



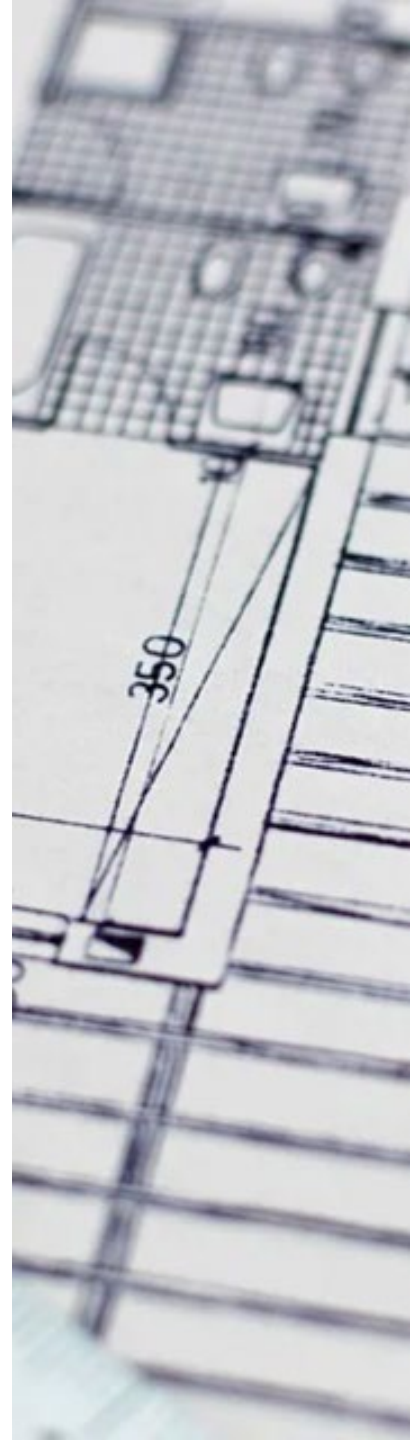
Jenn Lopez
President, Project Moxie



Below-Market Housing Intensive

Agenda

- 1:30** — Welcome and Introductions
- 1:45** — Local Housing Context — Ashley Perl
- 2:15** — Housing Markets in 2022: The Post-Covid Reality
- 2:45** — Emerging Community Housing Strategies
- 3:15** — Community Housing Exercise
- 3:45** — Break
- 4:00** — Case Study: Basalt Vista — Gail Schwartz
- 4:30** — Session Recap & Next Steps



Welcome & Introductions

- Name, agency, and community of origin
- What is the greatest housing need in your community right now?
- What is the greatest housing opportunity in your community right now?





***Ashley Perl
Pitkin County Community Resiliency
Manager***

Availability, Affordability, Accessibility

Key Factors:

- Rising Demand (\$1.7 B to \$4.5 B) & Rising prices (\$3.2 M to \$7.4 M)
- Changing uses (Workforce housing to housing that requires workers)
- Remote work
- Retiring workers
- Others?

The *West Mountain Regional Housing Coalition* is a non-profit organization (501c3) that is governed by a board of directors. The Articles of Incorporation allow for one representative from each jurisdiction to serve on the board along with 2-3 at-large directors appointed by the member Board of Directors.

Town of Snowmass Village	Colorado Mountain College
Eagle County Housing Authority	Town of Basalt
City of Aspen	City of Glenwood Springs
Town of Carbondale	Pitkin County

The purpose of the coalition is to work across the community housing continuum to increase collaboration and cooperation towards a more sustainable housing future.





Rental



Ownership



Sustainment



Create the environment
(codes & policies)

Development Neutral Strategies



Rental

- Immediate Rental Assistance
- Long Term Rental Assistance



Ownership

- Buy down program
- Deed restriction + Shared Equity
- Interest rate buydowns



Sustainment

- Maintenance funds and appreciation banks
- ADU/Bedroom Addition Incentive Program
- Expiring deed restrictions



Create the environment

- Housing Mitigation Requirements
- ADU Allotments
- Free Market Density
- Use by Right
- Parking Requirements
- Short Term Rental policies



Supporting Resources:

- **2019 Regional Housing Study - COVID Data Update**
- **West Mtn Housing Toolkit**





Next Steps:

- **Planning**
 - Received \$50,000 grant from DOLA
 - Hired Strategic Planning consultant
- **Programs**
 - Building out 3 key programs:
 - Buy Down
 - Rental Assistance
 - ADU Incentive
 - Grants and fundraising
- **Community Engagement**





WEST MOUNTAIN REGIONAL

HOUSING

COALITION

WMRHousing.org

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The National Housing Market in 2022

- **Jobs & earnings:** Incomes have increased by **5.2 percent during the 1st and 2nd quarter**, which still trails inflation. Unemployment remains low, and many employers are looking to attract and retain talent without impacting costs, so workplace flexibility remains strong.
- **Financial sector adjustments:** Fed has steadily increased interest rates to combat inflation, pushing the **average 30-year fixed rate mortgage above 7%**.
- **Housing market response:** **Home values have risen nationwide by double-digits** year over year (13.5% in August of this year compared to August of 2021).

Takeaway: Housing affordability remains a key issue as the nation's rental housing market tries to stabilize from lingering pandemic and housing stock issues, and mortgage rates increase sharply. Supply chain delays and continued inflation impact every facet of the industry, from property managers to renters to owners.

Colorado's Housing Market in 2022

According to the Housing Task Force, we need **325,000 new homes** over the next few years alone to restore the market to a historic balance, yet Colorado has struggled in recent history to build more than 40,000 homes in a single year.

- The State is looking at historic levels of spending for housing and will likely only support 15,000 new units this year
- Federal and state funding is not enough
- Many communities are looking at how to create local resources for development and programs. Local communities also need to find places to build new housing or ensure support to repurpose existing commercial buildings

Takeaway: We need bold, new, courageous strategies to address the significant need in our state and we need to start building now

What's Causing Demand Issues?

