

AGENDA
HOUSING, NEIGHBORHOOD SERVICES, & REDEVELOPMENT
POLICY COMMITTEE
Thursday, November 12, 2020 4:00 PM
WebEx Meeting - access information provided to internal staff

Public Participation Dialing Instructions
Dial Access Number: 1.408.418.9388
Access code: 146 654 8690

Council Member Crystal Murillo, Chair
Council Member Francoise Bergan, Vice Chair
Council Member Alison Coombs
Roberto Venegas, Deputy City Manager
Jessica Prosser, Director, Housing and Community Services
Andrea Amonick, Manager, Planning & Development Services

The Housing, Neighborhood Services, & Redevelopment Committee's Goal is to:

- Maintain high quality neighborhoods with a balanced housing stock by enforcing standards, in relation to new residential development, and considering new tools to promote sustainable infill development
- Plan for redevelopment of strategic areas, including working with developers and landowners to leverage external resources and create public-private partnerships

1. Welcome and Introductions
2. Review/Approval of Minutes – October 7, 2020
3. Announcements
4. New Items
 - Regulation Adopting State Tenant Relief – Council Member Juan Marcano
 - Housing Survey Results – Jessica Prosser
5. Miscellaneous Matters for Consideration

Next Meeting: Wednesday, December 2, 2020 at 3:00 p.m.

Total projected meeting time: 1 hour

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HOUSING, NEIGHBORHOOD SERVICES & REDEVELOPMENT POLICY COMMITTEE

October 7, 2020

Members Present: *Council Member, Chair Crystal Murillo*
Council Member, Alison Coombs

Others Present: Andrea Amonick, Liz Fuselier, Tim Joyce, Dan Krzyzanowski, Karen Hancock, Mindy Parnes, Jessica Prosser, Nancy Sheffield, Roberto Venegas, Sandra Youngman, and Cecilia Zapata

WELCOME AND INTRODUCTIONS

Council Member Murillo welcomed everyone to the meeting. Council Member Bergan was absent; however, there was a quorum and the meeting proceeded.

MINUTES

Council Members Coombs and Murillo approved the August 5, 2020 meeting minutes.

ANNOUNCEMENTS

- Peoria Crossing will have a virtual grand opening that will include recorded testimonies from residents. Jessica will send the event information to CM Murillo and those wishing to attend.
- Census numbers are up by 4% from 2010.

NEW ITEMS

HOUSING STUDY SURVEY

Summary of Issue and Discussion

Aurora is experiencing housing conditions like many communities in the metro area. Low- and moderate-income households are struggling to keep up with rising housing costs. This has been amplified by job loss associated with the COVID-19 outbreak, and the supply of housing across the income spectrum is very limited. While the city has provided housing and community development programs to support the development of housing and housing services, additional options for funding and programs would expand the city's effectiveness in ensuring the current and future housing needs of workforce, families, and residents across the age and income spectrum are met. This Aurora Housing Study focuses on the most effective, efficient and outcome-proven methods to expand housing options in the city, with a focus on:

- Increasing and leveraging existing resources to address housing needs;
- Setting housing goals and manage housing investments to achieve those goals;
- Preserving existing housing while increasing the supply of housing for households across the income spectrum;
- Improving regulatory processes as needed to reduce the cost of housing development.

In response to specific recommendations found within the Aurora Housing Study document, the city is seeking feedback from residents and interested parties by way of a survey. The purpose of the survey is to understand the community's support for the policy and strategy recommendations. The feedback provided will help the city validate its recommendations and prioritize its actions toward addressing the housing issues facing Aurora. Additionally, this is an opportunity to identify model programs, best practices, and case studies to help implement the priority recommendations. Jessica Prosser, Manager of Community Development, stated that through October 6, 438 responses had been received. Of those responses:

- 95% were from Aurora residents; 42% were from individuals who work in Aurora
- 64% were homeowners, 30% were renters and 6% had other living situations

Jessica stated the survey would close on October 13. She explained the next steps were to continue publicity through that day. Staff would review the responses and revise the draft study document to be presented to City Council.

