Housing Affordability Task Force Recommendations

September 18, 2008

City of Golden

911 10TH Street, Golden, CO 80401

City of
Golden

Cover Photo: Homes in Golden

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Section 1

INTRODUCTION

In early 2008, the Golden City Council embarked on a new era of citizen input and engagement. City Council identified three specific areas of policy where there was an opportunity to employ appointed citizen task forces in the review of a specific policy issue and the development of citizen-based recommendations that would be transmitted directly to City Council. The three identified policy topics for these proposed task forces would be "walkability", "housing affordability", and the update of the City's Bicycle Master Plan. Council had a number of goals for the three proposed task forces, including the engagement of a new and broader segment of the community to add to the citizens that traditionally volunteer for standing boards and commissions, and the demonstration of transparency and accessibility of Council to citizen groups and interests.

The Housing Affordability Task Force (task force) was created by City Council Resolution 1845 on February 28, 2008. In creating this task force, City Council charged the task force to:

a) assess the current and projected availability of and need for a diversity of housing options in Golden;
b) identify any key information gaps and promptly work to fill those gaps;
c) clearly define the key housing affordability challenges in Golden, if any, that the task force believes the City Council should target;
d) evaluate the wide range of potential housing affordability program options for cost and potential effectiveness in terms of the targeted housing affordability needs; and
e) based on this evaluation, prepare and present to the Golden City Council a report describing the task force's findings and specific recommendations for a housing affordability program or programs that will help ensure the availability of diverse quality housing options.

City Council further directed the task force in its deliberations to consider:

a) the housing affordability needs in Golden as identified by the task force;
b) the relationship between programs under consideration and other identified community goals and policies, including the Residential Growth Management program, known as the 1% Growth System;
c) the fiscal impact of programs under consideration, both in terms of initial cost and ongoing cost;
d) ongoing city responsibilities associated with the programs;
e) the likely effectiveness of the programs under consideration for addressing the identified needs, and
f) the likely viability of the programs under consideration.

Council asked the task force to make a good faith effort to ensure that its recommendations are consistent with those of the City of Golden's Comprehensive Plan, adopted neighborhood plans, and other adopted community plans, and to identify in its final report any significant inconsistencies.

Following the February 28, 2008 adoption of Resolution 1845, City Council solicited written applications for the six at large positions on the task force, and recruited the executive director of the Jefferson County Housing Authority (JCHA), and representatives from the Planning Commission and Citizens Budget Advisory Committee for the three standing seats. On April 24, 2008, City Council appointed the nine task force members.

The task force began meeting on May 14, 2008, and met biweekly until the completion of this report on September 10, 2008. As directed by Resolution 1845, the task force, as currently constituted, is to terminate following formal presentation of recommendations at the October 9, 2008 City Council meeting.

Section 2

EXECUTIVE SUMMARY

The task force met a number of times over a period of four months and worked diligently to complete the tasks assigned by Council. Based upon Council's direction and charge, and their own discussion and debate, the task force has reached the following conclusions and recommendations;

A. Primary Conclusions

- There is a demonstrated need for the City to advance policies and programs to create a better balance between the value and cost of housing in the community and the range of resident household incomes as well as non-resident worker household incomes. The data presented in this report demonstrate that there is an imbalance between housing costs and median household incomes in Golden. The need cannot be specifically quantified without significant effort that was beyond the task force's scope. Said another way, the estimation of housing need is not an exact science. However, the task force has concluded, that based upon the available data, community actions to create a better balance are warranted.

- The task force identified seven distinct categories of household/housing opportunity, evaluated each one based on specific criteria, and determined that four should be given high priority for action at this time. Among the four priority targets, two of the targets focus on home ownership opportunities, since increasing such opportunities also helps achieve other neighborhood and community goals. The four priority targets are:

    - Increased rental opportunities for households with income up to 80% of Average Median Income (AMI)[1], by size.
    - Increased ownership opportunities for households with income up to 80% of AMI, by size.
    - Increased participation in programs to assist owner households with income up to 80% of AMI to remain in their existing home and maintain their homes in safe and livable conditions.
    - Increased ownership opportunities for households with income between 80% and 120% of AMI, by size.

B. Priority Program, and Regulatory Recommendations

After review of a number of existing and potential programs that address housing affordability in the community for the four priority categories identified in the previous section, the task force reached consensus on the following programmatic recommendations:

1. Provide increased education, communication, and marketing support for existing independent programs that benefit Golden residents as well as new programs initiated in the future. Some of these programs include the Housing Choice Voucher program (formerly known as Section 8); other potential voucher programs; JCHA's affordable rental and home rehabilitation programs, and various down payment and mortgage assistance programs. All of these programs are proven to be beneficial in helping eligible households, but some are not well known or used by Golden residents. The task force recommends that the City direct staff resources (and minor amounts of operating funds if appropriate) to promoting the understanding and use of these programs. The task force recommends devotion of at least four major Informer stories per year, as well as other targeted efforts to promote the understanding and use of these programs, such as an information link on the City website.

1 Throughout the report, there will be repeated references to Average Median Income (AMI). This measure of income which is based upon household size is the primary method universally used to identify income eligible households for federally funded programs. Table 1, on Page 10 shows the most recent AMI in Jefferson County for various sized households. This would mean that an ownership opportunity for an 80% of AMI household of four persons would be priced below $200,000, and an ownership opportunity for a 120% of AMI household of four persons would be priced below $300,000. Accordingly, most ownership opportunities for 80% of AMI households are town home or condominium units. See also Table 7 in Appendix B for a translation of household income into monthly rent and mortgage payment capacity.

Table 1
Area Median Income By Household Size

Household Size	60% of AMI	80% of AMI	100% of AMI	120% of AMI
1 Person	$30,120.00	$40,160.00	$50,200.00	$60,240.00
2 Persons	$34,200.00	$45,600.00	$57,000.00	$68,400.00
3 Persons	$38,760.00	$51,680.00	$64,600.00	$77,520.00
4 Persons	$43,080.00	$57,440.00	$71,800.00	$86,160.00
5 Persons	$46,500.00	$62,000.00	$77,500.00	$93,000.00

Source: Jefferson County Department of Community Development.
Please also refer to Table 7 in Appendix C for a translation of household income into affordable rent or mortgage costs.

2. Plan to regularly fund certain specific, ongoing programs to benefit the four target priority household/housing opportunity categories. These include:

- Direct contributions of federal Community Development Block Grant (CDBG) and/or Home funds[2] to existing grant and loan programs for rehabilitation of owner-occupied single-family households with income up to 80% of AMI to address safety and livability repairs and renovations. Current rehabilitation programs are provided by JCHA and Rebuilding Together[3]. In the past, Golden has contributed about $40,000 per year to these programs. The task force recommends an ongoing funding of about $45,000 per year to achieve an average of five successful rehabilitation projects per year for eligible households.

- Potential direct contributions of federal CDBG and Home funds to partner with down-payment and mortgage-assistance programs such as the Colorado Housing Assistance Corporation (CHAC), Colorado Housing and Finance Authority (CHFA), or Metro Mayors Caucus programs to assist households with income up to 80% of AMI to attain ownership of a condominium, townhome, or single family home. The task force recommends an ongoing funding of about $35,000 per year for this new partnership program to achieve an average of five new owner households per year.

- Potential direct contributions of City of Golden funds to develop customized down-payment and ownership assistance programs, such as the CHAC programs to assist households with income between 80% and 120% of AMI. The task force recommends that the City seek matching grant funds that would provide programs for this priority category of household/housing opportunity for which the use of federal funds is not possible. The task force recommends that the City allocate about $62,500 per year from the General Fund for 8-10 years, beginning in 2009. Over time, the program would become more self sustaining as applicant households move out of their homes and repay the assistance. Implementation would be managed by an experienced partner organization, such as CHAC to achieve an average of five new owner households in this particular category per year.

3. Plan to respond to future housing affordability opportunities, primarily through the allocation of available CDBG and Home funds. Anticipated opportunities include:

- Work with JCHA to fund the initial investment in purchasing appropriate existing multi-family properties to be added to the inventory of permanent affordable rental properties. Based upon other

2 A detailed description of these funding sources is contained in Appendix A
3 A description of the Rebuilding Together program is contained in Appendix E

jurisdictions' experience, the acquisition of a reasonable multi-family property for this purpose would require up to about a $15,000 per unit contribution toward the down payment and rehabilitation of the project, with JCHA raising the balance and operating the project on rental income. Funding would be derived from CDBG or Home funds from Jefferson County. The task force recommends that the City try to partner on an average of 3 units per year, most likely in minimum 8-10 unit buildings, with a goal of about 15 units over the next 5 years.

- Work with JCHA to fund the acquisition, rehabilitation, and resale of appropriate single family and multi-family properties as part of a local effort to increase homeownership opportunities for households with income up to 80% of AMI, as well as households making between 80% and 120% of AMI. Any resale project to households with income over 80% of AMI must be funded by non-federal sources. The funding goal for these types of projects would be to recoup all or almost all of the initial investment at resale, occasionally with additional second mortgages to be recouped with future resale. Funding for any projects to be sold to households making up to 80% of AMI would be appropriate for CDBG or Home funds, while funding for any projects for over 80% of AMI households would require additional local funds. The task force recommends that the City partner with JCHA to focus on the 80% of AMI group and achieve an average of 5 resale units per year.

- Support individual developers and/or non-profit housing providers applying for existing funding or tax credit programs to provide rental or ownership opportunities for eligible households. Plan to direct CDBG or Home funds to eligible infrastructure or development costs to assist appropriate projects in competing for such funding approvals. The task force recommends that the City be willing to contribute up to $2,000 per unit of CDBG or Home funds to such projects, and try to achieve an average of 15 units per year from these programs (and the final category below) with a target of 75 units over the next 5 years.

- Partner with individual developers and/or non-profit housing providers on a case-by-case basis to develop a portion of their projects as new units for ownership opportunities for either households making up to 80% of AMI, or households with income between 80% and 120% of AMI. Any for-sale project for households making over 80% of AMI must be funded by non-federal sources. The recommended target outcome for this type of opportunity is combined with the previous category.

4. Make regulatory changes that could either assist or require the provision of housing opportunities for the identified priority households. While there are a number of policy discussions that may be appropriate in the future, the task force decided to focus its efforts on regulatory changes that could make it easier to achieve housing affordability goals rather than those potential changes to require developers to construct affordable units. The task force achieved consensus on the following regulatory recommendations:

   - Accessory Dwelling Units. Investigate a revision to the RE, R-1 and R-1A zone districts to allow the conversion or construction of an accessory dwelling unit on a property. This strategy has been implemented in a number of communities and is characterized by the requirement that one of the two units on the property must be owner-occupied, as well as limits on the size and location of the second unit and appropriate parking requirements. Typically programs that allow these units focus on conversion of part of the home or a small apartment over the garage. While a seemingly controversial change to the traditional single family neighborhood, it has worked surprisingly well in many communities, and can help an existing owner remain in their home, or a new owner afford a home.

   - Fee Waivers. Implement limited fee waiver programs for specifically targeted types of projects. The City's charter limitation on incentives allows an incentive of up to $100,000 of city funds for an affordable housing project, and Council could implement such programs both on a case-by-case basis, or by means of a more comprehensive program. An example of such a program would be building permit use-tax waivers for projects for rental or ownership opportunities for households earning up to 120% of AMI.

- 1% Banking Plan for Affordable Projects. Amend Chapter 18.70 of the Municipal Code to allow City Council to create a "banking plan" for otherwise unused allocations under 1% Growth System. By doing this, Council could save up a number of allocations, and distribute such allocations based on the demonstration that a project meets or exceeds listed affordability (and perhaps sustainability) criteria. Although there is little demand for allocations at this time, with this type of change, the several allocations that expired in 2007 and the potential unused allocations in this and future years would be available when needed for a desired project, allowing that project to proceed when ready rather than saving up allocations after site plan approval. See Section 6 of the report for more detail.

- 1% Preference Pool. At the current time, there is very little housing activity in Golden, and very little demand for allocations to build dwellings under the City's 1% growth system. However, in times when there is higher demand for allocations, one of the potential tools to encourage construction of more affordable dwellings involves the creation of what is called a "preference pool" in Chapter 18.70 of the municipal code. Under such a proposal, the code would be amended to allow Council to set aside a certain number of allocations at the beginning of each year so that builders willing to construct targeted types or prices of housing would have first choice for those allocations, while other projects may have to wait to save up allocations to build. The task force recommends implementation of such a program to place a about a third of the number of annual allocations in such a pool for the first allocation period of each year, allowing those allocations to revert to the open pool if unused in that period. See Section 6 for more detail.

5. Table 5 on page 26 depicts the program, funding, and performance target recommendations of the task force.

C. Other Recommendations

While the data that was available to the task force was adequate to arrive at the conclusions and recommendations contained in this report, the task force recommends that Golden work with Jefferson County to secure a Comprehensive Housing Needs Assessment similar to the one initiated by Jefferson County in 2003, parts of which appear in Appendix B. This evaluation and resulting documentation will be critical to the long term measurement of need and progress toward meeting performance measures and outcomes. This evaluation is an appropriate project for the Jefferson County Community Development Department to fund and undertake. The task force also recommends that Golden seek to secure a broad survey of local employers to determine wages and city of residence for the Golden workforce. With better information about the housing need and opportunities for the local workforce, the City will be in a better position to increase opportunities for this vital segment of the community, and also help meet sustainability goals regarding transportation and reductions in annual vehicle miles traveled.

While the task force recognizes that City Council was interested in a brief intensive evaluation of this issue, the task force recommends a periodic review of program and policy direction and progress in meeting housing affordability goals and outcomes. Recognizing that Council is concerned about creating more standing boards and committees, the task force recommends that City Council authorize a successor citizen advisory committee, initially of the same members, that would:

- Meet in the fall of 2009 to review progress to date on target goals and outcomes, and to make recommendations to City Council about 2010 CDBG allocation of jurisdictional funds and any applications for CDBG or Home funds.

- Determine at the 2009 meeting whether a successor citizen advisory committee should continue to meet on an annual basis, or recommend termination of the group.

- If it is decided that a group should continue to meet, convene as needed throughout the year to advise City Council on low income tax credit projects, policy issues as referred by Council, major City funded projects, and any incentive requests for affordable housing.

Canyon Gate Apartments, operated by the Jefferson County Housing Authority, provides affordable housing for Golden area seniors.

Section 3
OVERVIEW OF ISSUE

The ability to have and maintain safe, livable, and desirable housing without excessive financial burden is a goal valued world wide. In our country, the issue of a potential imbalance between the cost of such safe, livable, and desirable housing and the financial resources of a substantial percentage of working households is an important policy issue in almost every community. Based upon community comments and prior area studies related to this topic, Golden City Council asked the task force to evaluate housing affordability from a local perspective.

At its first meeting, the task force began discussing two major topic areas: housing goals to recommend to the community, and the data investigation necessary to validate any policy and program recommendations. Discussion of these two topics continued for the first few meetings, and helped define the task force effort.

A. Task Force Goals

In June, 2008, the task force determined that its primary goal was:

> "The City of Golden will actively pursue policies and strategies to achieve a better balance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes. The desired balance between household income and housing costs will be defined by the general standard that housing costs in excess of approximately 30% of gross household income can represent an undue burden on a household."

The task force further identified a number of operational goals or community actions:

1. Encourage a variety of housing types, prices, densities, sizes, architectural variety and lot sizes in the City, especially as necessary to increase housing opportunities for households earning up to 120% of AMI.

2. Encourage the distribution of the proposed mix of housing opportunities throughout the City, and to the extent feasible, near mass transit services, recognizing that certain areas are not likely to see land use changes in the foreseeable future.

3. Encourage home ownership opportunities for those households desiring this opportunity, especially for those households ranging from below 80% to 120% of AMI. Increase suitable rental housing opportunities, especially for those households earning up to 80% of AMI

4. Encourage the preservation of existing housing, and the ability of residents to remain in their current homes.

5. Recognize and, within the City's ability, seek to address the housing needs of special populations, including, but not limited to seniors, the disabled, the unemployed or unemployable, and homeless individuals and/or families.

The primary and operational goals, or community actions, were referenced throughout the rest of the task force efforts and in this report.

B. Data Collection

Early on in the task force efforts, it became clear that there is both an unlimited supply of potential statistical and other data regarding housing and economics, as well as a significant challenge in determining what data is relevant and helpful in forming community recommendations regarding housing affordability. In order to start collecting and evaluating potentially valuable information, the task force suggested that some of the desired data might fall into separate groups of information to be organized for task force discussion and consideration. The four groups of information could be characterized as follows:

1. Information on housing supply in and near the community. This group would contain the updates from the 2003 Jefferson County Housing Needs Assessment pertaining to amounts of housing in the community by type, age, size, number of bedrooms, value, trends in new construction, quality of construction, redevelopment pressure, and other factors.

2. Information on housing need in the community. This group would contain traditional information about household economic, income, and crowding characteristics. It would also include statistical information regarding the estimated household incomes related to jobs in the Golden area, which would allow for goals and policies to be tailored to both community residents and community workers.

3. Information on regulatory issues that affect housing supply and cost. The task force needed to be somewhat knowledgeable about a number of regulatory issues that are sometimes seen as preventing or encouraging housing diversity and affordability in the community. This group would contain information ranging from fees to zoning density, and potential size limitations related to lot size.

4. Information on tools and programs that address housing affordability. Once the task force had identified its direction and overall goals, it would be necessary to understand the broad menu of policies, programs, and partnerships that could become part of a recommendation to City Council. Where applicable, this information would also include some detail about program eligibility and other requirements that affect use and implementation.

For a number of meetings, the task force reviewed differing sources of information from the first two groups pertaining to supply and demand issues, and the economic and demographic characteristics of Golden households. In the end, however, the task force concluded that the two reports attached as Appendix B and C do the best job of clearly and concisely demonstrating that there is a need in Golden for the City to consider policies and potential educational and financial support for programs to help achieve that “better balance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes” listed as the primary task force goal.

C. Discussion Process and General Data Conclusions

The task force’s general process was to review data, research reports and other available information, and to discuss and debate that information in the regular task force meetings. The primary initial conclusions of the task force were:

1. There is a demonstrated need for the City to advance policies and programs to create a better balance between the value and cost of housing in the community and the range of resident household incomes as well as non-resident worker household incomes. The data described in this report demonstrates that there is certainly an imbalance between housing costs and median household incomes in Golden. The need cannot be specifically quantified without significant effort that was beyond the task force’s scope. Said another way, the estimation of housing need is not an exact science. However, the task force has concluded, based upon the available data, that community actions to create a better balance are warranted. Tables 2 and 3 demonstrate such imbalance.

2. There is further documentation in the 2003 Jefferson County Housing Needs Assessment (excerpted in Appendix B) that 20% of owners (about 620 households in 2003) and nearly 40% of renter households (about 1,070 in 2003) in the community can be considered cost burdened in their current residence, calculated as paying more than 30% of household income towards housing costs. If a more conservative figure of 35% of household income devoted to housing costs is used, the number of cost burdened households is still 15% of owner occupied households and 31% of renter households.

3. The most effective way to accurately identify the level of imbalance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes is to complete a new Golden specific comprehensive housing needs assessment, similar to the one performed by Jefferson County for the entire county in 2003. The cost to complete such a needs assessment for Golden would not be unreasonably high, however, it would require at least a minimum of a few months to bid, contract, and prepare such a study. While such a study was not available during the work of the task force, it is a significant short term recommendation. The task force recommends that Golden work with Jefferson County to secure such an update, as this evaluation and resulting document will be critical to the long term measurement of need and progress toward meeting performance measures and outcomes. This evaluation is an appropriate project for the Jefferson County Community Development Department to fund and undertake. The task force also recommends that Golden seek to secure a broad survey of local employers to determine wages and city of residence for the Golden workforce. With better information about the housing need and opportunities for the local workforce, the City will be in a better position to increase opportunities for this vital segment of the community, and also to help meet sustainability goals regarding transportation and reductions in annual vehicle miles traveled.

Table 2

Housing/Income Balance for Renter Occupied Units Total Supply

Based upon 2003 Needs Assessment

2003 Income	Households	% of Total	2003 Rental Cost	Units	% of Total
< $15,000	615	23%	under - $300	97	4%
$15,000 - $24,999	551	20%	$300 - $499	481	18%
$25,000 - $34,999	404	15%	$500 - $749	1132	43%
$35,000 - $49,999	570	21%	$750 - $999	519	20%
$50,000 - $74,999	355	13%	$1,000 - $1,499	383	15%
$75,000 or more	197	7%	$1,500 or more	29	1%
	2692			2641	

Note: Median Household Income for Renter Households was $28,611

Note: Only 22% of renter occupied units are affordable to the bottom 43% of Renter Households

Source: 2003 Jefferson County Housing Needs Assessment for all information

Table 3

Housing/Income Balance for Owner Occupied Units Total Supply

Based upon 2003 Needs Assessment

2003 Income	Households	% of Total	2003 Unit Value	Units	% of Total
< $25,000	661	15%	$75,000	0	0%
$25,000 - $49,999	907	21%	$75,000 - $149,999	562	18%
$50,000 - $74,999	919	22%	$150,000 - $199,999	1023	33%
$75,000 - $99,999	829	19%	$200,000 - $299,000	857	28%
$100,000 - $149,999	561	13%	$300,000 - $499,999	581	19%
$150,000 or more	397	9%	over $500,000	67	2%
	4274			3090	

Note: Median Household Income for Owner Households was $69,913

Note: Only 18% of owner occupied units are affordable to the bottom 36% of Households

Source: 2003 Jefferson County Housing Needs Assessment for all information

Table 4

Matrix of Housing Affordability Priorities re Targeted Actions

Criteria (rank low, med, high)	Category 1 Homes for Homeless	Category 2 Rental Opportunities for Affordable pop (<80% AMI)	Category 3 Owner Opportunities for Affordable pop (<80% AMI)	Category 4 Help Low income owners keep existing units safe	Category 5 Rental Opportunities for moderate pop (80 - 120% AMI)	Category 6 Owner Opportunities for moderate pop (80 - 120% AMI)	Category 7 Help Moderate pop keep existing owned units
How Adeqate is the supply of this type of housing?		L	L	L	H	L	L
How great is the need for this type of housing?		H	VH	H	M	H	M
How great is the imbalance between need and supply?	L	H	H	M	L	H	L
Rank the ability of Golden to affect the target area		M	M	H		M	
How much will affecting this target area support other community goals?		H	H	H		H	M-H
Rank the priority of this target area for Task Force report	L	H	H+	H	L	H+	L

Source: Housing Affordability Task Force Evaluation

Section 4

FINDINGS AND GENERAL RECOMMENDATIONS

A. Definitions

The challenge to define affordable housing was debated by the task force in its initial meetings. While it may be possible to try to create such a definition for Golden, in the end the task force determined that such an exercise was not necessary, and it would be more beneficial to simply identify targeted populations, primarily using accepted standards from federal programs. Accordingly, the task force adopted the following working definitions:

- Cost burdened household. A cost burdened household is a household paying more than 30% – 35% of gross household income on housing expenses, including rent or mortgage payment, taxes, insurance and utilities.
- Lower income household. A lower income household is a household whose gross annual income is at or below 80% of the AMI based upon household size. The limit of 80% of AMI defines eligibility for federal housing assistance programs. AMI levels are shown in Table 1 on page 10.
- Moderate Income Household. A moderate income household is a household whose gross annual income is between 80% and 120% of AMI, based upon household size.

B. Priority Targets

During the July 2008 task force meetings, the group began to evaluate a number of different household types and housing circumstances in order to determine priorities where City action might be recommended. Seven categories were identified. These included:

1. Opportunities for homeless individuals and families to obtain safe and suitable housing
2. Rental opportunities for households with income up to 80% of AMI
3. Ownership opportunities for households with income up to 80% of AMI
4. Rehabilitation of existing homes for lower income owners with income up to 80% of AMI
5. Rental opportunities for households with income between 80% and 120% of AMI
6. Ownership opportunities for households with income between 80% and 120% of AMI
7. Rehabilitation of existing homes for moderate income owners with income between 80% and 120% of AMI

On July 23 and August 6, 2008 the task force evaluated the relative priority of these seven household/housing opportunity categories based on specific agreed upon criteria, including the adequacy of supply, the degree of need, the amount of imbalance between need and supply, the ability of Golden to impact such imbalance and the potential to affect other related community goals. As a result of this evaluation, the task force identified four categories as the highest priority for action by Golden in the foreseeable future. As shown in Table 4 on page 18, the highest ranking housing affordability priorities were ownership opportunities for both lower income (up to 80% of AMI) and moderate income (80% to 120% of AMI) households (categories 3 and 6 in the above list.) The other two high ranking housing affordability priorities were rental opportunities for households with income up to 80% of AMI, and helping owner households in the up to 80% of AMI category maintain and remain in their existing homes (categories 2 and 4 in the above list.)

C. Organizational Recommendations

The task force is very clear in its recommendation against creating a new administrative and staffing obligation for the City. It would be ill-advised for the City to become a housing authority. Rather, the City should seek partnerships with appropriate non-profits, including JCHA, CHAC, and other similar agencies for ongoing implementation and oversight of housing programs and/or projects. This structure would not preclude the City from acquiring land or existing residential properties, but such acquisition would be for the purpose of resale and/or implementing partnership projects.

While the task force recognizes that City Council was interested in a brief intensive evaluation of this policy issue, the task force recommends a periodic review of program and policy direction and progress in meeting housing affordability goals and outcomes. Recognizing that Council is concerned about creating more standing boards and committees, the task force recommends that City Council authorize a successor citizen advisory committee, initially of the same members, that would:

- Meet in the fall of 2009, to review progress to date on target goals and outcomes, and make recommendations to City Council about the 2010 CDBG allocation of jurisdictional funds and any applications for CDBG or Home funds.

- Determine at the 2009 meeting whether a successor citizen advisory committee should continue to meet on an annual basis, or recommend termination of the group.

- If it is decided that a group should continue to meet, convene as needed throughout the year, to advise City Council on low income tax credit projects, policy issues as referred by Council, major city funded projects, and any incentive requests for affordable housing.

Canyon Point Cottages is an example of a private project financed through a tax credit program.

Section 5

PROGRAM RECOMMENDATIONS

Of the tools and programs available to the community to help achieve the goal of a better balance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes, the more valuable tools will be Golden's efforts to support existing and new targeted programs. Such assistance may range from education and marketing to direct and indirect financial support. After detailed discussion, the task force has compiled two sets of recommended programs for City support. These two sets of programs were selected to best match the four target category priorities identified by the task force. Given the importance of funding for all of these programs, it is important that the main federal programs available for households making up to 80% of AMI be understood. These two programs are the CDBG and Home programs. In short, these federal grant programs are well suited to assist the housing needs of households making up to 80% of AMI. A more detailed description of the programs is contained in Appendix A.

It should be noted that the task force also evaluated a number of programs that are not currently recommended for further study or implementation. These programs, and others like them, may be appropriate at some time in the future, and are described in Chapter VII of this report.

A. Marketing, Education, and Communication Support

Early in the task force efforts it became clear that there are a number of existing housing and home ownership programs available to eligible households, but not all are well known or understood. The City of Golden can benefit existing and potential residents and households desiring rental and ownership opportunities simply by expending in-kind efforts and minor direct investments to encourage the use and understanding of such programs. The task force recommends that City staff embark on such an ongoing campaign immediately. Initial stories are planned for the Informer starting in October, with other communication efforts to be developed. In addition, opportunities may arise to partner with other organizations, such as the Jefferson County Association of Realtors, to help disseminate information about these programs. Some of the programs in this category that the task force recommends include the following. Detailed descriptions of the recommended programs are contained in Appendix D.

- Down payment and mortgage assistance programs, generally aimed at first time homebuyers. There are at least three current and ongoing down payment and/or mortgage assistance programs available in Golden for income eligible households. These programs are offered by the CHFA, CHAC, and through the Metro Mayors Caucus. Over the years, a small number of Golden households have taken advantage of these programs for purchasing a dwelling. While the City has written a few articles and press releases, especially about the Metro Mayors Caucus program, a more extensive and ongoing campaign could increase awareness and use of these opportunities, which is a low cost way to increase access of such resources and directly benefit Golden households.

- Housing Choice Voucher Program (formerly Section 8). The Housing Choice Voucher Program is administered by JCHA and provides rental assistance to low and very low income households by making separate direct rent subsidy payments to participating landlords. Tenants pay only 30% of gross income in rent, and the JCHA makes up the difference. While the program is very well known to users, it is not always well understood by landlords. A marketing or education program in this respect would target owners/landlords of multi-family rental projects, and provide access to information about the program.