In short, **we have not kept up with market demand for years.**

Present day contributing factors include:

1. **COVID impacts** — we had an increase in demand in more rural areas as people “fled” cities to work remotely in a phenomenon dubbed the “Zoom boom”.
2. **Supply chain issues** — we can't get the materials to build, and/or the prices are inflated.
3. **Land inventory** — we don't have enough land with infrastructure at scale ready to go.
4. **Labor issues** — we don't have enough labor to build.
5. **Market mismatch** — The market builds to the market: if the demand is for high-end homes, that is what we get.
6. **Wages** — wage growth has significantly lagged behind rent and home price increases year over year.



Market Forces: Investors

- Last year, investors bought **nearly one in seven homes** sold in America's top metropolitan areas, the most in at least two decades, according to the realty company Redfin
- Real estate investors can be large corporations, local companies, or wealthy individuals, and they generally don't live in the properties they are buying
- Some look to flip homes to new buyers, while others rent them out
- Neighborhoods where a majority of residents are Black have been heavily targeted, according to a Washington Post analysis of Redfin data
- Last year, **30 percent of home sales in majority Black neighborhoods were to investors, compared with 12 percent in other ZIP codes**, The Washington Post's analysis shows



Market Forces: Investors (Continued)

- A report from John Burns Real Estate Consulting estimates that **firms have invested about \$50 billion in single-family rentals** in the last couple of years. That includes purchasing existing homes and “build to rent” properties, said Dan Immergluck at Georgia State University.
- “They’re buying properties that are already laid out for development and building basically single-family rental subdivisions,” he said. (Market Watch)
- Individual investors or second-home buyers, who make up many cash sales, bought 22% of homes. That was the largest share since October 2015 and was up from 15% a year ago. Investors are renovating, and either re-selling or renting the homes to take advantage of the hot housing market. All-cash sales made up 27% of transactions compared to 19% last January (Reuters)



Other Major Challenges

- Nationally, **75% of residential land is zoned for single-family homes**, limiting the amount of new housing that can be built to one house per parcel, and often with additional requirements for yard size and parking
- Nationally, **governmental regulations are responsible for 23.8% of the cost of housing** on average, so streamlining red tape can help to significantly reduce prices (*Time*, Aug 2021)
- “It’s taking longer to build, and it’s costing more,” Dietz said. “Using the [Producer Price Index] inflation data, we build a basket of goods that are connected to residential construction, and right now, those prices are up about 19 percent year-over-year.”
- **Shortages of skilled labor persist.** Dietz said more than 400,000 jobs are open in the industry, on top of the fact that NAHB estimates the construction industry needs to add 740,000 workers a year to make up for retirements and the industry’s growth. (*Washington Post*, Jan 10, 2022)



What is “affordable housing”?

Affordable housing means paying **no more than 30% of gross income** for rent/mortgage + utilities

Regulated affordable housing — what we commonly refer to as “affordable housing” are homes that have **income restrictions**. When the public sector invests in a housing unit, a **restrictive covenant** or **land use restriction agreement** is recorded. These limit the cost of the unit and who is eligible to rent or buy the home.

Naturally occurring affordable housing (NOAH) — this is market-rate housing that *happens* to be leased or sold affordably.



More terms and definitions

1. “Workforce Housing”

Used often at the local level to define the need of the low-moderate income workforce. This includes those in the service, recreation, and often civil service sectors.

2. “Middle Income Housing”

Used to indicate affordability for white collar households.

3. “Community Housing”

Used to indicate affordability for low to moderate income households with an emphasis on local residents.

4. “Attainable Housing”

Used interchangeably with the categories to the left and above depending on context. Usually not used to refer to very low income housing.