Questions/Comments – CM Murillo asked if renters, along with owners, were captured in the survey; explaining her ward is a mix but has a high population of renters. Jessica confirmed it did capture renters. CM Murillo stated the 60/30 distribution on the responses was not accurate for her district. She requested the survey to be extended to allow more renters to respond. Jessica stated she didn't see a problem with extending the survey to a later date.

Outcome – The Committee requested survey results once the survey ends. The survey results will be reviewed, and the draft study document will be completed by Community Development staff and presented to the Committee.

HORNS POLICY COMMITTEE REVIEW OF COMMITTEE'S SCOPE AND NAME

Summary of Issue and Discussion

Neighborhood Services finalized a reorganization and department name change on June 1, 2020. The department is now named Housing and Community Services. The Committee reviewed the Council Rules definition of the Housing, Neighborhood Services and Redevelopment Policy Committee and the objectives which state:

The Housing, Neighborhood Services and Redevelopment Committee shall recommend objectives and initiatives in the following areas:

1. Neighborhood stability and code enforcement
 - a. City housing and animal codes
 - b. Policies and procedures of code enforcement
2. Incentives for redevelopment
3. Urban renewal projects
 - a. Redevelopment policies
 - b. Economic development and business/Chamber groups (urban renewal)
4. Community housing needs
 - a. Community development programs (including housing counseling and homelessness prevention programs)
 - b. Programs to address the foreclosure issue (including vacant property registration and the Neighborhood Stabilization Program)
5. Programs to strengthen and enhance neighborhood organizations and address neighborhood and business community issues including:
 - a. Neighborhood liaison programs, including the Neighborhood Fence Replacement Program
 - b. Graffiti
 - c. Citizens' Code Enforcement Academy
 - d. Learn about Aurora, Neighbor to Neighbor roundtables, and the Neighborhood Referral Program
6. Annual reports from the following boards and commissions:
 - a. Aurora Housing Authority
 - b. Building Code, Contractors Appeals & Standards Board

The Committee agreed to defer this item to the Rules Committee for review of the committee's scope to assure it falls in line with the direction of the Committee. The Rules Committee was not be able to accommodate the request in a timely manner, and therefore it was agreed to return this agenda item to the Housing, Neighborhood Services and Redevelopment Policy Committee for review.

Questions/Comments – CM Murillo stated she was not concerned with the policy committee's name, as it still discussed items regarding housing, neighborhood services, and redevelopment. She said she wanted to focus on the scope of the committee and wanted the objectives to fall in line with the items that were brought before the committee. She read the Committee goals as reflected on the agenda:

- Maintain high quality neighborhoods with a balanced housing stock by enforcing standards, in relation to new residential development, and considering new tools to promote sustainable infill development
- Plan for redevelopment of strategic areas, including working with developers and landowners to leverage external resources and create public-private partnerships

CM Murillo stated she wanted to include something to the effect of equitable housing opportunities. She stated that when we think about affordable housing, the argument through and through is not just that it's a nice thing to do, but that we know there have been systemic barriers around obtaining housing among many, specifically redlining, saying certain African-American and other community members weren't legally allowed to own homes. She said when we think about housing, stock, and redevelopment, it doesn't just happen in a vacuum. She stated she'd like to include a bullet point on equity, and infusing it all together, into the goals for the Committee.

CM Coombs stated equity was incredibly important, particularly with respect to housing as a basic need, and a right, that should be incorporated into the city's approach to housing. She stated there were other services individuals received through neighborhood services in which people have concerns around whether the approach or policies are equitable. She stated the Committee has tried to take those issues up over time, and should continue to do so, while reflecting that in the goals of the Committee. CM Coombs stated she thinks they should look at the strategic planning goals and align the Committee goals to these as they work on setting goals. CM Murillo agreed and stated the Committee should be mindful of other policy documents that govern those things.

