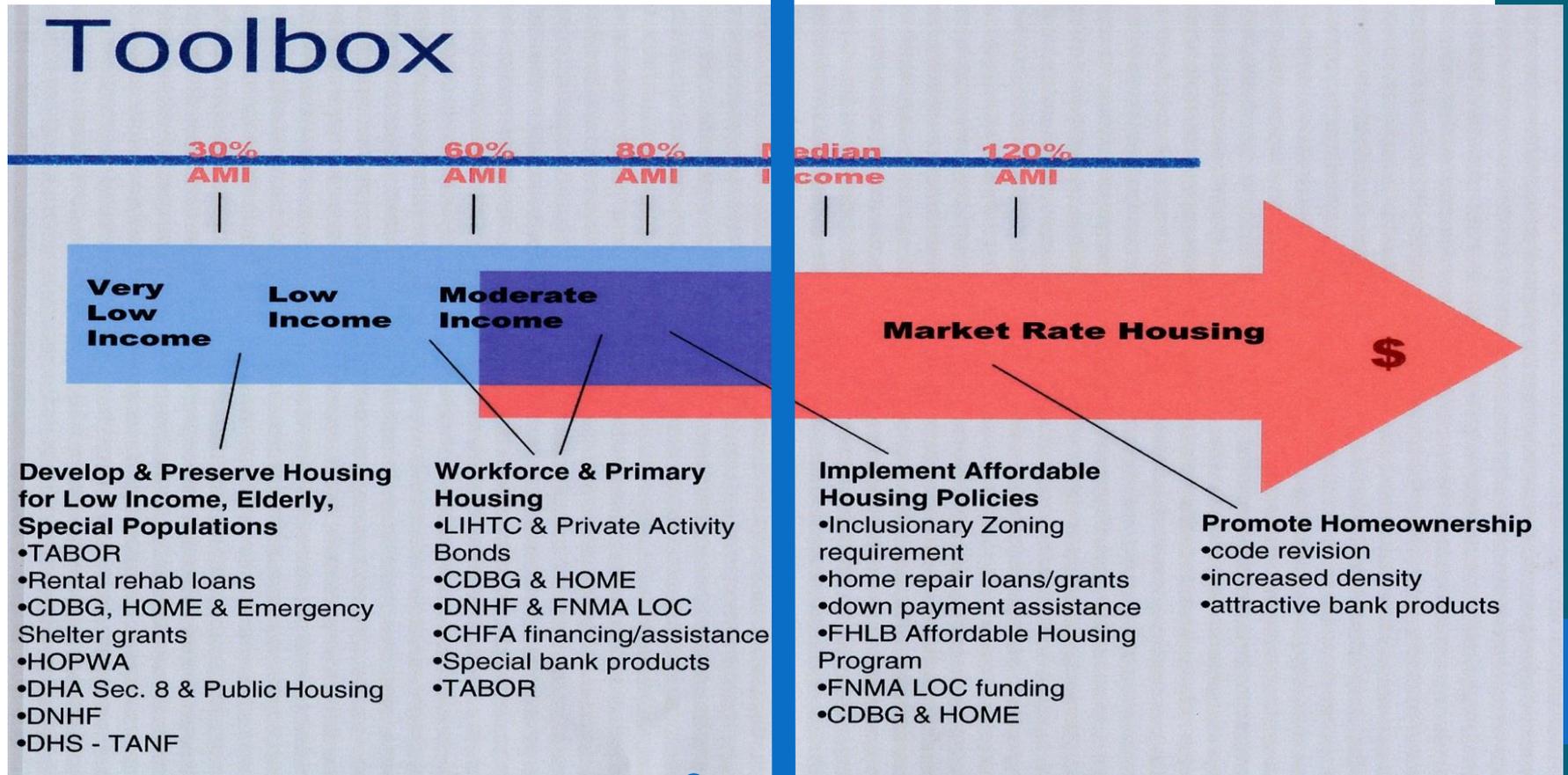
# Disruptive Responses to Housing Costs

## Don's Favorite Background Slide



# Disruptive Responses to Housing Costs

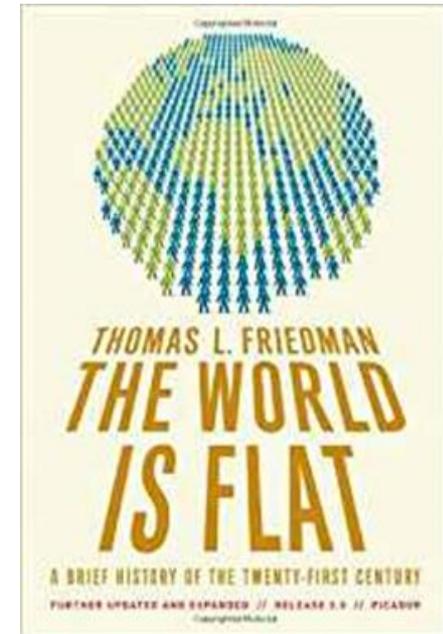
Don's Second Favorite Background Slide



# Disruptive Responses to Housing Costs

## The Point

- Global economic forces, and the structure of the U.S. economy, will continue to exert downward pressure on wages – so the affordability challenge will only get more serious in the future
- We are already seeing the impact in
  - Declining homeownership rates
  - Rising rental occupancy
  - Increased homelessness – especially in families
  - Pressure to allow ADUs
- We will continue to see the pressure appear in new and “disruptive” ways