- Other Voucher Programs. The task force has heard of other voucher programs that provide rental assistance to eligible households in a similar manner, but to date does not have good information about them. If such programs are available, e.g. through mental health providers, they are not easily found or utilized. The task force recommends that the City research such programs and disseminate the information both to landlords and users.

- JCHA Units. JCHA owns and operates housing projects dispersed throughout the county. They currently prefer to operate mid-sized multi-family projects of 8 or more units per property. There is typically a long waiting list for such units. Golden can help this program succeed locally by referring eligible rental households and by helping to locate appropriate properties for consideration.

B. Direct or Indirect Financial Support

The majority of the task force program discussions centered on the identification of programs where active participation by the City could help achieve the goals previously described in this report. In this next section below, the task force recommends that the City specifically support the following programs, organized by the four priority categories of household/housing opportunity they address. A summary of these programs appears in Table 5 on page 26.

- Rental opportunities for households with income up to 80% of AMI. The task force recommends two specific programs to increase rental opportunities for these households.

    - Encourage the use of the existing Low Income Housing Tax Credit (LIHTC) program for appropriate projects. On a national basis, the largest and most effective program for the rehabilitation of rental units to be available for lower income households is this tax credit program. In short, the program allows for profit and/or not for profit developers to reduce the cost of financing mid-sized multi-family projects in exchange for a binding commitment to rent all or a portion of such units to target populations. Once constructed, the units must be made available to the target populations for between 15 and 40 years.

      In Golden, the Canyon Point Cottages project near Washington Avenue and Iowa Street were constructed under this type of program. In 2008, there is an application pending for a proposed 56 unit project south of West 10th Avenue, east of Johnson Road. If approved and constructed, all of the units would be rented to households making no more than 60% of AMI for a period of about 30 years. As such, these projects directly help one of the high priority housing groups. In addition, because the program is so competitive, the chances for approval from the administering agency (in this case CHFA) are greatly improved when there is demonstrated local support.

      The task force recommends that City Council, on a case-by-case basis, consider moderate financial support for this type of project when located and planned in a manner consistent with neighborhood and community goals. The anticipated level of support would be about $2,000 per dwelling unit and could derive from CDBG or HOME program funds, or local funding sources. Any additional support funds would typically be used to fund site and infrastructure costs or local permit fees. With this type of program, there is no ongoing administration cost, as the project's affordability commitments are assured through federal monitoring. The benefit of leveraging this existing project and securing a multi-decade permanently affordable unit for only $2,000 per unit is the most cost effective recommendation in this report. However, it must be recognized that such projects are market driven and may arise only rarely. In this case, the task force recommendation is to be ready to address such opportunities when they arise. Fortunately, the planning process for such projects typically provides sufficient time for the City to plan and secure local support funding sources as needed.

    - Encourage and help JCHA secure and operate more rental dwelling units in Golden. JCHA is currently the only public or non-profit owner of permanently affordable rental units in the community. In addition to the long term affordable rentals provided through the tax credit program described above, these publicly owned rental units provide a necessary stable amount of rental units for low and very low income households. At this time, JCHA owns and operates approximately 77 rental units in Golden.

      The task force recommends that City Council commit to contribute funds, as opportunities arise, toward the acquisition by JCHA of multi-family properties in the range of 8 to 16 units each. The anticipated level of support would be about $100,000 to $200,000 as part of the down payment on the property. The funding could derive from CDBG or HOME program funds. With this assistance, the JCHA should be able to operate the project on an ongoing basis, covering debt service and operating costs by means of rental payments.

- Ownership opportunities for households with income up to 80% of AMI. The task force recommends three specific programs to increase ownership opportunities for these households.

  - Partner with an existing down payment or mortgage assistance program to increase the viability of such programs for this target group. In the metro Denver area, there are a number of existing programs that are intended to provide assistance to first time homebuyers (also including those who have owned in the past, but not in recent years). At this time, such programs are provided by the CHFA, CHAC, and the Metro Mayors Caucus. While these programs are generally effective, they are not widely successful in Golden. In addition to the education and marketing support recommended earlier in this report, the task force recommends that Golden seek to partner with one or more of these providers to increase the level of support available for each applicant from the average of one per year in recent years. The funding could derive from CDBG or HOME program funds.

    The task force recommends that, if such a partnership can be secured, City Council should on an ongoing basis contribute about 35% of the annual jurisdictional allocation of CDBG funds to such a program. This level of support would likely increase the successful local applications for this target group up to about five transactions per year. The City would not take on any ongoing administration of the program, but would leverage an existing program for greater utilization and success.

  - Partner with JCHA in a new program to acquire, rehabilitate, and resell existing multi-family and single family dwellings to households up to 80% of AMI. One of the more successful programs in nearby jurisdictions to increase ownership opportunities for this target group involves the acquisition, repair , upgrade, and resale of existing homes and multi-family dwellings to income eligible households in this target group. The goal of such a program is to acquire such properties for a reasonable cost, and then make such improvements as are necessary without increasing the resale value substantially beyond the reach of these households. Provided that households are income eligible (no more than 80% of AMI), the funding could derive from CDBG or HOME program funds. As would be expected, the opportunity to resell units in Golden to such households would primarily consist of townhomes or condominiums, however, there may occasionally be smaller homes available as well. The initial funding requirement would typically be 100% of purchase and rehabilitation costs, however, the Housing Authority may be able to secure other matching funds. The program would expect to recoup a majority of the funds for each transaction upon the initial sale, however, there may be a need for the City to take back a 0% or low interest second mortgage on the property in order for the targeted households to qualify. This portion of the funding would be returned upon resale of the units. Such a program may or may not also have an ongoing deed restriction to keep the property affordable for future buyers.

    The task force recommends that City Council should seek to secure CDBG and/or Home funding approval from the pool of funds administered Jefferson County prior to utilizing the annual jurisdictional allocation of CDBG funds for such a program. An initial application of $200,000 would help the partners be ready to kick off the program when opportunities arise.

  - Partner with individual developers or non-profit housing providers in a new program to construct and sell new multi-family and single family dwellings to households up to 80% of AMI. While opportunities to enter into negotiated partnerships for development on new for sale dwellings may be limited, this category of opportunity should not be discounted. There are a broad range of opportunities available from City acquisition and contribution of a parcel of land, to a negotiated program with certain types of residential projects. As with the previously mentioned program, for households with income up to 80% of AMI to be eligible, the primary opportunities will be for townhome or condo units, although there could be an opportunity for single family homes. Under such a program, the likely scenario would include a negotiation early in the planning of the project to pre-purchase a certain number of the units at a specific cost. The developer is benefited by the pre-sale commitment (in some cases with a substantial deposit), and the City is guaranteed of securing a certain number of dispersed units for a defined price. As with the previously mentioned program, the City (or an administering partner) would then sell the units to income eligible households, perhaps on some sort of lottery basis. The program would expect to recoup a majority of the funds for each transaction upon the initial sale, however, there may be a need for the City to take back a 0% or low interest second mortgage on the property in order for the targeted households to qualify. This portion of the funding would be returned upon resale of the units. Such a program may or may not also have an ongoing deed restriction to keep the property affordable for future buyers. While it would be feasible to utilize CDBG or Home funds for any necessary second mortgages on the property, given the scale of such projects, the up front funding to cash flow the construction and sale period would likely need to be a loan to the program by the City.

- Programs to help keep existing owners with income up to 80% of AMI in their single family homes. One of the specific housing needs identified by the task force relates to the burden on low and moderate income households to make the necessary repairs and renovations of their homes to maintain them in a safe and livable manner. The task force recommends continuing, and perhaps expanding, some existing programs.

    - Partner with JCHA and Rebuilding Together to support continuation of these rehabilitation programs for owner-occupied homes with income up to 80% of AMI. The current and historic use of CDBG funds, as part of the JCHA administered program to assist these low and moderate income households, has been the most successful City sponsored housing initiative in Golden. Continuation of this program, along with the Rebuilding Together program that operates at not cost to eligible homeowners is recommended to help this segment of the community remain in their existing homes. Traditionally, the City has contributed about $40,000 per year from CDBG jurisdictional funds and seen an average of 2 to 4 rehabilitation projects funded per year. The latest report from JCHA administered program is attached as Appendix F.

      The task force recommends that City Council should on an ongoing basis contribute about 45% of the annual jurisdictional allocation of CDBG funds to such programs. This level of support would continue the successful local applications for this target group. In addition, whenever there is a need to commit additional CDBG funds based upon time limitations, such funds should first be considered for these programs. The City would not take on any ongoing administration of the program, but would successfully leverage an existing program for greater utilization and success.

- Ownership opportunities for households with income between 80% and 120% of AMI. The task force spent a significant amount of time discussing the need for community efforts to increase ownership opportunities for these households. As noted earlier in the report, 120% of AMI for a household of four persons equals a gross income of $86,160. This segment of the community includes many of the middle class working households that cannot find suitable homes in Golden. This group typically will purchase homes between $250,000 to $300,000. New homes in this price range have not been available in Golden in recent years. Approximately one third of single family home sales (resale homes) and most of the condos and townhomes sold in 2007, in Golden, do fall into this price range. However, the reason these resale single family homes are priced below $300,000 is often because they require immediate and necessary repairs or updates. This group of buyers are then "priced-out" of the Golden market because they do not have both down payment / transaction cost funds and immediate remodeling funds. In order to help this group of households, the task force recommends one specific program to increase ownership opportunities.

- Partner with an existing down payment or mortgage assistance program to expand one or more of such programs for this target group, not currently included. As noted above, there are a number of existing programs that are intended to provide assistance to first time homebuyers (also including those who have owned in the past, but not in recent years). At this time, such programs are provided by the CHFA, CHAC, and the Metro Mayors Caucus. These programs are not typically available to households with income above 80% of AMI, as households in this category cannot utilize federal housing funds. The task force recommends that Golden seek to partner with one or more of these providers to provide direct assistance to these vital working households.

  The task force recommends that, if such a partnership can be secured, City Council should on an ongoing basis for the next 8 to 10 years contribute about $62,500 of City funds, and seek a similar amount from eligible grant sources. This level of support would likely support about five local applications per year for down payment assistance of about $25,000 each. The City would not take on any ongoing administration of the program, but would leverage an existing program for greater utilization and success. The program would expect to recoup the funds for each transaction upon the future resale of the property. In the short term, there would be a need for the City to take back a 0% or low interest second mortgage on the property in order for the targeted households to qualify. Such a program may or may not also have an ongoing deed restriction to keep the property affordable for future buyers. It is anticipated that with an eight to ten year infusion of funds, the program could be sustainable with little or no additional contribution.

Table 5					
Summary of Recommended Programs					
Program Item	Priority Category	Policy Benefit	Target Performance Measurement	Approximate Five Year Cost	Funding Strategy
Low Income Housing Tax Credit Program (LIHTC Income restricted housing limited for about 40 years	2 Rentals for up to 80%	Reduce cost burden for neediest households creates new supply	Average of 15 units per year; 5 year total of 75 units	$150,000	CDBG or Home Pool Funds as first choice
Jefferson County Housing Authority (JCHA) Units	2 Rentals for up to 80%	Reduce cost burden for neediest households in JCHA-owned properties	Average of 3 units per year; 5 year total of 15 units	$100,000 - $200,000	CDBG or Home Pool Funds as first choice
Down Payment Assistance Programs	3 Ownership for up to 80%	Increase home ownership; Reduce cost burden for working families	Average of 5 applications per year; 5 year total of 25 opportunities	$175,000	35% of annual CDBG Jurisdictional
Acquisition/rehab/sale of multi family and single family dwellings for income qualified buyers	3 Ownership for up to 80%	Increase home ownership, neighborhood stability, neighborhood investment	Average of 5 units per year; 5 year total of 25 units	$250,000	CDBG or Home Pool Funds as first choice
Partner with developer or Community Land Trust	3 Ownership for up to 80%	Reduce cost burden	TBD	TBD	CDBG or Home Pool Funds as first choice
Owner Rehab Programs	4 Rehab for up to 80%	Keeps lower income owners in their homes, neighborhood stability increased	Average of 5 units per year; 5 year total of 25 units	$225,000	45% of annual CDBG Jurisdictional
Down Payment Assistance Program	6 Ownership 80 - 120% AMI	Increase home ownderhip; reduce cost burden	Average of 5 units per year; 5 year total of 25 units	$312,500	$62,500 per year from General Fund
Source: Housing Affordability Task Force Evaluation					

POLICY AND REGULATORY RECOMMENDATIONS

Another set of tools available to the community to help achieve the goal of a better balance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes, involves the City's role in regulating development and construction in the community. The City's authority in this arena can be used to either encourage development patterns or construction activity to meet housing goals, or to require development patterns or construction of specific housing types or price ranges. The task force spent a substantial amount of time investigating a number of alternative policy and regulatory changes. The task force is not currently recommending any regulatory changes to force developments to provide affordable housing units in Golden, and is only recommending some changes that may make it easier to construct more affordable units. Several regulatory changes that were evaluated but are not recommended at this time may be appropriate in the future, and are described in Chapter VII of this report. The regulatory changes recommended for implementation at this time include the following:

- Accessory Dwelling Units. Investigate a revision to the RE, R-1 and R-1A zone districts to allow the conversion or construction of an accessory dwelling unit on the property. This strategy has been implemented in a number of communities and is characterized by the requirement that one of the two units on the property must be owner occupied, as well as limits on the size and location of the second unit and appropriate parking requirements. Typically programs that allow these units focus on conversion of part of the home, or a small apartment over the garage. While a seemingly controversial change to the traditional single family neighborhood, it has worked surprisingly well in many communities, and can help an existing owner stay in their home, or a new owner afford a home.

- Fee Waivers. Implement limited fee waiver programs for specifically targeted types of projects. The City's Charter limitation on incentives allows an incentive of up to $100,000 of city funds for an affordable housing project, and Council could implement such programs both on a case by case basis, or by means of an across the board program. An example of such a program would be building permit use tax waivers for projects for rental and/or ownership projects targeting households earning up to 120% of AMI.

- 1% Banking Plan for Affordable Projects. Amend Chapter 18.70 of the Municipal Code to allow City Council to create a "banking plan" for otherwise unused allocations under the 1% Growth System. By doing this, Council could save up a number of allocations, and distribute such allocations upon demonstration that a project meets or exceeds listed affordability (and perhaps sustainability) criteria. Although there is little demand for allocations at this time, with this type of change, the several allocations that expired in 2007 and the potential unused allocations in this and future years would be available when needed for a desired project, allowing that project to proceed when ready rather than saving up allocations after site plan approval. City Council would evaluate specific requests to release allocations from this banking plan based upon a discretionary review of project benefits and compatibility. In order to apply for such banked allocations, all dwellings involved in the request must be directed to households with income no more than 80% of AMI. The task force further recommends that this banking plan for affordable dwellings be capped at no more than the current year's total allocations.

- 1% Preference Pool. At the current time, there is very little housing activity in Golden, and very little demand for allocations to build dwellings under the City's 1% Growth System. However, in times when there is higher demand for allocations, one of the potential tools to encourage construction of more affordable dwellings involves the creation of what is called a "preference pool" in Chapter 18.70 of the Municipal Code. Under such a proposal, the code would be amended to allow Council to set aside a certain number of allocations at the beginning of each year so that builders willing to construct targeted types or prices of housing would have first choice for those allocations, while other projects may have to wait to save up allocations to build. The task force recommends implementation of such a program to place about a third of the total number of annual allocations in such a pool for the first allocation period of each year, allowing those allocations to revert to the open pool if unused in that period. The minimum criteria to apply to this preference pool would be that all dwellings involved in the request must be directed to households with income no greater than 120% of AMI. If requests in the January allocation distribution are less than the number of available allocations, they would be distributed in the same manner as the open pool. If, however, requests for allocations in the January distribution are greater than the number available, the requests would be presented to City Council to review and award the available allocations to the project(s) serving the lowest AMI.

Section 7
OTHER CONSIDERATIONS

Over the period of its several meetings, the task force had the opportunity to discuss a number of ideas that it is not currently recommending, but also to discuss short and long-term funding philosophies, as well as performance targets for the specific program recommendations. These discussions and recommendations are detailed in this section.

A. Alternatives Considered but not Recommended at This Time.

As the City of Golden works to continue the effort to achieve a better balance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes, there will be a need to evaluate the community's progress, and to re-evaluate additional courses of action. In order to assist in these future City Council decisions, the task force is providing some information detail about the various program and regulatory alternatives that were discussed, but are not being recommended for consideration at this time.

- Programs Considered

    - City owned and operated rental projects. Among the types of projects evaluated by the task force were the opportunities for the City to acquire or develop for rent properties for households with income up to 80% of AMI. The task force strongly recommends that the City should seek to partner with experienced outside agencies that can help the community achieve housing goals rather than instituting locally administered programs. The task force believes that it is an unnecessary use of resources and an inappropriate expansion of local government to take on such ongoing administrative duties.

    - City administered down payment or mortgage assistance, or owner rehabilitation programs. For reasons similar to the above category, the task force strongly recommends that the City should seek to partner with experienced outside agencies that can help the community achieve housing goals rather than instituting locally administered programs. The task force believes that it is an unnecessary use of resources and an inappropriate expansion of local government to take on such ongoing administrative duties.

    - Direct partnerships for development of housing projects to construct home ownership units for households with income between 80% and 120% of AMI. While the task force recognizes that ownership opportunities for these households is a very big challenge in the community, due to the very high costs of new construction, then task force recommends that the best use of resources for these households is typically in the area of partnerships for down payment or mortgage assistance. The potential exception to this recommendation would be in the area of negotiated agreements with an annexation or larger subdivision plat, where the use of City resources would be controlled.

    - Acquisition, rehabilitation, and resale of existing single family units for households with income between 80% and 120% of AMI. The acquisition, rehabilitation, and resale of existing single family homes in the community for these households would achieve City goals, but is also very time and resource intensive, and would require a substantial amount of local funds (since CDBG and Home funds could not be used for households above 80% of AMI) and a strong partnership with a partner organization like JCHA. The task force recommends that in general it would not be the best approach.

    - Rehabilitation programs for owner occupied units with households with income between 80% and 120% of AMI. The task force recommends that households in this category have a better chance of finding funds for the repair and upgrading of their existing home than lower income persons, and that this type of program would not be a priority.

- Homeless programs. The task force did not study the issue of homelessness in great detail, choosing instead to focus on programs, projects and regulations that promote the availability of affordable housing. However, the task force did avail itself of information describing the state of homelessness in Jefferson County that was assembled by a grassroots organization now functioning in the county known as Heading Home - Jeffco Community Steps to Housing. Those data indicate that more than 2000 people are homeless in Jefferson County and many of them are children. Heading Home comprises representatives from Jefferson County government and nonprofit organizations who seek solutions to the problem of homelessness in the county. Those involved include: Jefferson County Human Services, Jefferson County Community Development, Jeffco Action Center, Family Tree, MCPN Clinics, Jeffco Public Schools, Jefferson Center for Mental Health, Interfaith Hospitality Network, Stride, and the City of Wheat Ridge.

  Clearly the causes of homelessness are broader than the affordability of housing, and their elimination requires the concerted efforts of the entire community. The task force recommends that Golden explore productive ways to participate in county-wide efforts, such as Heading Home, to contribute its fair share of effort toward solving the problem.

- Programs in partnership with existing manufactured home parks. With the substantial vacancies in the corporate owned manufactured home parks in south Golden, the task force spent some time discussing how a more defined rental assistance program in partnership with the owners could work. The task force did not see this area as a priority ownership opportunity, but does acknowledge the possibility of a rental type program if the park owners are interested. The task force did note that the various manufactured home parks represent about 8% of the community's housing, and that whenever manufactured home park owners propose changes to land use, there can be a significant impact to moderate income households. The community should consider such impacts when land use changes are proposed by owners.

• Regulatory Changes Considered

  - Reduced lot width and area. In some cases, per lot infrastructure costs can be affected by lot frontage and lot area. A reduction in lot width can decrease costs for streets and utilities. A lot area reduction can also reduce overall land costs and thereby per unit costs. The task force discussed this option and suggested that these types of code issues could help achieve housing affordability goals, but recommended that they are better addressed by Planning Commission in the context of neighborhood plans.

  - Housing bulk limitation requirements. Over the past few years, Planning Commission has been working on a recommendation regarding code changes to limit house size as a ratio of lot size, for purposes of neighborhood character. Such codes could also tend to increase the percentage of moderately sized houses in the community. These types of requirements could be an important component if reduced lot sizes or widths are allowed. Because these types of changes involve a substantial number of other legal and policy issues related to community character and the desire of individual homeowners to limit any control of their home size, the task force recommends that they are better addressed by Planning Commission in the context of neighborhood plans.

  - Inclusionary zoning. Inclusionary zoning relates to several types of zoning codes that are used fairly often to require development projects to create a certain percentage of their new dwellings as affordable units. While the details of such codes may vary slightly from place to place, the general concept is the same. Projects over a certain minimum size are required to dedicate a certain number of units for targeted households, or in some cases to make an alternate cash contribution to the jurisdiction to be used for other housing programs. While the tool is used fairly regularly, it is also very controversial with land owners, realtors, and developers and has been argued to increase housing costs for the remainder of projects. The task force debated the merits of such a code change for Golden, and in the end decided not to consider this tool at this time.

B. Program Targets and Outcomes.

The task force has also identified initial targets to determine appropriate progress toward that better balance between the value and cost of housing in the community and the range of resident household incomes and non-resident worker household incomes. The targets proposed by the task force are typically listed as annual averages, however, the task force recommends that a major review occur in 2013 and that five year cumulative targets be agreed upon. Note that the targets listed below, and shown in Table 5 on page 26, are based upon a combination of reasonably assumed funding, and the likelihood of developer proposed projects rather than on calculated need. The proposed annual average targets are as follows:.

- Devotion of at least four major Informer stories per year, as well as other targeted efforts to promote the understanding and use of existing housing assistance programs and resources.
- Rehabilitation projects to assist an average of 5 households per year.
- An average of 5 successful homeownership down payment or mortgage assistance applications per year for households with income up to 80% of AMI, through our partner organization.
- The addition of an average of 3 multi-family rental units to JCHA's permanent rental assistance pool in the community per years, with a five year target of 15 units.
- Purchase, rehabilitation, and sale of an average of 5 dwellings per year to households with income up to 80% of AMI in partnership with JCHA.
- An average of 5 successful homeownership down payment or mortgage assistance applications per year for households with income between 80% and 120% of AMI, through a partner organization, provided that Golden can provide $62,500 per year for the first several years, and secure matching grant funds in the same amount.
- Creation of an average of 15 new or rehabilitated dwelling units per year through leveraged partnerships with developers or non-profit housing providers with a five year target of 75 units.

C. Funding Philosophy and Policies.

In order to accomplish the above performance targets, the task force recommends the following funding principles and allocation:

- In general, the City should try to maintain a healthy balance of jurisdictional CDBG funds in order to be ready to respond to opportunity based projects when they arise. In the event that funds must be allocated to prevent their return to the CDBG program (based upon the age of the funds), immediate allocation should be made to ongoing rehabilitation programs and/or the ongoing down payment or mortgage assistance programs with our established partners.
- For the approximately $79,000 in CDBG funds that needs to be allocated by late 2008, City Council should direct all of that funding to our partner programs with JCHA, with the highest priority given to a rental acquisition or a rehabilitation and resale project.
- The City should seek to secure sufficient CDBG or Home funds for the pending Archdiocesan Housing tax credit application from Jefferson County to gain approval through CHFA. If further local support is necessary, Council should devote up to $100,000 of currently available CDBG funds to eligible site infrastructure costs.
- Whenever feasible, the City should seek CDBG or Home funds from Jefferson County for larger project opportunities, before using jurisdictional funds.
- Consistent funding in an amount of about 45% of the annual jurisdictional allocation of CDBG funds should be allocated to partner rehabilitation programs.
- Consistent funding in an amount of about 35% of the annual jurisdictional allocation of CDBG funds should be allocated to partner down payment or mortgage assistance programs for households with income up to 80% of AMI.
- City Council should consider allocating $62,500 per year for 8 to 10 years, beginning in 2009 as

seed money, and to help secure matching grant funds for a down payment assistance program for households with income between 80% and 120% of AMI, to be implemented by an experienced partner organization, such as CHAC.

- City Council should consider financing unique housing affordability opportunities that would be repaid over time, as they arise.

CONCLUSION

The members of the Housing AFfordability Task Force want to thank the Golden City Council for their interest in exploring housing affordability, both what is needed and what is possible in our community. We also thank the Council for the opportunity we have had to work together over the last several months. As we have learned, trying to address housing needs can seem like an overwhelming task, and is certainly an issue that is complex. We are well aware that not all residents of Golden face challenges with meeting their housing needs, but some segments of our community, whether they are homeowners or renters, individuals or families, do experience difficulties. We believe that the recommendations contained in this report are comprehensive and achievable, and can make a positive difference for all of us. Everyone desreves to live in a decent and safe home, and working to make that a reality speaks to who we are as a community.

APPENDIX A

Each year, beginning in 1993, the City of Golden has participated in the Community Development Block Grant (CDBG) program, a federally funded program the Housing and Urban Development department (HUD) which assists low and moderate income people. Funds can be spent on activities for individuals, and on programs and capital projects to benefit certain neighborhoods (identified by census block data), the handicapped and seniors. Through an intergovernmental agreement with the cities of Golden, Wheat Ridge, Edgewater and the Town of Mountain View, Jefferson County applies for CDBG and HOME funding as an urban county. Some of the CDBG funds are designated as “jurisdictional allocations,” which are directly allocated to each of the County’s four partners. The remaining CDBG funds are designated as the “Jefferson County allocation,” a shared pool of funds available for project funding to the four partners as well as various non-profit entities throughout the County. All HOME funds are in a shared pool available to all.

The following sections repeat information primarily from the Jefferson County Community Development Department, the local administrators of the two programs. All of this appendix is purely informational, and is based upon the information for the 2008 grant cycle. The County web site should be consulted for the most up to date information.

I. HOME Program

The **Home Investment Partnerships Program** (HOME) was signed into law as Title II of the Cranston Gonzalez National Affordable Housing Act in 1990. It is a federally funded program designed to expand or improve the supply of decent and affordable housing for low to moderate-income residents through:

- Acquisition
- New housing construction for rent or ownership
- Rehabilitation of rental or owner-occupied housing
- New homebuyer assistance programs
- Tenant-based rental assistance or security deposit assistance

2008 Jefferson County HOME Grant Program

PURPOSE OF THE GRANT:

The goal of the HOME Investment Partnerships Program (HOME) is to provide decent affordable housing to low-income households, expand the capacity of nonprofit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private-sector participation.

WHO MAY APPLY:

To be eligible for funding under the HOME Program an applicant can be a non-profit 501(c)(3), a housing authority, a private business, a governmental agency, or a quasigovernmental agency providing affordable housing services to low and moderate income residents of the County of Jefferson. All projects under the HOME Program require a 25% non-federal match.

COUNTY OBJECTIVES/AREAS OF FOCUS:

Jefferson County designs and supports innovative and constructive local approaches to improving the housing and economic conditions of county residents with low and moderate incomes. The following are the specific objectives Jefferson County has established as priorities:

CONSTRUCTION – Acquisition of land for construction of new housing

ACQUISITION - To develop and support affordable homeownership and rental housing through acquisition of existing properties

REHABILITATION – To rehabilitate housing for ownership or rental

HOW TO APPLY FOR A GRANT:

• First step in the application process is to submit a Letter of Interest. Letter of Interest will include a brief description of project, amount requested, organization's capacity to perform project, and how the request relates to the funding interests of Jefferson County. The Letter of Interest must be signed by Chief Executive Officer and Chairman of the Board of Directors.

• County staff reviews Letter of Interest for fit with the County's Goals and Objectives and compliance with federal requirements.

• If all requirements are met, Letter of Interest is assigned to the Community Development Advisory Board who determines the strength of the proposal compared to similar proposals under review. The result of the first review is communicated to the applicant by telephone or letter.

• During the next stage, the Advisory Board solicits full applications from applicants determined to be the most competitive.

• Applicants then undergo an in-depth review that may include requests for additional material, presentations, and/or site visit.

• The Community Development Advisory Board makes funding recommendations to the Board of County Commissioners for final approval.

APPLICATION GUIDELINES:

• Submit one original and 05 copies of Letter or Interest and/or Application.

• Letter of Interest and/or Application will not be accepted in a ringed or sealed binder or notebook.

• Letter of Interest and/or Application will not be accepted by FAX or e-mail.