Regarding the second goal, plan for redevelopment of strategic areas, including working with developers and landowners to leverage external resources and create public-private partnerships, CM Murillo stated it felt like a political philosophy around how we do business in the city. She stated she would love to reword that goal to prioritize and/or incorporate community driven planning. She stated when redevelopment is discussed, she's had conversations around small area planning that incorporate what a particular small radius of a neighborhood has to offer, what the current infrastructure is, and the need. She stated she would like to incorporate this into a hyper local planning process and include something community oriented.

CM Coombs stated she agreed with the approach and wants to make sure individuals have a role in what their community looks like and how they are served. She stated she was interested in hearing from staff about best operation and implementation practices because of concerns expressed in the past regarding participation and engagement on those issues. She stated people coming to talk about what it is they want in their neighborhood should have the necessary information and tools to engage in the conversations. She stated that while the Committee is having these conversations, and in addition to looking at the strategic plan, looking at and aligning with the comprehensive plan in a way that engages an alliance would be helpful. CM Murillo agreed.

Regarding the first goal, maintain high quality neighborhoods with a balanced housing stock by enforcing standards, in relation to new residential development, and considering new tools to promote sustainable infill development, CM Murillo stated this goal seemed to imply that maintaining high quality neighborhoods meant that we must enforce standards. She stated it could be a part of it, but it was a linear way of looking at it, when instead it is very intersectional. She said she would like to see the goal reworded to make the connection that we maintain a balanced housing stock by enforcing standards and proactively work on policy that gets to the equity piece. She said it is sustainable infill development, but it's also taking into consideration other needs and the role that housing plays into stability. She stated we are already taking a proactive approach, such as with the housing studies. CM Coombs stated the goal sounded like something that could be broken out into multiple goals and that a lot was included in just that one goal.

Nancy Sheffield, interim director of Housing and Community Services, stated that the goals could be reworded to reflect that community engagement is so important, and something the city is actively doing. She stated we never want to leave the community behind and not be a part of the conversations, but this was not necessarily conveyed

in the goals. She offered to have staff reword the goals and present them to the Committee. CM Coombs agreed and stated she really wanted to hear what staff thought in terms of operations and the goals.

CM Murillo stated that scratching out what was already there, she would love to hear what staff thinks the Committee is about, what they do, how they operate and what the goals should be. She suggested a census at a staff meeting and exercise, with staff from the bottom up who do the work and serve the community, around what goals they might consider important; while being mindful of the other plans that impact some of these goals to ensure they are not off base.

Jessica Prosser stated that in reviewing the current goals, she felt that a missing piece was quality of life beyond just quality of neighborhood; extending into public spaces in the other parts of the city, and how people are thriving or not thriving in the community. In addition, the realm around building capacity in the community through neighborhood engagement, through building resiliency in the community. She stated this is something the city is often doing through some of the things policy is being developed around, projects, or actual physical building in the community. Jessica stated staff could do some high-level brain storming at one of their housing study meetings. Mindy Parnes agreed that a staff meeting with all players would be beneficial.

CM Murillo stated she was glad the conversation was had, and that work was being done towards improved tools to help refine the work of the Committee and to give clarity to the Committee, staff and the public.

Outcome – The Committee requested staff’s support in identifying what the Committee is about, how they operate, and what the goals should be. Staff will communicate via email with the Committee during the next month and before the next committee meeting, especially when talking about specific text in the goals. A short presentation will be given by staff at the next committee meeting.

MISCELLANEOUS MATTERS FOR CONSIDERATION

Council Member Coombs reminded the Committee that the trash hauling services item brought before the Committee a few months ago remained unresolved. She stated she’d like to speak with Jessica Prosser regarding processes in Arvada and other jurisdictions. CM Murillo stated it was an important topic; one that went cold due to the COVID-19 pandemic. Jessica stated she was happy to answer any questions and go over the processes used in Arvada.

Next meeting: Wednesday, November 4, 2020 at 3:00 p.m.
Meeting adjourned at 3:48 p.m.