# Disruptive Responses to Housing Costs

**Aurora's Experience**

**George Adams**

# City of Aurora Residential Lot Standards

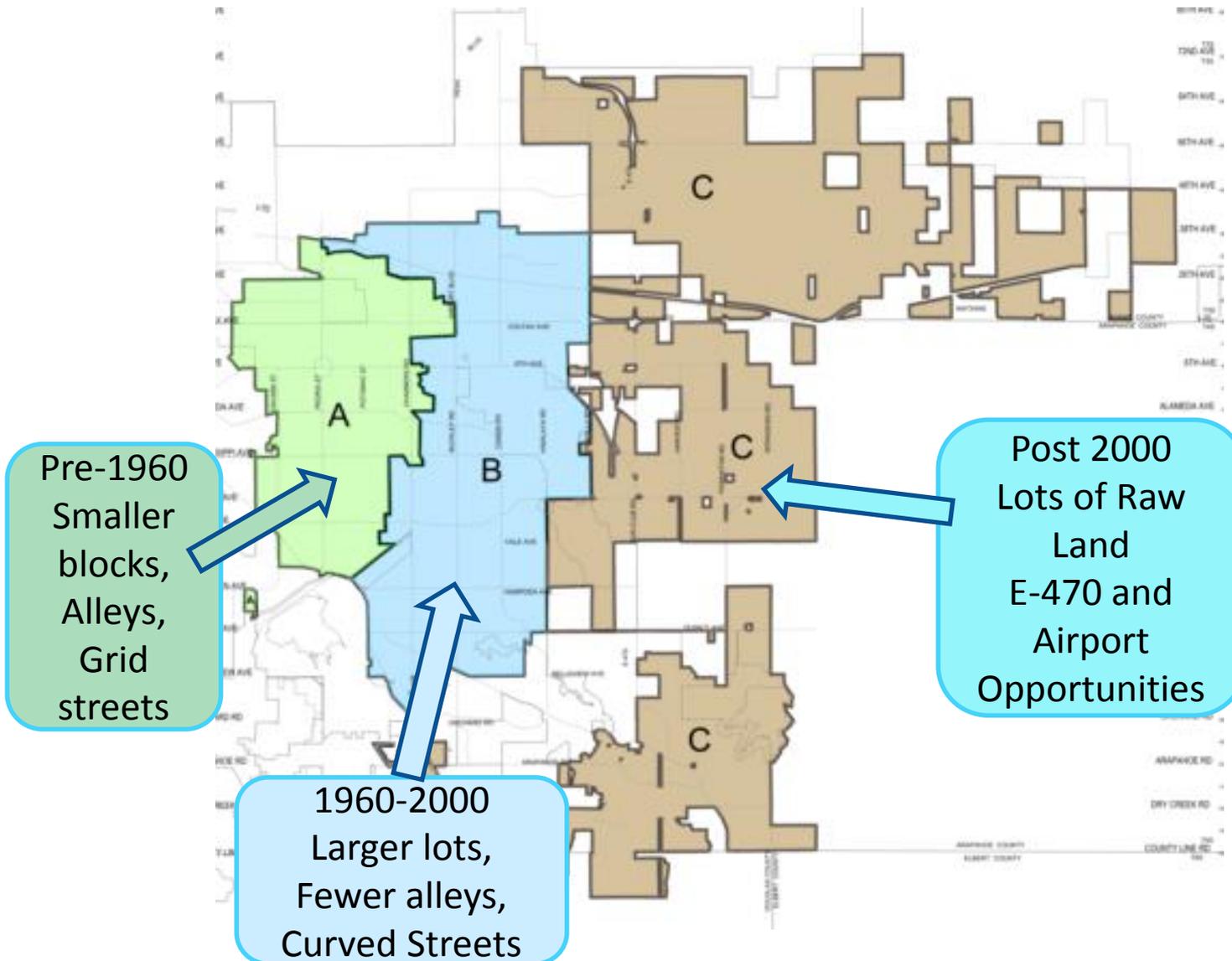


George Adams, Director, Planning and Development Services

# What Are the Issues?

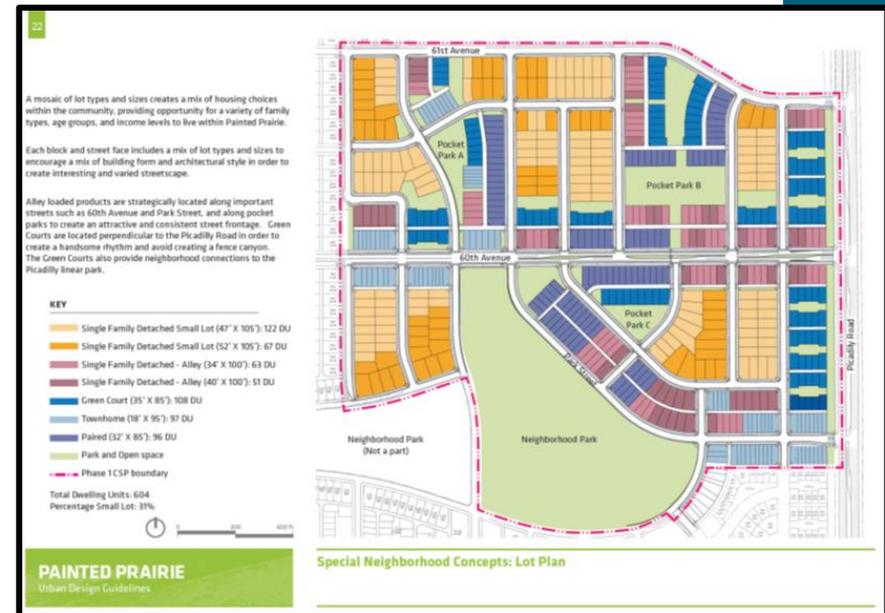
- Quality, Desirability and Sustainability of New Development
- Affordability and Attainability
- Suburban Context and Density
- Market Demand versus Public Policy
- Substantial Change in Development Standards

# Aurora Subareas



# Aurora's Current Code

- Small Lot = less than 55' wide and less than 6,000 sf in area
- Up to 35% of lots may be small
- Duplex lots (42' x 100') do not count as small lots
- Approval process is administrative
- Additional Options to Achieve Small Lots
  - Sustainable Use Neighborhood (SUN) District
  - Planned Development (PD) District
  - Waiver requests



Painted Prairie

# Major Elements of Staff Proposal

## Variety of lot sizes and housing types

**Intent:** Provide housing opportunities for a range of incomes, ages, and lifestyles



# Major Elements of Staff Proposal

## Unit Mix and Dispersal Standards

### Intent:

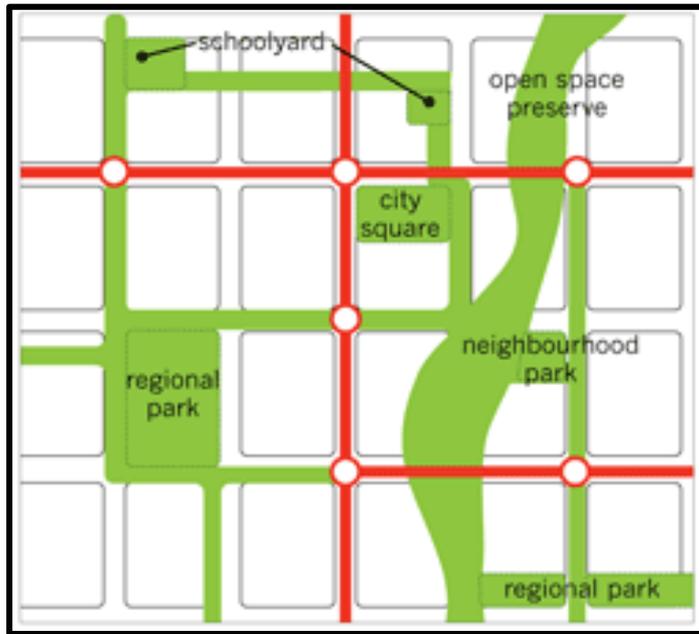
- Provide different lot sizes and housing types to avoid uniform, monotonous development
- Avoid large contiguous areas of single lot or housing type
- Smaller lot sizes and higher density housing located near common open space



