

# **GURA, DDA, & CITY OF GOLDEN**

## **WORKFORCE/ATTAINABLE/AFFORDABLE HOUSING TOOL MATRIX**

The following matrix describes several financing tools that GURA, DDA, and the City of Golden could use to encourage and/or fund workforce, attainable, and affordable housing in Golden. The tools share the following goals, opportunities, characteristics, and considerations:

- ✓ Reduce and eliminate blight
- ✓ Eligibility to access the City's affordable housing early start option under the residential growth management ordinance
- ✓ It is assumed that projects are likely to be developed without the use of low income housing tax credits (LIHTC) though LIHTC projects could be eligible for increment investment
- ✓ LIHTC projects are tax exempt; no tax increment would be generated for GURA and DDA
- ✓ Access Enterprise Zones incentives
- ✓ GURA and DDA may require an workforce/attainable/affordable housing component in any financing agreement
- ✓ Reflect the City's comprehensive and neighborhood plans
- ✓ Projects considered for housing investment should address the following goals from GURA's TIF application:
  - To eliminate blight conditions in a project area
  - To use the guidance provided by the Golden Comprehensive Plan, the Golden Vision 2030 Report, the Central Neighborhoods, Parfet/Briarwood, and West Colfax urban renewal plans, and all appropriate neighborhood plans
  - To increase employment opportunities
  - To encourage redevelopment
  - To encourage and provide incentives for the private development of affordable housing
  - To encourage inclusion of sustainability measures and amenities above and beyond the City's standard requirements
  - To encourage development of projects with demonstrated community benefit that otherwise would not be considered financially feasible.
  - To enhance the current sales tax and property tax revenue within Golden to provide additional sales tax collection and property valuation