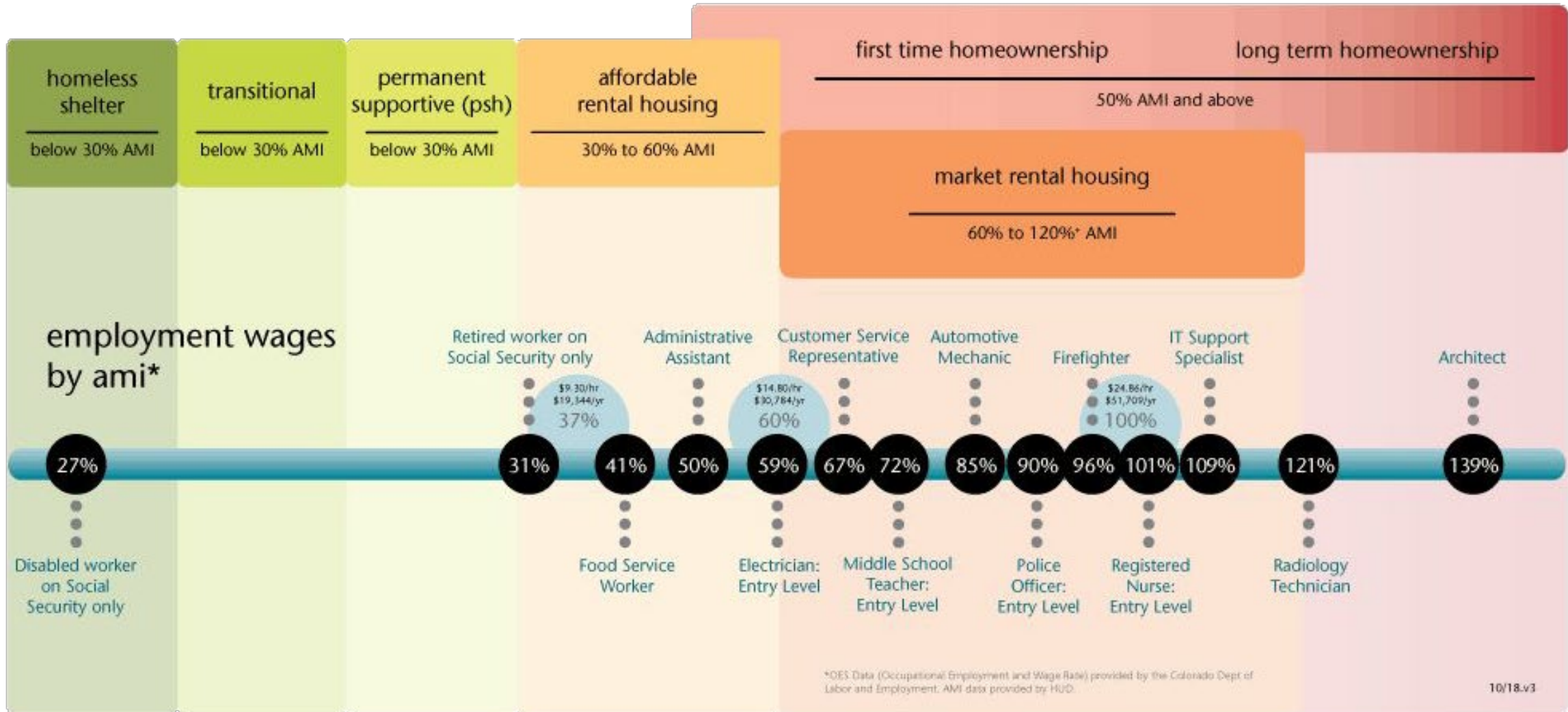
Below-Market Housing

Housing at affordability levels that the market currently does not provide on its own.

We prefer this term because it eliminates the ambiguity or preconceived notions sometimes elicited by the categories to the left.

Example: many very low income households work, some moderate income households don't work, and none of the categories to the left explicitly name seniors adults.

Below Market Housing By Tenure & Type



Housing Continuum

Housing Stability in the “Post-Covid” World

Across the United States, eviction rates are returning to and in some cases exceeding pre-pandemic levels.

Houston, TX

EVICTON FILINGS BY WEEK



Local and national moratoria helped keep people in their homes during the acute phase of the pandemic.

Emergency rental assistance programs enacted during the pandemic are in their final phase and will wind down soon, negatively impacting housing stability.

Remote work “Zoom boom” and the effect on smaller, more remote communities

The pandemic freed up much of the workforce — especially higher earners — to work remotely. Towns with easy access to recreational opportunities and the outdoors saw huge increases in housing costs, displacement of locals and the workforce, and housing inventory issues.

Example: La Plata County data published in 2021

\$25,625

Annual pay for someone making Colorado minimum wage working full-time (40 hours/week; 52 weeks per year).

\$192,858

Price of an affordable home for two people, each making the Colorado minimum wage and with no other debt, with a \$10,000 down payment.

2

Number of housing units in that price range (excluding trailers with additional space rental costs) on the market and not under contract in all of La Plata County (1,700 square miles) as of 2/24.



Source: The Land Desk (February 24, 2021)

Those Most Impacted

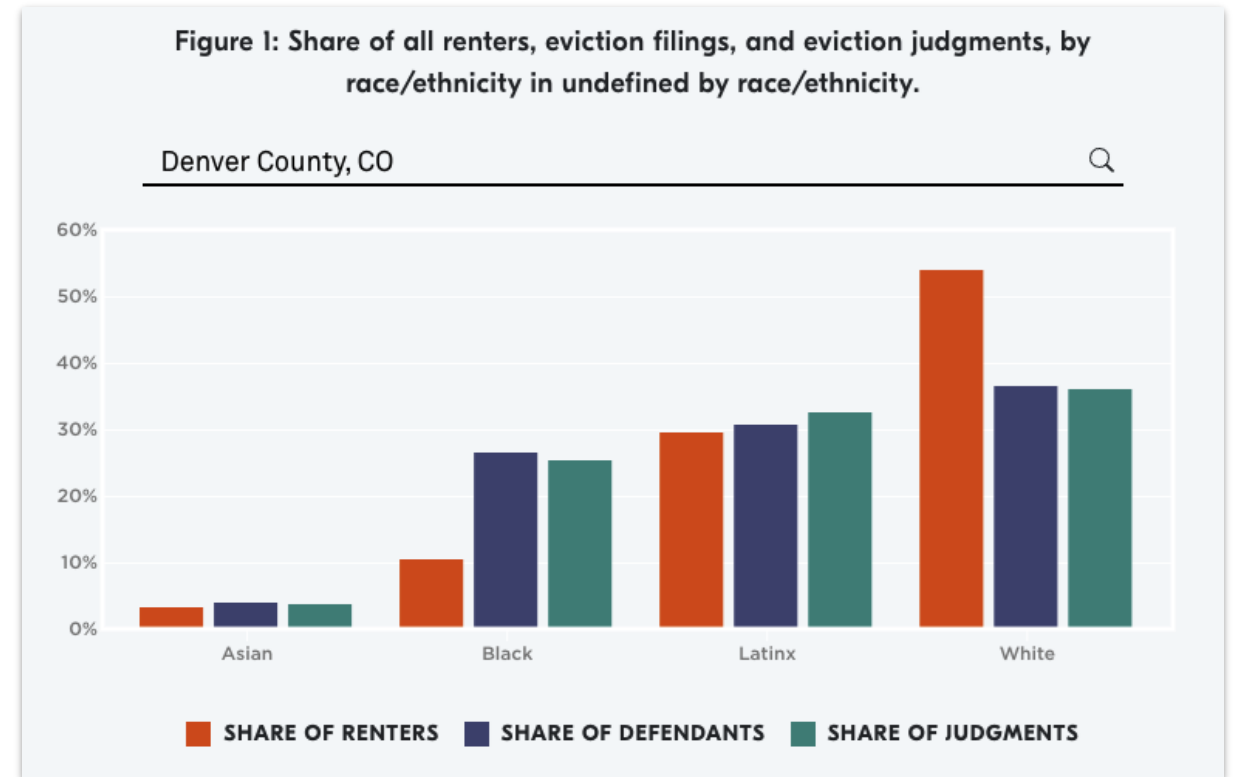
Colorado Homeownership Rates, by Race or Ethnicity