# Major Elements of Staff Proposal

## Connected, Functional Open Space

**Intent:** Locate high quality common open space near smaller lot types



# Major Elements of Staff Proposal

## Architectural Enhancements

**Intent:** To ensure high quality design and minimize garage dominated street frontage

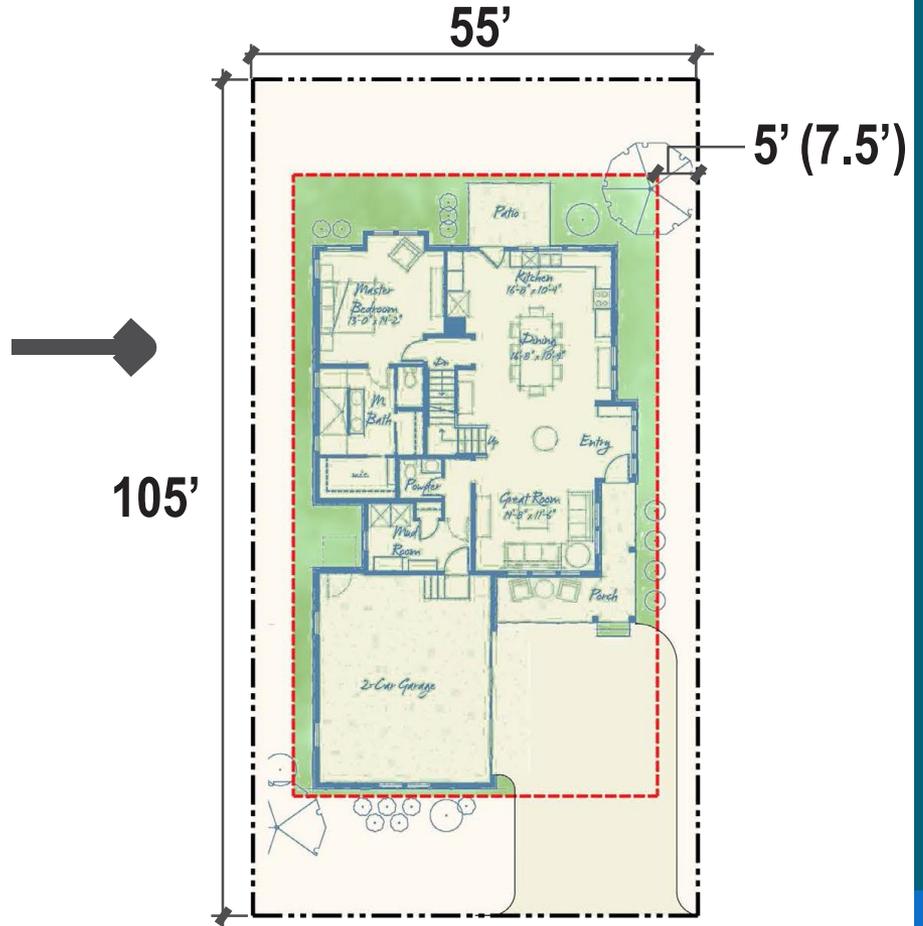
- Garage set back behind front façade or front porch
- Enhanced garage door
- Encourage alley-loaded housing
- Encourage prominent front porches
- Prominent front door



# HBA Proposal



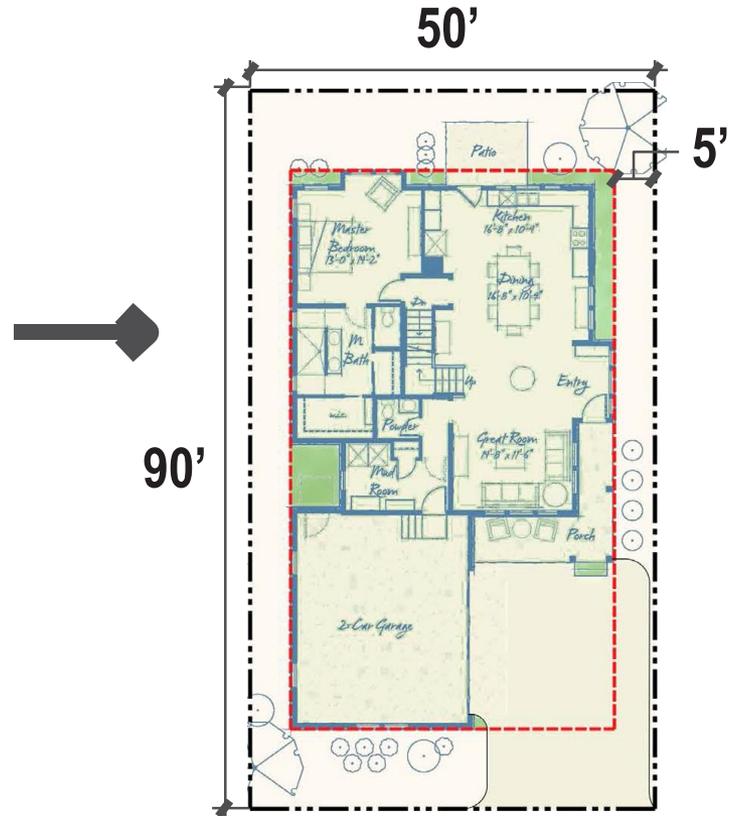
**LOT SIZE:** 55' X 105'  
**LOT AREA:** 5775 SF  
**LOT SETBACKS**  
FRONT: 15'  
REAR: 20'  
SIDE: 5' (7.5')