APPROVED:

Committee Chair, Crystal Murillo

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Housing, Neighborhood Services and Redevelopment Policy Committee Agenda Item Commentary

Item Title: Regulation Adopting State Tenant Relief
Item Initiator: Juan Marcano
Staff Source: Juan Marcano, Council Member
Deputy City Manager Signature:
Outside Speaker:
Council Goal: 1.0: Assure a safe community for people-2012

ACTIONS(S) PROPOSED (*Check all appropriate actions*)

- Approve Item and Move Forward to Study Session
- Approve Item and Move Forward to Regular Meeting
- Information Only

HISTORY (*Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.*)

ITEM SUMMARY (*Brief description of item, discussion, key points, recommendations, etc.*)

On July 20, 2020, the City of Aurora declared a state of disaster due to the public health incident related to COVID-19 to preserve and protect the public health, safety, and welfare of the inhabitants of the City. Under Aurora Municipal Ordinance 38-33(d), during a declared state of disaster, the City Manager may promulgate regulations necessary to protect life and property and preserve critical resources. At this time, the City Manager has determined that an exercise of that authority is necessary to protect the citizens of the City of Aurora and to facilitate statewide efforts to stop the spread of COVID-19. Therefore, the following regulations are hereby adopted:

1. The City of Aurora hereby adopts the restrictions promulgated by State Executive Order D 2020-101, dated June 13, 2020 ("State Relief for Tenants Order") as it may be amended from time to time pertaining to prohibiting landlords from charging any late fees or penalties for any breach of the terms of a lease or rental agreement due to nonpayment that were incurred from May 1, 2020 through the duration of the state declared state of epidemic disaster by extending the termination date of the Executive Order D 2020-101 by multiple successive Executive Orders.
2. The City Manager hereby delegates enforcement authority for State Relief for Tenants Order to the Director of Housing and Community Services and the Director of Finance. Such Directors may delegate enforcement duties to personnel within their respective departments.

3. This regulation shall remain in place so long as Executive Order D 2020-101 is extended by additional Executive Orders, or until the City Manager determines that such regulation is no longer necessary to protect life and property in the City of Aurora.

QUESTIONS FOR Committee

EXHIBITS ATTACHED:

DOC_Regulation Adopting State Tenant Relief.pdf

Resolution to Approve Tenant Relief from Late Fees 2020-10-15.pdf

**NOTICE OF CITY OF AURORA REGULATION PURSUANT TO AURORA
MUNICIPAL CODE ORDINANCE 38-33(d)**

Regulation 20-10

On July 20, 2020, the City of Aurora declared a state of disaster due to the public health incident related to COVID-19 to preserve and protect the public health, safety, and welfare of the inhabitants of the City. Under Aurora Municipal Ordinance 38-33(d), during a declared state of disaster, the City Manager may promulgate regulations necessary to protect life and property and preserve critical resources. At this time, the City Manager has determined that an exercise of that authority is necessary to protect the citizens of the City of Aurora and to facilitate statewide efforts to stop the spread of COVID-19. Therefore, the following regulations are hereby adopted:

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2. The City Manager hereby delegates enforcement authority for State Relief for Tenants Order to the Director of Housing and Community Services and the Director of Finance. Such Directors may delegate enforcement duties to personnel within their respective Departments.
3. This regulation shall remain in place so long as Executive Order D 2020-101 is extended by additional Executive Orders, or until the City Manager determines that such regulation is no longer necessary to protect life and property in the City of Aurora.

Dated this ____ day of October 2020.

James M. Twombly, City Manager
City of Aurora, Colorado

RESOLUTION NO. R 2020-_____

A RESOLUTION BY THE CITY COUNCIL OF AURORA, COLORADO,
CONSENTING TO THE CONTINUANCE OF THE CITY MANAGER'S
DISASTER DECLARATION

WHEREAS, the City Code of the City of Aurora, Section 38-33 gives the City Manager the authority to declare that a state of disaster exists when a disaster has occurred, or the threat of disaster is imminent; and

WHEREAS, the state of disaster shall continue until the City Manager finds that the threat of danger has passed, or the disaster has been dealt with to the extent that disaster conditions no longer exist; and