	1990	2000	2010	2020	2030	2040
Total	62.3%	67.3%	65.5%	66.5%	66.3%	65.9%
White	65.1%	71.2%	70.4%	71.8%	71.8%	71.3%
Black	37.2%	46.3%	41.2%	37.2%	36.0%	35.7%
Hispanic	51.1%	52.8%	49.6%	52.9%	55.0%	57.5%
Other	47.6%	52.9%	54.9%	57.8%	56.8%	55.2%

- White Coloradans are far more likely to **own a home** than nonwhite Coloradans, according to data from the Urban Institute.
- **The wealth of the average Black American is just 10 cents on the dollar compared to the wealth of the average white American**—in part because public and private-sector policies have historically promoted white homeownership while excluding people of color and extracting wealth from their communities
- Colorado nonprofit Gary Community Ventures reports that ninety-three percent of Black families that have the credit score and income to qualify for a home loan do not move on to purchase a home because they lack the cash needed for their down payment
- Across all data sources, there is an **overrepresentation of BIPOC (Black, Indigenous, People of Color) among those experiencing homelessness** as compared to the overall census data (*Metro Denver Homeless Initiative*)

Those Most Impacted (continued)

- Nonwhite individuals, and **in particular women of color**, are far more likely to be evicted from their homes
- BIPOC (Black, Indigenous, People of Color) families and individuals in Colorado hold less wealth, are more likely to rent their home, are more likely to be evicted, and are more likely to be homeless. **They are therefore disproportionately impacted by the rising rents, inventory shortages, and displacement we are seeing throughout our state**



Source: Eviction Lab, December 2020

Senator Bennet Roundtable Post Covid Housing Policies



- **Increase Supply** (Everyone—government, non-profit, for-profit at the table)
- **Update Our Policy Approach:** (Flexibility, Equity, Sustainability)
- **Housing Stability Through Prevention** (Support on the front end reduces instability in crisis)
- **Embrace Innovation:** (more efficient integration and scaling of new approaches to housing)

Recommendation 1: Increase Supply

- **Bring more partners into the business of building new affordable and attainable housing:**
 - Examples
 - New tax incentives targeted towards private-sector partners;;
 - New financing tools that are competitive in the market
- **Put more public dollars to work for affordable and attainable housing:**
 - Examples:
 - Increase funding for the programs that work (LIHTC)
 - Change programs to enable more dollars to go to work
- **Pull more existing property into the affordable and attainable home market:**
 - Examples:
 - Incentives for property owners who pull short-term rentals back into the long-term rental pool; and
 - Permit preference to the construction or retention of affordable housing as primary residences.

Recommendation 1: Increase Supply

- **Protect and bolster our “naturally occurring affordable housing” stock**
 - Example:
 - Targeted lending programs to help owners cap rents for existing apartment stock
- **Reduce the cost of housing construction and homeownership.**
 - Land Example
 - Expand opportunities to make land available below market value,
 - Transition more publicly owned land and buildings for development into housing
 - Capital Example:
 - Increase options to reduced-cost mortgage products (low interest, long repayment)
 - Construction:
 - Standardize building codes,
 - Expand construction workforce
- **Expediting the approval of affordable and attainable housing projects:**
 - Examples:
 - streamline zoning requirements

Recommendation 2: Update Our Policy Approach

- **Simplify federal housing programs so that they are easy to access, to use, and to implement**
 - Example:
 - Create a common regulatory framework to govern all of the different federal housing programs
- **Allow local leaders more flexibility to respond to the housing needs in their communities:**
 - Examples:
 - Create new program for housing that allows local control over eligibility criteria, payment standards, and lease terms;
 - Give more flexibility to specify limits on Area Median Income (AMI), Fair Market Rents (FMR)

Recommendation 2: Update Our Policy Approach

- **Work with BIPOC, low-income, and other historically marginalized communities to update housing programs so that we address historic discrimination and current inequity.**
 - Examples:
 - Take a comprehensive look to uncover systemic issues and approaches that are supporting continued inequity in housing;
 - Address known issues.
- **Make sure newly built or refurbished housing is sustainable:**
 - Examples
 - Implementing incentives for new housing projects to include energy efficiency;
 - Support net-zero energy standards

Recommendation 3: Housing Stability Through Prevention

- **Create a pathway to housing stability for people in transition**
 - Examples:
 - Use navigators and new technology to prevent the transition into homelessness from institutionalized settings,
 - Align housing vouchers with funding for the supportive services
- **Build a system that helps families facing a housing stability emergency in a way that minimizes long-term consequences:**
 - Examples:
 - One-stop-shop for families facing a housing crisis (legal services, applications for emergency rental assistance, and support for rehousing)
- **Create a national strategy targeted towards preventing unnecessary evictions:**
 - Example:
 - Collecting and publishing comprehensive data on evictions
 - Make sure tenants are aware of their rights and possible support

Recommendation 3: Housing Stability Through Prevention

- **Invest in programs aimed at keeping families in stable housing**
 - Example:
 - Pair supportive services dollars with affordable housing development;
 - Allow for flexibility so that program dollars can be applied in a way that actually reflects a household's need
- **Build stability for households over the long-term through expanding programs that support housing stability and the accumulation of wealth**
 - Example:
 - Expand support for promising models to promote long-term affordability and wealth-building, such as community land trusts

Recommendation 4: Embrace Innovation

Our system needs to better support new innovation in affordable and workforce housing and better support bringing working models to scale.

Examples:

- Create a pathway to support the research, development, piloting, and scaling of new approaches to affordable and attainable housing
- Provide grants that enable projects to address the whole continuum of need at once. Allow funding for those projects span the housing affordability spectrum
- Provide low-cost financing and other incentives to increase the energy efficient manufactured/modular/panelized housing industry in order to reduce unit costs and development timelines.