# HBA Proposal

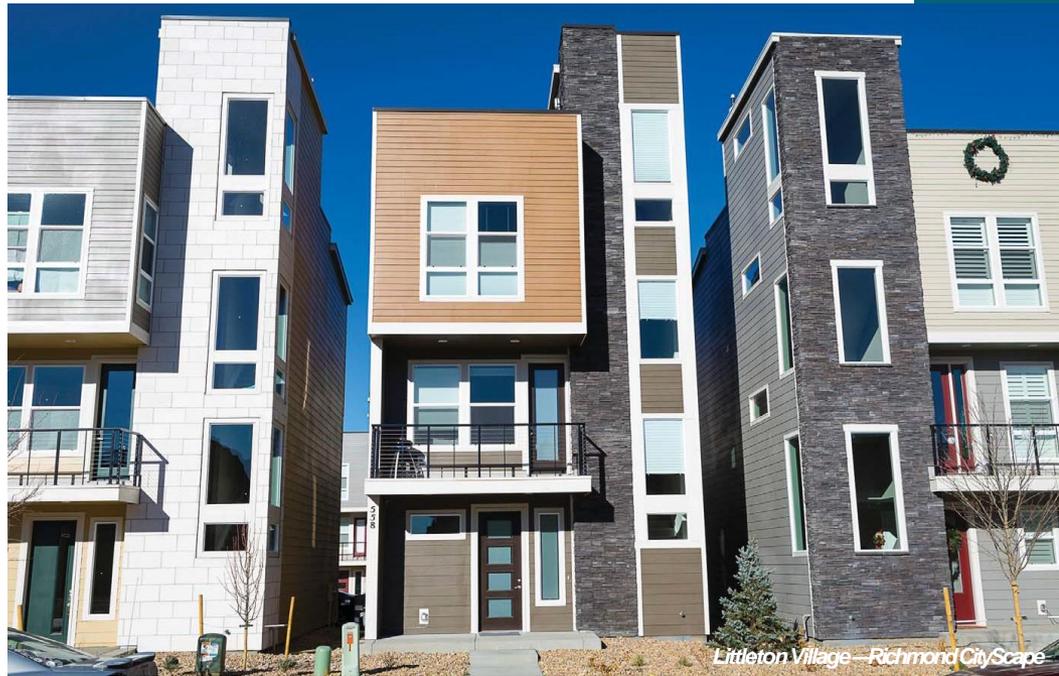


**LOT SIZE:** 50' X 90'  
**LOT AREA:** 4500 SF  
**LOT SETBACKS**  
FRONT: 10'  
REAR: 10'  
SIDE: 5'



# WHAT IS THE REQUEST?

1. Product mix
2. Maintain all existing architectural design criteria
3. Adjust dimensional criteria
4. Redefine the standard lot size
5. Maintain existing limitation for small lots
6. Adjust setbacks
7. Move the changes forward



# Current Status and Next Steps

- Still in discussion with HBA
- Council Committee – March 14, 2018
- Finalize Recommendations and Amendments
- Additional Public Outreach
- Planning and Zoning Commission
- City Council Public Hearings

# Lessons Learned / Takeaways

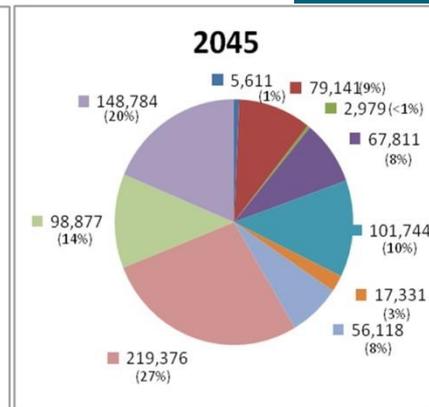
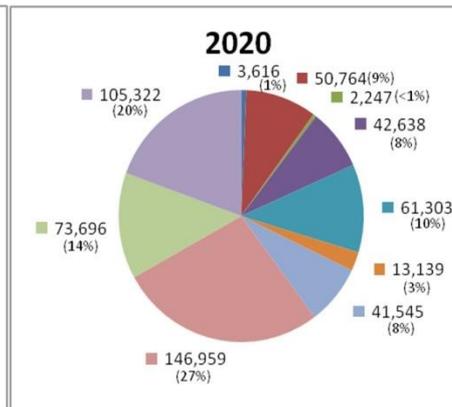
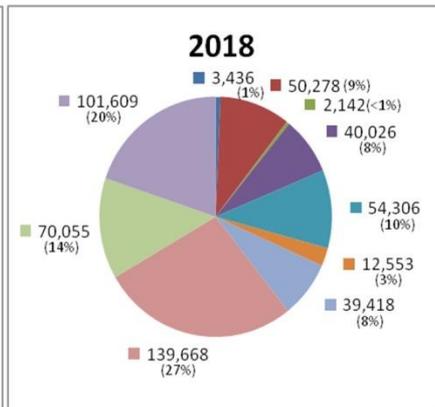
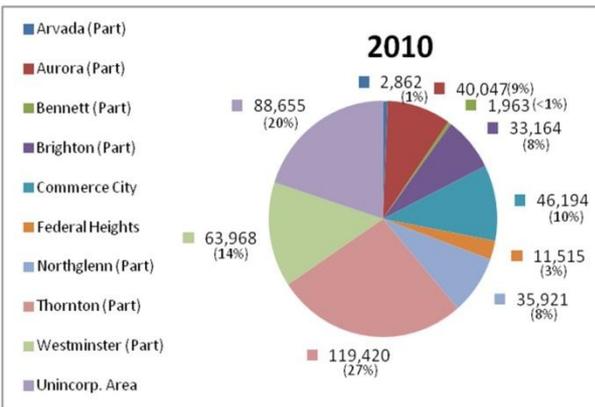
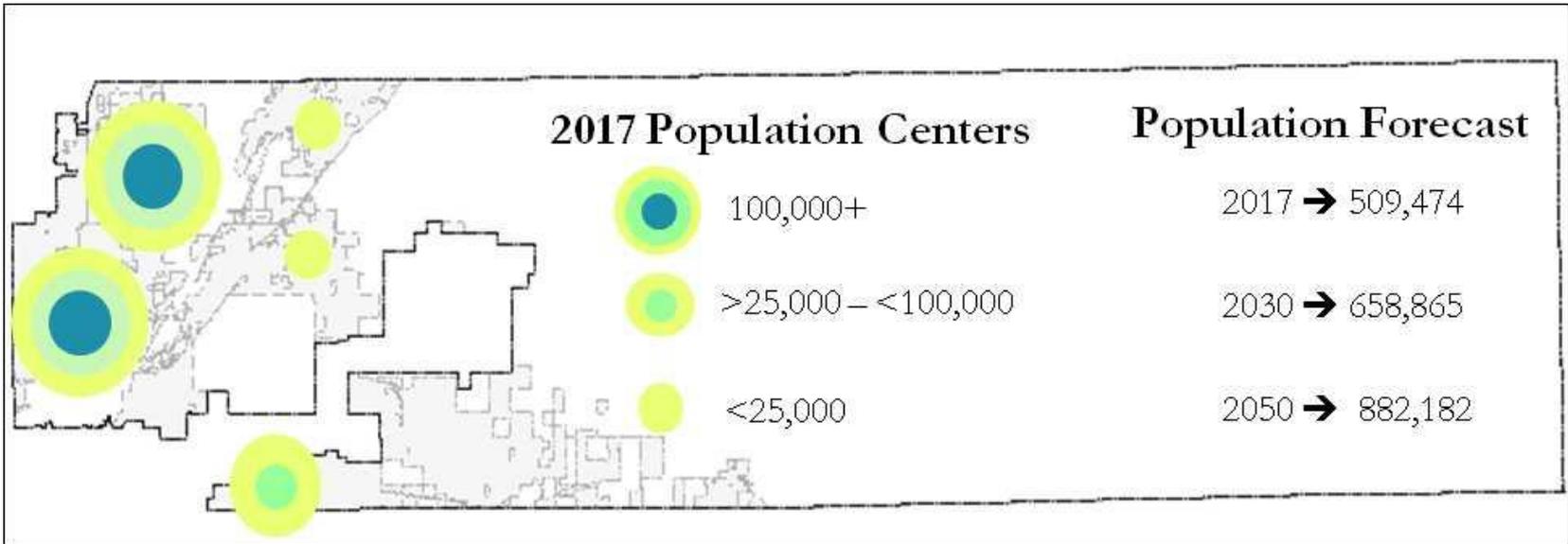
- Check In Early with Policy Makers
- Set Clear Goals
- Identify Key Stakeholders and Avoid New Interests “Parachuting” In
- Focus on Data and Design
- Negotiate in Good Faith
- Know when to Agree to Disagree