FINANCIAL GUIDELINES:

• Total available funding is approximately $400,000 annually. A typical HOME award ranges from $50,000 to $100,000

• HOME funds are not awarded for annual operating support

RESTRICTIONS:

The County will not consider grants for:

• Individuals
• Research Projects
• Religious activities
• Deficits, debt elimination, or for endowment
• Activities that do not benefit Jefferson County residents

TIMETABLE:

• Informational Meeting: October 8, 2007, 10:00 a.m.
• Letter of Interest submission: October 17, 2007, 10:00 a.m.
• Application submission: December 07,2007, 10:00 am

• Presentations: Mid-December
• Funding recommendations made: January 24, 2008
• Final approval and notification of award: April 2008
• Contract signing: June 1, 2008
• HOME funding cycle begins June 1 and ends May 31. Projects must be completed and all funds spent down within 12-18 months from date of contract signing unless otherwise approved in writing by Community Development Director

PERFORMANCE MEASURES - Projects will be evaluated as follows:

• Timely signing of contract, performance of project and spending of grant funds
• Quarterly Performance Reporting – organizations receiving a grant are required to report quarterly on program progress
• Onsite fiscal and project monitoring

DISCLAIMER:

• Jefferson County is experiencing an increased number of applications. Average dollar requests have risen significantly without comparable increases in available funds. The combination of these factors has required the rejection of many exceptionally worthwhile projects within the County's areas of interest, but beyond its fiscal ability to consider. NO LOIs OR APPLICATIONS WILL BE ACCEPTED AFTER **DEADLINE DATE AND TIME** – **NO EXCEPTIONS**.
• Any discussions or indication of interest prior to or after submission of a written application or onsite visit should not be construed as a commitment by Jefferson County. Each application will be considered on its own merit and accepted or rejected in writing.

II. Community Development Block Grant (CDBG) Program

The **Community Development Block Grant** (CDBG) is a federally funded grant that was created to improve the physical, economic, and social conditions for low and moderate-income residents or low-income areas in Jefferson County. It can be used for:

- Acquisition
- Disposition
- Rehabilitation
- New construction of property
- Public facilities improvements
- Urban renewal completion
- Relocation
- Home ownership
- Housing services

The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses. CDBG is an important tool for helping local governments tackle serious challenges facing their communities.

The annual CDBG appropriation is allocated between States and local jurisdictions called "non-entitlement" and "entitlement" communities respectively. Entitlement communities are comprised of central cities of Metropolitan Statistical Areas (MSAs); metropolitan cities with populations of at least 50,000; and qualified urban counties with a population of 200,000 or more (excluding the populations of entitlement cities). States distribute CDBG funds to non-entitlement localities not qualified as entitlement communities.

HUD determines the amount of each grant by using a formula comprised of several measures of community need, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

Citizen Participation

A grantee must develop and follow a detailed plan that provides for and encourages citizen participation. This integral process emphasizes participation by persons of low or moderate income, particularly residents of predominantly low- and moderate-income neighborhoods, slum or blighted areas, and areas in which the grantee proposes to use CDBG funds. The plan must provide citizens with the following: reasonable and timely access to local meetings; an opportunity to review proposed activities and program performance; provide for timely written answers to written complaints and grievances; and identify how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

2008 Jefferson County CDBG Grant Program

PURPOSE OF THE GRANT:

The goal of the Community Development Block Grant is to improve the physical, economic, and social conditions of low-income people.

WHO MAY APPLY:

To be eligible for funding under the CDBG Program an applicant can be a non-profit agency with 501(c)(3) status, a housing authority, a governmental agency, or a quasi-governmental agency providing services to low and moderate income residents of the County of Jefferson.

COUNTY OBJECTIVES/AREAS OF FOCUS:

Jefferson County designs and supports innovative and constructive local approaches to improving the housing and economic conditions of county residents with low and moderate incomes.

GEOGRAPHIC DISTRIBUTION OF RESOURCES

CDBG funds primarily benefit low and moderate-income residents of unincorporated Jefferson County and the participating cities of Edgewater, Golden, Mountain View, and Wheat Ridge. Most programs and some building projects, however, benefit residents on a county-wide basis. Additionally, CDBG funds are targeted to areas with high concentrations of low/moderate income residents and/or minorities. In an effort to distribute funds more equitably throughout Jefferson County, geographical distribution and socio/economic conditions are considered carefully when reviewing proposals.

The following are the specific objectives Jefferson County has established as priorities:

HOUSING

• Rental housing is available for the low and very low-income populations where rental housing rates are low
• Low income seniors have affordable housing options, especially at-risk seniors with caregiving responsibilities
• Affordable housing is located in areas easily accessed by the low to moderate-income populations
• Affordable housing is available for low-income renters that want to buy
• Aging housing stock of low to moderate-income owner-occupied units is rehabilitated and/or repaired
• Homeownership increases in areas where the ownership rates are low

SPECIAL NEEDS

• The special needs populations have housing options, especially those earning less than 40% AMI
• Services for at-risk seniors with caregiving responsibilities are available
• The special needs population is educated about housing and service options
• Transit options near housing and support services for special needs populations are enhanced
• The special needs population is integrated into the community
• The number of medical clinics near senior and physically disabled populations is increased

COMMUNITY DEVELOPMENT

• More jobs are created for the county's residents
• Public facilities are created to support low to moderate-income populations
• Distressed neighborhoods are improved

HOW TO APPLY FOR A GRANT:

• The first step in the application process is to submit a Letter of Interest. Letters of Interest must include a brief description of project, amount requested, organization's capacity to perform project, and how the request relates to the funding interests of Jefferson County.
The Letter of Interest must be signed by Chief Executive Officer and Chairman of the Board of Directors.
• County staff reviews Letters of Interest for alignment with the County's Goals and Objectives and compliance with Federal requirements.
• Approved Letters of Interest are assigned to the Community Development Advisory Board (CDAB), who determines the strength of the proposal compared to similar proposals under review. The result of the first review is communicated to the applicant by telephone or letter.
• During the next stage, the CDAB solicits full applications from applicants determined to exhibit the highest level of alignment with County goals and Consolidated Plan priorities.

• Applicants then undergo an in-depth review that may include requests for additional material, presentations, and/or site visit.
• The Community Development Advisory Board (CDAB) makes funding recommendations to the Board of County Commissioners for final approval.

LETTER OF INTEREST AND APPLICATION GUIDELINES:

• Submit one original and 3 copies of Letter of Interest and/or Application.
• Letter of Interest and/or Application will not be accepted in a ringed or sealed binder or notebook.
• Letter of Interest and/or Application will not be accepted by FAX or e-mail.

Please submit all Letters of Interest to Jefferson County Community Development, 100 Jefferson County Parkway, Suite 3520, Golden, CO 80419.

FINANCIAL GUIDELINES:

• Total available funding is approximately $400,000 annually. A typical CDBG award ranges from $15,000 to $150,000.
• CDBG funds are not typically awarded for services or annual operating support.

RESTRICTIONS:

The County will not consider grants for:

• Individuals
• Research Projects
• Religious activities
• Deficits, debt elimination, or for endowment
• Requests from organizations that do not benefit Jefferson County residents

APPENDIX B

HOUSING NEEDS ASSESSMENT JEFFERSON COUNTY

November 2003

McCormick and Associates, Inc. &
Rees Consulting, Inc.
RRC Associates, Inc.

Table of Contents

INTRODUCTION

Purpose

The purpose of the study is to provide Jefferson County and the Jeffco Housing Authority with baseline information that would be useful in evaluating and targeting affordable housing efforts. The information can also be used to discuss housing needs and opportunities with the Department of Housing and Urban Development (HUD) and various other federal, state, local and other public agencies and non-profit and private interests involved in projects for the community. This study provides a housing assessment for inclusion in the Consolidated Plan and can be used to help target resources for housing within the county.

This is a study that is focused on providing information about current and future housing needs and the available supply of housing to address these needs.

This information may be used to:

- Evaluate and potentially modify public policies and housing programs including land use regulations, affordable housing incentives and development codes;
- Facilitate partnerships between public- and private-sector organizations to create developments that include housing that is suitable and affordable to different population groups;
- Obtain financing for housing projects. Most private, federal and state lending institutions require demographic and housing cost information to support loan or grant applications. Often information presented in a housing needs assessment may be used to support a proposed development with different funding agencies. This information can also be used when a financial institution requires market studies (for example, rental units financed with Low Income Housing Tax Credits);
- Assess the distribution patterns of housing throughout Jefferson County, particularly in the context of employment;
- Establish baseline information from which progress toward meeting agreed upon goals can be evaluated;
- Plan for future affordable housing impacts connected with anticipated commercial and residential growth;
- Understand economic, housing cost and demographic trends in the area; and,
- Support various other planning-related projects that can benefit from the availability of up-to-date demographic data including transportation studies, environmental impact statements, school expansion, and parks/recreation planning.

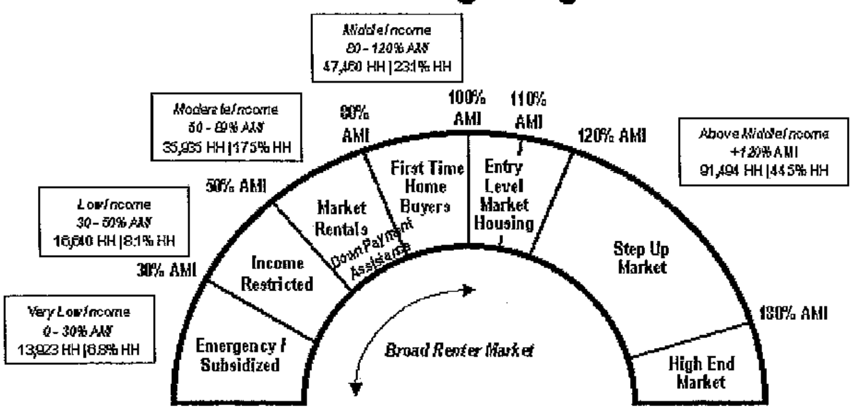
CONTEXT

Addressing housing needs, concerns, issues and opportunities is a complex and often emotional issue. A Housing Needs Assessment provides baseline information from which policy decisions, local housing goals and objectives and program options can be evaluated. This information is intended to inform decisions, as well as suggest program and policy options for local governments to consider when addressing community housing needs and opportunities. Ideally, Jefferson County will have a mix and balance of housing that supports current and future residents as their housing needs and conditions change. Housing can play a supportive role in economic development as well. In this instance, a balance of housing that is affordable and suitable for different employment needs would be ideal.

Affordable housing is generally defined as a housing payment that does not exceed 30% of gross monthly income and a home that is of a sufficient size to meet the needs of the household. The types of homes that are made available under local housing initiatives vary depending on the housing needs in different communities and the policies and goals established by these communities to support these goals. Customizing policies, goals and programs to local conditions is an important component of any successful housing strategy.

The Housing Bridge illustrated below portrays a spectrum of housing that is affordable and most likely to be sought out by households in different income groups. It indicates the number and percentage of households earning different area median incomes and type of housing likely to be needed at the different income levels. The Housing Bridge depicts what may be ideal for most communities – the availability of housing that is affordable to all households and provides options for changing life circumstances. What is key in this approach is that there are opportunities to buy or rent for households at different economic levels, thus supporting an economically balanced community.

Housing Bridge



KEY FINDINGS AND PROGRAM OPTIONS

Information from the US Census and other public information sources, household surveys, and service agency and employer interviews were used to conduct a housing assessment for Jefferson County. This section summarizes the key findings and observations resulting from the analysis of housing conditions in Jefferson County as related to the needs of residents, impacts from current and future employment growth, and out-commuters and overall housing trends and costs.

Background

Jefferson County is home to over 212,488 households, and encompasses incorporated communities that are suburban in character and smaller towns and areas that are more rural in nature. This presents both challenges and opportunities in addressing the housing needs in the county. The County oversees the allocation of Community Development Block Grant, HOME Program Funds, Private Activities Bonds, as well as planning review for housing development in the unincorporated area. Because of this, Jefferson County can influence the types of programs that are undertaken to meet needs of residents. It is also in a position to work collaboratively with local governments to promote housing programs, as well as new development and redevelopment that will enhance housing choices for employees, seniors, the disabled and others. This report provides quantitative information that will be useful in make policy decisions, and considerations about how to allocate staff and financial resources and enhance future housing efforts throughout the County.

Housing Characteristics and Perceptions

The County has a fairly high percentage of homes (73 percent) that are owner occupied. Generally residents feel that their homes are in excellent to good condition and most owners are not looking for a different home to purchase and are satisfied with their current residence. Despite these positive aspects, survey results indicate that 37% of residents feel that housing was the most "critical" or "serious" problem facing Jefferson County, with another 35% noting that it was a problem among others needing attention. In addition, over half of owners state that they could not purchase their homes at today's value, indicating that income has not kept pace with increases in housing costs. Among areas of importance to residents are keeping seniors in the community, having housing affordable to essential workers (teachers, firefighters, etc.) and having a variety of for-sale and rental housing in the community.

Conclusion: Residents of Jefferson County are generally satisfied with their current housing; however, there is concern about the cost of housing in the area. There is broad support for providing housing options for essential workers and variety in housing types and costs is desirable.

Population and Job Growth

Although the population and number of jobs in Jefferson County are projected to grow at slower rates than in the Denver Metro Region as a whole it is expected to add an average of 2,000 jobs and 7,400 people annually through 2010.

Of the projected population and job growth in Jefferson County:

- Most of the new residential growth is expected to occur in the Morrison/Conifer/Arvada area. The location of this growth, in part, results from the number of communities that are approaching build-out and do not have additional land to annex, including Wheat Ridge, Golden and Edgewater. These communities will continue to grow; however, as they have extensive redevelopment opportunities that they are currently pursuing.

- Job growth is expected to be greatest along the west 6th Avenue Corridor, particularly the Federal Center and surrounding areas, with a lesser concentration in western Arvada and the remainder broadly scattered throughout the County. The types of jobs brought to the area will be similar to those currently offered and will be predominately in services, production and retail.

- Currently, 49% of Jefferson County residents also work in Jefferson County. The residents that live and work in the County hold 66% of the jobs that are in the county The percentage of residents that hold jobs in Jefferson County is one of the highest in the metro area. In comparison, residents hold residents hold 42% of jobs in Denver and 53% of jobs in Douglas County. Boulder County is the highest, with 70% of jobs held by residents.

- The affect of housing costs on recruitment and retention of employees vary by employer. Economic development staff noted that the cost of housing in the metro-area was affecting recruitment of new businesses to the area. A health care and local government employer noted that employees earning $45,000 to $60,000 per year were having difficulty locating affordable housing to purchase.

Conclusions:

1. ***Continued economic growth in the metro-area will spur housing demand in Jefferson County. To keep up with <u>projected job growth</u> and retain the same percentage of residents living and working in Jefferson County, 1,015 residential units will need to be added annually. This assumes that 66% or residents will continue to hold jobs in Jefferson County and that there will be 1.3 employees per household. These units will need to be priced in a range that is affordable to service, production and retail employees, as well as higher wage earners.***

   To maintain the current mix of unit types, 680 units (67%) would be single-family homes and the remaining 335 would be attached units. To retain the current ratio of owners to renters, 741 (73%) would be for-sale homes and 274 would be rental units.

2. ***Many communities in Jefferson County are approaching (or have reached) build-out, restricting locational options for new housing. To the extent possible, future housing development should take into consideration projected employment growth areas as well as existing locations of employment, to provide needed housing for employees close to where they work and close to services.***

3. ***There are opportunities to locate residential development in close proximity to non-residential development and along transit lines. Higher density housing located along transit corridors are good options for encouraging use of public transportation and also locating housing in closer proximity to employment areas.***

Commuting

Over half of Jefferson County residents who work commute outside of the County for employment, notably to Denver and Arapahoe Counties. Survey results show that out-commuters tend to be more affluent and have larger households than those that live and work in Jefferson County.

Residents that work in Jefferson County have smaller households and are more likely to value living close to where they work than out-commuters. Owner households that live and work in the County and that are looking to purchase a different home are generally looking for "step-up" housing (a larger home and/or single-family home). Renters have generally not purchased a home because they cannot find housing they can afford where they want to live.

Conclusions:

1. ***Residents working outside of Jefferson County are affecting the cost of housing and type of housing built, as they have higher incomes and want larger homes than residents that work in the County.***

2. ***Residents who work in Jefferson County have lower incomes than out-commuters. To keep them in the area, more modestly priced homes are needed, particularly for renters who would like to buy. Because residents that live and work in the area value proximity to place of work, opportunities to create housing in closer proximity to employment and major transportation corridors should be encouraged.***

For-Sale Housing

About 28 percent of owners would like to purchase another home (41,834 owners). Of those who want to buy in the next two years, 43 percent (17,988) earn over 120 percent of the Area Median Income. A three-person household earning this income could afford a home priced at roughly $220,000, which is slightly below the median sales price of $240,000 for a single-family home in 2002.

Among renters, 87 percent or 49,294 households would like to buy a home. Realistically, unless a renter household has a substantial down payment, buying is only a reality for those earning at least 80 percent of the Area Median Income (or $50,350 for a three-person household). At this income, an affordable purchase price would be $178,320. The survey found that most buyers would prefer to find an older home that costs less than a new home; however, 17% (8,380) renters would purchase a fixer-upper that cost less than a new or older home.

Housing sale prices have increased steadily in price over the last five years, with condominiums increasing in price the most (64 percent), followed by town homes (52 percent) and single-family homes (50 percent). The price of new homes in 2002 was 61 percent more than existing homes (for single-family units); 35 percent for condominiums and 58 percent for town homes. New town homes will not be an option for many buyers, as the median sales price was $248,600 in 2002 and new single-family homes are out of reach at $374,100.

Economic development staff noted that housing that is more affordably priced throughout the metro area will enhance recruitment of new business to the area. Based on future job growth, 741 for-sale units need to be available to maintain existing owner occupancy. For jobs paying $19 per hour ($39,000) to $29 per hour ($60,400) homes priced at $138,684 to $220,163 are needed.

Conclusions:

1. ***There appears to be sufficient housing and housing choices affordable to households earning 120 percent of the AMI or higher in Jefferson County as a whole. Although this is the case, there continues to be unmet demand for housing that is affordable to households earning 80% to 100% of the AMI (middle and moderate income households).***

2. ***New housing costs significantly more than existing homes and should be monitored to assure that new housing does not become so expensive that "step-up" buyers are unable to purchase these homes.***

3. ***First time buyers are more likely to look to existing homes to buy, as these homes are selling at considerably lower prices. Down payment assistance and acquisition/rehabilitation loan packages should be supported to encourage buyers to purchase these homes.***

4. ***The creation of new entry-level housing should be encouraged. Ideally, this housing would be distributed throughout the county and have a range of prices and unit types. Zoning needs to support attached housing product for the entry-level homebuyer market.***

5. ***For-sale housing that will support new residents employed in Jefferson County that is priced at $138,684 to $220,163 will enhance economic development efforts.***

Rental Housing

Rental conditions in Jefferson County are not as soft as the balance of the metro area. Although the vacancy rate is hovering around 9%, this is less than other areas where vacancies are in the double digits. Average rents have come down over the past three years, from $822 in 2001 to $777 in 2003. It is likely that rents will stay about the same or go down slightly as the metro area has an estimated two to three year supply of rental housing to absorb. Although this is the case, rental housing for very low income and low-income households continue to be a challenge.

There were 56,660 renters at the 2000 Census. Of these, approximately 30% (17,337) earn less than 50% of the Area Median Income and would be eligible for various form of housing assistance. Among these renters an estimated 11,044 (64%) pay more than 30% of their gross monthly income for housing and are considered cost burdened. There are only 5,338 income-restricted units and Section 8 Vouchers to assist households in this income bracket. Housing agencies estimate that 20% of the units or vouchers turn over annually, meaning that 1,067 new households could receive assistance.

To maintain the current ratio of renters to owners, an additional 274 rental units need to be produced annually. Given that much of the new job growth is projected in retail and service industries, it is likely that the majority of full-time employees in these jobs will have annual incomes of $24,000 ($11.50 per hour for retail) to$35,511 ($16.83 per hour for health care). At these incomes and under current market conditions, rental housing that is priced at or below $725 will be needed.

Conclusions:

1. ***Rental housing for current households earning at or below 50% of the AMI is needed, even under current market conditions.***

2. ***Renters that earn 50% or less of the AMI are likely to be employed at $10 to $12 per hour jobs. These households, along with seniors and disabled persons have a difficult time finding housing that is affordable in Jefferson County. Housing cost burden is a serious problem and places these households at risk of losing their homes and was affirmed as a major problem by service agencies.***

3. ***Future economic growth will create additional demand for affordably priced rental housing. Under current rental market conditions, housing priced at or below $725 per month will be in greatest demand.***

Noteworthy Communities

Three communities stood out from the rest of the areas of Jefferson County - Wheat Ridge, Edgewater, and Mountain View. These communities have unique circumstances that require individual consideration.

- *Wheat Ridge* has the highest concentration of senior households of all Jefferson County communities (30%). A very high percentage of owners do not have mortgages (35.3%).
  Ownership in Wheat Ridge only increased by 2.5% since 1990 suggesting that efforts may need to be directed toward increasing ownership opportunities and that entry level buyers may need help with down payments and debt counseling. In addition, owners in this community were more likely to want a smaller home to buy. Given that 46% of units are attached, a program to convert some rental housing to ownership could be an option to increase ownership in Wheat Ridge.

- *Edgewater* residents are the most likely to feel that housing is a critical or serious problem (63%). This community has a significant number of renters and only realized a 5.3% increase in ownership since the 1990 Census. The homes are older, with 57% built before 1960. There is a very high turnover, which is consistent with a high renter population and it has a high percentage of overcrowding (10.2%). Other highlights include:

- One-third of the households have children, which is fairly high;
- Rents are among the lowest in the metro area and coupled with low ownership indicates there may be some acquisition and redevelopment opportunities.
- Housing units are more likely to be in poor condition in Edgewater than other communities. Most of the repairs made to homes the past three years are plumbing, electrical and kitchens, suggesting that improvements are related to health and safety issues more than aesthetics.

- *Mountain View* residents believe that housing is a serious problem in Jefferson County and consider cost of housing over other options. This small community has a large concentration of seniors and has not had any new construction since the last census. Although the area does not have any major problems, the lack of growth is a concern, particularly with the number of seniors in the community. It begs the question as to whether or not new households will be attracted to the area as current residents continue to age, particularly if there has not been any new growth in the area.

- *Unincorporated Jefferson County* is projected to have most of the growth in county. Residential growth in unincorporated Jefferson County creates demand for retail and service jobs, yet housing that would be affordable to those employed in these types of businesses is not available. Zoning may be a factor in why more affordably priced homes have not been built in the area.

Conclusions:

1. ***In Wheatridge, efforts to increase home ownership are needed, particularly for entry-level buyers. The number of seniors in the community suggests that a reverse annuity mortgage program may be effective as would be an effort to promote patio style homes for seniors to buy. Seniors moving into smaller homes could free-up housing for first time buyers in Wheatridge.***

2. ***Housing conditions in Edgewater are in need of change. The combination of larger households, aging housing stock and number of renters in the area has led to general instability and a decline in the housing stock.***

3. ***The future viability of Mountain View is at risk due to lack of new development and its older population.***

4. ***Zoning in unincorporated Jefferson County that would support development of affordably priced housing would enhance efforts to house employees working in these areas.***

Seniors

A relatively high percentage of households have at least one person aged 65 or older (15%) and this number is expected to more than double by 2020. Low-income seniors in particular are hard hit. There are an estimated 918 income restricted senior units in

Jefferson County and 5,148 seniors who rent and earn less than 30% of the Area Median Income. The demand for senior housing, particularly among very low-income seniors, is likely to grow as the county ages. Affordable housing for seniors will continue to be needed and location of this housing will be important. Ideally, housing for seniors will be located in close proximity to transit, medical services and shopping. In addition, there are a growing number of seniors who are raising grandchildren and three-generation families that live together. Often, seniors in these situations who are have limited incomes are ineligible to receive housing assistance. Lastly, senior homeowners in particular, have difficulty paying property taxes and staying in their homes due to this cost.

Conclusion: The needs of seniors will be of particular concern in the future, given that persons age 65 or older are projected to double in number by 2020. Low-income seniors have limited housing opportunities available to them that are affordable.

GOLDEN

November 2003
Housing Study Profiles

Study highlights are based on a combination of 2000 Census information and the results from the household surveys conducted as part of the 2003 Jefferson County Housing Needs Assessment.

Overview

Golden had a surge in development in the 1970's. This was the biggest growth period for the community and a number of middle class homes were introduced into the area. Coupled with this, was an increase in household size. Golden experienced the same rate of growth from 1990 to 2000 as the State of Colorado; however, household incomes increased by 70% during the same period.

Key Findings

- *There is a big difference between the incomes of owners and renters. Median household income of renters was $26,000 according to the 2000 Census with owners having a median income that is three times this amount. Renters may be having a difficult time in Golden. Of households earning 30% to 50% of the AMI, 70% are housing cost burdened whereas 15% of those earning between 80.1% to 95% pay more than 30% of income for housing. This indicates that more housing affordable to households earning less than 50% AMI may be needed, particularly rental units. These need to be below market rentals, given that over 40% of renter households earn 50% AMI or less. In addition, renters in Golden care consider proximity to services and employment as important factors to consider when looking for a place to live. This suggests that renters are more likely to choose locations close to where they work if they can find a place that is affordable to them.*

- *There was a 78% increase in overcrowded units since the 1990 Census. Household size also increased during this period. The number of cost burdened households increased, although the overall percentage decreased. The combination of these factors indicates that there is more pressure to live in Golden than available supply.*

- *Over half of residents in Golden earn less than 80% of the Area Median Income and could qualify for different housing programs, including income restricted rentals, rehabilitation loan programs and down payment assistance. About 40% of residents would use down payment assistance or a rehabilitation loan program, but only 24% would consider using rental assistance. The lower interest in rent assistance may be attributed to current owners, not to disinterest on the part of renters.*

- *Owners in Golden are more likely to want to buy a home closer to where they work; 20% of those employed work in Golden and 54% report commuting to Denver for all, or at least part, of their job. A fairly high percentage of current owners (19%) are also interested in finding an attached residence. Multi-family units make up about 42% of the housing stock in Golden, indicating that conversion of apartments to condominiums may be an option to meet this demand; provided this does not compromise needed rental stock.*

- *Golden residents are more interested in a new home (28%) than other Jefferson County residents and are least interested in purchasing a fixer-upper.*

- *A relatively high percentage of Golden owners state that they could afford their current home at its market rate today (51%), second only to Westminster (57%). Most of the owners in Golden that want to buy a different home are looking for a larger home. This may be a reflection of the increase in the average household size in Golden since 1990, indicating more families are in the area.*

- *Golden households are most likely to report their unit is in very poor condition (e.g. needs repairs costing over $10,000) than other areas of the County. About 39% of survey respondents state they "would definitely consider" a low interest rehabilitation loan.*

Conclusions and Program Options

- Efforts should be directed to encouraging rental housing that is affordable to households earning 50% of the AMI or less. Timing of this housing will be important, as current rental housing conditions are soft. Nonetheless, the findings suggest that additional affordable rental housing is needed for residents and employees in Golden and larger (two and three-bedroom units) may be needed to ease overcrowded conditions.

- There is some interest in purchasing smaller, attached housing in Golden. Options to introduce this into the market include acquisition of existing attached rental housing and converting it to ownership and/or new construction. Care must be exercised; however, to replace existing rental housing with other affordable rental housing, which is also needed.

- Pursue rehabilitation loan programs as well as down payment assistance.

- Evaluate zoning and land use to enhance development of product needed in the area (multifamily units).

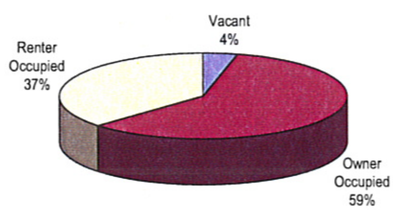
Housing Unit Estimates and Physical Characteristics

Use/Tenure

	#	%
Housing Units	7146	100%
Occupied as primary home	6877	96.2%
Owners*	4238	61.6%
Renters*	2639	38.4%
Vacant	269	3.8%
Seasonal/recreational use	26	.4%

* Percent of occupied units, not total units.