WHEREAS, no state of disaster may continue for longer than seven days unless renewed by the consent of the majority of the City Council; and

WHEREAS, the City of Aurora, Colorado is experiencing serious emergency conditions as a result of the outbreak of COVID-19, causing a public health incident; and

WHEREAS, on March 10, 2020, Governor Polis declared a state of epidemic disaster emergency in Colorado; and

WHEREAS, the Governor of the State of Colorado has issued multiple Executive Orders since March 10, 2020, and will continue to do so during the duration of the COVID-19 public health incident; and

WHEREAS, the regulation process created by City Code of the City of Aurora, Section 38-33 will enable the City to quickly implement necessary policies to address the State Executive Orders, public health orders, and the COVID-19 public health incident; and

WHEREAS, the City of Aurora City Manager re-declared a local state of disaster on July 20, 2020; and

WHEREAS, the City Council approved Resolution R2020-68 on July 20, 2020 to renew the City Manager's Disaster Declaration for the preservation and protection of the public health, safety, and welfare of the inhabitants of the City of Aurora, Colorado; and

WHEREAS, the Governor of the State of Colorado issued Executive Order D 2020-101 on June 13, 2020 prohibiting landlords and lenders from charging any late fees or penalties for any breach of the terms of a lease or rental agreement due to nonpayment that were incurred from May 1, 2020 until June 13, 2020, unless extended further by Executive Order; and

WHEREAS, Executive Order D 2020 101 was extended by Executive Orders D 2020-134, D 2020-162, and D 2020-185. The additional Executive Orders extend D 2020-101 to thirty (30) days from September 8, 2020, unless extended by Executive Order; and

WHEREAS, Executive Order 2020 101 was extended by Executive Order D 2020 202 on September 22, 2020; and

WHEREAS, Executive Order D 2020 223, issued October 15, 2020, prohibits landlords from charging a monetary sum, fee, or other penalty against a tenant for failure to timely pay any portion of rent through December 31, 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The City of Aurora hereby adopts the restrictions promulgated by State Executive Order D 2020-101, dated June 13, 2020 (“State Relief for Tenants Order”) as it may be amended from time to time pertaining to prohibiting landlords and lenders from charging any late fees or penalties for any breach of the terms of a lease or rental agreement due to nonpayment that were incurred from May 1, 2020 through the expiration of Executive Order D 2020-101, as it may be extended from time to time by subsequent Executive Orders.

Section 2. All resolutions or parts of resolutions of the City in conflict herewith are hereby rescinded.

RESOLVED AND PASSED this _____ day of _____, 2020.

MIKE COFFMAN, Mayor

ATTEST:

SUSAN BARKMAN, Interim City Clerk

APPROVED AS TO FORM:

Tim Joyce RLA
TIM JOYCE, Assistant City Attorney

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Housing, Neighborhood Services and Redevelopment Policy Committee Agenda Item Commentary

Item Title: Housing Study Survey Results and Project Update
Item Initiator: Jessica Prosser
Staff Source: Jessica Prosser, Manager of Community Development, 303-739-7924
Deputy City Manager Signature:
Outside Speaker:
Council Goal: 1.2: Develop neighborhood and community relationships-2012

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item and Move Forward to Study Session
- Approve Item and Move Forward to Regular Meeting
- Information Only

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

In November 2017, the city contracted with BBC Research and Consulting (now Root Policy Research) for a Housing Market Analysis. The Aurora Housing Market Analysis was presented to the Housing, Neighborhood Services and Redevelopment Policy Committee in March 2018 and at Council Study Session in October 2018. A single source contract with Root Policy Research for a Housing Policy Toolkit study was approved by Council on March 18, 2019. At the April 15, 2019 Council Study Session, Heidi Aggeler with Root Policy Research provided an overview of a range of potential best practices that may be discussed with stakeholders during the public outreach portion of the housing study. The consultant also provided an overview of the study's major tasks that include: identification of current city housing resources and programs; update the 2018 housing market analysis; develop a best practices toolkit; vet with community stakeholders; develop recommendations for a housing strategy, and present draft recommendations to Council.