# Disruptive Responses to Housing Costs

**Adams County's Experience**

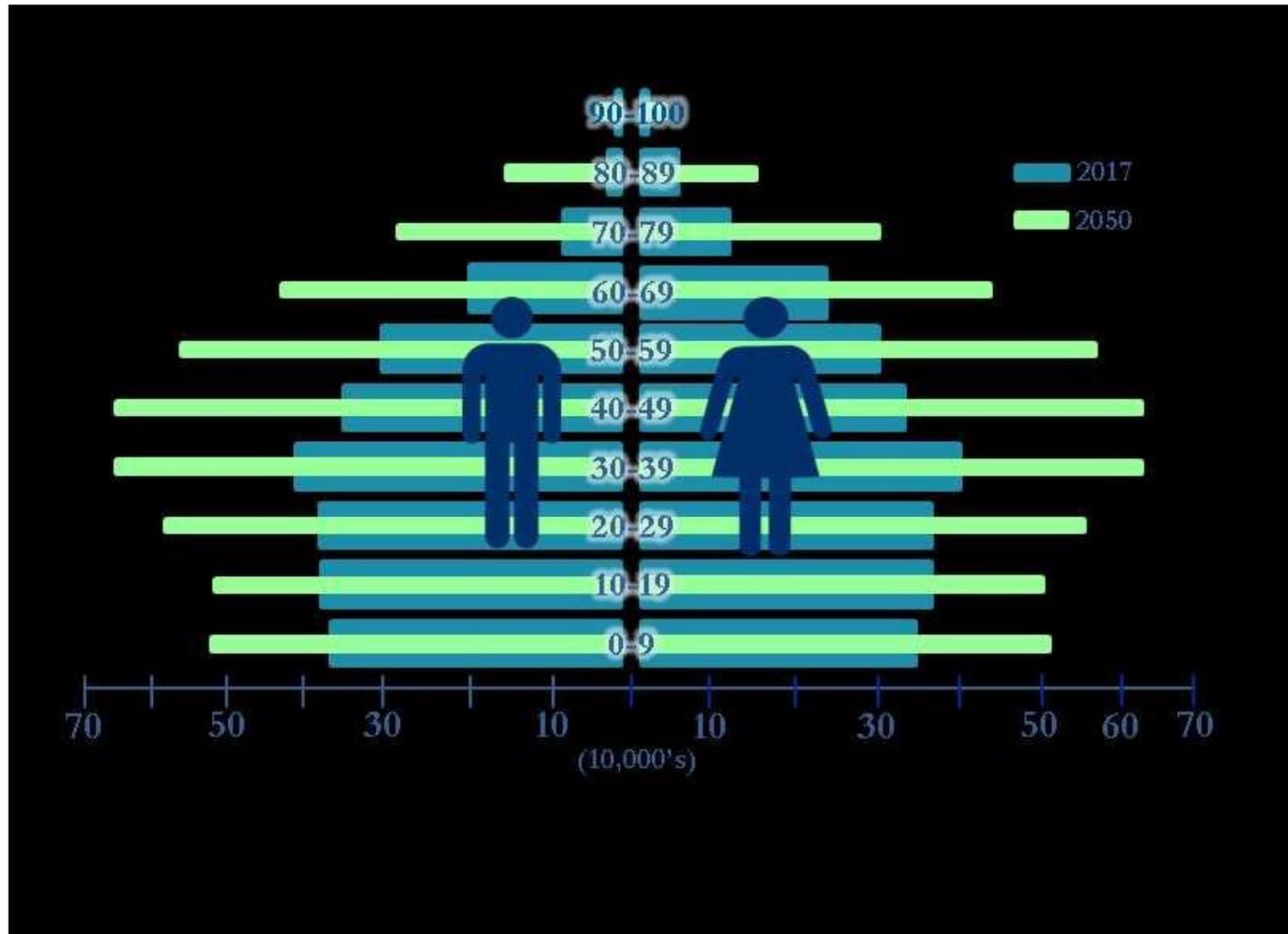
**Joelle Greenland**

# Adams County



Footnotes:  
<sup>1</sup> Lochbuie does not have population data available, thus it has not been represented.  
<sup>2</sup> The linear growth rate used was extrapolated from population data collected by the State Demographer's Office.

# Population Characteristics



# Housing Needs Assessment

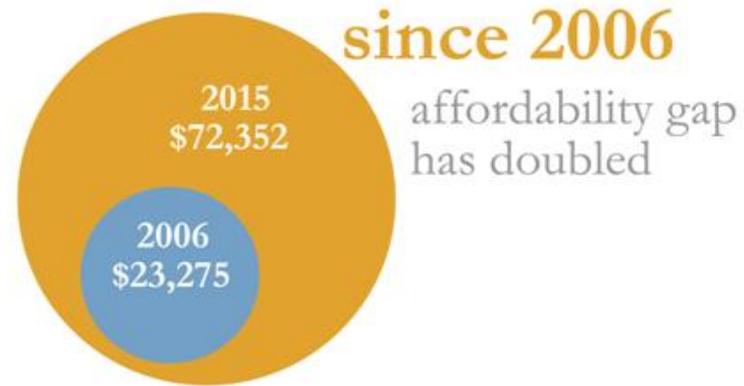
Rents are  faster than income

**44%** of homeowners are cost-burdened

**52%** of renters are cost-burdened



**18.4%** of new families and professionals prefer “missing middle” type housing



**33%**  in need for affordable housing units since 2009's Balanced Housing Plan

**> 24K** families make **< \$35K**/yr

# Housing Costs and Income

- Median Home Sales Price - \$365,506
- Median Rent - \$1,850
- Apt Vacancy Rate – 4.7%

**TABLE 4: Median Household Income and Housing Costs**

	2000	2009	2015	2000-2015 percent change
Median household income	\$47,323	\$55,258	\$58,946	24.6%
Median home value (county)	\$149,800	\$198,600	\$198,800	32.7%
Median gross rent	\$705	\$869	\$1,039	47.4%