State Housing Initiatives - *ARPA Full-Picture*

Total Colorado ARPA Funds - \$5.7B

State Discretionary ARPA Funds (SLFR)

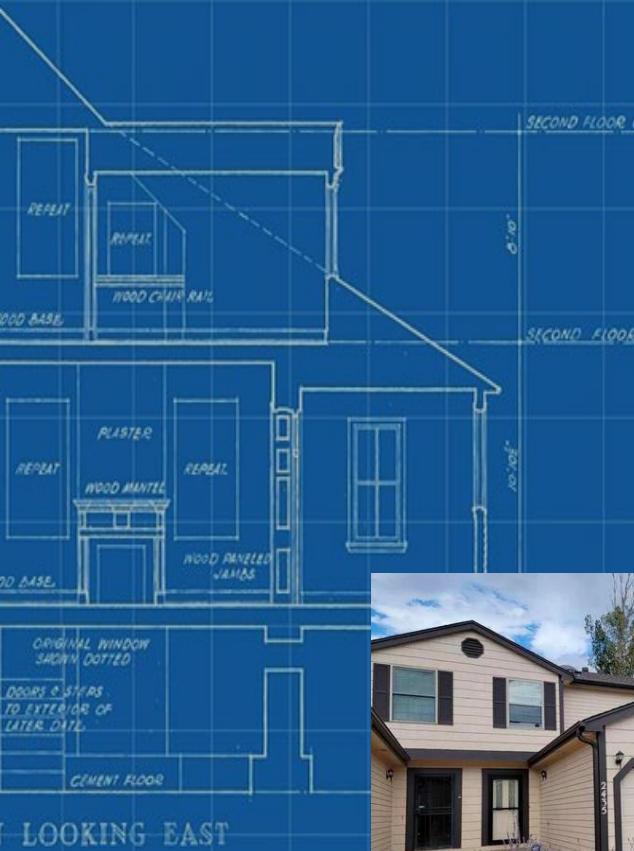
- Total: \$3.8B
- Housing Earmarked: \$400M

Local Municipalities & Counties ARPA Funds

- \$1.1 billion for counties
- \$551 million for metropolitan cities
- \$265 million for small towns/cities
- Housing Earmarked: Unknown

Community Housing Strategy 101

- Know your Data
- Three Prongs of Housing Strategy
- Know the Resources
- Creative Capacity Building Models
- Local Policy
- Public Private Partnerships



What is Community Engagement?

Community Engagement

The process of working collaboratively with and through groups of people affiliated by geographic proximity, special interest, or similar situations to address issues affecting the wellbeing of those people.

Public Process

Community Meetings required as part of a public process. Generally this is a set of required meetings that are noticed and recorded as part of public process for land use entitlements or for funders.

VERSUS

	Inform	Consult	Involve	Collaborate	Empower
	<ul style="list-style-type: none"> • Led by state • State holds power 	<ul style="list-style-type: none"> • Led by state • State holds power 	<ul style="list-style-type: none"> • Led by state • State holds power 	<ul style="list-style-type: none"> • Co-led • Power is shared 	<ul style="list-style-type: none"> • Led by community • Community holds power
Purpose	Provide information	Get and incorporate feedback	Ensure needs and interests are considered	Partner and share decision-making power	Support and follow the community's lead
	One-way communication	One-way communication	Two-way communication	Two-way communication	Two-way communication
	Address immediate needs or issues	Inform the development of state programs	Advance solutions to complex problems	Advance solutions to complex problems	Problems and solutions are defined by the community
Methods	<ul style="list-style-type: none"> • Town halls • Community meetings • Media • Social media • Materials • Web 	<ul style="list-style-type: none"> • Focus groups • Interviews • Surveys • Stakeholder groups 	<ul style="list-style-type: none"> • Audience & user testing • Advisory groups • Steering committees • Community conversations 	<ul style="list-style-type: none"> • Collective impact • Coalition building • Partnership building 	<ul style="list-style-type: none"> • Community immersion • Community mobilization
Promise	We will keep you informed about this project	We will listen to you and incorporate your feedback into our project	We will ensure your concerns and needs are reflected in our project	We will work with you in planning all aspects of this project	We will implement the project you come up with
When to use	There is no alternative because of urgency, regulatory reasons, or legal boundaries	You want to improve an existing service or program but the options of change are limited	You need community perspective and buy-in to successfully implement the project	Community members have a strong desire to participate and you have the time to develop a partnership	Community members want to own the project and you are committed to a long-term relationship

The Goal = working toward community-driven engagement

Community Engagement Resources

- [Washington State Department of Health Community Engagement Guide](#)
- [Urban Institute: Community Engaged Methods](#)
- [Racial Equity Alliance Toolkit](#)
- [Supportive Housing Neighborhood Engagement Guide](#)

**Downloadable PDFs clickable
on slides shared after this
presentation**

[Urban Wire](#) :: Community Engaged Methods

The blog of the Urban Institute



Know Your Data

- Housing Needs Assessments—city, county or regional level
- Third party consultant—reviews census data, market data, employment trends to project current and future need
- This assessment will result in large numbers of need and should also provide a reasonable target to begin meeting the needs (usually does not include specific strategy work)



Needs Data & Market Studies Are Different

- Common mistake communities make:
 - We need 2000 rental units between \$600-\$1200
 - Therefore, we can convert a motel or build 60 housing units and fill it immediately
 - This is not always the case—just because there is need does not mean a specific project will be desirable
- Market studies help development teams and communities to decide what should be built, what a specific project should look like. Funders and investors require this study and so it's usually done early in the process and provides strong insight into the market.
- There are resources available currently for needs assessments



Local Gov.	Local general funds	LTD	LTD	LTD						
	Local ARPA allocations		X					X	X	X
	PAB				X					X
Private	Local First Foundation									X
	Employer initiatives							X	X	
	Philanthropy	LTD		X						
State & Federal	LIHTC					X				
	Grants	LTD	X	X		X		X	X	X
	Loan programs		LTD		X					X
	Other (HCV, Medicaid)						X		X	
ons	Market rate/banks				X					X

Strategies & Tools

Below market housing tends to be developed through one of two of the following strategies:

Note: these strategies can be (and often are) combined.