The public outreach efforts were conducted throughout the summer of 2019 and included a series of focus groups to review and provide feedback on the draft housing toolkit. Topics discussed at the focus group meetings included better utilization of land, preservation of existing housing, funding mechanisms, regulatory tools and incentives, and partnerships, among others. Root Policy Research was also a consultant on the regional Assessment of Fair Housing (AFH) which included the City of Aurora and the Aurora Housing Authority, and was able to incorporate public input from the AFH into the Aurora Housing Study. A second round of public engagement was completed this Fall, using an online survey to solicit feedback on recommended policies and strategies for addressing housing goals.

Staff's presentation will provide an overview of the survey results. Council was briefed on the initial findings of the study in October 2019 and were presented a first full draft of the recommendations at the May 5, 2020, study session. At the June 22, 2020 Study Session meeting, Council provided additional feedback on the draft and directed staff to initiate the final round of public engagement, which has now been completed.

ITEM SUMMARY (*Brief description of item, discussion, key points, recommendations, etc.*)

Staff's presentation will share the results of the public survey and will recommend the list of priority action items, as well as address any planned substantive changes to the draft study.

QUESTIONS FOR Committee

Should staff proceed to Council Study Session with an adoption draft of the housing study?

EXHIBITS ATTACHED:

Aurora Housing Study Public Review Draft 2020-09-01.pdf

Aurora Housing Strategy

INTRODUCTION

In 2019, the City of Aurora (“city”) initiated a study to identify a broad range of potential policy, financial, and regulatory tools to address housing affordability. Aurora is experiencing housing conditions similar to many communities in the metro area: low and moderate income households are struggling to keep up with rising housing costs, and this has been amplified by job loss associated with the COVID-19 outbreak; and the supply of housing across the income spectrum is very limited. While the city has provided housing and community development programs to support the development of housing and housing services, additional options for funding and programs would expand the city’s effectiveness in ensuring the current and future housing needs of workforce, families, and residents across the age and income spectrum are met.

This Aurora Housing Strategy focuses on the most effective, efficient, and outcome-proven methods to expand housing options in the city, with a focus on:

- 1) Increase and leverage existing resources to address housing needs
- 2) Set housing goals and manage housing investments to achieve those goals
- 3) Preserve existing housing while increasing the supply of housing for households across the income spectrum
- 4) Improve regulatory processes as needed to reduce the cost of housing development

BACKGROUND

Housing is a diverse and foundational element of a community. Aurora’s housing includes many types of homes, neighborhoods, and prices, serving a diversity of households with unique needs and preferences. A community’s housing stock must serve the entire income spectrum, including those experiencing homelessness, low income households, new family households, first-time or move-up homebuyers, downsizing empty-nesters, higher-end executive housing, and others. Housing includes rental units, homeowner units, and housing targeted toward specific segments of the population—including permanent supportive housing, senior housing, and/or housing serving the city’s immigrant and refugee communities.

All of these segments of a community’s housing market are interconnected. When one segment of the housing industry is challenged with a unit shortage or prohibitively high costs, this can push households into more expensive housing, often beyond their financial means. In the most acute situation, lack of affordable housing pushes households into homelessness or sub-standard housing situations. On the other hand, lack of housing products that appeal to workers in job-creating industries can hinder a community’s economic growth and development.

In sum, a deficit in one geographic area or housing sector can strain supply in another. A diversity of housing types and prices is needed throughout the entire community.

Key concepts and definitions

Affordability measures. Thresholds of affordability are based on area median household income. HUD and CHFA programs tie program eligibility requirements to regional affordability measures based on area median income (AMI) for an individual household. Low- or moderate-income thresholds are described as a percentage of that AMI and based on household size.

The 2020 AMI thresholds applicable to Aurora are based on the Denver-Aurora-Lakewood market area. 100% AMI is \$100,000 for a 4-person household. Aurora-specific household income data will vary from regional figures.