Occupancy



Type of Structure

	#	%
Single-Family	3424	47.5%
Multi-Family	3032	42.2%
Mobile Homes	740	10.3%

Units in Structure

	#	%
1-unit, detached	3424	47.5%
1-unit, attached	560	7.8%
2 units	207	2.9%
3 or 4 units	675	9.4%
5 to 9 units	270	3.7%
10 to 19 units	490	6.8%
20 or more units	830	11.5%
Mobile home	740	10.3%
Boat, RV, van, etc.	19	.3%

Overcrowding/Occupants per Room

	#	%
1.00 or less	6784	97.4%
1.01 to 1.50	98	1.4%
1.51 or more	84	1.2%
Overcrowded	182	2.6%

Type of Heat

	#	%
Utility gas	5593	80.3%
Bottled, tank, or LP gas	66	.9%
Electricity	1204	17.3%
Wood	8	.1%
Solar energy	6	.1%
Other fuel/none	89	1.3%

Year Structure Built

	#	%
1999 to March 2000	107	1.5%
1995 to 1998	1282	17.8%
1990 to 1994	317	4.4%
1980 to 1989	907	12.6%
1970 to 1979	2052	28.4%
1960 to 1969	821	11.4%
1940 to 1959	1052	14.6%
1939 or earlier	677	9.4%
Built since 1990	1706	23.7%

Year Moved Into Current Residence

	#	%
1999 to March 2000	1824	26.2%
1995 to 1998	2552	36.6%
1990 to 1994	922	13.2%
1980 to 1989	849	12.2%
1970 to 1979	518	7.4%
1969 or earlier	301	4.3%

Household Demographics

Household Size

	Total	Owners	Renters
Avg. Persons/Unit	2.31	2.43	2.11

Persons Per Unit

	Owners		Renters	
	#	%	#	%
1-person	978	23.1%	1049	39.7%
2-person	1707	40.3%	862	32.7%
3-person	691	16.3%	391	14.8%
4-person	585	13.8%	221	8.4%
5-person	199	4.7%	89	3.4%
6-person	59	1.4%	12	.5%
7+ person	19	.4%	15	.6%
Total	4238	100%	2639	100%

Senior Households

Age of Householder	Owners	Renters	Total
65 to 74 years	415	77	492
75 to 84 years	276	59	335
85 years and over	64	24	88
Total	755	160	915
% of Households	17.8%	6.1%	13.3%

Households with Children

	#	%
Total Households	6877	100%
With one or more persons <18	1933	28.1%
Married-couple family	1350	19.6%
Single parent family	693	10.1%
Nonfamily households	30	.4%

Race/Ethnicity

	#	%
White	6423	93.4%
Black or African Amer.	33	.5%
Am. Indian/Alaska Native	53	.8%
Asian	176	2.6%
Hawaiian/ Pacific Islander	3	0
Some other race	83	1.2%
Two or more races	106	1.5%
Hispanic or Latino	291	4.2%

Household Type

	Owners	Renters	Total	%
Total	4238	2639	6877	100%
Family households	2958	958	3916	56.9%
Married-couple	2475	601	3076	44.7%
Male householder/ no wife	138	96	234	3.4%
Female householder/ no husband	345	261	606	8.8%
Nonfamily households	128 0	1681	2961	43.1%
Male householder	591	1007	1598	23.2%
Living alone	428	612	1040	15.1%
Not living alone	163	395	558	8.1%
Female householder	689	674	1363	19.8%
Living alone	550	437	987	14.4%
Not living alone	139	237	376	5.5%

Age Distribution

Age of Householder	Owners	Renters	Total	%
15 to 24 years	80	639	719	10.5%
25 to 34 years	560	810	1370	19.9%
35 to 44 years	1086	523	1609	23.4%
45 to 54 years	1109	347	1456	21.2%
55 to 64 years	648	160	808	11.7%
65 to 74 years	415	77	492	7.2%
75 to 84 years	276	59	335	4.9%
85 years and over	64	24	88	1.3%

Income, Housing Costs and Affordability

1999 Median Incomes

	Median in 1999
Household Income	$49,115
Owner Households	$69,913
Renter Households	$28,611
Family Income	$67,414
Per Capita Income	$25,257

2003 Median Family Income – Jefferson County

	50%	80%	100%
1 person	$24450	$39150	$48900
2 person	$27950	$44750	$55900
3 person	$31450	$50350	$62900
4 person	$34950	$55900	$69900
5 person	$37750	$60400	$75500
6 person	$40550	$64850	$81100

Change - Median Family Income, 1999 –2003

1999	2003	% Change
$67,310	$69,900	3.8%

Income Distribution

	Owners	Renter	Total	%
Less than $5,000	81	211	292	4.2%
$5,000 to $9,999	117	169	286	4.1%
$10,000 to $14,999	130	235	365	5.2%
$15,000 to $19,999	132	255	387	5.6%
$20,000 to $24,999	201	296	497	7.1%
$25,000 to $34,999	353	404	757	10.9%
$35,000 to $49,999	554	570	1124	16.1%
$50,000 to $74,999	919	355	1274	18.3%
$75,000 to $99,999	829	125	954	13.7%
$100,000 - $149,999	561	36	597	8.6%
$150,000 or more	397	36	433	6.2%

Percent Income Spent on Housing

	Owners	Renters	Total
<15%	1112	415	1527
15 to 19%	552	332	884
20 to 24%	504	449	953
25 to 29%	295	276	571
30 to 34%	162	209	371
35+%	457	861	1318
Not computed	8	150	158
% Cost Burdened	20.0%	39.7%	29.2%
# Cost Burdened	619	1070	1689

Median Housing Prices/Costs

	2000
Value – Owner Occupied	$198,300
Mortgage	$1,331
Gross Rent	$649
Contract Rent	$608

Value of Owner-Occupied Units

	#	%
Less than $50,000	0	0
$50,000 to $99,999	57	1.8%
$100,000 to $149,999	505	16.3%
$150,000 to $199,999	1023	33.1%
$200,000 to $299,999	857	27.7%
$300,000 to $499,999	581	18.8%
$500,000 to $999,999	67	2.2%
$1,000,000 or more	0	0

Mortgage Amount

	#	%
Less than $300	0	0
$300 to $499	26	.8%
$500 to $699	108	3.5%
$700 to $999	394	12.8%
$1,000 to $1,499	940	30.2%
$1,500 to $1,999	576	18.6%
$2,000 or more	357	11.6%
With a mortgage	2401	77.7%
Not mortgaged	689	22.3%

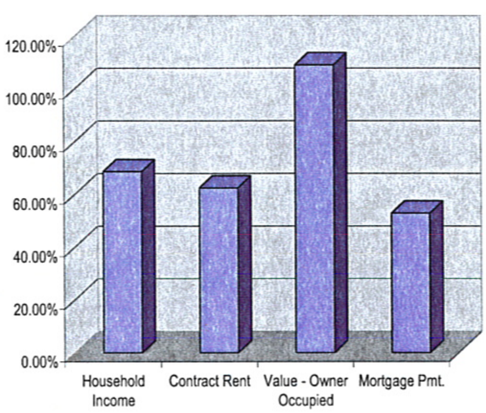
Gross Rent

	#	%
Less than $200	66	2.5%
$200 to $299	31	1.2%
$300 to $499	481	17.9%
$500 to $749	1133	42.1%
$750 to $999	519	19.3%
$1,000 to $1,499	383	14.2%
$1,500 or more	29	1.1%
No cash rent	50	1.9%

Trends and Comparisons

	1990	2000	% Change
Housing Units & Households			
# Housing Units	5825	7146	22.7%
# Occupied Housing Units	5382	6877	27.8%
Recreational	16	26	62.5%
Total Vacant	443	269	39.3%
Homeownership Rate	56.9%	61.6%	8.3%
Household Size			
Renters	2.03	2.11	3.9%
Owners	2.37	2.43	2.5%
Overcrowded Units	102	182	78.4%
Affordability			
Cost Burdened Households #	1,477	1,689	14.4%
Cost Burdened Households %	32.8%	29.2%	-11.0%
Median Incomes			
Household Income	$29,099	$49,115	68.8%
Family Income	$35,602	$67,414	89.4%
Per Capita Income	$14,969	$25,257	68.7%
Median Housing Costs			
Contract Rent	$374	$608	62.6%
Value – Owner Occupied	$94,700	$198,300	109.4%
Mortgage Pmt.	$870	$1,331	53.0%

% Increase, 1990 – 2000



Comparison to State of Colorado

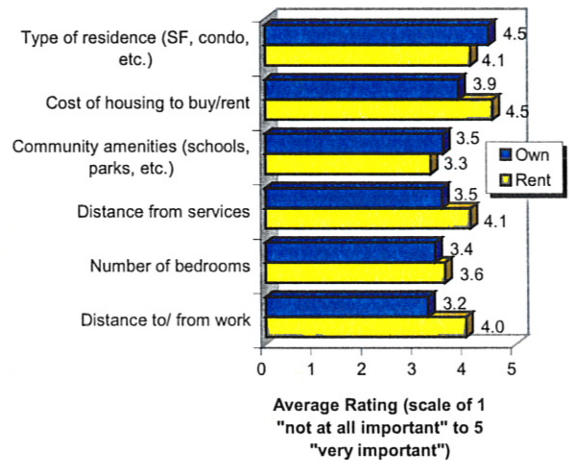
	State of Colorado	Golden
Owner Occupied Units	67.3%	61.6%
Renter Occupied Units	32.7%	38.4%
Value – Owner Occupied	$160,100	$198,300
Mortgage, Median	$1,197	$1,331
Contract Rent, Median	$611	$608
Household Income	$47,203	$49,115
Family Income	$55,883	$67,414
Change in Household Income, 1990 - 2000	56.6%	68.8%
% Cost Burdened	29.3%	29.2%
Residential Growth Rate, 1990 - 2000	22.4%	22.7%

Housing Preferences

Would You Prefer To:

	Jefferson County	Golden
Buy new home that is smaller than an old home for same price	18%	28%
Buy older home in good condition that costs less than a new home of the same size	45%	44%
Purchase a fixer-upper that costs less than new or older home	11%	5%
No preference as long as the residence is in my price range	27%	23%

"How important are the following factors to you when deciding on a residence?" Golden

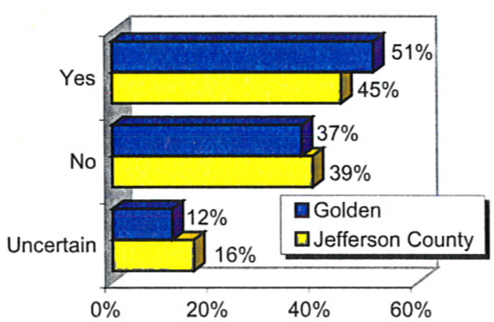


Owners

Want to Buy a Different Home?

	Jefferson County	Golden
Yes	28%	29%
No	72%	71%

"Could you afford your current home at its market rate today?" - Golden



Why Do You Want to Buy a Different Home?

	Jefferson County	Golden
To find a larger home	37%	44%
Other reason	26%	20%
To live in a different community	21%	20%
To be closer to work	9%	20%
To live in a more rural setting	24%	19%
To find an attached residence	8%	19%
To find a smaller home	16%	12%
To find a single-family residence	11%	6%
To live closer to city/town services	3%	6%

Renters

Want to Buy a Home?

	Jefferson County	Golden
Yes	87%	81%
No	13%	19%

Why Have You Not Bought a Home?

	Jefferson County	Golden
Other	12%	56%
High down payment requirement	49%	33%
Housing in my price range not available where I want to live	43%	33%
Can't qualify for a loan	41%	33%
Cheaper to rent	21%	22%
Total cost	40%	11%
Lack of housing choice (e.g. no single family homes)	14%	11%

***NOTE: Small Golden sample size.**

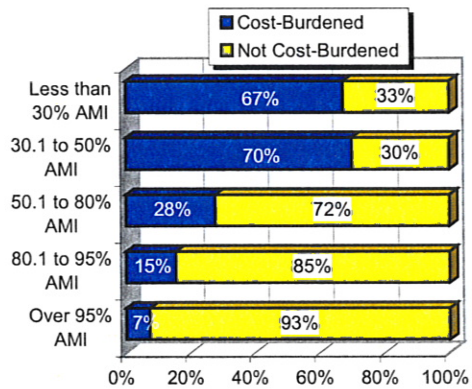
AMI Distribution of Households

	Jefferson	Golden		
AMI Range	County	Owner	Renter	Total
30% or less	6.8%	6.6%	24.0%	13.3%
30.1% to 50%	8.1%	7.0%	16.8%	10.8%
50.1 to 80%	17.5%	16.7%	27.6%	20.9%
80 to 95%	9.4%	6.9%	7.8%	7.2%
Over 95%	58.3%	62.9%	23.7%	47.8%
	100%	100%	100%	100%
Total	206,067	4,238	2,639	6,877

Source: 2000 Census; CHAS

Households By AMI

Cost-Burdened Households by AMI Golden



Housing Problems

Behind in Payments During Last 2 Years

	Jefferson County	Golden
Never	89%	88%
1 to 3 times	7%	5%
4 or more times	5%	7%

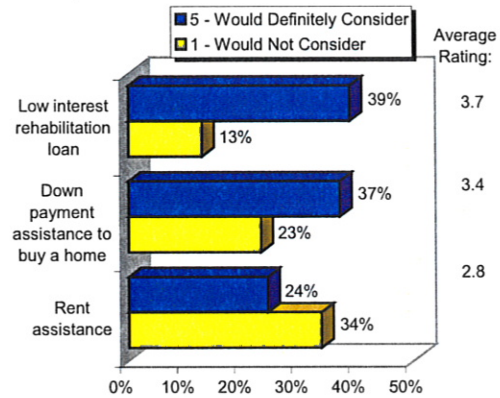
Condition of Home

	Jefferson County	Golden
Good or Excellent	76%	61%
Fair (needs repairs <$5K)	19%	28%
Poor (needs repairs $5 - $10K)	3%	2%
Very Poor (needs repairs >$10K)	2%	9%

Home repairs completed within last 3 years

	Jefferson County	Golden
Other	34%	38%
Kitchen	27%	28%
Roof	15%	18%
Basement finish/refinish	12%	14%
Plumbing	27%	12%
Furnace	22%	10%
Electrical	19%	10%
Additions	7%	8%
NONE	23%	22%

"Which of the following types of help with housing would you consider?" - Golden

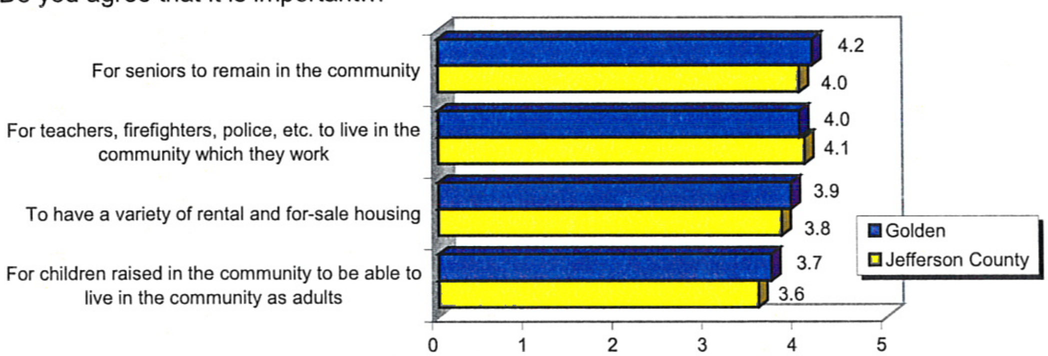


Percent responding 1 or 5 (scale of 1 "would not consider" to 5 "would definitely consider")

Extent to Which Housing is a Problem in Jefferson County

	Jefferson County	Golden
It is the most critical problem	7%	7%
One of the more serious problems	30%	27%
A problem among others needing attention	35%	37%
One of our lesser problems	15%	17%
I don't believe it is a problem	13%	12%

"Do you agree that it is important…"



Average Rating (scale of 1 "totally disagree" to 5 "totally agree")

Employment

Employment status

	Jefferson County	Golden
Employed by others	54%	59%
Retired	18%	15%
Unemployed	5%	8%
Self employed	13%	7%
Student	4%	6%
Homemaker	5%	5%

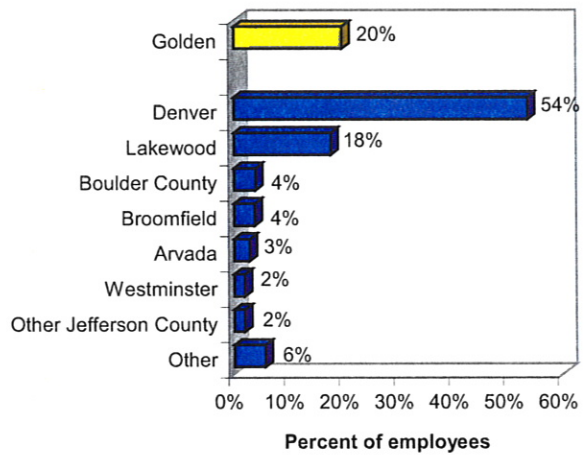
Have you or anyone in your household been laid off in the last year?

	Jefferson County	Golden
None	84%	82%
Self only	8%	10%
Other employee only	5%	4%
Self and other employee	3%	4%
Employees per Household	1.3	1.3

Primary source of income

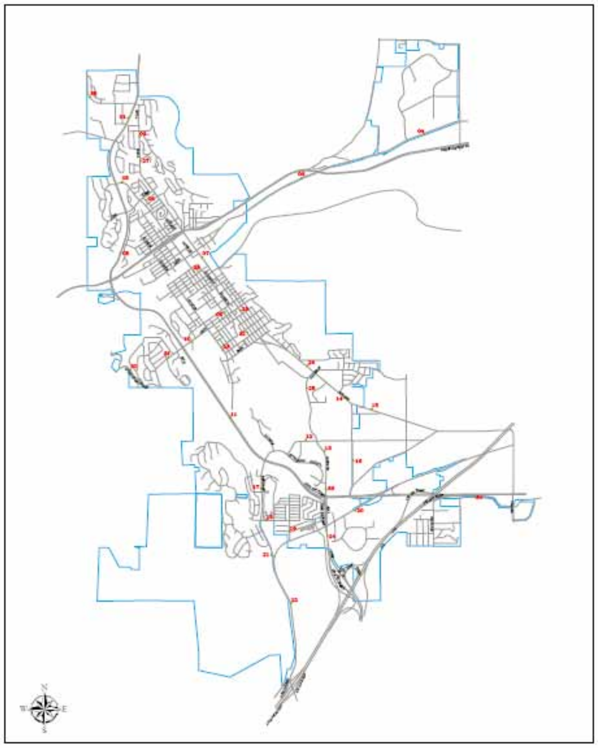
	Jefferson County	Golden
Professional services	19%	26%
Government	9%	13%
Retirement income	12%	13%
Service	7%	9%
Social Security	9%	9%
Health care services	7%	5%
Construction	5%	5%
Manufacturing	4%	5%
Retail	6%	4%
Unemployment	2%	2%
Personal services	5%	1%
Agriculture/Food	2%	-
TANF	0%	-
Other	12%	8%

Where Residents of Golden Work



APPENDIX C

Golden Housing Affordability Analysis



Golden Urban Renewal Authority

April 24, 2008

Golden Housing Affordability Analysis

I. Executive Summary:

As its residents know, Golden is a great place to live. The City's amenities include a rich cultural history, a traditional main street character, access to world-class recreation, and a unique sense of community. The preservation of such unique amenities requires careful management and housing costs are a common problem for cities with such desirable amenities. Golden is no exception in this regard; its housing costs are higher than average for the region, which may force residents to leave or prevent potential residents from locating or owning here. Housing affordability may impact a community's economic and social health if it prevents families from a wide range of incomes from living here. For instance, if Golden's housing prices exceed the income limits of teachers and public servants, the city's social services and schools could suffer. This report seeks to better understand the for-sale housing market in Golden in order to assess the utility for a City of Golden housing affordability program.

Definition of Housing Affordability

The Department of Housing and Urban Development (HUD), which is the federal agency responsible for housing affordability programs, defines the term as follows:

> The generally accepted definition of affordability is for a household to pay no more than 30 percent of its annual income on housing. Families who pay more than 30 percent of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care.[1]

Analysis

The analysis section of this report examines existing conditions, trends, and available programs in and around Golden, with the goal of assessing the community's need for housing affordability. This section includes a survey of Golden's housing stock, income levels, employment sectors, commuting patterns, homeownership levels, and the price distribution of housing options. The benefits of economic diversity within a community are also considered. The following paragraph illustrates the approach taken throughout the report.

[1] http://www.hud.gov/offices/cpd/affordablehousing/

II. Introduction

This report primarily seeks to assess the for-sale housing market within the City of Golden and the Golden Urban Renewal District to determine the demand for housing programs. Once the for-sale housing market is examined, the report will offer policy discussion questions. This report shows how a greater range of housing price points could be created through a variety of methods, including the construction of new housing, the purchase and conversion of extant buildings, or through the adoption of a variety of housing assistance programs that facilitate access to housing affordability.

The City of Golden has grown significantly since the 1970s; its population stood at 9,817 in 1970 and the 2007 estimate from the Colorado State Demography Office have Golden's population at 17,620.[2] The housing supply has expanded to meet the demands of the growing population. In the 1970's, 2,052 new housing units were built; in the 1980's that number dipped to 907, but in between 1990 and 2000, 1,606 more housing structures were added to meet the demands of Golden's growth. However, Golden's supply of affordably-priced housing remains limited. Housing affordability is dependent on a household's income so it is gauged on a sliding scale. However, in Golden's case even households earning $69,913 a year (average median income of Golden homeowners in 2000), can only afford about five percent of Golden's single-family housing stock in today's market. A diverse supply of housing for a variety of incomes could improve the overall health of the community. For example, a larger supply of moderately priced housing may encourage many of the employees who commute to Golden to live within the community, thereby expanding and diversifying the employment market within Golden. Community members of middle and lower income ranges are valuable to the economy as both employees and local consumers. The objective of this report is to discover what options are available to the City to ensure that living in Golden remains a viable option for this important segment of our community.

This report will also analyze whether Golden growth management ordinance has affected housing affordability since the measure was adopted in 1996. In other communities, limits placed on growth have impacted the supply side of the housing market, possibly increasing housing costs. This report will attempt to gauge the impacts of growth management on housing costs in Golden, if any.

[2] http://www.dola.state.co.us/dlg/demog/population/estimates/Table6b-06Final.pdf

III. Background and Analysis

Between 1970 and 1980, Golden's population grew by nearly 25%. During this same timeframe, the population of Jefferson County grew by 58% and the population of Colorado grew by 30.8%. Between 1980 and 1990, the population growth of Golden continued at a more moderate rate of 7%, which was lower than the growth rates of both the County and the State. Golden, however, experienced significant growth again in the 1990s, increasing by 31 %. The graphics below display the growth rates and population levels in Golden and the surrounding region since 1970.[3]

Figure 1

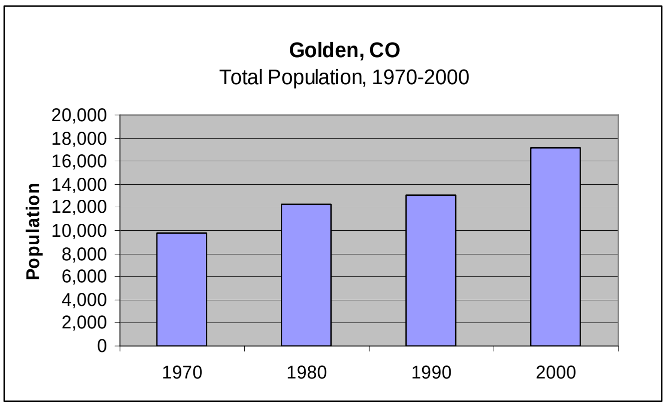
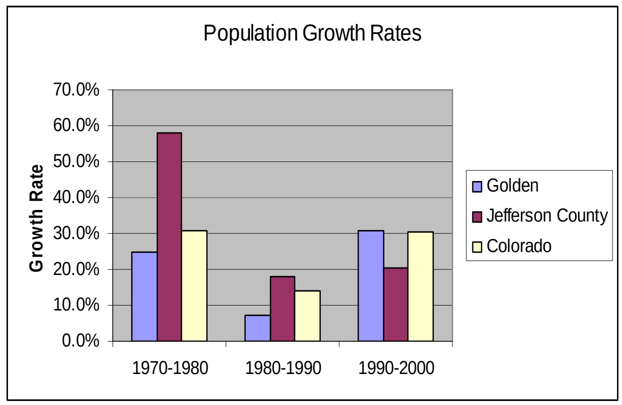


Figure 2



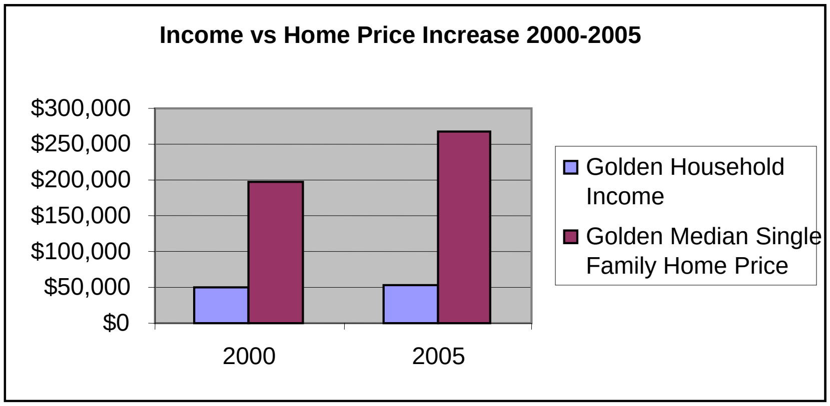
Source: U.S. Census 2000

Golden's citizens responded to the 1990's population surge by initiating and approving an annual cap of one percent on residential growth in 1996. This limit remains in place today. When the ordinance was enacted, Golden's household units totaled 7,164. In 2006, the Census reported that number had only increased to 7,741; the one percent growth rate would have allowed housing units to increase to 7,914.[4]

For some, income levels in Golden increased significantly between 1989 and 1999. During this time period, median household income increased 68.8% from $29,099 to $49,115.[5] However, between 2000 and 2005, the median family income only increased by 6% (to $52,200), while the median home/condo price increased by 34% (from $198,300 to $266,400).[6] Figure 3 illustrates this discrepancy. Although increases in income levels during the 1990's may have allowed some families to remain in Golden, additional investigation is encouraged to assess whether changes in Golden's housing market have discouraged some families from locating here or forced others to leave.

[3] The 1990 Census underestimated Golden's population, which exaggerates the change from 1990 to 2000.
[4] US Census; City of Golden Growth Ordinance.
[5] US Census 1990; 2000.
[6] www.city-data.com/city/Golden-Colorado.html

Figure 3



Source: www.city-data.com/city/Golden-Colorado.html

The City's comprehensive plan, revised in 2003, addresses the issue of housing as follows, "The availability of diverse housing options within the City promotes a stronger economic base and draws a wider variety of people who are able to live within the City."[7] However, there are relatively few programs available to Golden residents that support this concept. Jefferson County offers housing assistance through the Jefferson County Housing Authority (JCHA). The programs administered by JCHA are outlined in the Existing Housing Assistance Programs section below.

The Jefferson County Department of Community Development conducted a Housing Needs Assessment in 2003, which provides a great deal of the data and analysis used in this study. Jefferson County's 2003 assessment surveyed a sampling of households in Jefferson County, including some Golden residents, to gather opinions on housing issues. Based on their survey results and data from the 2000 U.S. Census, the 2003 Housing Needs Assessment concluded:

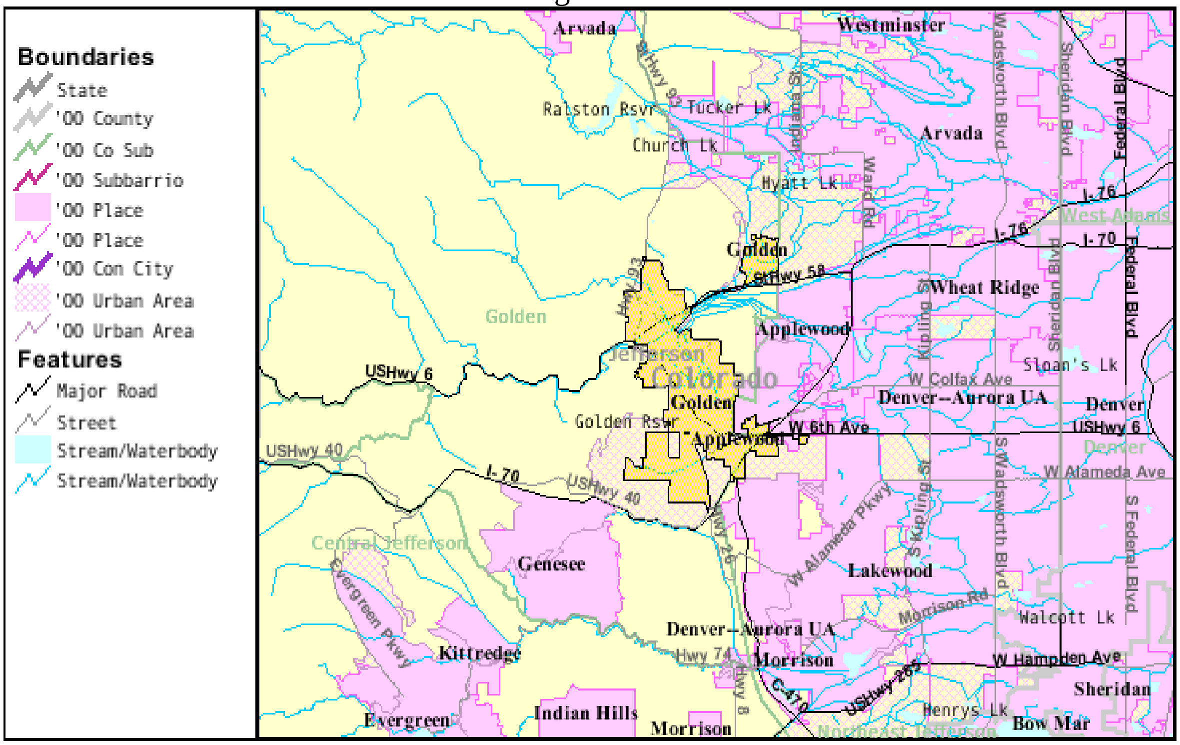
- Of the renters surveyed in Golden, 81% would like to buy a home.[8]
- There is unmet demand in Jefferson County for homes priced between $136,684 and $220,163.[9]
- Increasing the supply of for-sale homes priced in this range will enhance economic development efforts.
- Thirty-nine percent of survey respondents in Golden report that they would "definitely consider" a low-interest rehabilitation loan.[10]

The remainder of this section uses a variety of data sources to better understand the housing market and examine issues of housing affordability in Golden. Much of the analysis relies on Census data. The Census uses a geographic hierarchy of states,

[7] City of Golden Comprehensive Plan, 2003
[8] Jeffco Housing Needs Assessment, appendix for Golden, p. 8
[9] ibid, p. 6
[10] Ibid, appendix for Golden, p. 1

counties, metropolitan areas, places, tracts, and blocks. This report frequently relies on the geography level called Census Designated Place (CDP) to capture demographic trends for Golden. The Census boundary for Golden is displayed in the map below.