Source: 2000 Census, 2005–2009 and 2011–2015 American Community Survey 5-Year Estimates

Fair Market Rent - \$1,305

Wage Required - \$25.10/hr or \$52,000/yr

Avg. Wage of Renters in Adams - \$15.80/hr or \$32,864

Source: Colorado Fiscal Institute

# Percentage Change Rent & Income

Rent and Income Percentage Change in Adams County Between 2010-2015

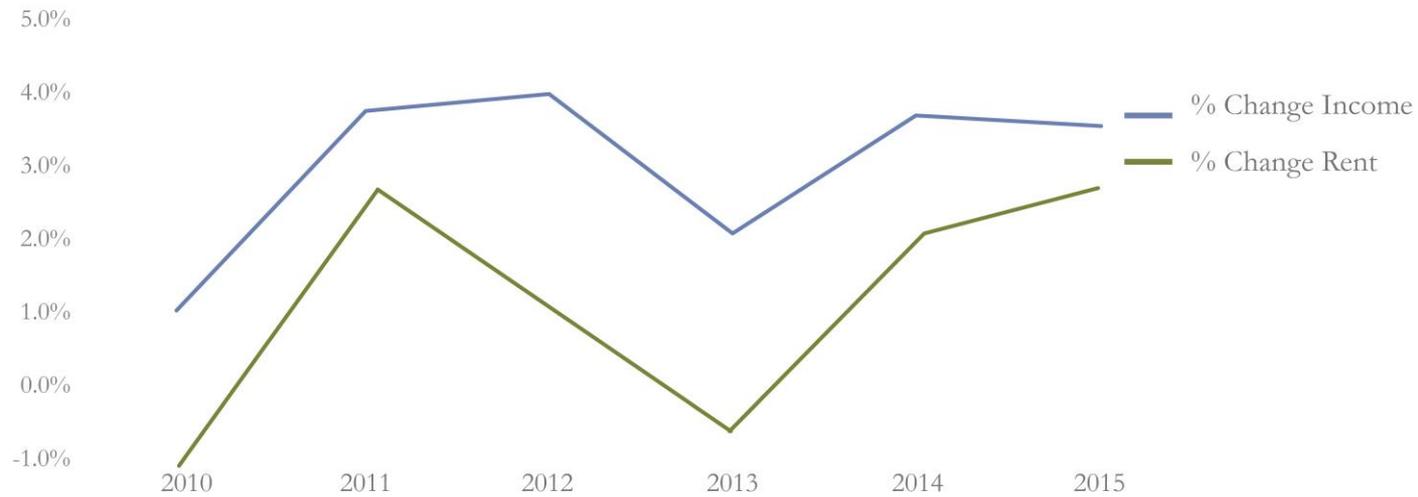


Figure 2.4.: Percent Change in Median Rent and Income in Adams County

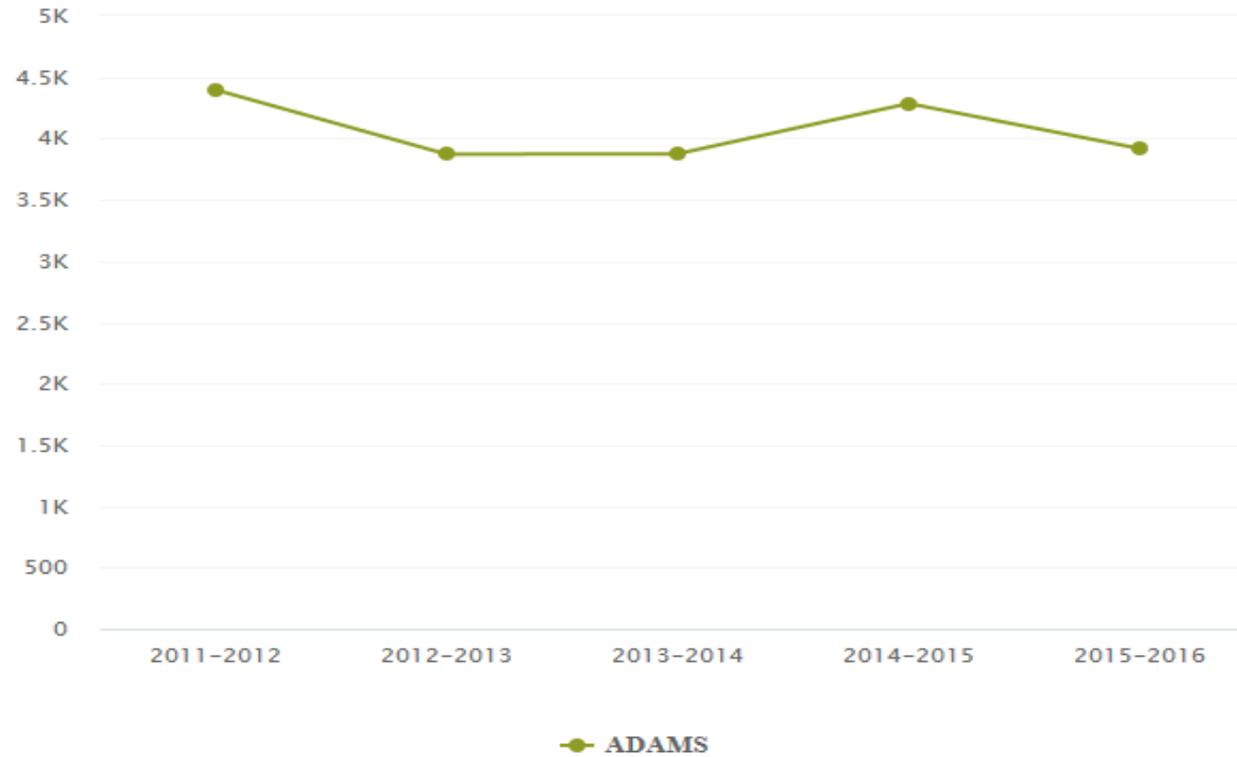
Source: Community Survey 5-Year Estimate, HUD

# Housing Supply & Demand Mismatch

- 16% of HHs have incomes affordably matched home between \$300,000 to \$500,000
- New Families & Young Professionals prefer middle type units which currently make up roughly only 16% of housing stock
- SFD accounted for more than 85% of new construction since 2004
- New construction not keeping up with demand despite record breaking numbers for new units