Affordable Housing Tool	Tool Features	Partnership Opportunities	Pro's/Con's/Questions	Comments
<b>Rent/Mortgage Buy-Downs – New Build</b>	<ul style="list-style-type: none"> <li>Rental subsidies</li> <li>Mortgage subsidies</li> <li>Project tax increment financing (TIF) agreement to fund housing</li> <li>GURA/DDA investment without TIF</li> <li>Lend/give increment from one URA to another URA</li> <li>Preference for Golden residents/workers</li> <li>Accessory dwelling units</li> <li>Combine with HOME, other programs</li> </ul>	<ul style="list-style-type: none"> <li>For-profit developers</li> <li>Housing authorities</li> <li>Non-profit developers</li> <li>Lenders</li> <li>Community land trusts</li> <li>Other local governments/agencies (e.g., RTD)</li> <li>Philanthropies</li> <li>Employer-provided housing</li> <li>Combine with other programs – HOME, CDBG</li> </ul>	<ul style="list-style-type: none"> <li>Pro's <ul style="list-style-type: none"> <li>Flexibility for term, occupant, partners</li> </ul> </li> <li>Con's <ul style="list-style-type: none"> <li>Temporary affordability for rental options</li> <li>No long-term benefit</li> </ul> </li> <li>Questions <ul style="list-style-type: none"> <li>Can housing projects be done without LIHTC? If LIHTC, then no tax increment but GURA/DDA could invest anyway</li> </ul> </li> </ul>	
<b>Rent/Mortgage Buy-Downs – Existing/Refurbishment/Change of Use</b>	<ul style="list-style-type: none"> <li>Rental subsidies</li> <li>Mortgage subsidies</li> <li>Project tax increment financing (TIF) agreement to fund housing</li> <li>GURA/DDA investment without TIF</li> <li>Lend/give increment from one URA to another URA</li> <li>Preference for Golden residents/workers</li> <li>Accessory dwelling units</li> <li>Combine with HOME, other programs</li> </ul>	<ul style="list-style-type: none"> <li>For-profit owners/developers</li> <li>Housing authorities</li> <li>Non-profit developers</li> <li>Lenders</li> <li>Community land trusts</li> <li>Other local governments/agencies (e.g., RTD)</li> <li>Philanthropies</li> <li>Employer-provided housing</li> <li>Combine with other programs – HOME, CDBG</li> </ul>	<ul style="list-style-type: none"> <li>Pro's <ul style="list-style-type: none"> <li>Flexibility for term, occupant, partners</li> </ul> </li> <li>Con's <ul style="list-style-type: none"> <li>Temporary affordability for rental options</li> <li>No long-term benefit</li> </ul> </li> <li>Questions <ul style="list-style-type: none"> <li>Can housing projects be done without LIHTC? If LIHTC, then no tax increment but GURA/DDA could invest anyway.</li> </ul> </li> </ul>	
<b>Land Banking</b>	<ul style="list-style-type: none"> <li>Outright purchase or purchase option</li> <li>GURA/DDA could act as the property developer</li> <li>Place deed restrictions for permanent affordability</li> <li>Project tax increment financing (TIF) agreement to fund housing</li> <li>GURA/DDA investment without TIF</li> <li>TIF/PIF dedicated funding that returns to the community, not developers</li> </ul>	<ul style="list-style-type: none"> <li>For-profit developers</li> <li>Housing authorities</li> <li>Non-profit developers</li> <li>Lenders</li> <li>Community land trusts</li> <li>City of Golden/Golden Planning Commission</li> <li>Other local governments/agencies (e.g., RTD)</li> <li>Philanthropies</li> <li>Employer-provided housing</li> </ul>	<ul style="list-style-type: none"> <li>Pro's <ul style="list-style-type: none"> <li>Control development process</li> <li>Wait for appropriate opportunity</li> <li>Reduces developer's/owner's need for debt, lowering costs</li> </ul> </li> <li>Con's <ul style="list-style-type: none"> <li>Ties up capital</li> </ul> </li> </ul>	
<b>Preferred Equity Investor</b>	<ul style="list-style-type: none"> <li>Smaller investment than equity investment</li> <li>Provide gap financing/reduce financing costs</li> </ul>	<ul style="list-style-type: none"> <li>For-profit developers</li> <li>Housing authorities</li> <li>Lenders</li> <li>Community land trusts</li> <li>Other local governments/agencies (e.g., RTD)</li> <li>Non-profit developers</li> <li>Philanthropies</li> <li>Employer-provided housing</li> </ul>	<ul style="list-style-type: none"> <li>Pro's <ul style="list-style-type: none"> <li>Permanent affordability</li> <li>Help developer</li> </ul> </li> <li>Con's <ul style="list-style-type: none"> <li>Developers might not want to share equity to GURA/DDA</li> </ul> </li> </ul>	
<b>Equity Owner</b>	<ul style="list-style-type: none"> <li>Provide gap financing to reduce financing costs</li> <li>Set project parameters</li> </ul>	<ul style="list-style-type: none"> <li>For-profit developers</li> <li>Housing authorities</li> <li>Lenders</li> <li>Community land trusts</li> <li>Local governments/agencies (e.g., RTD)</li> <li>Non-profit developers</li> <li>Philanthropies</li> <li>Employer-provided housing</li> </ul>	<ul style="list-style-type: none"> <li>Pro's <ul style="list-style-type: none"> <li>Preserve naturally occurring affordable housing (e.g. mobile home parks)</li> <li>Permanent affordability</li> <li>Extend TIF life</li> </ul> </li> <li>Con's <ul style="list-style-type: none"> <li>Asset management responsibility</li> </ul> </li> </ul>	
<b>Direct GURA/DDA Investment</b>	<ul style="list-style-type: none"> <li>Invest tax increment/property tax collections to cover cost of community benefit improvements to remove blight</li> <li>Create grants to maintain preserve existing housing (multi, single, ADU's)</li> </ul>	<ul style="list-style-type: none"> <li>For-profit developers</li> <li>Housing authorities</li> <li>Non-profit developers</li> <li>Lenders</li> <li>Community land trusts</li> <li>Other local governments/agencies (e.g., RTD)</li> <li>Philanthropies</li> </ul>	<ul style="list-style-type: none"> <li>Pro's <ul style="list-style-type: none"> <li>Support development by others to achieve community and public improvement goals</li> <li>Extra benefit to the URA</li> </ul> </li> <li>Con's <ul style="list-style-type: none"> <li>Requires diversion of resources from other potential uses.</li> </ul> </li> </ul>	
<b>Other Policies</b>	<ul style="list-style-type: none"> <li>Direct GURA project investments in public improvements</li> <li>Create numeric or percentage affordable unit goal per TIF Agreement</li> <li>Inclusionary housing goal</li> <li>Direct investment in or provide grants to preserve existing multi- or single family housing</li> </ul>	<ul style="list-style-type: none"> <li>For-profit developers</li> <li>Housing authorities</li> <li>Non-profit developers</li> <li>Lenders</li> <li>Community land trusts</li> <li>Other local governments/agencies (e.g., RTD)</li> <li>Philanthropies</li> <li>Employer-provided housing</li> <li>Combine with other programs – HOME, CDBG</li> </ul>		

**Acronyms**

TIF – Tax Increment Financing  
HOME – HOME Investment Partnership Program  
ADU – Accessory Dwelling Unit  
RTD – Regional Transportation District  
LIHTC – Low Income Housing Tax Credits  
CDBG – Community Development Block Grants  
PIF – Public Improvement Fee