Figure 4



Source: U.S. Census 2000, boundary used for the City of Golden

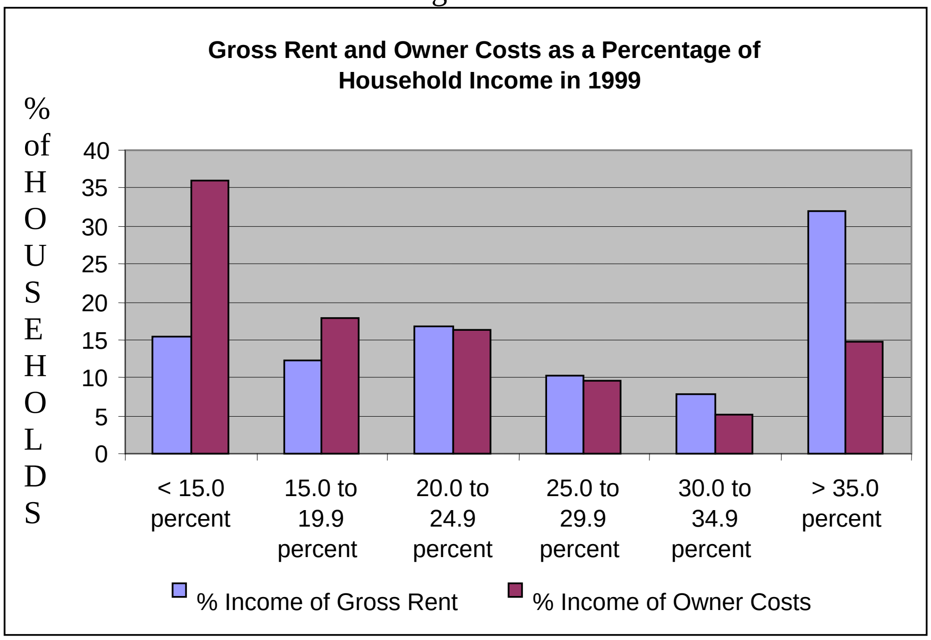
Other data sources used in this report are based on ZIP code boundaries. While these sources provide us with additional insight, the ZIP code boundaries for Golden do not correspond precisely with the City limits. In these cases, the data may not represent the City of Golden as well as other data sets. Analysis of ZIP code data is included only when it provides information that is not available otherwise.

a. Housing Cost Burden

The concept of housing cost burden relates to the percentage of an individual's income that is allocated for housing costs. According to the US Department of Housing and Urban Development (HUD), a household is considered cost-burdened if more than 30% of its income is spent on housing. Figure 5 below displays the percentages Golden residents spend on housing costs per month. The difference between owners and renters is clear. Nearly 40% of renters in Golden spend more than 30% of their monthly household income on rent. Among Golden homeowners, approximately 20% pay more than 30% of their income toward housing costs. Nationwide, the number of collective percentage of renters and homeowners paying more than 30% of their incomes on housing reached 32% in 2005. Individual percentages for this time frame stood at 34.5%

for homeowners and 46% for renters.[11] Both of these groups are paying a burdensome amount of their incomes on housing. By spending such a large portion of their incomes on housing, these residents have less disposable income to spend in our community's businesses.

Figure 5



Source: U.S. Census 2000

The cost of housing has increased significantly in Golden since 1990. In 2000, the median gross rent in Golden was $649 and the median mortgage cost for owners was $1,331. Between 1990 and 2000, the median gross rent increased by 56% and the median mortgage cost increased by 53% percent.[12] Nationally, this average median gross rent increase was 5.4% and the Colorado average median gross rent increase was 25.9%.[13] While the national median mortgage increased by 18% over this period Colorado's median home values increased by almost 58% over this same period. The 2010 Census will likely find that similar increases have occurred since 2000, as rental surveys indicate apartment vacancy rates have remained below 10% since 2000 and Colorado home sales were strong until 2006.[14]

b. Income Levels

Although Golden's median income level increased from $29,099 in 1990 to $49,115 in 2000, a large number of residents were still spending a significant proportion of their income on housing costs, and recent data indicates that while home prices continued their

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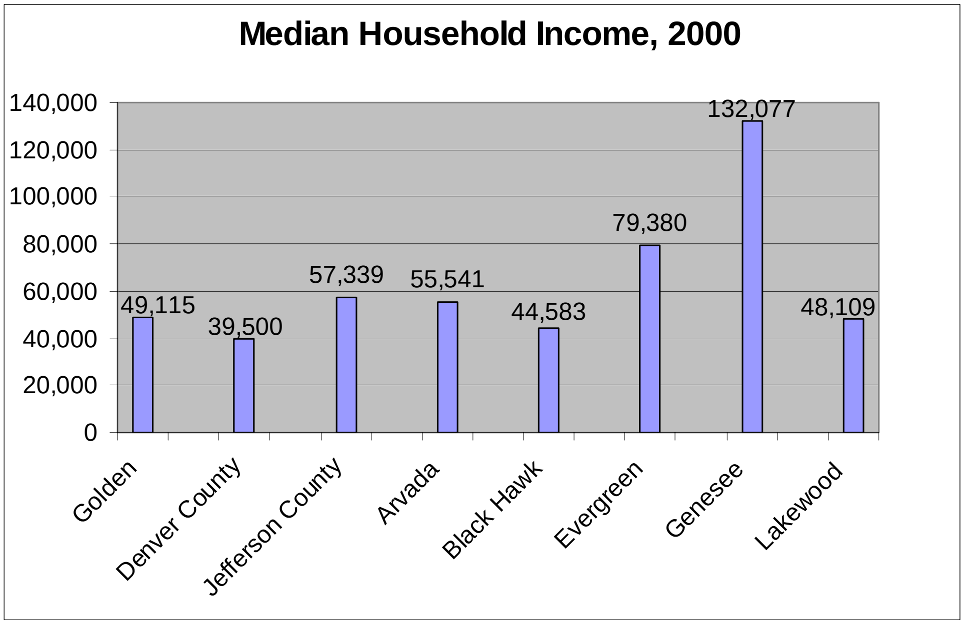
[11] CNNMoney.com, October 9, 2006.
[12] U.S. Census 2000 & 1990.
[13] U.S. Census 2000, Housing Costs of Renters.
[14] Colorado Department of Local Affairs, Division of Housing, Multi-family Rental Vacancy Survey, http://www.dola.state.co.us/housing/Vacancy/vacancy_denver.html
"Home Sales Slump," Rocky Mountain News, January 5, 2007

steady climb through 2005 (increasing by 34% since 2000), increases in incomes have leveled (experiencing only a 6% increase).[15] Figure 6 compares median household incomes for Denver County and several communities within Jefferson County. Golden's median household income of $49,115 in 2000 was lower than Jefferson County's median household income of $57,339, yet the median price of Golden's owner-occupied units was over $10,000 more than the median price of Jefferson County.

Figure 6



Source: U.S Census 2000

Housing affordability can be measured by comparing changes in income with changes in housing costs over time. In some communities, increases in housing costs outpace increases in income levels, contributing to affordability problems. Between 1990 and 2000 the median household income increased by 68%; however, despite this increase, those earning the median income remained challenged to purchase a home in the 2000 market.[16] With Golden real estate values continuing to outpace increases in household incomes, housing affordability promises to become an even larger issue. This section will explore other indicators of affordability issues, such as the distribution of income levels among Golden residents and the distribution of housing prices in the for-sale market to provide more insight into the challenges of affording a home in Golden.

In 2000, the median household income level in Golden was $49,115 and the median house/condo value was $198,300. By 2005, these numbers had increased to $52,200 and $266,400, respectively.[17] With incomes increasing by just 6% and home prices increasing by 34%, it is becoming increasingly difficult for households to afford a home in the City. While it is easier for a family earning the median income to find a condo or town house,

[15] U.S. Census 2000 & 1990; www.city-data.com/city/Golden-Colorado.html
[16] U.S. Census, 1990 & 2000
[17] www.city-data.com/city/Golden-Colorado.html (see Appendix 1)

single-family homes are more expensive in Golden than surrounding communities and therefore more elusive to Golden residents who earn the median household income or less[18]. Proportionately, there are also fewer lower-priced housing options available in Golden than in Jefferson County or Denver. This is true for both single-family and multi-family homes. In general, housing prices in Golden tend to be more expensive than they are in either Denver or Jefferson County. Although incomes have increased significantly over time in Golden, some segments of the population have continued to lag behind. For example, the median annual income for renters was only $28,611 in 2000. This report also examines where employees of Coors and the City of Golden live. These two employers have over 3,500 employees, many of whom live outside of Golden. Golden's residential growth ordinance, which limits new residential growth to one percent per year, is also examined.

Renters' median household income continued to fall well below the average median income despite the overall increases in income that occurred between 1990 and 2000. Owners' median income was $69,913 in 2000, while renters' median income was $28,611. According to the Jefferson County Housing Needs Assessment, 81% of the renters surveyed would like to purchase homes.[19] However, this will be a challenge, particularly for families that are looking for a single-family home. Some families will be unable to afford a home without leaving Golden. The average purchase prices in Golden are too high for many families. Moreover, when such a large percentage of a renter's paycheck is currently allocated for rent, they are hard pressed to save for a down payment.

Income levels for many of the service jobs in Golden are insufficient to purchase a home within the City. Figure 7 illustrates the housing prices that are affordable to varying income levels and employment sectors. Figure 8 illustrates the price distribution of single-family and multi-family homes for sale in Golden, Jefferson County, and the City and County of Denver. The number of affordable single-family homes for sale in Golden is significantly less than Jefferson County and Denver. In fact, of the single-family homes on the market in Golden in January 2008, 77% are listed for more than $300,000. While there are more moderately priced multi-family homes than single-family homes, Golden's listings still tend to be more expensive than other areas in Jefferson County and Denver. Approximately 34% of the multi-family homes on the market in Golden are listed at $250,000 or more. Such high housing costs not only burden lower income households, but they also limit the housing choices for households that earn the median household income.

Households with a median income of $69,913 (the homeowner AMI in 2000), can afford only about five percent of Golden's single-family housing stock in today's market. City-wide, the AMI in 2000 was $49,115. Using the same calculations as Figure 7 (a 30-year mortgage, a 6.24% interest rate, and a 5% down payment), this income level could support a house valued at about $150,000, and Golden's housing stock currently features roughly three percent of single-family homes in this price range and less than two percent

[18] See Figure 13.
[19] Jeffco Housing Needs Assessment, p. 136.

of multi-family homes.[20] Income levels have undoubtedly increased since 2000; however, as mentioned above, the 6% AMI increase between 2000 and 2005 was outpaced by a 34% increase in the average median home price over the same period.

Golden's growing poverty rate only exacerbates the City's need for housing affordability. Golden's estimated poverty rate for 2003 was 14%, which signals a 3.5% increase from the 2000 Census and a 5.5% increase from the 1980 Census.[21]

[20] www.trulia.com (accessed April 2008).
[21] *http://socds.huduser.org/*

Figure 7 illustrates wages, corresponding household incomes, and the home prices and rents that these households could comfortably afford. Two income ranges are highlighted because one category includes Golden's median household income for 2000 and the other highlights the typical income range for an elementary school teacher. The page that follows analyzes the price distribution of housing stock in Golden, Jefferson County, and Denver, which helps to determine how easily a household can find a home priced in the range that it can afford.

Figure 7

Flow Chart of Wages, Household Income, and Corresponding Affordable Home Prices

Hourly Wage	Annual Salary (1)	Household Income (2)
< $10	< $21,000	< $35,700
$10 - $15	$21,000 to $31,500	$35,700 to $53,500*
$15 - $20	$31,500 to $41,500	$53,500 to $70,500**
$20 - $25	$41,500 to $52,000	$70,500 to $88,400
$25 - $30	$52,000 to $62,400	$88,400 to $106,100
> $30	>$62,400	> $106,100

OR

Affordable Purchase Prices and Rents

Household Income (2)	Affordable Home Price (3)	Affordable Monthly Rent (4)
< $35,700	< $114,900	< $800
$35,700 to $53,500	$114,900 to $172,200	$800 to $1,250
$53,500 to $70,500	$172,200 to $226,900	$1,250 to $1,600
$70,500 to $88,400	$226,900 to $284,400	$1,600 to $2,100
$88,400 to $106,100	$284,400 to $341,600	$2,100 to $2,500
> $106,100	> $341,600	> $2,500

OR

(1) Annual salary is based on 2,080 work hours per year. (2) Household income is based on 1.7 workers per household. (3) Conventional 30-year mortgage, 6.24%, 5% down payment. A mortgage is affordable when the monthly payment does not exceed 28% of monthly income. (4) Estimated to be 28% of monthly income.
Sources: City of Englewood, Colorado
* Golden's median household income level was $49,100 in 2000.
** Elementary school teachers earn an average of $40,620 annually in Colorado, giving them an estimated household income of $69,054.

Figure 8 displays the price distribution of housing on the market in January 2008. The data were obtained through searches of the Multiple Listing Service database for varying price ranges and geographic areas. The percentages were calculated based on the total number of properties listed in each geographic area.

Figure 8

Price Distribution of Housing Stock Currently as of 01/15/08						
Single-Family Homes	**Golden** This Range	Cumulative	**Jefferson County** This Range	Cumulative	**Denver** This Range	Cumulative
$150,000 or less	2.4%	2.4%	3.5%	3.5%	32.2%	32.2%
$150,001 to $175,000	2.2%	4.6%	5.6%	9.1%	9.7%	41.9%
$175,001 to $200,000	3.9%	8.5%	8.4%	17.5%	7.5%	49.4%
$200,001 to $225,000	3.7%	12.2%	9.4%	26.9%	4.4%	53.8%
$225,001 to $250,000	4.4%	16.6%	9.1%	37.0%	4.1%	57.9%
$250,001 to $275,000	1.7%	18.3%	6.1%	43.1%	3.6%	61.5%
$275,001 to $300,000	4.6%	22.9%	5.7%	48.8%	3.4%	64.9%
$300,000 or more	77.1%	100%	52.2%	100%	35.1%	100%
Multi-Family Homes	**Golden** This Range	Cumulative	**Jefferson County** This Range	Cumulative	**Denver** This Range	Cumulative
$150,000 or less	32%	32%	54.4%	54.4%	31.8%	31.8%
$150,001 to $175,000	6%	38%	14.7%	69.1%	6.5%	38.3%
$175,001 to $200,000	14%	52%	8.6%	77.7%	4.5%	42.8%
$200,001 to $225,000	6%	58%	5.5%	83.2%	3.2%	46%
$225,001 to $250,000	8%	66%	4.7%	87.9%	3.6%	49.6%
$250,001 to $275,000	2%	68%	3.4%	91.3%	3.3%	52.9%
$275,001 to $300,000	10%	78%	2.5%	93.8%	3.6%	56.5%
$300,000 or more	22%	100%	6.2%	100%	43.5%	100%

Figure 9

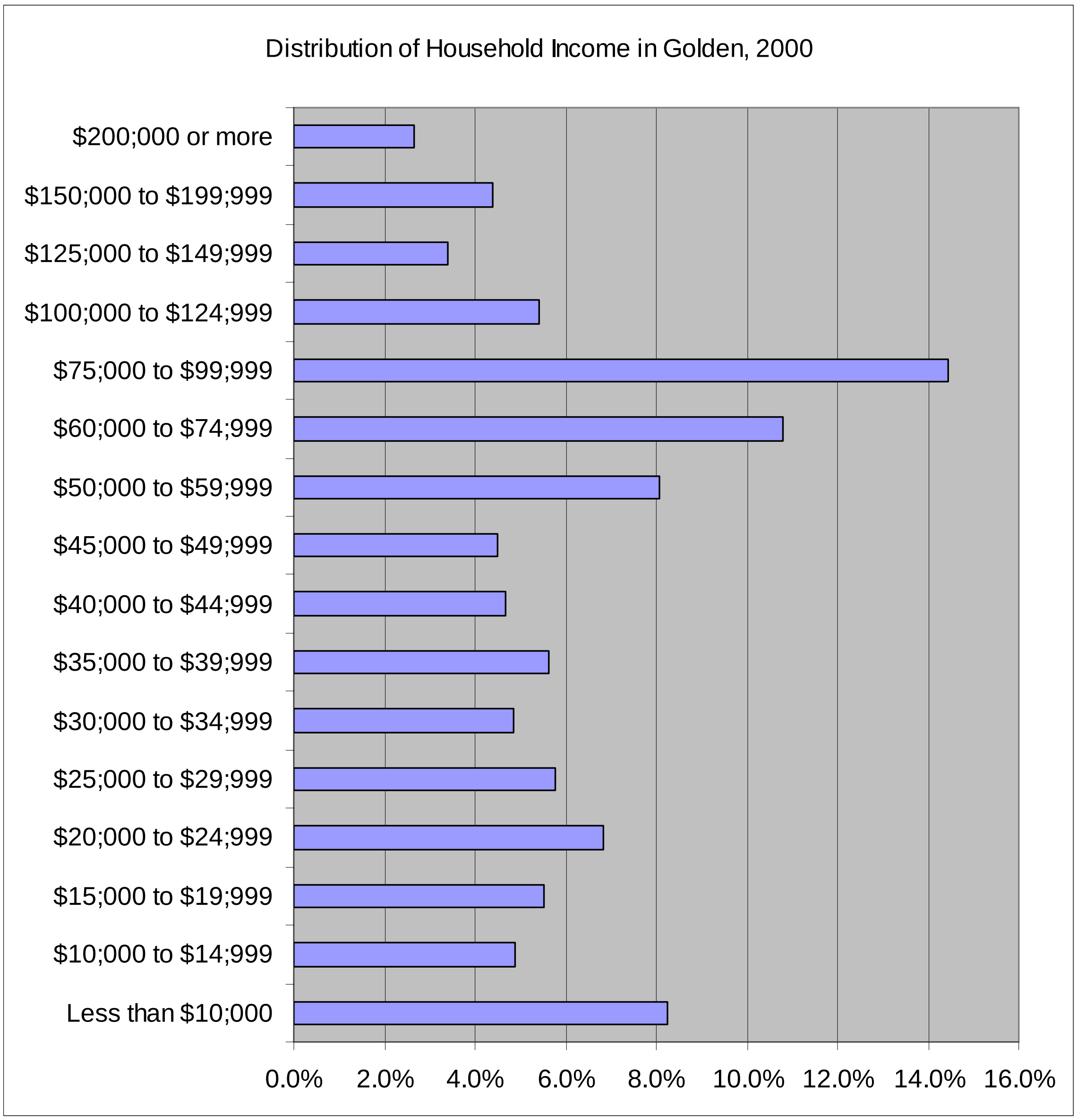
Colorado Average Annual Wages in Selected Occupations				
Occupation	**Average Annual Wage**	**Estimated Household Income (1) (assumes 1.7 workers per household)**	**Affordable Monthly Rent (2)**	**Affordable Home Price (3)**
Construction laborers	$25,660	$43,622	$1,018	$140,463
Elementary school teachers	$40,620	$69,054	$1,726	$222,354
Firefighters	$47,330	$80,461	$2,012	$259,084
Janitors and cleaners, except maids	$19,200	$32,640	$816	$105,100
Maintenance workers, machinery	$35,260	$59,942	$1,499	$193,013
Plumbers, pipefitters, and steamfitters	$41,940	$71,298	$1,782	$229,579
Police and sheriff's patrol officers	$50,400	$85,680	$2,142	$275,890
Postal service mail carriers	$43,480	$73,916	$1,848	$172,224
Retail salespersons	$20,160	$34,272	$857	$110,356
Physician's Assistants	$60,880	$103,496	$2,415	$333,257
Registered Nurses	$53,240	$90,508	$2,112	$291,436

Source: Colorado Department of Labor and Employment, http://www.coworkforce.com
(1) Household income is based on 1.7 workers per household.
(2) Estimated to be 28% of monthly income.
(3) Conventional 30-year mortgage, 6.24%, 5% down payment. Monthly payment must not exceed 28% of monthly income.

Figure 9 displays the average salaries for an array of professions. These average wages are generally too low to afford many of the multi-family and nearly all of the single-family homes in Golden. For example, elementary school teachers earn an average annual salary of $40,620, which translates to an estimated household income of $69,054. On this salary, a household could afford a home priced at approximately $222,000 or less. Homes in this range comprise approximately 58% of the multi-family housing market in Golden, but only 12.2% of the single-family market.

Figure 10 displays the distribution of household income levels in Golden in 2000. Although the largest percentage by category of households earns $75,000 to $99,999 annually, 58.9% of Golden households earn less than $60,000 annually. Many of these households could not buy a single-family home in Golden at today's prices. As Figure 7 on page 12 shows, a household income of $70,500 can comfortably afford a home priced at $226,900. Those who earn less than $53,500 can afford a home valued at no more than $172,200. While homes in or below this range are available in roughly 38% of Golden's multi-family market, less than 5% of the single-family market is listed at or below this price.

Figure 10



c. Homeownership

The median listing price for single-family homes on the market in Golden as of January 15, 2008, was $379,900.[22] The table below shows how this average compares to other communities in the area. Golden's median listing prices are among the highest in the County for both single- and multi-family homes. While the median listing prices are lower in other communities in Jefferson County, even the lowest average listing price in the County of $186,000 is above what Golden's AMI household can afford. Golden's median listing prices of $202,450 for a multi-family home and $379,900 for a single-family home far exceed the affordability thresholds for AMI households.

Figure 11 below lists the median listing prices for both single-family and multi-family homes as well as the average listing price of all available homes, both single- and multi-family. The median price is determined by gathering a list of all homes in that category, sorting them by lowest to highest price, and determining the value that falls in the middle. That is, the list was 11 homes long, the median home would be sixth on the list with five homes being less expensive and five homes being more expensive. Finally, the average is determined by adding all of the for sale home prices together and dividing that number by the number of homes for sale.

Figure 11

Median Listing Prices			*Average Listing Price*
	Single-Family Homes	Multi-Family Homes	
Edgewater	$167,750	$117,500	$186,530
Wheat Ridge	$197,265	$154,450	$271,022
Lakewood	$199,851	$145,000	$295,837
Westminster	$204,234	$149,990	$380,569
Arvada	$210,533	$149,900	$349,212
Morrison	$338,990	$367,450	$626,427
Golden	$379,900	$202,450	$555,895
Evergreen	$495,450	$305,500	$918,496

Source: Trulia.com, information gathered 01/15/08

The Jefferson County Housing Needs Assessment recommended that more for-sale housing is needed for new residents employed in Jefferson County.[23] The income range for many of these workers is $39,000 to $60,000 per year, and based on a conventional 30-year mortgage, a 6.24% APR, a 5% down payment, and the stipulation that monthly payment not exceed 30% of monthly income, the sales price this group can typically

[22] Trulia.com, information gathered on 01/15/2008
[23] Jeffco 2003 Housing Needs Assessment, p. 6

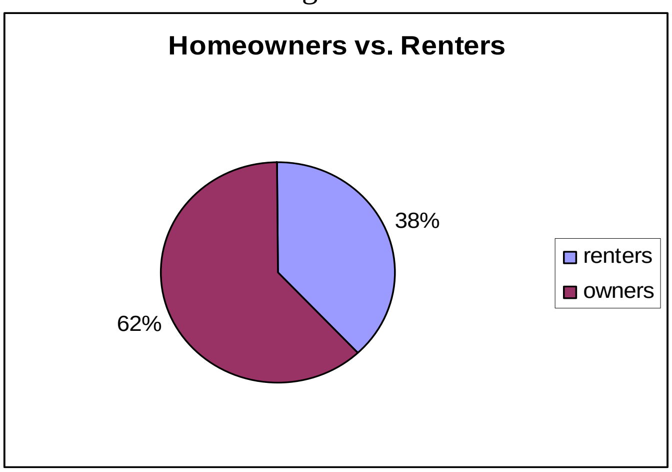
afford is \$138,684 to \$220,000.[24] Homes in this price range are more common in Edgewater and Wheat Ridge, where the average home prices are more than \$100,000 lower than they are in Golden. While there are some condos and town homes available in this range in Jefferson County, it is difficult to find a single-family home priced between \$138,000 and \$220,000 within Golden city limits.

Property listings are organized by ZIP codes, and while more affordable properties have Golden mailing addresses, they are nearly all outside City limits. Most of the homes that are listed for less than \$220,000 are located near the intersection of I-70 and 32nd Avenue, in south Golden near the Jefferson County Fairgrounds, or west of I-70 along the Wheat Ridge border.[25] The typical price range for single-family homes in the GURA district is generally \$250,000 to \$400,000, but this will likely trend higher once the high-end condos from the Millstone and Gateway Station projects close.[26] Encouraging a wider range of housing products closer to Downtown Golden will provide residents with more housing choices, making Golden an attractive location to people of varying economic levels.

d. Housing Stock

The housing stock in Golden was primarily constructed between 1960 and 2000. Within the City, 47.5% percent of the housing is single-family detached.[27] The remaining percentage includes attached town homes, condos, mobile homes, and apartments. A majority of the homes in Golden are occupied by owners, as the graph below shows. This distribution is typical of Jefferson County, where 73% of housing units are owner occupied.[28]

Figure 12



Source: 2003 Golden Housing Study Profile, The Housing Collaborative, Inc.

[24] Jeffco 2003 Housing Needs Assessment, p. 6
[25] Trulia Real Estate Search, http://www.trulia.com, search conducted on 12/5/06
[26] Zillow, http://www.zillow.com
[27] 2003 Golden Housing Study Profile, The Housing Collaborative, Inc.
[28] Jefferson County 2005-2010 Consolidated Plan, p. 11.