**WE CANNOT BUILD OUR WAY OUT!**

# McKinney Vento Homelessness School Data



Homeless Youth in 2016: 3,917  
Highest in the State

# Miscellaneous Issues

- ADUs
  - Unincorporated Adams County – not allowed
  - Recommendation from the Balanced Housing Plan to explore
  - Most likely many illegal ADUs
  - Tap fees an issue – over 36 water and sanitation districts in Adams County
- Airbnb - Hundreds of listings
- Definition of Family - *An individual or three (3) or more persons related by blood, marriage, or legal adoption, living together in a dwelling unit as a single housekeeping unit. Persons not related by blood, marriage, or legal adoption shall be deemed to constitute a family where they are living and cooking together as a single housekeeping unit, but shall not include unrelated students attending colleges or universities.*
- Larger Lots/Subdividing

# Disruptive Responses to Housing Costs

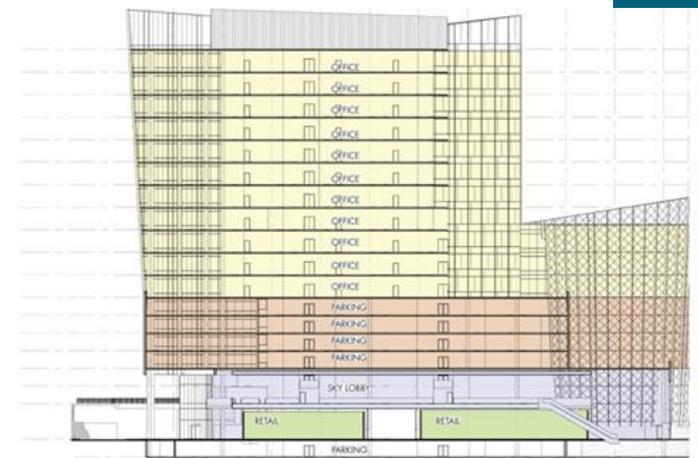
## **The Push for Less Parking**

**Don Elliott**

# Disruptive Responses to Housing Costs

## The Push for Less Parking

- Required parking is a major component of housing cost
  - \$5,000± per surface space
  - \$20,000± per structured parking space
- And can significantly increase the amount of land required for multifamily housing uses
  - 50-65% of suburban lot area
  - 20-30% of urban building envelopes
  - As much floor area as a micro unit



Building Section & Stacking

THE PLANS AND AREAS CONTAINED HEREIN ARE CONCEPTUAL AND SUBJECT TO CHANGE.

Conceptual Plans | Silicon Crestone | 11.30.2011  
Revised 01.18.2012

klipp

# Disruptive Responses to Housing Costs

## Pop Quiz Question #1

Why do we have minimum parking standards?

### Originally:

- To prevent traffic congestion when stopped or parked cars block traffic routes
- To prevent patrons of commercial and non-residential uses from parking (and increasing traffic) in residential areas

### More recently:

- To protect perceived character of residential areas



# Disruptive Responses to Housing Costs

## Pop Quiz Question #2

True or False? The correct minimum parking requirement is the one that matches the bank's requirement for financing.

### Answer:

No. Local government minimums address different issues (congestion and overflow parking) than financing requirements (perceived convenience of patrons and tenants)



# Disruptive Responses to Housing Costs

## The Push for Less Parking

- Fewer spaces per dwelling unit
- Less guest parking for multifamily uses
- Tandem parking
- Discounts for transit proximity
- Other discounts



# Disruptive Responses to Housing Costs

## Fewer Spaces Per Unit

General approach is to

- Reduce or remove parking minimums for residential uses
- Ignore the fact that common use of house garages for storage leads to increased reliance on on-street parking
- Count on “self-selection” to lead those who own fewer cars to occupy areas where on-street parking is in shortest supply



# Disruptive Responses to Housing Costs

## Fewer Spaces Per Unit

Character / Context Based Parking Standards



- **Denver**

- Suburban->Edge->Urban->General->Center->Downtown

- **Aurora**

- Area C (Raw land)->Area B (Suburban)->Area B (Urban)

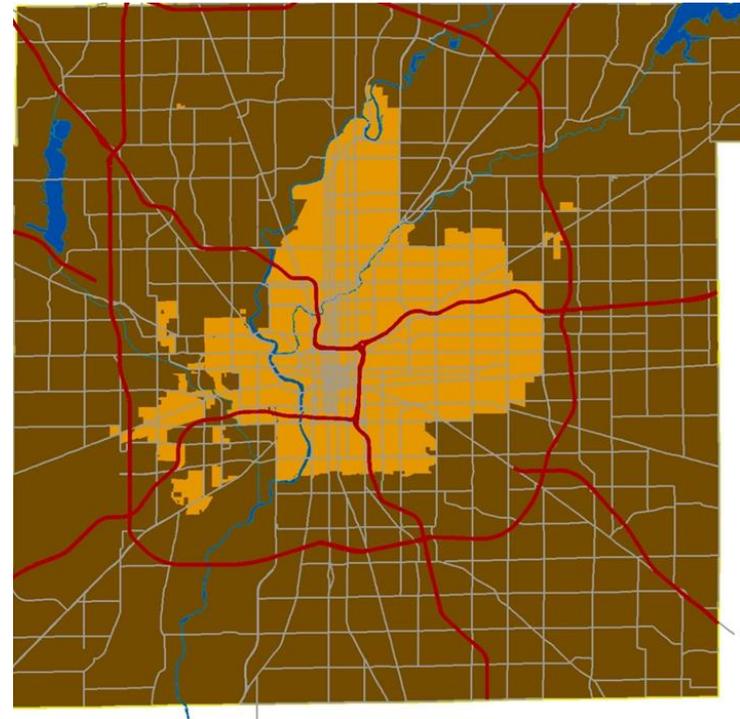
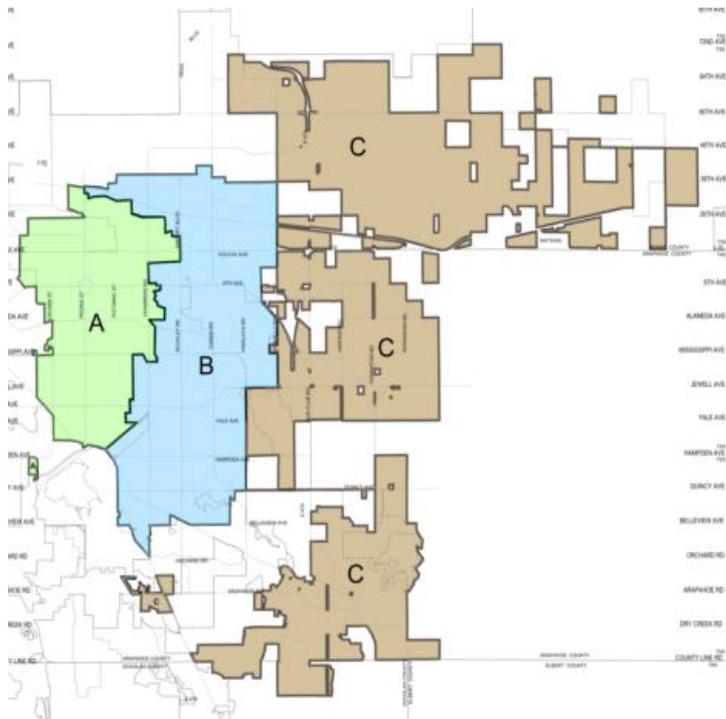
- **Indianapolis**