Development Subsidy

Reduce the costs of developing new below-market housing so people earning a certain income level can afford it.

Put another way, it allows the developer to be able to afford to offer below market rent or mortgage without going bankrupt.

In essence, it brings housing costs down to match local incomes.

Household Subsidy

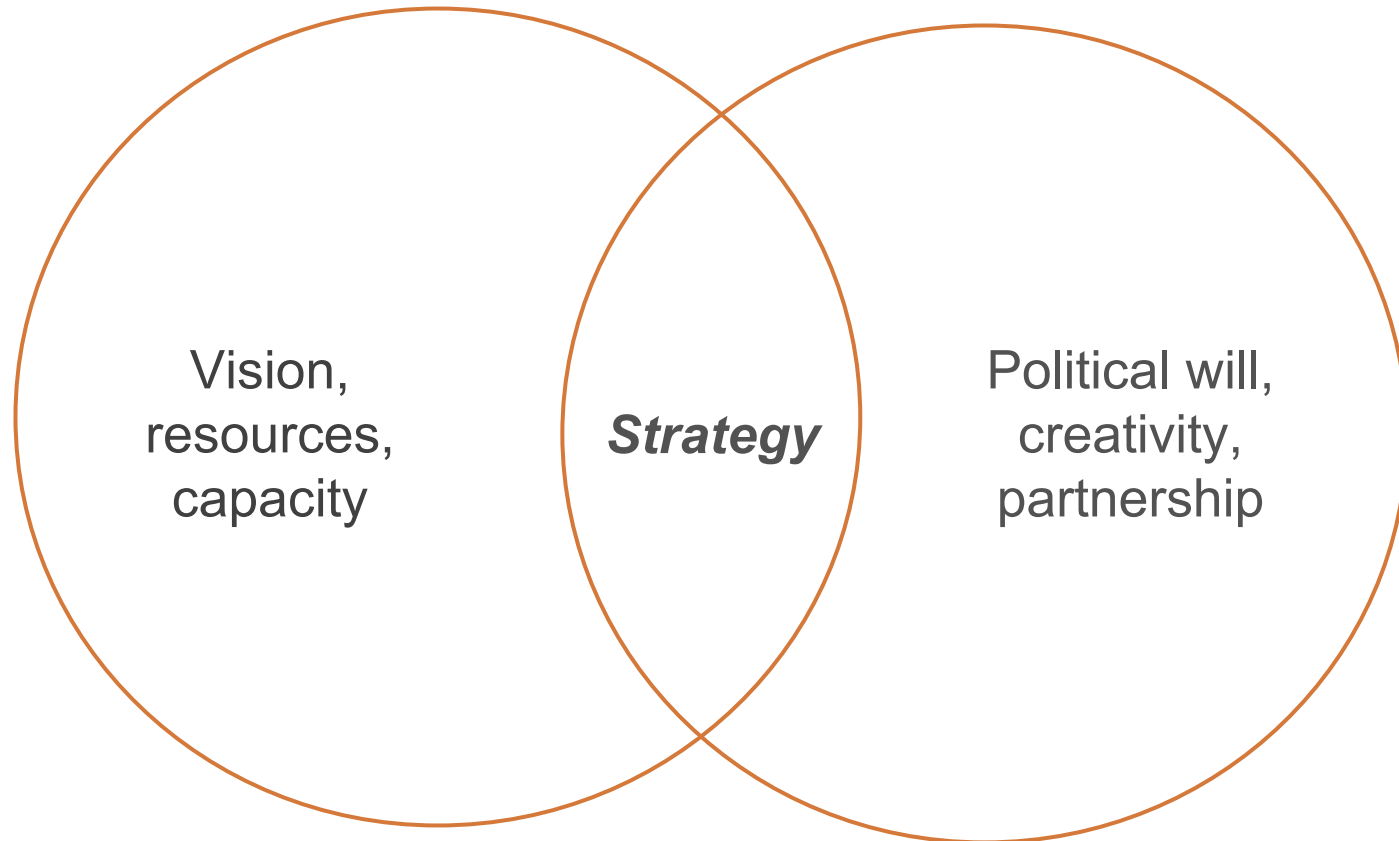
Reduce a person's housing costs through rent assistance (such as Section 8 Vouchers) or mortgage assistance.

In either case, a payment is provided to the household to cover the difference between what they can afford (<30% of income) and what their housing costs.

In essence, it adds to household incomes to match housing costs

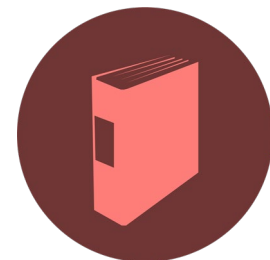
Strategy Development

Housing strategy emerges where a community's vision, resources, and capacity meets political will, creativity and partnership.





Housing Toolbox



Incentives	Partnerships/ Public Initiatives	Development Regulations	Funding
Density bonuses	Providing County or Town land	Inclusionary Housing	Grants: Federal, State, Foundation
Fee waivers	Town or County builds housing	Residential linkage	Proceeds from regulations
Reduced parking	Public provide financing	Commercial linkage	Low Income Housing Tax Credits
Fast track processing	Property tax exemption	Annexation policy	General fund revenues
Reduce min lot/ house size	Habitat for Humanity/ Self help		Favorable loans
Allow affordable housing all/most zones			Tax: Property, Sales/Use, Excise on STR, Marijuana, GO Bond



Housing Strategy 101

Preserve Existing Housing

Preserve existing affordable units through:

- Home or renter rehab,
- Mobile home park preservation
- Preservation of NOAH (Naturally Occurring Affordable Housing)

Promote & Develop New Housing

- Promote and develop new rental housing
- Promote and develop new for-sale housing

Increase Access to Housing Opportunity

- Stabilize existing households and create access to all types of housing through programs
- Homebuyer education/renter education/tenant rights workshops/homeless prevention



Preserve existing below market housing

Durango Example: Mobile Home Park Preservation

Preserve existing naturally occurring affordable housing stock, and stabilize households currently housed