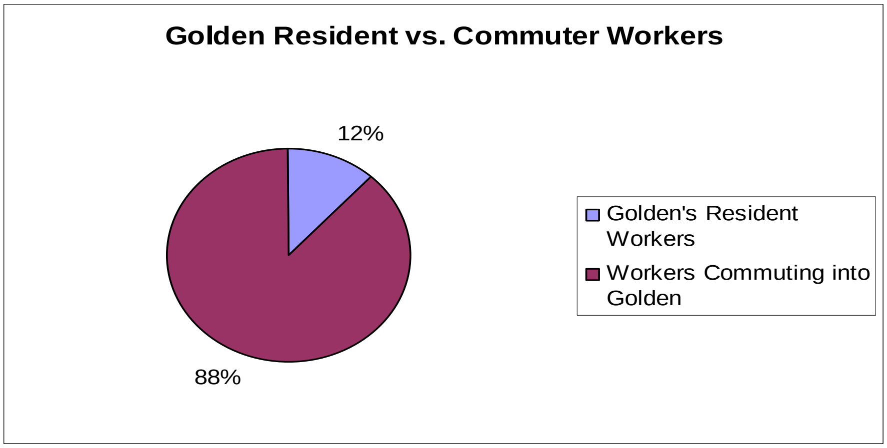
The style of homes in Golden ranges from large tract homes, suburban-style ranches, attached town homes, and multi-family buildings. While most of the housing is in fairly good condition, Golden residents are more likely than Jefferson County residents to say their home is in need of repairs. Thirty-nine percent of Golden residents surveyed in the Jefferson County Housing Needs Assessment survey, compared to twenty-four percent in the County, said their home was in fair condition (requiring $5,000 or less in repairs), poor condition (requiring $5,000-$10,000 in repairs), or very poor condition (requiring more than $10,000 in repairs).[29] This indicates that a loan rehabilitation program targeting $5,000 to roughly $15,000 in repairs could benefit homeowners in the area. Such programs are important because only 51% of current Golden homeowners said they could afford their home at today's market rate. Consequently, home rehabilitation efforts provide a more viable option for this group than relocation.

e. Commuting

Commuting is an important issue in Golden's housing market. Many employees who work in Golden commute from outside of the city. Further investigation should be done into how many in-commuters Golden has as well as how far they are commuting. Housing prices may influence one's decision to live in one community and work in another. The Denver Regional Council of Governments (DRCOG) conducted an analysis of workforce commuting patterns based on Census 2000 data. This analysis showed that 88% of workers in Golden commute from other places and only 12% of Golden workers live in Golden. Further investigation should be conducted to determine how many of these workers would choose to liven in Golden if more affordable housing exists here. Figures 13 and 14 show the differences between the commuting patterns in Golden compared to the entire DRCOG region. Golden workers are more likely to commute from another community than the average commuter rate for the larger DRCOG region, which includes Adams, Arapahoe, Boulder, Clear Creek, Douglas, Gilpin and Jefferson counties, plus the City and County of Denver and the City and County of Broomfield. Additional research should be geared toward determining whether this pattern is attributable to a lack of affordable housing.

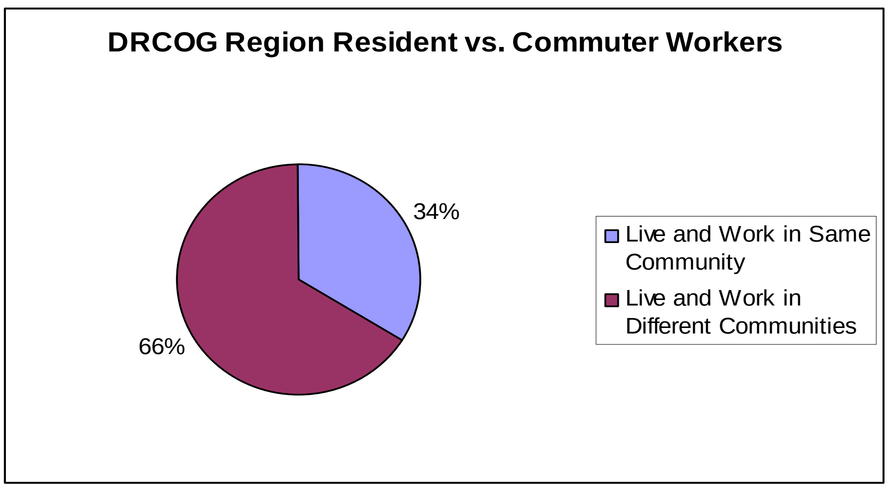
[29] Jefferson County 2003 Housing Needs Assessment, p. 9.

Figure 13



Source: Denver Regional Council of Governments; U.S. Census Bureau 2000

Figure 14



Source: Denver Regional Council of Governments; U.S. Census Bureau 2000

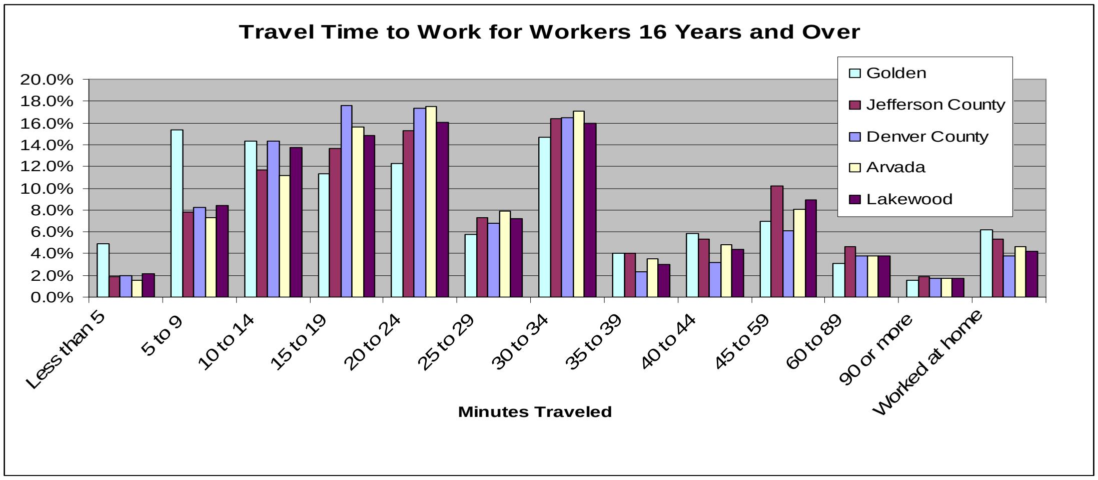
The DRCOG study also examined the places where Golden's in-commuters live. The top three places Golden workers commute from are: 1) Unincorporated Jefferson County, 2) Lakewood, and 3) Arvada.[30] The lower housing prices in these areas are a likely contributor to these trends.

Census data illustrate a community's residential population, and therefore do not provide good information about people who work in Golden and live in another community. However, the Census does provide useful information about travel times to work. Compared to several surrounding communities and Jefferson County, Golden has a higher proportion of residents with a commute of less than 10 minutes. Figure 15 below uses 2000 Census data to compare travel times for Golden with Denver County, Jefferson County, Arvada, and Lakewood. Travel times to work appear to be shorter or about equal

[30] Denver Regional Council of Governments, http://www.drcog.gov

for Golden residents compared to the other locales. However, Golden only retains about 26% of its workforce for Golden-based jobs, the remaining workers commute outside of Golden for work.[31]

Figure 15



Source: U.S. Census 2000

With 3,252 employees, Coors Brewing Company is the largest single employer in Golden. However, only 419 Coors employees (12.9% of its workforce) live in Golden's two postal codes (80401 and 80403). Although the City of Golden employs a higher percentage (43.5%) of Golden residents than Coors, significant numbers of employees of both firms are living in less expensive areas such as Lakewood. As Figure 16 illustrates, a significant number of Coors employees currently reside in Lakewood, Arvada, Wheat Ridge, and Denver. The remaining employees primarily commute from cities and neighborhoods with more housing choices and lower rental and sales prices than Golden offers. While more research could be conducted on the residential patterns of Golden's workforce, Figure 16 illustrates the potential benefit of more housing affordability in Golden.

[31] DRCOG 20065 Golden Community Profile.

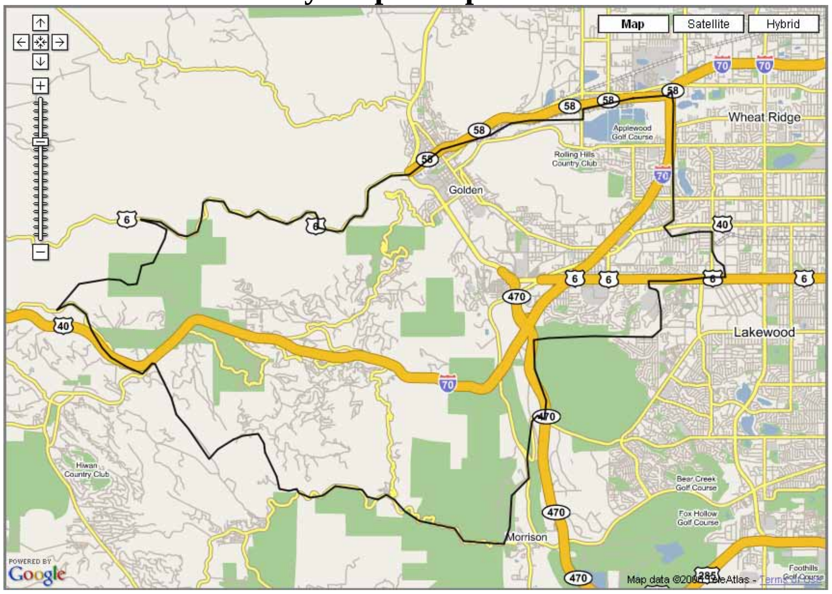
Figure 16

Employees Residing in Selected Zip Codes				
City (Zip Codes)	**City of Golden Employees**	**Percent**	**Coors Employees**	**Percent**
Arvada 80002 & 80403	5	1.3%	106	3.3%
Black Hawk 80403	0	0.0%	3	0.1%
Western Denver 80211, 80212, 80204, 80219, 80227, 80236	10	2.5%	100	3.1%
Edgewater 80214, 80215	0	0.0%	7	0.2%
Evergreen 80439	7	1.8%	41	1.3%
Golden 80401 & 80403	**173**	**43.5%**	**419**	**12.9%**
Lakewood 80226, 80227, 80214, 80215, 80232, 80401	31	7.8%	188	5.8%
Wheat Ridge 80033, 80212, 80214	3	0.8%	82	2.5%
Other Zip Codes in Colorado	169	43%	2,306	70.9%
Total Employees	398	100%	3,252	100%

Sources: Coors Human Resources Department and the City of Golden Human Resources Department

This employment information regarding Coors and the City of Golden is limited, however, because of its reliance on ZIP codes, which do not generally correspond well with city and county boundaries. A map of Golden ZIP code 80401 is also included below.

Figure 17
Boundary Map of Zip Code 80401



Eight percent of Coors' employees live within this zip code boundary. An additional five percent live in Golden's other zip code (80403), which includes the north side of town.

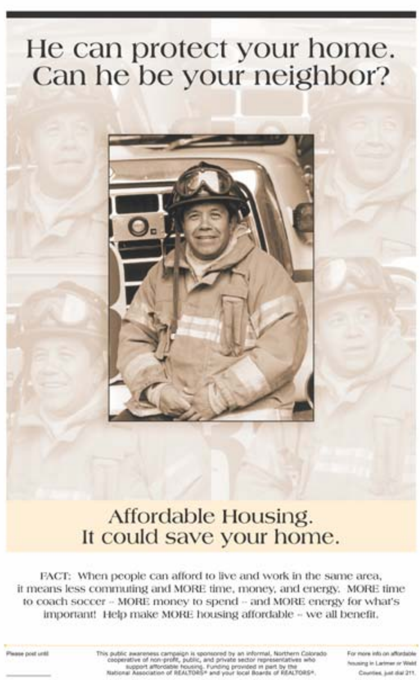
Certainly many of the working families that commute to Golden are likely to show interest in programs that would enable them to find homes closer to their places of work. Increasing the available workforce in the community may also stimulate the economy and attract more businesses that rely on a stable, local labor force. Existing employers also stand to benefit from the stability of having employees that live nearby.

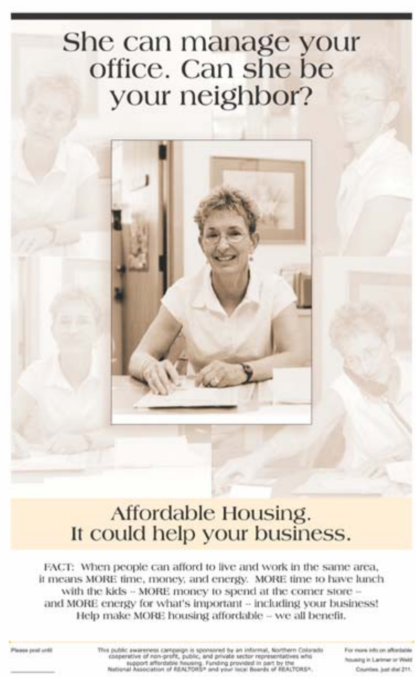
V. Community Benefits of Economic Diversity

Encouraging diversity and choice in the housing market will encourage economic and social diversity in our community. The benefits of an economically diverse community include the following:

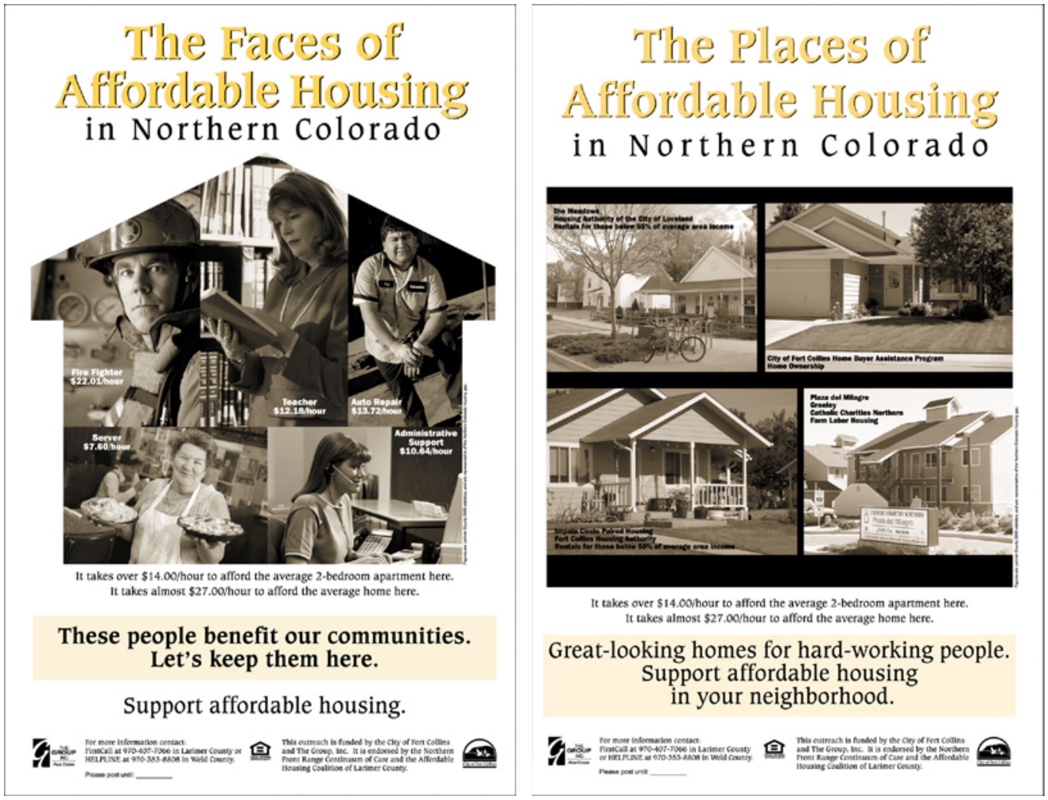
- Employers can more easily recruit and retain employees if the housing market is commensurate with salaries.
- Shorter commutes allow employees to be more focused. Teachers have more energy to teach our community's children.[32] Firefighters and police officers can better focus on the important work of keeping our community safe.
- Housing affordability allows Golden to become home to more of its employees, not just a job site.
- Increased economic activity may result from a stimulated residential community. People who previously only participated in the Golden economy during the work day will be part of the market around the clock. More residents living in the core of Golden will provide a stronger market for downtown retail and service industries.
- Growth in the service sector can only achieve its full potential if there is an adequate and local employment pool.

In 2002, the City of Fort Collins produced posters, including the four shown below, that illustrate some of the benefits of housing affordability.





[32] City of Fort Collins, Faces and Places of Housing affordability Campaign, 2002



City of Fort Collins, Faces and Places of Affordable Housing Campaign, 2002

Such advertising efforts help to allay two of the popular myths associated with housing affordability efforts: that the developments themselves are unattractive and that they attract undesirable occupants. A recent presentation prepared by the National Alliance to End Homelessness also lists property value depreciation, rising crime rates, declining neighborhood character, the unattractive nature of poorly designed and cheaply built affordable housing projects, and overcrowding as the most common misperceptions associated with affordable housing, and cite several studies that contradict these notions.[33]

The city's web site (http://fcgov.com/affordablehousing/faces-places-posters.php) details the program's goals and illustrates how other municipalities can implement similar efforts; the web site even includes a how-to section on creating posters.

[33] Six Steps to Building Community Support for Affordable Housing and Services, July 11, 2007, National Alliance to End Homelessness.

IV. Growth Management

The relationship between growth management and affordability can be complex. Basic economic theory suggests that limiting the supply of housing will increase the demand, thereby raising housing prices. However, it is not necessarily so straightforward. The growth management system may not have any impact on affordability if demand for new homes does not exceed the amount of new home construction the system allows.

Studies of growth management systems and housing prices indicate that growth management can increase housing prices and reduce affordability in three major ways.[34] First, growth management may reduce the supply of housing by limiting the amount of non-urban land available for housing and other urban uses. This restriction raises the price of new land that is available. Secondly, growth management policies usually increase the time and effort necessary to secure building permits, which increases uncertainty in the housing market and raises the cost of new home construction.[35] Growth management systems may also result in less competition in the construction industry, which increases the likelihood of construction companies charging higher prices. Finally, growth management policies may improve the quality of life in a place, increasing the demand for housing.[36] This third factor describes the amenities that may result from growth management—more open space, better circulation, and a stronger sense of community. While it may be difficult to determine which of these processes drive housing prices up, the possibility exists for it to happen in several ways.

In 1996, Golden adopted a one percent growth cap on residential building permits. The allocation system the City established makes building permits available based on an application system, and permits are awarded twice annually. The allocation system could have an impact on supply and demand, thereby affecting housing prices.

Figure 18 contrasts the allowed housing unit growth under Golden's growth ordinance with the number of building permits issued each year from 1996 to 2006. Although the number of building permits issued typically outpaces the number of units built, Figure 18 illustrates that the number of allowed units even exceeded the number of permits issued over this span. The City's Growth Ordinance brochure indicates that while the ordinance allowed and permitted 742 units to be built between 1996 and 2005, only 648 were constructed, with some allocations being banked and others forfeited.[37]

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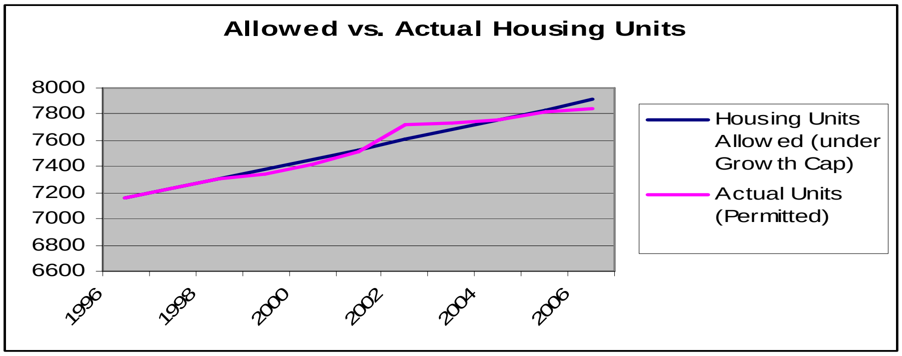
[34] Anthony, Jerry, "The Effects of Florida's Growth Management Act on Housing Affordability," Journal of the American Planning Association, vol. 69, number 3, p. 283
[35] ibid
[36] ibid, p. 289
[37] City of Golden, 1% Growth Ordinance 1314.

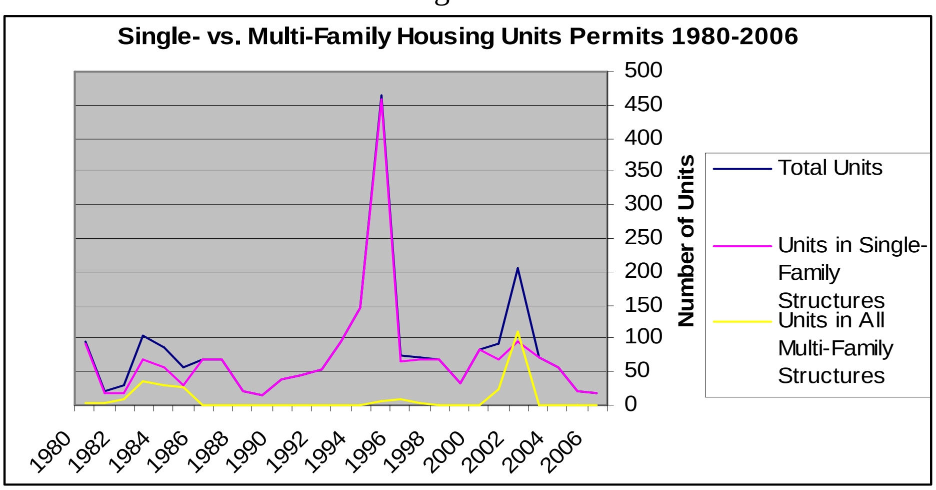
Figure 18



Source: City of Golden; Permit Database- http://socds.huduser.org/

The degree to which developers have been dissuaded from applying for building permits in Golden because of the growth cap is difficult to gauge. Between 1980 and 1995, the average number of permits issued per year was 89.[38] This average dipped to 48 per year between 1996 and 2006 (after the growth cap was implemented); however, whether the growth cap is entirely responsible for this change is not clear. If the growth cap has dissuaded developers from building in Golden, the cap may have impacted the City's growth. Perhaps more telling for housing affordability purposes is whether the growth cap has affected the number of multi-family units permitted. Figure 19 reveals that the majority of permits issued between 1980 and 2006 were for single-family units. The growth cap has not significantly affected the rate of multi-family housing construction. In fact, the average number of multi-family units increased from roughly 7 per year between 1980 and 1995, to over 13 per year in the decade after the ordinance. However, the number of multi-family homes constructed in Golden has been minimal since 1980. Single-family units constitute the majority of new construction. Growth could be maximized by permitting more multi-family units.

Figure 19



Source: Permit Database http://socds.huduser.org/

[38] http://socds.huduser.org/

A limited number of building permits also indirectly encourages builders to build larger, more expensive homes to make a higher profit per unit.[39] Although Golden currently does not track the square footage of new home construction, a March 2008 single-family home search of new construction revealed that large homes appear to be the trend. Of the 33 new homes listed in Golden, 30 were over 2,000 square feet and 20 were over 3,000 square feet. And with an increase in square footage comes an increase in price. Only one of the 33 new homes was listed for under $300,000 and only four were listed for under $400,000.[40] However, whether (or how much) the Growth Ordinance is responsible for this trend is difficult to ascertain.

[39] "The Link Between Growth Management and Housing Affordability: The Academic Evidence," The Brookings Institution Center on Urban and Metropolitan Policy, February 2002

[40] Single-Family, new-build real estate search conducted on http://www.trulia.com for Golden, CO (March 2008).

VI. Existing Housing Assistance Programs

There are few existing housing developments in Golden with affordability programs. The properties with assistance programs are described below, followed by a description of other available affordability programs.

Canyon Gate

Canyon Gate is a senior housing property, consisting of 52 one-bedroom units. Residents must be at least 62 years old, the maximum household size is two, and the maximum income for residents is 50% of AMI. The development receives a project-based subsidy from the Department of Housing and Urban Development (HUD), which means that the subsidy is tied to the development and cannot be transferred elsewhere. Residents pay 30% of their income as their rent. The building is currently fully occupied and there is a waiting list, which the Jefferson County Housing Authority (JCHA) maintains.

Figure 20

Canyon Gate is a senior housing development on Eighth Street in North Golden, which the Jefferson County Housing Authority manages.

Canyon Point Cottages

The Canyon Point Cottages were developed in 1996. Fifty of the 196 units are affordable through the Low Income Housing Tax Credit (LIHTC) program. This program uses financing from the sale of federal tax credits to reduce the debt service, which enables the properties to reduce rents on these units. The program targets low income levels; in order to qualify, residents must make less than 50% of the AMI. The income limits by household size are as follows:

Figure 21

Household Size	*50% of AMI Income Limit*
1 person	$25,100 or under
2 persons	$28,700 or under
3 persons	$32,300 or under
4 persons	$35,900 or under
5 persons	$38,750 or under

.

The tax credit units at Canyon Point Cottages are a mixture of one-, two- and three-bedroom town homes. As of March 2008, the rents on the tax credit units were $595 for a one-bedroom, $712 for a two-bedroom, and $823 for a three-bedroom apartment. The market rents range from $890–$1,390 depending on unit size.

Figure 22

Figure 23

Photos of the Canyon Point Development in North Golden. Twenty-five percent of the units are affordable through the LIHTC program.

Mountain View

Mountain View Apartments offers 15 below-market rental units, which are owned and managed by JCHA. JCHA is in the process of extending these units to Veterans as well. The process is currently in the application stage. The Housing Authority also owns and manages two four-unit buildings of public housing on West 3rd Avenue. Public housing programs run by Jefferson County require tenants to pay 30% of their income as rent.

Other Housing Affordability Programs

Jefferson County currently offers housing rehabilitation assistance to area residents. This program has provided rehab assistance to 109 homeowners in the County since 1994. The Jefferson County Housing Authority uses Community Development Block Grant (CDBG) money to fund the program. Homeowners apply for low-interest loans that would fund improvements to bring the homes up to city code, or otherwise upgrade the home. Improvements can include plumbing, electrical, weatherizing, façade improvements, or structural problems. The program could be better marketed to homes within the GURA district or City-wide. Rehab assistance programs can be limited to moderate and low income families, or they can be made available to all homeowners.

Jefferson County has also previously funded large-scale rental projects, adding more than 60 units of housing for those earning less than 60% of the AMI per project. The Jefferson County 2005-2010 Consolidated Plan has identified these projects as priorities. Jefferson County will also fund rehabilitation efforts to convert existing rental units to owner-occupied units, but stipulates that in order to qualify, areas must have a large number of existing rental units and populations earning between 50% and 80% of the AMI.[41]

JCHA administers the Section 8 Voucher program, which provides rental vouchers that can be used for any rental unit on the market that meets HUD standards, which include providing 75 percent of voucher funds to applicants whose incomes do not exceed 30 percent of the area median income. Median income levels are published by HUD and vary by location. Currently, there are approximately 100 of these vouchers in use in Golden.[42] The vouchers cover the difference between what a tenant can pay and the market rent. The voucher holders pay 30% of their income as rent and the housing authority pays the balance to the landlord. The waiting list for the Section 8 Voucher Program is currently closed until further notice.

Golden itself has access to approximately $300,000 worth of CDBG money to "improve the physical, economic, and social conditions in Jefferson County. Funds are intended to provide decent housing, suitable living environments and economic opportunities for low and moderate-income persons."[43]

Rebuilding Together, which serves the Denver metro area, recruits volunteers to repair and rehabilitate the homes of low-income elderly and people with disabilities. The program provides free assistance to homeowners who, because of physical limitations or income, are not able to cover the costs of home repairs and modifications.

The Colorado Housing Assistance Corporation (CHAC; www.coloradohousingassistance.org) is a non-profit agency that offers loan programs and financial counseling to first-time home buyers. It provides loans for people who need assistance with down payments or closing costs. The loans are then paid back as second mortgages to CHAC. Residents of Denver and Jefferson County can borrow 6% of the purchase price, up to $10,000.

The Colorado Housing and Finance Authority (CHFA; www.chfainfo.com) also offers homeownership assistance to qualified buyers through several programs. These programs offer competitive or below-market interest rates, second mortgages to assist with down payments and closing costs, and home buyer education. These programs are available to all Colorado residents, and there is no preference for certain counties or cities.

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[41] Jefferson County 2005-2010 Consolidated Plan: A Strategy for Housing and Community Development Programs, p. 13.
[42] Alan Feinstein, Director of the Jefferson County Housing Authority, 10/24/06 telephone interview.
[43] Jeffco 2008 Community Block Grant Program.

VII. Barriers to Housing Affordability

The barriers to housing affordability can be regulatory or non-regulatory. Regulatory barriers are often part of the development application process. These barriers may create delays or increase development costs, which in turn, increase housing costs. Increases in development costs make housing affordability difficult to achieve. Examples of these regulatory barriers include impact fees, permit fees, as well as zoning codes that limit numbers of inhabitants in a dwelling or do not allow small lot sizes or multi-family housing. The City of Golden could choose to waive certain fees and building requirements/restrictions to encourage the development of housing affordability.

Below, HUD describes the types of reforms that facilitate the development of housing affordability.

Types of Reforms
Three broad categories of regulatory reform: • Changes to administrative processes to enable the government to grant development permissions easier and more quickly; • Waivers of fees to reduce the up-front costs of developing housing; and • Changes to zoning and land development regulations to permit certain types of housing and reduce development costs. **Some communities also implemented the following changes:** • Adjusted tax policies; • Utilized publicly owned land to promote the development of housing affordability; and • Initiated housing affordability supplemental programs.