- Standard (Suburban)->Compact (Urban)

# Disruptive Responses to Housing Costs

## Fewer Spaces Per Unit

## Character / Context Based Parking Standards



# Disruptive Responses to Housing Costs

## Fewer Spaces Per Unit

Character



Low Density

Higher Density

DENVER	Suburban	Center
Single-Family	0	0
Two-Family	1-1.25/du	.75-1/du
Multi-Family	1-1.25/du	.75-1/du
Live/Work	1-1.25/du	.75-1/du
Accessory Dwelling Unit	0	0

# Disruptive Responses to Housing Costs

## Fewer Spaces Per Unit

Character



Low Density

Higher Density

Aurora	Area C (newer)	Area A (older)
Single-Family	2	1
Two-Family	2	1
Multi-Family	2 plus .20 for visitors	1 plus .20 for visitors
Live/Work	Area C Residential plus Area C non-residential	Area C Residential plus Area C non-residential
Accessory Dwelling Unit	1	1

# Disruptive Responses to Housing Costs

## The Push for Less Parking

Less guest parking for multifamily uses

- Fairly typical to require guest parking at the rate of 1 space per 10-15 dwelling units
- Guest visits are generally considered to be more amenable to replacement by shared mobility services like Uber and Lyft



# Disruptive Responses to Housing Costs

## The Push for Less Parking

### Tandem parking

- Allows for more of lot area to be devoted to parking stalls and less to driving aisles
- Requirement that each tandem space be assigned to a specific dwelling unit is very difficult to enforce
- General trend is to allow tandem parking in small lot and multifamily zone districts

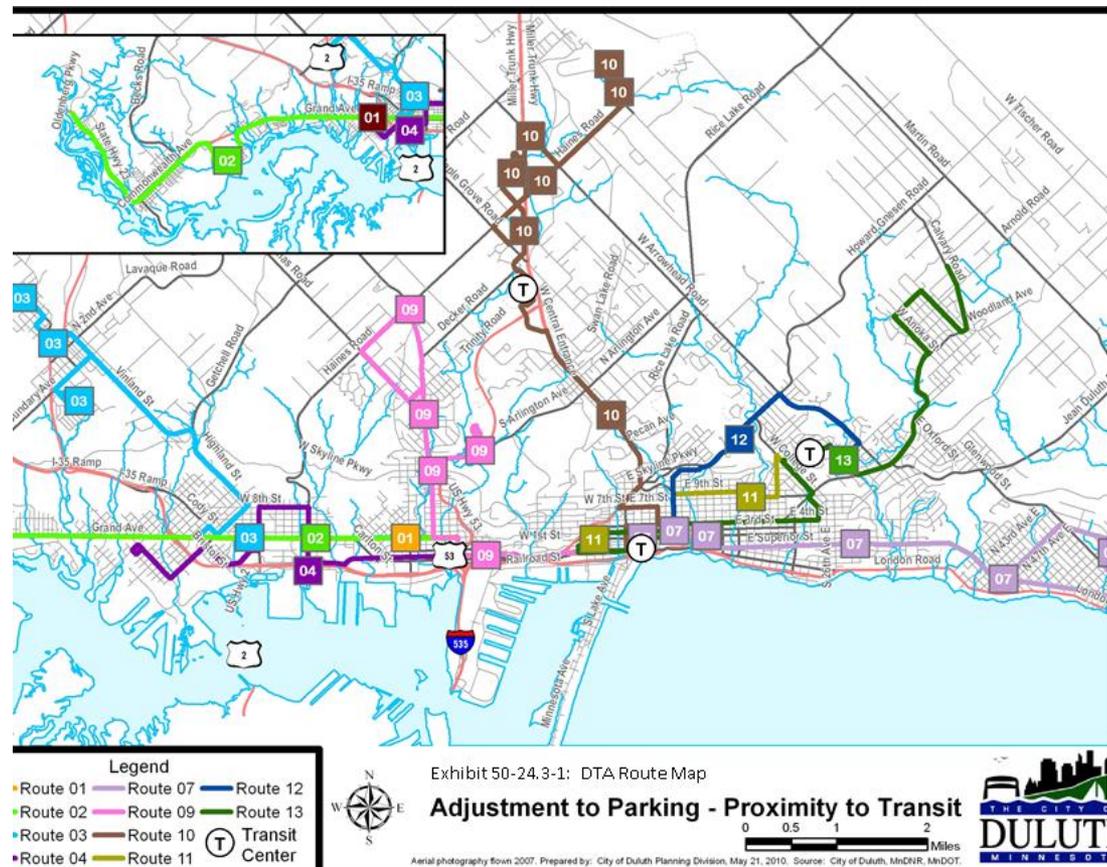


# Disruptive Responses to Housing Costs

## The Push for Less Parking

Discounts for transit proximity

- Duluth =
  - 20-30% depending on the level of transit service



# Disruptive Responses to Housing Costs

## The Push for Less Parking

### Other discounts

- Small units?
  - Communities with a 2 spaces/du requirement often allow ADUs with 1 space/du
- Age-restricted (55+) housing?
  - Often criticized as “easy” affordable housing – but meets a quickly growing housing need



# Disruptive Responses to Housing Costs

## The Push for Less Parking

### Possible Market Response:

- Increased renting out of parking spaces originally designed for another use (“the AirBnB-ing of parking”)
  - Not just commercial and institutional parking – but unused residential parking
  - Very hard to enforce against
  - Will probably happen more in areas where parking maximums prevent specific uses from building all the parking their users need



# Disruptive Responses to Housing Costs

## The Equity Issue

- Reductions in minimum parking ratios have greatest benefit for those who want to – and can afford to – live close to their workplaces and other activities
  - Those less dependent on the quality of available schools (means those pre- or post-child-raising years)
  - Those who can work from home
  - Those with more money
- Those with fewer location choices may need to have more cars – and cannot take advantage of housing constructed to take advantage of parking reductions



# Disruptive Responses to Housing Costs

## The Equity Issue

### Question

- What's wrong with “self-selection” – those who need more parking chose areas where more parking is available – and vice-versa?
- Aren't all housing location choices a matter of “self-selection” within available household resources?
- Why should all dwelling units in an area be required to provide “more” parking just because they may be occupied by a household that needs “more” parking?



# Disruptive Responses to Housing Costs

## Questions and Discussion



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