How a mobile home park in Durango saved itself from the affordable housing crisis

Boise State Public Radio News | By Sarah Flower

Published May 9, 2022 at 1:26 PM MDT

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Sarah Flower / KSUT Public Radio





New strategies: local preference

Post-Covid, communities are realizing that they need policies that can either **prioritize locals or limit access to housing for non-locals**. For example:

- Short-term rental policies via limiting business licenses)
- Local workforce housing programs that require that participants work a minimum of 30 hours a week at a local business etc in order to qualify for housing programs.
- Employer sponsored projects that give preference to local employees



Promote and develop below-market housing

- Government helps to subsidize land development or infrastructure in order to create below-market opportunities.
- Increase development capacity through public/private partnerships for vertical development. Use RFP's to select mission aligned development partners.
- Subsidize development with increased state and federal funding resources as well as use public financing tools to offset development costs.
- Simplify and streamline the planning and entitlement process.
- Create a supportive development environment and create consistent policies across the region.



Stabilize those who are housed and rehouse people as soon as possible

- Best practice is for communities to have programs that help provide stability to existing residents and/or navigate new housing opportunities for residents.
- This also includes programs to prevent homelessness and to rapidly rehouse those that fall into homelessness.
- Programs that provide emergency assistance, financial literacy classes and help navigate benefits are critical to stabilizing those that are already housed.
- In the last two years we have seen a significant need and increase in tenant protections counseling, education and eviction prevention programs.





Creating pathways to homeownership

Homeownership Programs Should Provide:

- **Homebuyer Education** – A state certified class that covers budgeting, credit, lending, working with a Realtor, home inspections, etc.
- **Housing Counseling** – One-on-one examination of readiness for homeownership.
 - Programs should have HUD certified Housing Counselors.
 - Housing Counseling is available to all, regardless of income.
- **Mortgage Assistance/DPA** – Financial assistance to fill the gap between low wages and high home prices.





Equity considerations in home ownership

Homeownership rates for BIPOC households are much lower and have been significantly impacted by increased market prices.

Creating opportunities for this population takes multiple strategies and intentionality.

AND

Creating resale controls and balancing the needs of the homeowner to create equity and build wealth versus a resale cap that limits equity but preserves the asset.

Creating these policies requires thoughtful analysis and a balanced approach. Local market conditions will also influence what is feasible.

An example—when we had a discount of 25% between market and our product we did a price cap, when it was less than that we did a share in appreciation.



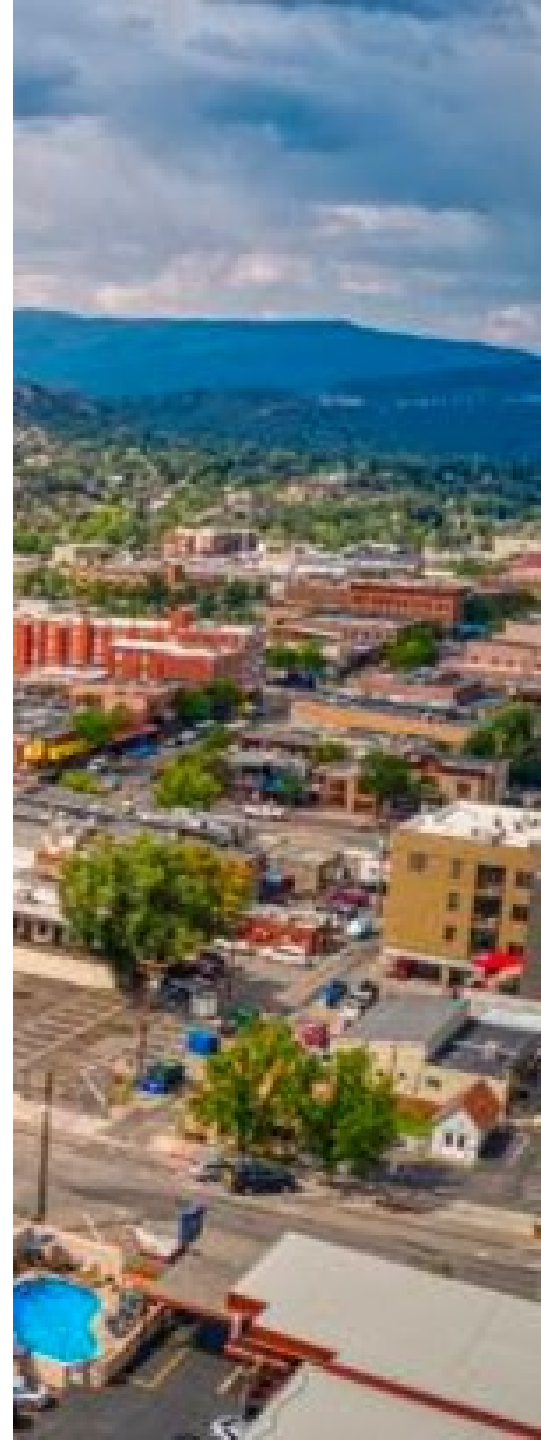
Capacity building strategies

- Always look to see what housing programs exist in your area and what they are doing and if they can expand.
- Regional agencies, multi-jurisdictional housing authorities and intergovernmental agreements can build local capacity.
- Create opportunities to support private developers interested and willing to create new below-market housing opportunities.
- Some communities do not have enough local development expertise and you will need to import development partners with expertise in tax credits and below market financing through government loan programs—
- When communities want to work with developers from outside their area it may require incentives to bring them in—discounted land, predevelopment resources.



Define Roles at the Community Level

- **Local Governments**—develop and implement policies that can be critical to siting new projects, preserving existing units and defining where housing can be located throughout the community. They can also provide funding, land, and political support for competitive funding pools.
- **Nonprofit Partners**—typically provide services to connect people to housing or help them to retain it. Some also develop housing.
- **Developers (for profit and nonprofit)**—focus on the creation of new units. Developers vary in expertise, market focus and housing type.
- **State and Federal Agencies, Private Investors**—steer what below market projects can be funded and are the primary funding source for new development.