Source: U.S. Department of Housing and Urban Development, Regulatory Barriers Clearinghouse, http://www.huduser.org/rbc/newsletter/vol4iss3more.html

Among the non-regulatory barriers to housing affordability are the high costs of construction and land, increases in interest rates, lending practices that tend to favor upper-income brackets and neighborhoods, and societal attitudes that create neighborhood opposition to housing affordability.[44] These barriers can be difficult to overcome if they fall outside of the regulatory arena or are deeply embedded practices and attitudes.

[44] "Reducing Housing Costs Through Regulatory Reform," Clarion Associates, Colorado Department of Local Affairs, http://www. dola.state.co.us/doh/Documents/ReducingCosts/maintext.htm

Recent increases in construction costs have become a significant problem for affordable housing development. Financing opportunities have not increased proportionately with increases in the costs of construction materials, labor, and energy costs. This challenge has made affordable housing development more difficult, but other communities are finding ways to overcome higher costs. Some of these methods, such as self-help housing, are explored in the following "Opportunities" section.

VIII. Opportunities

While total growth within Golden is an important consideration, the type, size, and location of the growth that occurs also deserve attention. “Smart growth” is a popular term in today’s discussion of land use regulation. Unlike Golden’s current growth cap, smart growth does not simply limit the amount of growth of a community; it helps ensure that community growth occurs in a healthy and sustainable manner. One aspect of smart growth is creating neighborhoods where a variety of people can afford to live. Some of the techniques that promote smart growth while addressing affordability and supply issues are increased density, urban infill projects, income-restricted housing affordability, and such regulatory incentives for housing affordability as density bonuses and expedited development review.

The housing market presents several opportunities for improvement in Golden. An opportunity exists to improve and expand the existing supply of housing, as well as to develop new, high-quality housing for working families. On February 28, 2008, Golden’s City Council allocated nearly $93,000 in Community Development Block Grant (CDBG) funds to housing affordability. Nearly $81,000 of the funds will be administered through the Jefferson County Housing Authority, and the remaining $12,000 will be donated to Rebuilding Together, a citizen group working on four improvement projects for low-income homeowners. The City anticipates receiving an additional $123,000 in CDBG funds in 2008.[45]

The variety of programs available to the City to encourage high-quality housing affordability products are detailed below.

a. Housing Rehab Assistance

The current Jefferson County Housing Authority program should be expanded to have a greater impact. The average number of homes receiving assistance in Golden has only been three per year since 1994. A similar initiative, Paint-Up/Fix-Up Program, which began in the 1970s, has been very successful in the City of Englewood. It awards exterior rehab loans to approximately 15 homes per year. Englewood’s program gives grants to income-eligible homeowners or renters whose home is valued within pre-set limits. The total amount available to each home is $5,000, of which the homeowners must contribute 20%, or $1,000, to receive the 80% matching grant from Englewood. The money may be used for exterior projects such as driveway paving, landscaping, roof repairs, gutters, windows, and doors. Although the program is currently open to all Englewood residents, Englewood has previously targeted certain blocks to maximize the visual impact of improvements. This strategy would be an effective way to achieve noticeable results in Golden and better publicize the existing County program.

[45] *Golden Transcript* article, March 6, 2008.

Figure 24

Figure 25

Before and after photos a housing rehab assistance projec in McMinnville, Oregon.
Source: Yamhill Housing Resource Center, www.hayc.org

b. Down Payment Assistance

One option for GURA or the City would be to explore a down payment assistance program for first-time home buyers or for home buyers that meet certain income requirements. Such programs offer low-interest loans to assist with closing costs and down payments. Similar programs are available through redevelopment authorities in Colorado Springs, Denver, and Greeley.

c. Information Sharing & Education Programs

The City also has an option of encouraging diversity in the housing market by sharing information about housing programs through a homeowners' guide, a housing newsletter, or compiling resources on the City's web site. The centralization of this information will assist new residents in their housing decisions. The Greeley Urban Renewal Authority maintains a rental guide and also produces a newsletter with tips for homeowners. The tips in the homeowners' newsletter help residents maintain and improve the conditions of their homes, which benefits the entire community.

The City might also want to compile and maintain information about classes in the region related to homeownership, down payments, and credit repair. Such classes are offered through the Jefferson County Housing Authority, Colorado Housing Finance Agency, several non-profits, and community organizations. By providing a central location for this information, Golden residents may find it easier to navigate the necessary steps to achieve homeownership. The list of available programs could become part of the City's web site, and the City could also have printed lists of relevant information and education programs available in its offices.

d. Development Opportunities

There is also an opportunity for the City to play a role in the development of new housing stock in Golden to ensure affordability. Through a development partnership with an experienced developer of affordable and mixed-income communities, the City would play a role in the design and construction of a successful, economically diverse housing development in Golden. In many communities where housing affordability has been successfully integrated into the existing neighborhood fabric, the new development provides a range of housing types for a mix of incomes. This type of community development promotes interaction between people of diverse economic backgrounds, provides stability, and is often more easily absorbed into the surrounding context than developments that are for low-income residents only.

The programs and financing opportunities vary widely for developments that incorporate affordability through homeownership programs or rental housing. In a conventional residential development, the City might consider assisting the developer with the financing of a percentage of the total units. These units could become affordable workforce housing units and could be sold to qualified households. The definition of affordable workforce housing can vary. In the Stapleton Affordable Housing Plan, the City of Denver defined this term as dwelling units offered for sale to and purchased by households earning 80% or less of the AMI.[46] In Jefferson County, the 80% income limits are as follows:

Figure 26

Jefferson County Income Limits for 80% of Area Median Income				
1- person	2-person	3-person	4-person	5-person
$40,150	$45,900	$51,600	$57,350	$61,950
Maximum Monthly Housing Costs (30% of Monthly Income)				
$1,003	$1,147	$1,290	$1,433	$1,548

The units are generally made available through a lottery, and applicants would have to meet the income requirements outlined above. The City could administer the lottery program itself, or it could it could contract the responsibility out to a qualified company. The City's current growth management system would be effective and equitable if more affordable homes existed closer to Golden's employment sectors. If future development is well planned, it can help reduce some of the negative consequences of growth, such as traffic and congestion.

The ability of the City of Golden to contribute to a housing affordability program is constrained by its Charter, which was amended in 2001 in pertinent part as follows:

> SECTION 11.5.3. EXCEPTIONS NOT REQUIRING VOTER APPROVAL
> The City Council may approve development incentives or subsidies without voter approval only in the following circumstances.

[46] Stapleton Housing affordability Plan, City of Denver, January 29, 2001, p. 1

a. the amount is no more that $100,000 (one hundred thousand dollars), with annual adjustments of this limit in accordance with State Government statistics for the local inflation rate, and only if 1) granted in connection with construction of senior or low income housing as defined by State or Federal law or regulation, or 2) for improvements of structures eligible for designation under State or Federal law or regulation as historic structures, which improvements are in accordance with state or Federal guidelines for such improvements to historic structures; or
b. the value does not exceed $25,000 (twenty-five thousand dollars) with annual adjustments of this limit in accordance with State Government statistics for the local inflation rate.[47]

This allows the City to contribute to an affordable housing development, but whether it is limited to a contribution of $25,000 or $100,000 (without a vote) appears to hinge on relevant state and federal definitions of "development."

The remainder of this section provides a summary of several programs that enable the development of housing affordability, highlighting the successful examples. These programs include both rental and homeownership programs.

Low Income Housing Tax Credits (LIHTC)

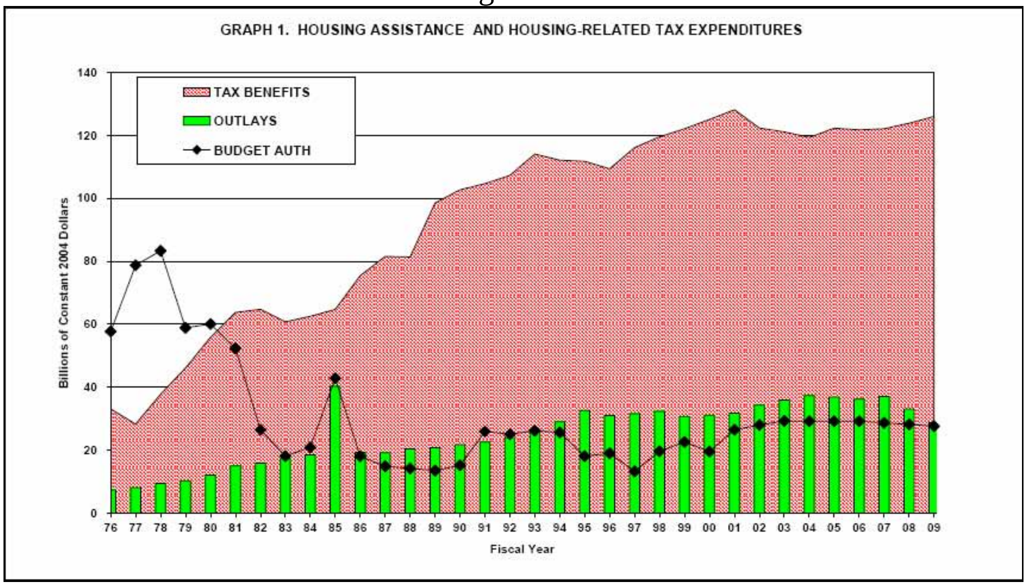
The tax credit program finances the development of affordable rental housing. It is administered by the Internal Revenue Service, and the Colorado Housing and Finance Authority allocates the credits to developers based on a competitive application process. Since 1986, the LIHTC program has produced roughly 1 million units in the U.S.[48] This program is growing rapidly across the country because the financing comes from private equity investments, rather than from the federal budget. The capital from the sale of federal tax credits is used to reduce the debt on a development. The debt reduction keeps rents affordable in tax credit units for 30 years. Financing for this type of project can also include such funding sources as the donation of publicly owned land, federal HOME funds, and Community Development Block Grants. Housing tax credits were utilized to finance the affordable units at Canyon Point Cottages.

While most housing programs in the U.S. experienced deep budget cuts or at least insufficient increases in recent years, tax-based programs continue to grow. These programs leverage private money by offering tax benefits to investors. Tax credits provide dollar for dollar reductions in a company's tax obligation, which makes it a powerful tool for encouraging investment. For example, $10,000 in credits over 10 years is a $100,000 reduction in tax liability. These credits could be sold for $75,000 to $95,000 through the syndication process.[49] The following graph shows the trends in federal funding for housing between 1970 and 2007. Budgeted funding and outlays for

[47] Charter for the City of Golden, Colorado; http://ci.golden.co.us/Files/charter.pdf
[48] "Housing affordability and Smart Growth: Making the Connection," Smart Growth Network and the National Neighborhood Coalition, p. 34
[49] "Changing Priorities: The Federal Budget and Housing Assistance, 1976-2007", National Low Income Housing Coalition, http://www.nlihc.org/pubs/index.htm

housing assistance is decreasing, while tax benefits to support housing programs are increasing.

Figure 27



Source: National Low-Income Housing Coalition

<u>Self-Help Housing Program</u>

Self-help housing creates single-family units at an affordable price to very low income families (who earn below 50% of the AMI), and low income families (who earn between 50% and 80% of the AMI). The U.S. Department of Agriculture Rural Development program provides low-interest loans through the Section 502 Self-Help Housing Loan program. The cost of building the homes is kept down through modest design. Additionally, the families who will occupy the homes must assist with approximately 65% of construction under qualified supervision. The savings created through the reduction of labor costs and low-interest loans through the USDA allow families to own homes that they would be unable to afford otherwise.

Figure 28

Construction of Cherokee Estates in Chico, California

The new homeowners sometimes learn new skills in the process, including construction, home maintenance, and budgeting. They also gain a sense of accomplishment and ownership by participating so closely in the construction. The feeling of pride that is created can contribute to the success of the neighborhood. The mortgages on the homes typically have very low interest rates, and residents often pay less than they did while renting.

Figure 29

Completed self-help housing in Butte, Montana. The homeowner has a $55,000 mortgage at a rate of 1%.

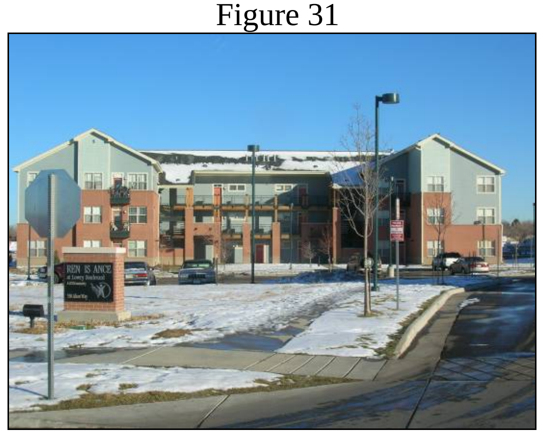
<u>Design Innovation</u>

Improvements to design- and build-technology can foster low-cost construction and generate greater affordability. Some of these techniques include utilizing pre-fabricated housing and recycled materials, incorporating shared walls, and building more energy efficient structures, which generate long-term savings. While a difficult balance exists between lowering costs and maintaining attractive design, design innovation remains an area of opportunity.

Figure 30

An example of pre-fabricated housing from Valubuild, which uses panels that reduce labor costs, material waste, and actual on-site construction time.

Figure 31



The Lowry Redevelopment includes this development, which has no subsidy but is affordable based on small unit size and simple design.

At the former Lowry Air Force Base in Denver, the Lowry Redevelopment Authority included a multi-family development that was designed to provide affordability by keeping the unit size small and the design simple, yet attractive. The photo of this development above shows that it is possible to develop an inexpensive multi-family building without governmental subsidies. Such developments increase the supply of housing affordability options.

The appearance and quality of manufactured homes has improved greatly in recent years. There are many companies that construct homes from a set of panels, resulting in homes that look and function quite comparable to conventionally constructed homes. The pre-fabricated homes are much cheaper to build because labor costs are reduced significantly. Pre-fabricated construction, or other types of low-cost construction, may even provide workforce housing without a government subsidy.

In addition to being less harmful to the environment, creating better indoor air quality, and utilizing renewable resources, green building technologies can be affordable. Energy-efficient homes use less energy than their conventional counterparts, which makes them more affordable to lower-income families. Smaller designs and the re-use of building supplies are other measures that can preserve precious resources and reduce construction costs. The opportunity also exists to capitalize on solar rebates. Exel Energy's Solar Rebate Offer for the installation of qualifying solar photovoltaic equipment covers up to $4.50 per watt of capacity. Between Exel's rebate and a Federal Investment Tax Credit, home and business owners can qualify for nearly 50% in investment refunds. Such incentives, coupled with the energy and financial savings that solar energy promises make converting to solar energy even more attractive.

Community Land Trusts

Some communities have created affordable, for-sale housing through land trust programs. These programs make homes available at lower prices by separating ownership of the home from the land upon which it is built. The land trust retains ownership of the land, which reduces the price of the home by as much as $50,000 or more, depending on the market. The homeowner buys the home at a reduced rate and leases the land from the land trust. Land leases are 99 years long and renew automatically with each sale. The typical buyer is a moderate-income, first-time homeowner. The buyer builds equity in the home and may eventually sell it at a restricted profit to another qualified household.

The owner's equity in a home is calculated through a formula at the time of re-sale. The formula may vary slightly, but it is usually based upon a three-step process. A land trust board awards the homeowner 100% of the principal that has been paid down through mortgage payments. The owner also receives 100% of the equity of capital improvements made to the home. Finally, the owner typically receives 25% of the home's appreciation upon sale, which is based on the difference between assessed values at purchase and sale.

Figure 32

Affordable single-family homes at Lowry are interspersed with market-rate homes and look almost identical. A home like this one has 4 bedrooms, 2.5 bathrooms and sells for $172,000.

The Lowry Redevelopment Authority created a land trust to build housing affordability in the Lowry redevelopment. Twenty percent of the housing built in Lowry is affordable. The Lowry Community Land Trust has created nearly 200 affordable units in Lowry, with a mix of apartments, town homes and detached, single-family homes. These homes are available to those who earn 80% of AMI; the prices range from $120,000 to the low $200,000s.

Figure 33

Lowry Redevelopment Authority is currently developing 72 additional single-family homes (to be completed in 2008) that will be available to households that earn 80% or less of Area Median Income.

An advantage of the land trust model is that decisions are made by a board comprised of land trust residents, homeowners in the surrounding community, and stakeholders such as government officials. This community-based approach builds credibility and public investment, creates a format for addressing concerns, and fosters a bond between the various groups.[50] Another benefit of these programs is that they create long-term, if not, permanent affordability. The homes stay affordable each time they are sold to new residents. No new public money is needed to ensure an affordable sale price to the next owner.

The success of the Lowry Community Land Trust is a credit to the high quality of the homes and the emphasis on good design. The single-family homes blend in seamlessly with market-rate, single-family homes. Many of the workforce town homes in Lowry are adjacent to homes that sell for more than $500,000. The mix of housing types works well because of the diligent work of the Lowry Design Review Committee, which enforces the design standards for all developments within Lowry.

Figure 34

The Falcon Point Townhomes at Lowry sell for $142,000 for a 2-bedroom, $146,000 for a 2-bedroom with a loft, and $154,000 for a 3-bedroom with a loft.

While a land trust is a powerful tool for reducing the market value of a home, publicly purchased land, or another subsidy, is necessary to achieve this affordability. Additionally, the administrative requirements of a land trust are significant, as it must remain active for many decades to facilitate the purchase and sale process. It does not make sense to create a land trust unless a long-term commitment is possible and a large number of homes will be developed. As mentioned, the Lowry Community Land Trust has expanded to become the Colorado Community Land trust, expanding its focus to include the entire Denver metro area. Consequently, the City of Golden could potentially

[50] Finkel, Ed., "Affordable Forever," Planning, American Planning Association, November 2005

donate land to the Colorado Community Land Trust, which would then manage the development, initial sale, and future re-sale of workforce housing units.

e. Regulatory Measures

Another option for the City of Golden is to encourage the development of housing in a diverse price range through a variety of regulatory measures. One such measure is zoning code reform, particularly the implementation of inclusionary zoning. Inclusionary zoning requires that a given share of new housing units developed be affordable to people of moderate or low incomes. However, inclusionary zoning usually results in higher overall housing costs in order to cover the profits a developer loses on the affordable units, and is best-suited for medium to large projects where the increased costs can be more easily absorbed.

The City could also consider development incentives.[51] Such incentives include density bonuses, development fee waivers or deferrals, accelerated development processing, or modest affordable unit design modifications for developments that incorporate housing affordability.[52] Another option would be to amend the economic incentives section of the City Charter and the growth cap to focus growth in certain areas or to provide different exceptions to the ordinance when support is intended for housing affordability developments. (See current residential zoning regulations below.)

[51] "Why Not in Our Backyard? Removing Regulatory Barriers to Housing affordability," U.S. Department of Housing and Urban Development, 2004, http://www.bococivicforum.org/pdf/hud_barriers.pdf
[52] "Reducing Housing Costs Through Regulatory Reform," Clarion Associates, Colorado Department of Local Affairs, http://www. dola.state.co.us/doh/Documents/ReducingCosts/maintext.htm

The following charts reflect the City of Golden's current zoning regulations:

Rental of legal dwelling units is permitted in any zone district. Any legal dwelling unit may be occupied by a household. The definition of "household" includes "a group of not more than four (4) unrelated or related and unrelated persons living together as a single housekeeping unit" (see Section 18.04.111). Boarding and rooming houses (see Section 18.04.050) are **not** considered households, and are permitted only in certain zone districts. Home occupations by persons living there are permitted in all residential zones (see Chapter 18.42).

R-E	One household dwelling unit	Minimum Lot Size 9,000 square feet
R-1/R-1A	One household dwelling unit	Minimum Lot Size 7,000 square feet
R-2	Depending on Lot Size:	
	One or Two household dwelling unit(s)	Minimum Lot Size 7,000 square feet
	Three or Four household dwellings units	Minimum Lot Size 9,000 square feet

Parking and setback requirements must be met for all dwelling units (see Section 18.28.200 of the Golden Municipal Code).

R-3	Depending on Lot Size:	
	One or Two household dwelling unit(s)	Minimum Lot Size 7,000 square feet
	Three or Four household dwellings units	Minimum Lot Size 9,000 square feet
	Multiple dwelling units	Minimum Lot Size 10,500 square feet Allow 2,100 sq. ft. per dwelling unit
	Institutional uses such as group homes, rooming & boarding houses, schools, libraries, churches	
RC	Residential and/or Commercial such as offices, personal service establishments, restaurants, tourist homes and studios.	

RESIDENTIAL SETBACK REGULATIONS

	R-E	R-1 / R-1A	R-2 Depending on Lot Size		R-3 Depending on Lot Size		R-3 / RC
	One Household	One Household	One or Two Household	Three or Four Household	One or Two Household	Three or Four Household	Multiple Household
Minimum Lot Area (sq. ft.)	9000	7000	7000	9000	7000	9000	10500
Minimum Lot Area per Unit (sq. ft.)	9000	7000	3500	3000	3500	3000	2100
Minimum Lot Frontages (ft.)	75	60	60	75	60	75	75
Minimum Front Setback (ft.)	20	15	15	20	15	20	20
Minimum Side Setback (ft.)	10	5	5	10	5	10	20
Minimum Rear Setback (ft.)	20	10	10	20	10	20	20
Maximum Height Principal Bldg. (ft.)	25	30	30	35	30	35	35
Maximum Height Accessory Bldg. (ft.)	15	15	20	20	25	25	25
Equivalent Density (units/acre)	4.8	6.2	12.5	14.5	12.5	14.5	20.8

Accessory buildings shall have the same front setback as the principal building, the side and rear setback of 5 feet from the property line, except that private garage vehicle entrances shall be setback a minimum of 20 feet from the front property line.

For properties within the RE, R-1, R-1A, R-2 and R-3 zone districts, individual accessory structures, and the aggregate total lot coverage of accessory structures shall not exceed 10% of the lot area.

Source: City of Golden Zoning Regulations, http://ci.golden.co.us/Files/ZoningInfo2008.pdf

These regulations affect Golden's available housing options because R-2, R-3, and RC zoning categories permit more than one household dwelling units per lot, depending on lot size. These zoning regulations allow for the construction of multiple dwelling units, but control the size of such structures through minimum lot areas, minimum setbacks, and maximum building heights. Property owners of these lots are allowed to construct accessory buildings per the square footage, setback, and lot percentage restrictions outlined in these charts. The Residential Setback Regulations also impact whether an accessory building can be constructed on a particular lot. On lots where these units are permitted, the potential exists for the construction of affordable housing. While the R-3 and RC zoning regulations allow multiple dwelling units per lot, the other residential zoning classifications limit the potential dwelling units to four or fewer. Consequently, the R-3 and RC zoning areas offer more potential for improving Golden's affordable housing stock.

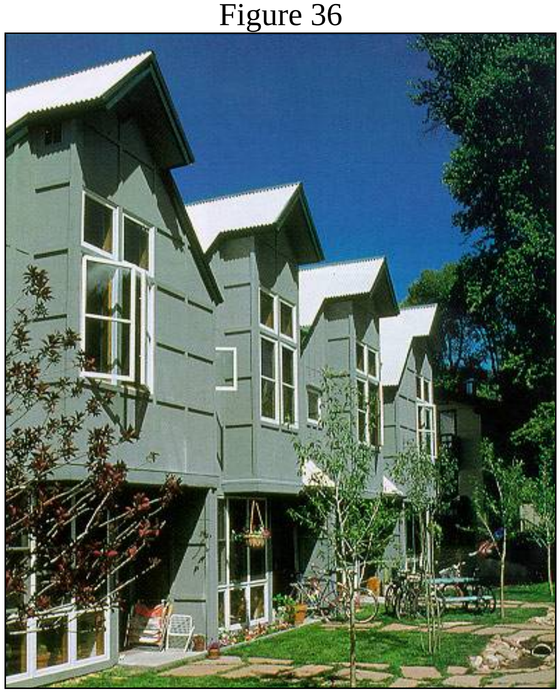
IX. Examples of Successful Developments

This section provides examples of high-quality, successful housing affordability developments throughout the U.S. More examples can be found on the Affordable Housing Design Advisor web site (www.designadvisor.org). These examples cover a variety of financing methods, including tax credits, donation of public land, and low-cost construction techniques.

Figure 35

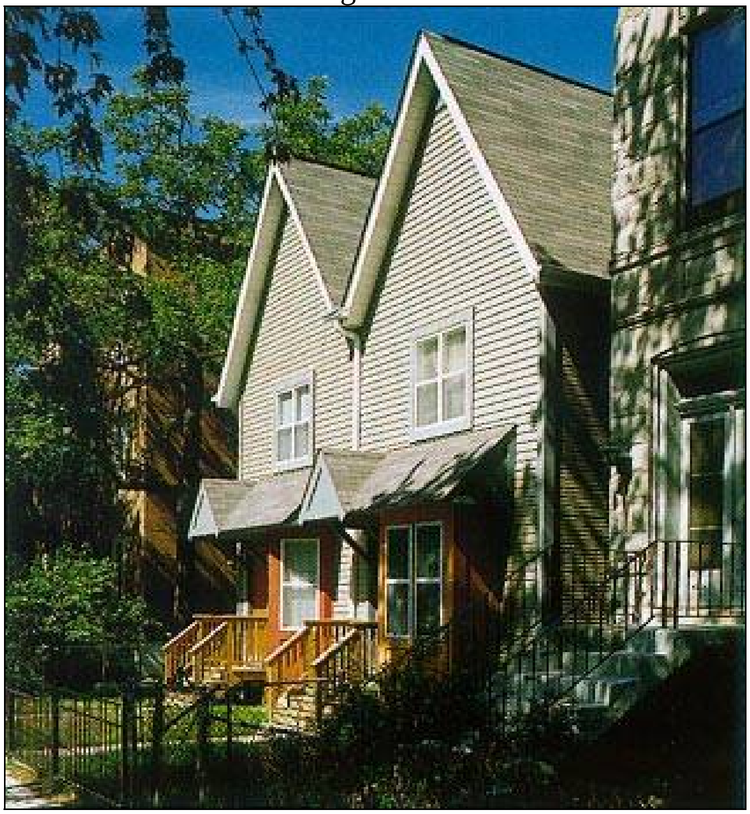
The Tower Apartments in Roehnert Park, CA, were financed through housing tax credits, which make the apartments affordable for up to 30 years.

Figure 36



West Hopkins Townhouses in Aspen, CO, is an infill project of for-sale units built on donated land.

Figure 37



International Homes in Chicago, IL, were built on city-owned land and sold to first-time homeowners in 1993.

Figure 38

Workforce housing in New London, NH, offers affordable rental and for-sale units to those earning $36,000 annually or less.

Figures 39-41

In Issaquah, WA, first-time homeowners were able to purchase Lake Park Townhomes, which were completed in 1987.

An example of high- quality, affordable town homes in Elizabeth, NJ.

Harriet Square in Minneapolis, MN, is a first-time homeowner development of single-family homes for moderate-income families.

X. Conclusions

While there are certainly challenges to finding affordable housing in Golden, there are several opportunities available that could diversify and strengthen the community's supply. The entire city will benefit from efforts to create a place that welcomes people of all economic backgrounds. The development of a diverse range of housing will also enhance Golden's economic stability and vitality.

The expected growth in the retail and service industries will require more employees who will earn moderate incomes. Buying a home in Golden will be very challenging for this group without housing affordability options. It is critical that new housing stock covers a wide range of price levels to increase the supply of moderately priced housing. The range of options that the City can consider is wide—from providing more information on existing programs to funding and/or developing new housing affordability. The community will benefit from any additional effort to increase the diversity of housing options available in Golden.

Based upon the expected growth of the service and retail industry and the rate at which home prices are out-pacing changes in income, Golden's demand for moderately priced housing stock for both renters and buyers will increase significantly in the coming years. Because community stability is important to Golden residents, an affordable homeownership project that creates long-term residency will likely gain the most support. There is demand in the market for single-family and multi-family homes priced below $220,000. This price is virtually unavailable in the GURA district and represents a narrow market city-wide. The rental market is also important for many of Golden's employees, particularly service employees who must commute long distances to work in Golden. Supporting this group's needs will benefit the Golden economy and encourage a stable employment base in the City.

HUD's Community Development Block Grant program offers an excellent opportunity for financing affordable rental housing. The City of Golden has CDBG money available and appears committed to bolstering Golden's supply of housing affordability. Financing could also come from a combination of publicly purchased land, the land trust model, self-help housing, and pre-fabricated elements used in construction. Golden should also consider the benefits and potential cost benefits of sustainable growth. All of these methods can work concurrently, allowing for the maximum impact and the minimum amount of public subsidization.

