

**WEEKLY INFORMATION PACKET  
MEMORANDUM**

**To:** Mayor McGrath and City Council

**From:** Jane S. Brautigam, City Manager  
Stephanie A. Grainger, Deputy City Manager  
Karen Rahn, Housing & Human Services Director  
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**Date:** October 14, 2008

**Subject: Information Item:** Housing & Human Services – Affordable Housing Review  
Community Process update and next steps

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**EXECUTIVE SUMMARY:**

The Department of Housing and Human Services (HHS) has initiated a review of the affordable housing program which consists of two phases:

Phase I: Social Policy Review: Evaluation of current program, goals, programs and priorities (July – December 2008).

Phase II: Regulatory Review: Assessment of regulatory tools such as Inclusionary Zoning (October 2008 – April 2009) and an exploration of new initiatives (April 2009 –August 2009).

A Phase I report that includes results of community meetings and surveys and including social policy options for the affordable housing program is tentatively scheduled for presentation to City Council on December 2, 2008.

In response to Council's request to review regulatory policies as soon as possible, staff proposes that the regulatory review portion of Phase II commence immediately while the social policy surveys are being finalized. Staff will explore new initiatives once the regulatory review work is completed.

This Weekly Information Packet (WIP) includes a proposed list of the regulatory policies and issues to be considered in the next few months and a proposed process and timeline for Phase II for council review.

**FISCAL IMPACT:**

Budgetary: HHS staff, assisted by consultants, will analyze proposed regulatory changes and write any new or revised code language. Staff estimates the cost of consultant time at \$20,000. This cost is included in the Division of Housing's 2008 and 2009 budget.

Staff Time: The staff time associated with this project is included in the 2008 and 2009 HHS, Division of Housing work plan and budget.

### **COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS:**

- **Social:** The review of the affordable housing program will improve the programs ability to positively affect the lives of low and moderate-income residents and to enhance the social fabric of the city. Improvements to the program could result in additional financial support for housing for people with special needs which addresses a core challenge for vulnerable members of the community. The review will look at widening the range of affordable housing incomes served which could result in more choices to households with modest incomes.
- **Economic:** Updating the regulatory aspects of the program may increase local affordable housing funds. Improvements in the development of workforce housing also supports the retention and attraction of employees in the community.
- **Environmental:** Housing and Human Services contribute to the health, viability, livability and diversity of the broad community. Focusing and improving the affordable housing program can increase the opportunities for employees to live in the community in which they work, which helps to reduce commuting, traffic congestion and sprawl.

### **BACKGROUND:**

In early 2008 the Department of Housing and Human Services initiated the Community Housing Affordability Talks (CHATs), a review of the affordable housing program. The CHATs review was divided into two phases:

Phase I: Social Policy Review (July – December 2008). This phase includes evaluation of existing program goals and priorities; small group discussions with specific community groups (civic groups, developers and service providers); survey of residents of affordable housing, primary and secondary employers and commuters; community forum for the general public, and development of social policy options for City Council consideration.

On February 27, 2008 staff submitted the *Affordable Housing Report* to provide Council members and the community with information concerning Boulder's current affordable housing goal and progress on the goal. A WIP was sent on April 8, 2008 outlining the process for Phase I and Council held a Study Session on June 5, 2008 regarding the community process.

At the June 5, 2008 Study Session, Council generally agreed that the overall goal of the Affordable Housing Program has not changed: to preserve Boulder's socio-economic diversity by offering a range of permanently affordable housing options. Council requested a streamlined social policy review of the affordable housing programs with targeted stakeholders and the broader community to assess whether the goals and priorities should be modified. Small group discussions were held on August 14, 2008 with civic organizations and October 14, 2008 with housing developers and service providers. A community forum was held on September 13, 2008

The consulting company RRC has been engaged to conduct community surveys. A report which summarizes the results of the group discussions, community meeting and surveys and offers

social policy options for the affordable housing program is scheduled for presentation to Council on December 2, 2008.

Phase II: Regulatory Review (October 2008 – April 2009). The regulatory review portion of Phase II includes analysis of and recommendations for modifications, as necessary, to the current Inclusionary Zoning program. The analysis will include assessment of regulatory tools; stakeholder meetings with for profit-developers and non-profit developers; community forum for the public; Planning Board consideration of modifications to Inclusionary Zoning (IZ); Council consideration of program modifications; implementation of potential new or revised code language.

Phase II includes two elements as outlined below:

**Regulatory Review (October 2008 – April 2009):** will include assessment of the following:

1. Cash-in-lieu
2. On-site requirement
3. Residential redevelopment
4. Middle income
5. Land swap off-site option
6. Congregate care requirements
7. Equivalencies for a range of incomes
8. Changes to the pricing methodology
9. Update code references

**New Initiatives** (April 2009- August 2009) will include assessment of the following:

1. New funding sources
2. Accessory Dwelling Units – as a tool to increase affordable housing
3. Regional strategies
4. Site Review - include affordable housing as a criteria for review
5. Annexations - clarify requirements
6. Increase community awareness about affordable housing

### **Proposed Timeline**

Fourth Quarter 2008

Finalize Phase I, Social Policy Review of affordable housing goals and policies

Begin Phase II, Regulatory Policy Review

Analysis and research

Public outreach and input

First Quarter 2009

Develop options for regulatory strategies

Public outreach and input

Possible City Council study session on regulatory options

Second Quarter 2009

Consideration of policies and regulations by Planning Board and City Council  
Develop code language for regulatory policy changes for adoption by Planning Board and City Council

New initiatives portion of Phase II  
Analysis and research

Third Quarter 2009

Develop options on new initiatives  
Consideration of policies and regulations by Planning Board and City Council

For more information or if you have questions, please contact Jann Oldham at phone 303-441-3167 or email [oldhamj@bouldercolorado.gov](mailto:oldhamj@bouldercolorado.gov)