% of AMI	Household Size							
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	\$21,000	\$24,000	\$27,000	\$30,000	\$32,400	\$35,160	\$39,640	\$44,120
40%	28,000	32,000	36,000	40,000	43,200	46,400	49,600	52,800
50%	35,000	40,000	45,000	50,000	54,000	58,000	62,000	66,000
60%	42,000	48,000	54,000	60,000	64,800	69,600	74,400	79,200
80%	54,950	62,800	70,650	78,500	84,800	91,100	97,350	103,650
100%	70,000	80,000	90,000	100,000	108,000	116,000	124,000	132,000
120%	84,000	96,000	108,000	120,000	129,600	139,200	148,800	158,400

AMI thresholds as of August 2020. Subject to change.

Mixed-income development or neighborhood. A development or neighborhood comprised of housing units with differing levels of affordability, typically with some market-rate housing and some housing that is available to low income occupants below market rate.¹

“Missing middle.” The term Missing Middle was crafted by Daniel Parolek of the planning and design firm Opticos. He uses the term to define a particular residential product type: “multi-unit or clustered housing types” that are compatible in scale with single family homes and which are targeted to help meet a growing demand for walkable urban living. These product types

¹ U.S. Department of Housing and Urban Development, HOME Program documentation, 2003.

include duplexes, fourplexes, and courtyard homes are typically found in neighborhoods developed between approximately the early 1900's and 1950. Many take this definition to be synonymous with middle income households and use “missing middle” to refer to both middle income households and the products that are affordable them.

Naturally Occurring Affordable Housing (NOAH) . Residential rental properties that do not have public subsidies yet carry relatively affordable rents compared to the regional housing market due to location, condition, age, and landlord preferences to keep rents affordable are often called “NOAH.” In many high-cost markets, NOAH—historically the most common type of affordable housing—has declined significantly in the past five years.

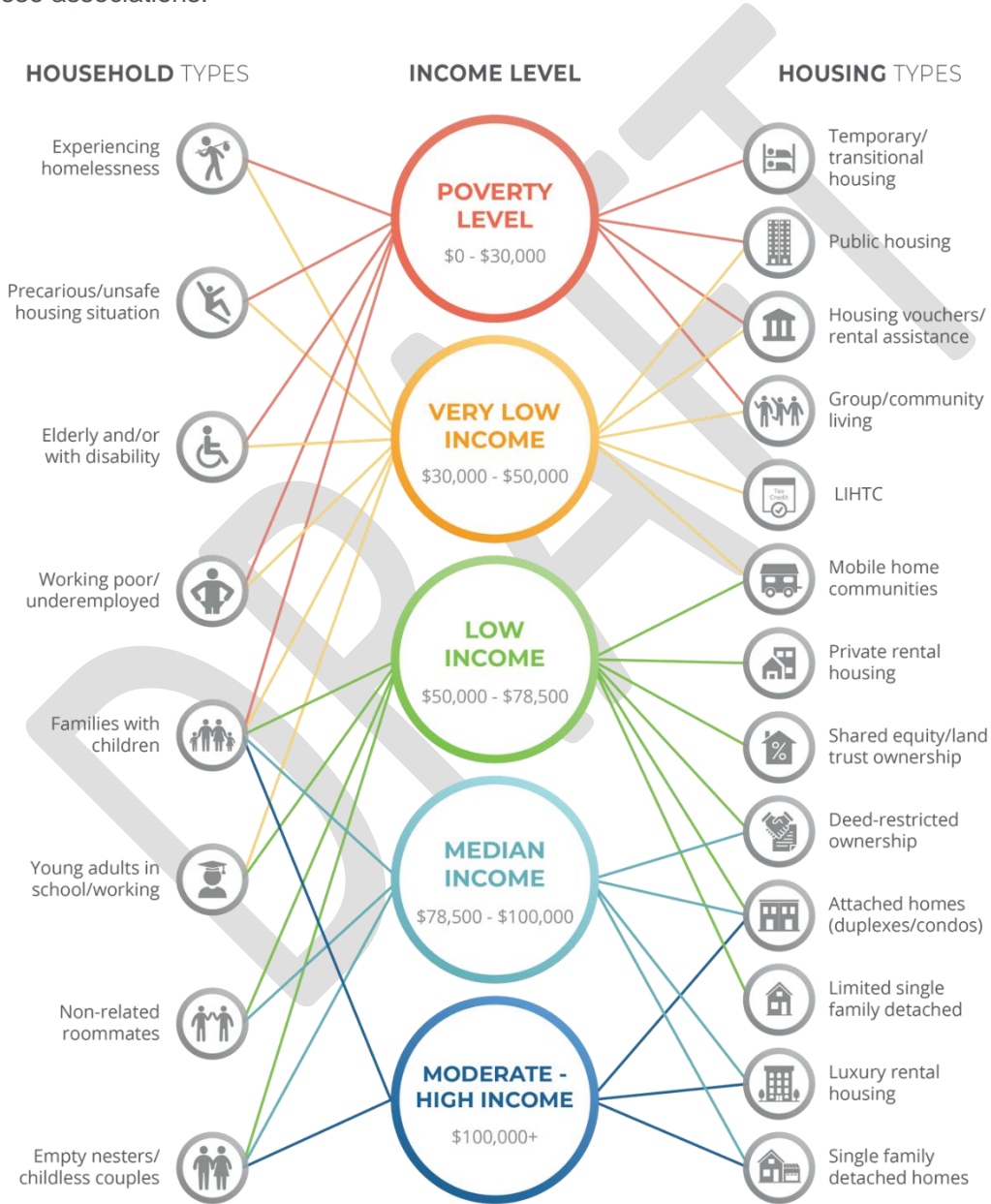
Housing type diversity. The concept that households have a variety of housing needs and preferences that can be accommodated by different housing sizes, structures, lot sizes, and layouts. A range of housing types can include: single family detached homes; single family attached homes (duplex/triplex/fourplex—also called twin homes or rowhomes); carriage or courtyard homes; accessory dwelling units (ADUs) or “Granny flats”; mobile homes; small multifamily developments (generally 5-19 units); and larger multifamily developments. Housing type diversity can also refer to living environments—e.g., multigenerational or cooperative living.