The Low-Income Housing Tax Credit program provides a viable source of funds for the development of rental housing. The growth in this program is likely to continue to outpace growth in other housing affordability programs. The tax credit program can also be combined with other financing sources, such as Community Development Block Grants or federal HOME funds, both of which derive from the Department of Housing and Urban Development (HUD).

XI. Recommendations

This report finds that there is a market demand for more homes that are affordable to Golden's low and moderate income households, many of which comprise the City's workforce. According the Colorado Department of Local Affairs' 2005 Consolidated Plan, Colorado's retail and service industry is the employment sector with the largest anticipated growth rate through 2010.[53] This sector will create jobs with annual salaries between $24,000 and $35,000. Based on an estimation of household income and using roughly 30% of monthly income as the affordability standard, this growth will create increased demand for homes priced between $115,000 to $227,000 and rentals between $800 and $1,600 per month. Because current residents and employees in low and moderate income brackets are hard-pressed to rent or purchase single-family homes in Golden, the anticipated growth of these socio-economic classes will likely exacerbate Golden's need for housing affordability.

This report explores the array of options that are available for improving housing choices in Golden. These programs range from education and information sharing, to development and rehab programs.

A land trust program would increase housing affordability opportunities in Golden. Land trusts create housing affordability by separating ownership of the land upon which a home is built from the home itself. This program would require a tract of publicly purchased land to reduce home prices to the costs of construction. The report gives a detailed example of the Lowry Community Land Trust in Denver. If the City of Golden is interested in donating publicly owned property, or otherwise acquiring property for this purpose, or if a private landowner steps forward to achieve this goal, this program could be a viable option. In fact, in 2006 the Lowry Community Land Trust expanded its scope to include the entire Denver metro area, changing its name to the Colorado Community Land Trust to better reflect its new mission.

Increasing the funding, marketing, and targeting of Jefferson County's housing rehabilitation assistance program could also improve Golden's housing affordability conditions. The County's rehabilitation program provides grants to residents to assist them in making improvements to their homes' mechanical systems and interior. This program could use additional funding to target a specific block or neighborhood, significantly improving the streetscape of that area. Other Colorado communities, such as Englewood, have had success focusing their housing rehab assistance programs. Finally, the report examines regulatory reforms and incentives that may diversify Golden's housing options.

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[53] http://www.dola.state.co.us/cdh/researchers/documents/2005ConPlan.pdf, p. 13.

XII. Policy Discussion Questions

The data presented in this report may lead to a discussion among policymakers and/or citizens about the community's priorities. Some of the following questions may facilitate that discussion.

Is housing affordability a community priority?

Is homeownership a community priority?

Do we want to encourage professions necessary for a complete community, such as teachers, retail service workers, and firefighters, to live in Golden rather than to commute from surrounding communities?

What proportion of single-family to multi-family residential units is ideal for Golden?

Is it acceptable that a household that earns Golden's median income is challenged to purchase a home?

If the community wishes to pursue housing affordability, is it important that sustainable practices are utilized?

What is the most efficient way to use public money to have the maximum impact on this issue?

If housing affordability is a community priority, should the community pursue an affordable for-sale project or an affordable rental project?

Should a housing affordability program include single family housing, multi-family housing, or both?

APPENDIX E

About Rebuilding Together…

What is our mission? Our mission is to work in partnership with the community to rehabilitate the houses of low-income homeowners, particularly the elderly and disabled, so that they may live in warmth, safety and independence. Our goal is to make a sustainable impact in partnership with communities. On National Rebuilding Day, held each April and October, the metro Denver chapter will rehabilitate over 30 homes, all within the time frame of a one-day event.

What is our national and local impact? As the largest volunteer home rehabilitation organization in America, our work takes place in cities/towns in all 50 states, including Golden.

Why are these services needed? The number of low-income homeowners increases each year. The current 24 million low-income homeowner families are expected to grow to an astonishing 28.5 million by the year 2010. The impact will be realized as more and more families are placed in the position of choosing between vital necessities, such as food or medicine, or a roof that does not leak. Rebuilding Together works to ensure that as many of those families as possible do not have to make these difficult choices.

What type of work is done? Rebuilding Together repairs homes so that low-income elderly and disabled homeowners may continue to live in warmth, safety and independence. Each year, skilled and unskilled volunteers perform hundreds of repairs such as installing new roofs, carpets, floors, wheelchair ramps, deadbolts, windows and appliances, as well as painting, cleaning, and weatherizing to make homes clean and comfortable.

How are homeowners selected? Homeowners must be low-income and elderly, disabled, or caring for a disabled family member, and unable to do the work themselves. They must own and occupy their home. Homes are chosen through a careful selection process administered by staff and a volunteer house selection committee. Applications are accepted on a year round basis and referrals are made by human service organizations, housing agencies, synagogues, churches, hospitals or by self-referral.

Do homeowners pay? There is no cost to the homeowner. All repairs are free for eligible homeowners. Labor and many supplies are typically donated. Homeowners and family members are asked to welcome the volunteers into their homes and work alongside them to the extent possible. Our work is done with families and neighborhoods, not for them.

Who sponsors Rebuilding Together? Funds come from generous individuals and volunteers, corporations, foundations, civic organizations, churches, and synagogues that are interested in making a profound difference in the community. Rebuilding Together is a non-profit, non-sectarian organization supported by voluntary contributions of time and money. Every dollar given is wisely spent and is an investment in building stronger communities.

For more information, please call 303-217-2070, or go to www.rebuildingdenver.org

APPENDIX F

Jefferson County Housing Authority

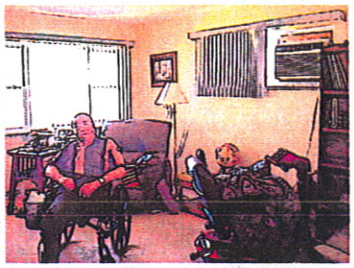
Homeowner Housing Rehabilitation Program

Including Jefferson County and the City of Lakewood Programs

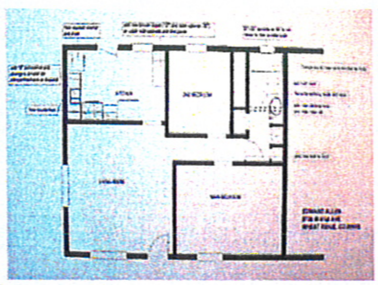
YEAR END REPORT - 2007

For the HOMEOWNER, SINGLE-FAMILY REHABILITATION PROGRAM

House in Wheat Ridge with elderly/disabled homeowner — provided wheelchair accessible bath and kitchen fixtures, plus new doorway openings, flooring, ramp and other general rehab work.



Before:



After:

Single-Family, Homeowner Housing Rehabilitation Program
Jefferson County Housing Authority

Year End Report for 2007

INTRODUCTION

The Homeowner Housing Rehabilitation Program, set up through the Jefferson County Housing Authority, received the first CDBG funding in 1994 when Jefferson County became an entitlement area. The Rehab Program receives CDBG funds from unincorporated Jefferson County, Wheat Ridge, Golden, Edgewater and Mountain View to do work in those areas. In 2002 JCHA also began administrating the Rehab Program for the City of Lakewood under their CDBG program.

The Rehab Program was modeled after other rehab programs in the metro area and nationwide that has had over 30 years of experience under HUD regulation and funding. The Housing Rehab Program provides technical and financial assistance for qualified homeowners to do the necessary repairs to make their homes safe, decent and affordable. The Rehab Program has assisted nearly **400** low or moderate-income households since 1994.

The goals of the Housing Rehab Program are:

- To increase the supply of decent, safe, sanitary and affordable housing by providing technical and financial assistance to low-moderate income homeowners in Jefferson County, including the City of Lakewood.
- To promote homeownership, stabilize and enhance neighborhoods, and aid in the prevention or elimination of slum or blighted conditions.
- To make energy saving improvements to the homes.
- To increase the supply of special needs housing in Jefferson County.
- To help protect young children from lead-based paint hazards in the houses assisted.

Purpose of the Rehab Program:

Many homeowners in Jefferson County are faced with needing major repairs such as a failing furnace, leaking roof, plumbing and electrical systems that are outdated and dangerous. Some homes even lack indoor plumbing and potable water. And most low or moderate income households may not have the means to take on such a major expense. This situation can threaten their safety, standard of living, the appearance and stability of the neighborhood and even their continued home ownership.

More than one-half of the households assisted under the Rehab Program are elderly or disabled and on a fixed income. The majority of the rest of the households are low-moderate income working, one or two parent families. To qualify for the program the household must have an income of 80% or less of the median income, must own the home and live there, and the home must be located in Jefferson County (unincorporated Jeffco or participating communities, or the City of Lakewood as a separately funded program).

Qualified homeowners are provided (at no cost) with technical assistance that includes a thorough inspection to determine problems, an analysis of the extent of the problems, and estimate of the cost of repairs and the best method to correct them. The homeowner also receives assistance in getting reasonable bids or proposals from qualified, local contractors, and with oversight and regulation of payments during the construction.

The homeowner is provided with financial assistance for the actual contracted cost of rehabilitation through a low interest loan set as affordable to the individual household (3% or 5% loans with deferred or small monthly payments). A Rehabilitation Loan Committee made up of knowledgeable volunteer members of the communities served, sets the terms of the rehab loans. The Rehab Program may also provide some emergency grants to take care of urgent problems costing under $1500 (mostly used for manufactured home emergencies).

Rehab Program Accomplishments in the year 2007

Jefferson County Community Development Funding: Starting the year 2007 the Program had expended all the CDBG last funded by Jefferson County but in March '07 we received and additional $90,000 in CDBG funds from Golden to continue rehab there. In lieu of CDBG funds, the County allocated $174,366 in 2007 HOME funds in June, but the Agreement was not executed until the end of the year and these funds will be used in 2008. Therefore the primary source of funds for the Rehab Program in 2007 came from our Program Income/Revolving Loan Fund ($130,625 in carry over plus $211,083 in new funds—repaid rehab loans—to fund the Program in 2007). In 2007 the Rehab Program used about $274,000 of Program Income funds to complete rehabilitation on 14 Jeffco homes, plus about $33,000 from the Golden CDBG funds to rehab 9 Golden homes: a total of **23 Jeffco homes** completed this year. In the Jeffco Program we will be carrying over some funds and have a new HOME Agreement to continue the Rehab Program into 2008. Additional HOME funds (2008) as well as allocations of CDBG funds from the Participating Jurisdiction cities—Golden, Wheat Ridge, Mountain View and Edgewater should become available throughout the 2008 calendar year. ***(See attached chart)***

Lakewood Funding: In the Lakewood Rehab Program we carried over some of the 2006 CDBG funds, were allocated $90,000 in 2007 CDBG funds, and in August received an additional $50,000 in new HOME funds. In calendar year 2007 **18 Lakewood homes** were completed with about $118,000 of the available funds. The balance will be carried over for 2008 projects. We anticipate approximately the same level of HOME and CDBG funding for the year 2008 for the City of Lakewood Rehab Program. ***(See attached chart)***

See the attached chart of the 2007 Funds for the Rehab Program and the Projected 2008 Funding →

Rehab Projects for 2007

Projects Completed: 41 →	**23 in Jefferson Co.**	→	3 in unincorp Jeffco
	18 in Lakewood		10 in Wheat Ridge
	41 Projects Completed		9 in Golden
Plus projects under construction at end of year = **4 homes**			1 in Edgewater
Homes worked on in 2007:	**45 Projects**		0 in Mountain View
			23 Jeffco Projects

See the attached summaries of the Rehab Projects completed in 2007 →

Projects under construction at start of 2007:	**8**
New Rehab projects started in 2007:	**37**
Total active projects in 2007:	**45**
Number of Rehab Projects completed:	**- 41**
Projects under construction at end of '07:	**4**

Rehab projects under construction or being processed at the end of the year: **11**

Number of applications received in 2007: **54**

Total applications on the Waiting List at end of 2007: 27

JCHA HOMEOWNER HOUSING REHAB PROGRAM

Rehab 2007 Funds and Projected 2008 Funds

2007 Calendar Year Funds:

Lakewood Funding - 2007	Carry-over funds from last year	New funds--2007	Funds spent in 2007 for Rehab Prog	Balance--carry over to 2008
LKW CDBG 2006 funds:	$70,725	$0	-$70,725	$0
LKW CDBG 2007 (Mar'07):	$0	$90,000	-$32,765	$57,235
LKW HOME 2007 (Aug'07):	$0	$50,000	-$14,204	$35,796
LKW balance 12/31/07:	**$70,725**	**$140,000**	**-$117,694**	**$93,031**

less $4,757 back to Jeffco CD

Jeffco Funding - 2007				
Program Income--RLF (Revolving Loan Fund):	$130,625	$211,083	-$273,944	$67,764
CDBG Amend#2 for Golden (Mar'07):		$80,000	-$32,816	$47,184
Jeffco balance 12/31/07:	**$130,625**	**$291,083**	**-$306,760**	**$114,948**

Total both Lakewood and Jeffco Programs-2007:	**$201,350**	**$431,083**	**-$424,454**	**$207,979**

Projected 2008 Calendar Year Funds:

Lakewood Projected for 2008	*carry-over*	*2008 funds*	*other*	*Total*
LKW CDBG from 2007:	$57,235			$57,235
LKW HOME from 2007:	$35,796			$35,796
Projected LKW CDBG '08:		$90,000		$90,000
Projected LKW HOME '08:		$70,000		$70,000
LKW projected available 2008:	**$93,031**	**$160,000**	**$0**	**$253,031**

Jeffco Projected for 2008	*carry-over*	*2008 funds*	*other*	*Total*
CDBG Amend#2 (Golden):	$47,184			$47,184
RLF (Prog Income) from 2007:	$67,764			$67,764
Projected Program Income-RLF '08:		$100,000		$100,000
Jeffco HOME 2007 (start 1/1/08):		$174,366	*match?*	$174,366
Jeffco HOME 2008 (start June'08):		$100,000	*match?*	$100,000
Mnt View (PJ) CDBG allocation:		$17,068		$17,068
Projected Wheat Ridge (PJ) CDBG allocation:		$100,000		$100,000
Projected Golden (PJ) CDBG allocation:		$60,000		$60,000
Projected Edgewater (PJ) CDBG allocation:		$0		$0
Jeffco projected available 2008:	**$114,948**	**$551,434**	**$0**	**$666,382**

Projected Total both Programs available in 2008:	**$207,979**	**$711,434**	**$0**	**$919,413**

Rehab Projects Completed-2007-Jeffco

zWR127 | W 41st Ave, Wheat Ridge

LoanType: **3% Deferred**

Completion Date: **2/1/07**

Household situation / needs:

Elderly gentleman, amputee in wheelchair. On fixed income. Needed accessiblity work: ramps, bath/shower access, kichen cabinets, doorways, etc. Plus other general rehab work. (See cover photos)

% of Median Income: **36%**

Rehab Costs: **$23,179.00**

Description of House:

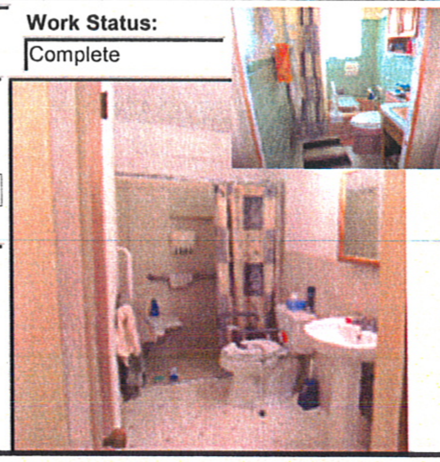
1960's, one story, brick house. Is listed as in flood plain. Assisted owner to get US flood insurance.

Built: 1961

Rehab Work:

Accessiblilty: complete redo of bath w/ roll-in shower, doorways, new kitchen cabinets for wheel-chair, plus new flooring for wheel-chair, painting and electrical upgrade.

Work Status: Complete



WR139 | Quay St., Wheat Ridge

LoanType: **3% Deferred**

Completion Date: **12/20/07**

Household situation / needs:

Couple, she is elderly (3/1941), he is disabled. They have two 0% loans from previous rehab from 1997-1999. He receives SocSec & retirement, she recieves SocSec--59% of median. Called in 2007--need a new roof and gutters. Approved Loan Comm via faxes 10/31/07 for 3% deferred loan. Work completed and inspected, paid 12/20/07.

% of Median Income: **59%**

Rehab Costs: **$8,200.00**

Description of House:

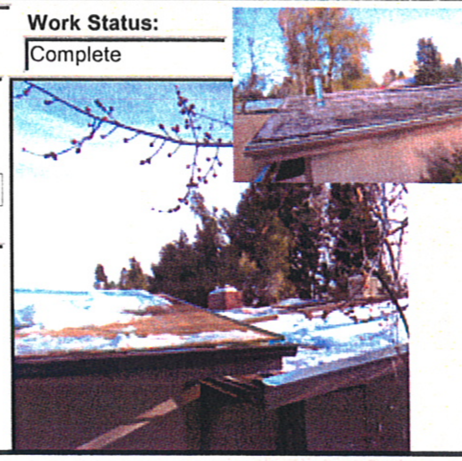
House w/ low-slope roof built in 1954. Had previous rehab in '99. Now need roof replacement.

Built: 1954

Rehab Work:

New roof and gutters (previous rehab in '99)

Work Status: Complete



WR138 | Wright St., Wheat Ridge

LoanType: **5% Payment**

Completion Date: **10/26/07**

Household situation / needs:

Single, elderly (1934) lady on SS and PERA--at 74% median. Called 10/11/07--boilder going out. Rest of the house is in very good condition. set up contract to replace boiler. Boiler emergency work approved as 5% payment loan. Work completed and permit signed off 10/19/07. Final inspection 10/22/07 and in for final pay/close-out.

% of Median Income: **74%**

Rehab Costs: **$6,500.00**

Description of House:

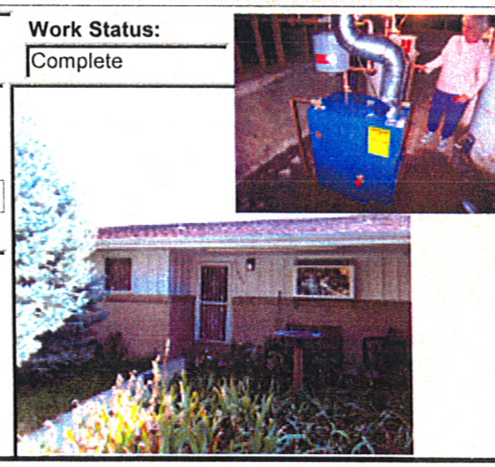
Single family house in very good condition except boiler went out.

Built: 1961

Rehab Work:

Emergency-replaced boiler.

Work Status: Complete



WR133a | Otis St., Wheat Ridge

LoanType: **3% Deferred**

Completion Date: **11/15/07**

Household situation / needs:

Elderly (11/1935), single woman. Called 1/16/2007 after received flyer in sanitation bill. Works parttime earns about $300 a month and receives SS, Retirement and interest at about 53% of median. Has structural problems and needs general rehab. Work completed 11/15/07.

% of Median Income: **53%**

Rehab Costs: **$19,000.00**

Description of House:

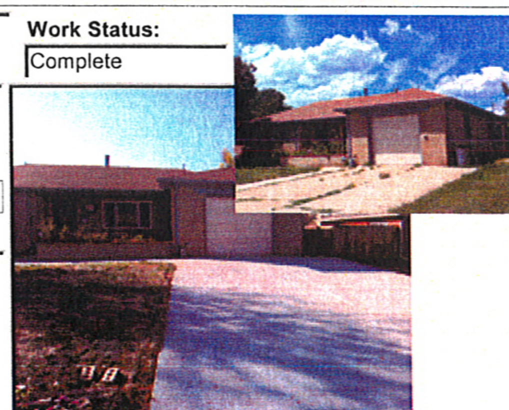
1950's single family house. Has structural problems and needs other rehab work.

Built: 1951

Rehab Work:

General rehab: Includes proper drainage around house, repair of cracks inside and out. New concrete diveway, porch and walks. Insulation, windows, doors, plumbing, electrical and painting.

Work Status: Complete



GD068 | F St., Golden

Rehab Costs: $1,160.00

Work Status: Complete

LoanType: Grant

Completion Date: 10/26/07

Description of House:
Manufactured home

Built: 1974

Household situation / needs:
Single, elderly (1941) lady on SS & SSDI. We had done some work for her mother when she was alive. Now owner (daughter) needs a new water heater and has low water pressure. Loan Comm approved grant. Replaced old water heater and put in new kitchen and bath faucets everything is working. Completed, inspected, and paid in October 2007.

Rehab Work:
Replaced water heater in manufactured home.

% of Median Income: 15%

GD066 | Zurich St, Golden

Rehab Costs: $1,584.00

Work Status: Complete

LoanType: Grant

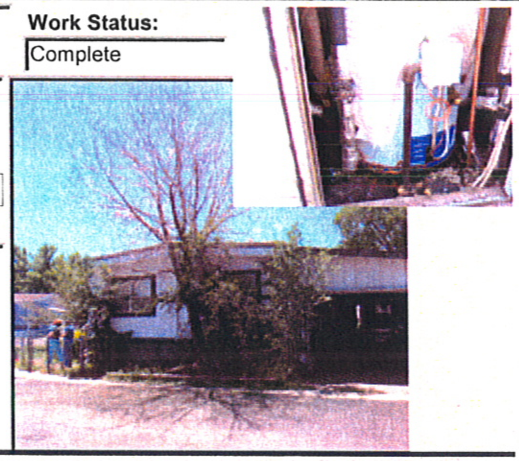
Completion Date: 6/21/07

Description of House:
Manufacuted home

Built: 1969

Household situation / needs:
Eldery (1/1943), disabled, single woman taking care of her elderly disabled sister. Water heater in mobile home had quit two weeks ealier. Both Owner and her sister on SocSec--37% of median. Cost to replace water heater and repair pipes and floor was a total of $1584.04, slightly exceeding the $1500 grant--approved for that amount by Loan Comm 6/14/07, but can't do additional work. Work completed and paid 6/21/07

Rehab Work:
Replaced water heater in manufactured home.



% of Median Income: 37%

GD065 | Mnt Vernon, Golden

Rehab Costs: $353.00

Work Status: Complete

LoanType: Grant

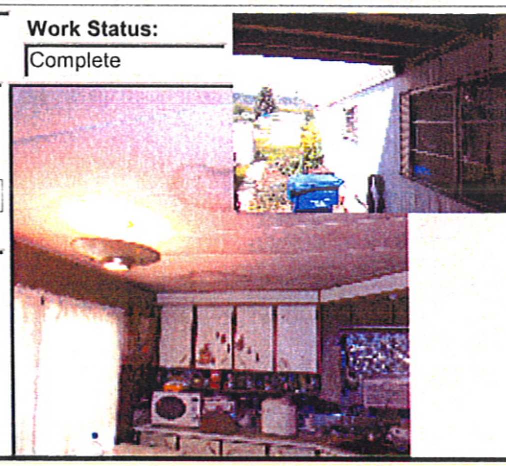
Completion Date: 8/9/07

Description of House:
Manufactured home

Built: 1966

Household situation / needs:
Elderly (1922 & 1936), non disabled couple, in 1966 12 X 55 moible home, both on SS and her retirement--about 32% of median. Needs roof leak repaired, approved as emergency for a mobile home -- $1500 grant. Roof repaired for $353, inspected and paid 8/9/07.

Rehab Work:
Repaired leaking roof on manufactured home.



% of Median Income: 32%

GD063 | Mnt Vernon Rd, Golden

Rehab Costs: $1,483.50

Work Status: Complete

LoanType: Grant

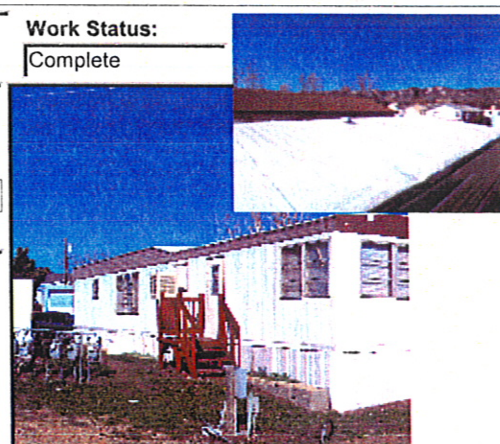
Completion Date: 4/5/07

Description of House:
Manufactured home--roof leaking and needs new front door.

Built: 1971

Household situation / needs:
Single, elderly (4/1937) woman. On SS and pension $626 monthly--16% of median. Mobile home roof is leaking. Bid in for roof-door for $1470-OK in house approval to start. Work completed 4/5/07.

Rehab Work:
Roof leak repair, new front door.



% of Median Income: 16%

GD062 | A St., Golden

Rehab Costs: $1,173.00

Work Status: Complete

LoanType: Grant

Completion Date: 3/8/07

Household situation / needs:

Single, non-elderly (1970) woman with son. She works in low-paying job (about $2000/mo)--at 42% of median. Needs new water heater in her mobile home. Approved as grant as in-house emergency. Sent contractor out and they replaced water heater. Complete and paid 3/8/07 (Total $1172.70 - grant)

% of Median Income: 45%

Description of House:

Manufactured home--water heater went out.

Built: 1981

Rehab Work:

Water heater replacement--manufactured home.

GD054b | G St., Golden

Rehab Costs: $1,485.00

Work Status: Complete

LoanType: Grant

Completion Date: 4/19/07

Household situation / needs:

Non-elderly (3/1948) disabled lady. Receives SSI at $538 a month, works part-time as subsitute teacher--can not earn more than $810 a month (has been making less than that). Had a water heater replaced in 2004 (max grant then of $1000). Called in March 2007, roof around vent and porch are leaking. Approved for up to the current max grant of $1500. Roof was repaired for $485. Complete 4/8/07.

% of Median Income: 33%

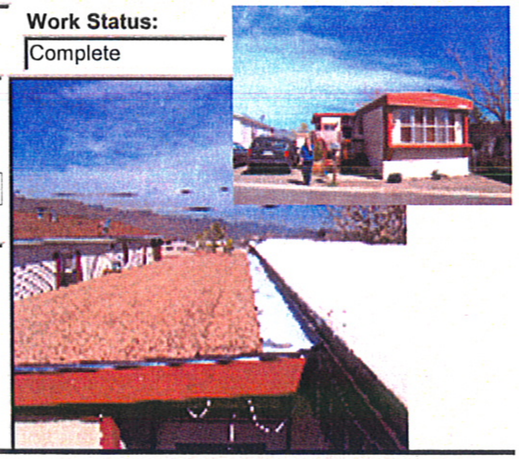
Description of House:

Manufactured home--water heater in 2004, plus roof leak in 2007.

Built: 1978

Rehab Work:

In 2007--repair roof leak.



GD053a | F St., Golden

Rehab Costs: $2,000.00

Work Status: Compete

LoanType: Grant

Completion Date: 8/23/07

Household situation / needs:

Elderly, disabled single gentleman on SSDI--23% of median income. Son and caretaker provide care. Water heater replaced in 2004. Called in 2007, had very bad plumbing leak that had ruined floor and walls in bathroom. Was approved for a grant to fix leak, replace walls, floor and toilet. Repair work required $2000, inspected and paid 8/23/07.

% of Median Income: 23%

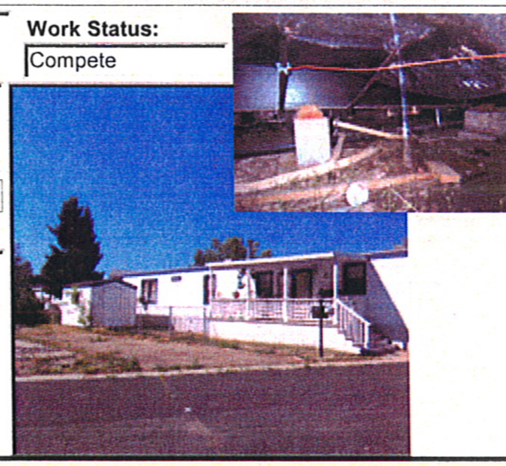
Description of House:

Manufactured home with plumbing problems.

Built: 1987

Rehab Work:

Emergency plumbing repairs in manufactured home.



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aGD067a | Sixth St., Golden

Rehab Costs: $25,000.00

Work Status: Under Construction

LoanType: 5% Payment

Completion Date: 2/21/08

Household situation / needs:

Young, single gentleman--school teacher. At 70% of median. In an old house, with more recent additions. Needed a new roof, insulation, windows/doors, plumbing upgrade and other general rehab. Approved by Loan Comm for 5% Payment loan. Currently under construction--should be complete in early 2008.

% of Median Income: 70%

Description of House:

Original portion of house in Golden is very old, has more recent additions.

Built: 1900

Rehab Work:

General rehab: Including new roof, insulation, doors/windows, replace plumbing and upgrade kitchen/bath.