



WESTMINSTER

***Mandating and Incentivizing Affordability
Regulatory Tools and Approaches***

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Why should affordable housing be a city effort?



- ***Housing is the infrastructure of a city***
- Residents are the foundation - utility customers, local service employees, business owners, retail consumers, and students in schools
- Diverse and inclusive neighborhoods foster a healthier and more sustainable community
- Stable housing helps people work on life skills and participate in the local economy
- Housing imbalance creates greater demand on social services - homelessness, doubled-up families, and people living in conditions they are unable to afford or sustain

It will take over 100 years to overcome the gap at the current rate of building affordable housing.

THE PROBLEM: LACK OF FUNDING

- Demand is high – housing inventory is low.
- Colorado relies on state and federal programs to encourage investment and offset development costs for affordable housing.
- In contrast to other states, Colorado lacks a dedicated and permanent source of funding.
- Existing state and federal resources are at risk of budget cuts.

*Solutions at the state, regional and **LOCAL** levels have the ability to make the greatest impact.*

Westminster's Vision

“Westminster is the next Urban Center of the Colorado Front Range. It is a vibrant, **inclusive**, creative, and **well-connected** city. People choose Westminster because it is a *dynamic community with distinct neighborhoods and a resilient local economy that includes a spectrum of jobs, **diverse, integrated housing**, and shopping, cultural, entertainment, and restaurant options.* It embraces the outdoors and is one of the most **sustainable** cities in America.”



Housing Needs Assessment – July 2016 thru January 2017

Understand the demographics and gaps that are specific to Westminster in order to inform priorities and identify barriers to the development and preservation of affordable and workforce housing.

Housing Task Force – March thru July 2017

Gather professional expertise, vital City staff, and local resident input to vet best practices and innovative approaches to addressing Westminster's need for affordable and workforce housing.

Guiding Principle:

*Every Westminster resident has a safe, stable, and affordable place to live.
Westminster residents are not a commodity; they are a community.*

Critical Data Points:

- Between 1990 -2015, Westminster population increased by 38,000 (over 25%)
- In 2015, 3500 seniors were eligible to apply for subsidized housing - there were 70 open units
- Need to build or preserve 9500 units by 2032 to accommodate projected growth



Affordable & Workforce Housing Strategic Plan

Refine Task Force findings into policy statements and strategies backed by action items with clear identification of timeframes and resources needed to achieve impactful change. See full document at:

<https://www.westminstereconomicdevelopment.org/housing/affordable-workforce-housing/>

- #1 – Finance workforce and affordable housing
- #2 – Address regulatory and process challenges
- #3 – Adopt preservation policies and programs
- #4 – Donate and bank land
- #5 – Form partnerships to address regional housing issues
- #6 – Improve efficiencies in rental inspections
- #7 – Allow alternative product types
- #8 – Build and support an effective housing program within the organization

The Toolbox

- Federal programs – CDBG, HOME
- Tax credits – LIHTC, Opportunity Zones
- Tax Increment Financing (URA's)
- Down payment assistance programs – state and regional
- City-owned land inventory
- Local tax and fee rebates
- Cost-sharing on infrastructure



Maximize infill opportunities:

CDBG, land donation or ground lease, tax & fee rebates

Partnerships with experienced non-profits (Habitat for Humanity, Community Resources and Housing Development Corporation) that are well-versed in administering federal funds and monitoring compliance



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Preserve long-term affordability:

Land donation, community land trust, tax & fee rebates

- Deed restriction on for-sale units in community land trust
- Deed restriction on rental units through ground lease
- Work with mission aligned for-profit developers and non-profit partners



Integrate a balanced housing approach:

Special limited partnerships, development agreements, P3's

- Provide relief through reduced parking requirements and flexible design standards
- Offset development costs through cost sharing on infrastructure
- Work with local housing authorities to assist in compliance monitoring
- Customize gap funding through Economic Development Agreements



Closing Thoughts:

- Make it easy for developers to do what you want them to do, and difficult to do what you don't – INCENTIVES lead to positive outcomes.
- Remember to focus on the INTENT of regulations so you don't miss opportunities for creative solutions.
- Take the time to build RELATIONSHIPS with development partners because these are the hardest projects to navigate – trust and integrity matter.
- Always ask WHY a particular form of assistance or funding is needed before committing it.
 - If the project can succeed without it, use the resources elsewhere.
 - If the project is too fragile, don't tie up the funds until it's stabilized.
 - If the project is solid and just needs help closing a gap, do it.