Engaging Local Employers



- Start with a survey on how housing impacts employees and businesses, ask how they want to be part of a solution.
- Work with employers to identify resources including potential redevelopment sites, funds for direct assistance to employees, or to create a collective impact model.
- Often times an employer can jump start an initiative more quickly than government.
- Employers are a unique power base for local policy initiatives as well.



Examples of Employer Initiatives



- Donating or leasing land for a for-sale or rental housing project for employees
- Creating a housing navigator position
- Providing housing stipends or shared transportation
- Providing mortgage assistance through an employer mortgage fund
- Master leasing units
- Sponsoring a motel conversion

Public Sector Strategies

- Repurpose underutilized assets.
- Identify redevelopment opportunities
- Create public will for increased residential development.
- Identify incentives like predevelopment funding to activate public sites.
- Fund and support nonprofit partners to scale efforts when possible and build local capacity for the long-term.
- Identify/create a local dedicated public funding stream for housing.



Photo credit: *The Durango Herald*

Strategy Development Process

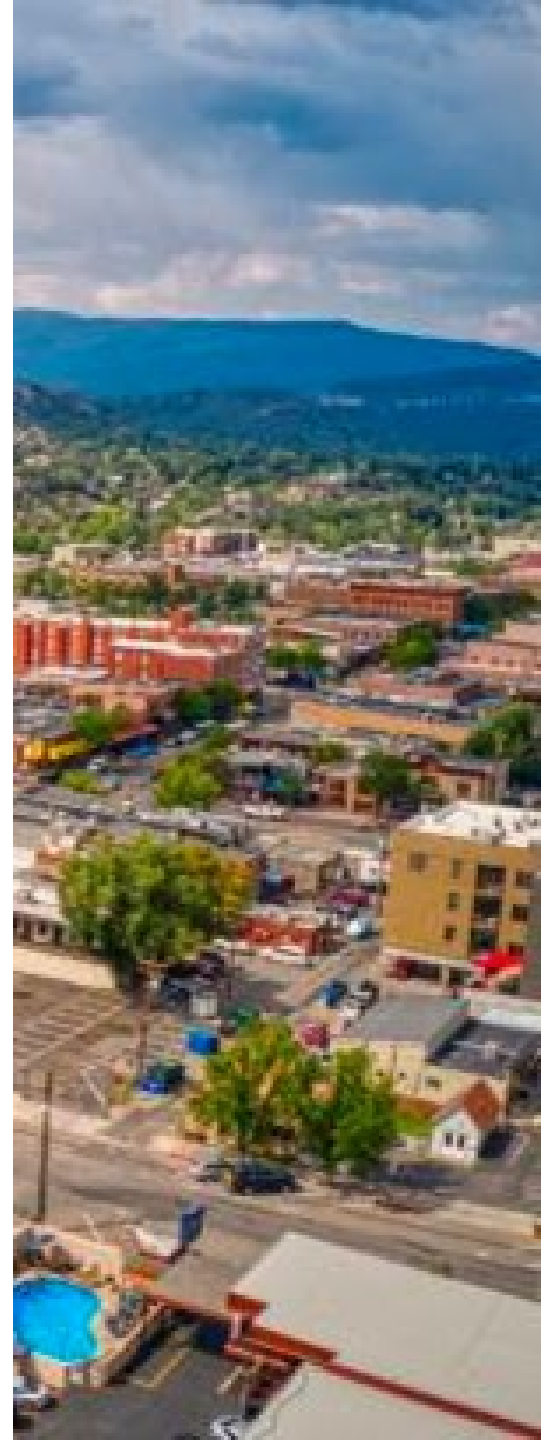
Identify what is already happening through strategic interviews in the community, focusing on themes, interests, resources and opportunities.

Educate local stakeholders regarding opportunities to develop new strategies to address specific needs in the community.

Facilitate community conversations and prioritize strategies while defining roles, resources and specific timelines.

Pull all strategies together and **develop an annual scorecard** for the community.

Develop a method for tracking outcomes across the community. Use this same method to update strategies as needed. Strategies must be led by a specific entity or coalition, have resources to implement, and specific timelines for completion.



Sample Strategy Tool

Strategy Title	Implementor	Strategy Description	Target Population (AMI)	Rental/ For-Sale/ Other	Timeline	Resources Available/year for Implementat
Resources						
Housing Fund			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
Land Donation			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
Mortgage Assistance			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
Predevelopment Fund			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
Fee Waivers			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	
			▼	▼	▼	

Keep in mind...

- For-sale housing is the hardest to do now because of rising costs of construction and the lack of public subsidy for for-sale product
- Key strategies include free land, modular construction, multiple subsidies (land, household, infrastructure)
- It's also important to have a pipeline of buyers ready to purchase units and to understand what they can afford so product aligns with the pipeline
- For rental projects, most are funded through complex federal programs and require highly experienced development groups. Communities have an opportunity to select development partners if they have identified sites, predevelopment resources, etc. It's ideal for communities to select developers versus a developer coming in on their own
- Not all developers deliver product, work with the community once the property is available, etc.

And on a final note...

Housing development takes years, and it takes consistent effort and leadership. Projects often have 9 lives (just like cats).

We did not get into this mess overnight and we will not be able to address it quickly either. However, policies often can be implemented more quickly than new development can be completed.

More than ever, the solution to housing will require multiple complex strategies and additional resources, especially at the local level. The federal government has underfunded housing for decades and we can't rely on it to catch up or remedy the markets in the short-term.

Innovation and creativity are needed now—and there are some interesting models developing. Modular is on the rise, new housing types are being developed, we're seeing creative repurposing of existing facilities as well as creative sources for local and state trust funds.

Communities have to continue to multi-task—you need to do big picture strategy development while you work on a specific development projects.

Don't reinvent the wheel—there are lots of good examples out there for housing strategies.

{community housing exercise}

{Basalt Vista case study}

{wrap up & evaluation}