Housing spectrum. Residents' housing needs change over time, most often due to having children, aging, education and skill development, employment, economic disruption, care for family members, and/or transition to a fixed income. Although resident surveys demonstrate that most housing decisions are driven by affordability, individual preferences about housing types and living environments also affect housing demand.

A balanced housing market responds to the diversity of housing needs and preferences by offering a variety of housing options. The following figure illustrates the most common types of households by income range and the housing solutions that best accommodate varied and changing needs as residents move through economic and life cycles.

Figure 1.
Aurora's Housing Continuum

The following graphic depicts the major household income categories and connects each to household types that commonly fall into each category. Additionally, common housing types that serve each income level are illustrated. This graphic is intended to convey the diversity of household types and housing types and begin to target housing strategies to address all income levels. Individual household types, incomes, and housing types may not conform to these associations.



Source: Root Policy Research.

Aurora's housing story

This section illustrates the broad outline of housing in Aurora through various data points and historical trends.

Growth and development context. Aurora has seen a steady march of population growth since the end of World War II. The city experienced its most dramatic population growth during the 1970s in which the city more than doubled in size from approximately 75,000 residents in 1970 to nearly 159,000 residents in 1980 (see Figure 2). The availability of developable land, municipal water, and a growth-friendly environment have contributed to Aurora's growth into the third most populous city in Colorado and second most populous in the Denver metro area today.

While Aurora's employment base has grown and diversified over the decades, led by development at and around Buckley Air Force Base and the Anschutz Medical Campus, Aurora has long served as a major supply of homes to the growing regional population. Aurora has often offered more affordable housing options compared to other communities in the region, even as its housing stock has diversified with new development in the east and southeast areas of the community.

Moving forward, it will benefit the city to be intentional about balancing housing development with employment growth, including encouraging housing for high-paying professions.

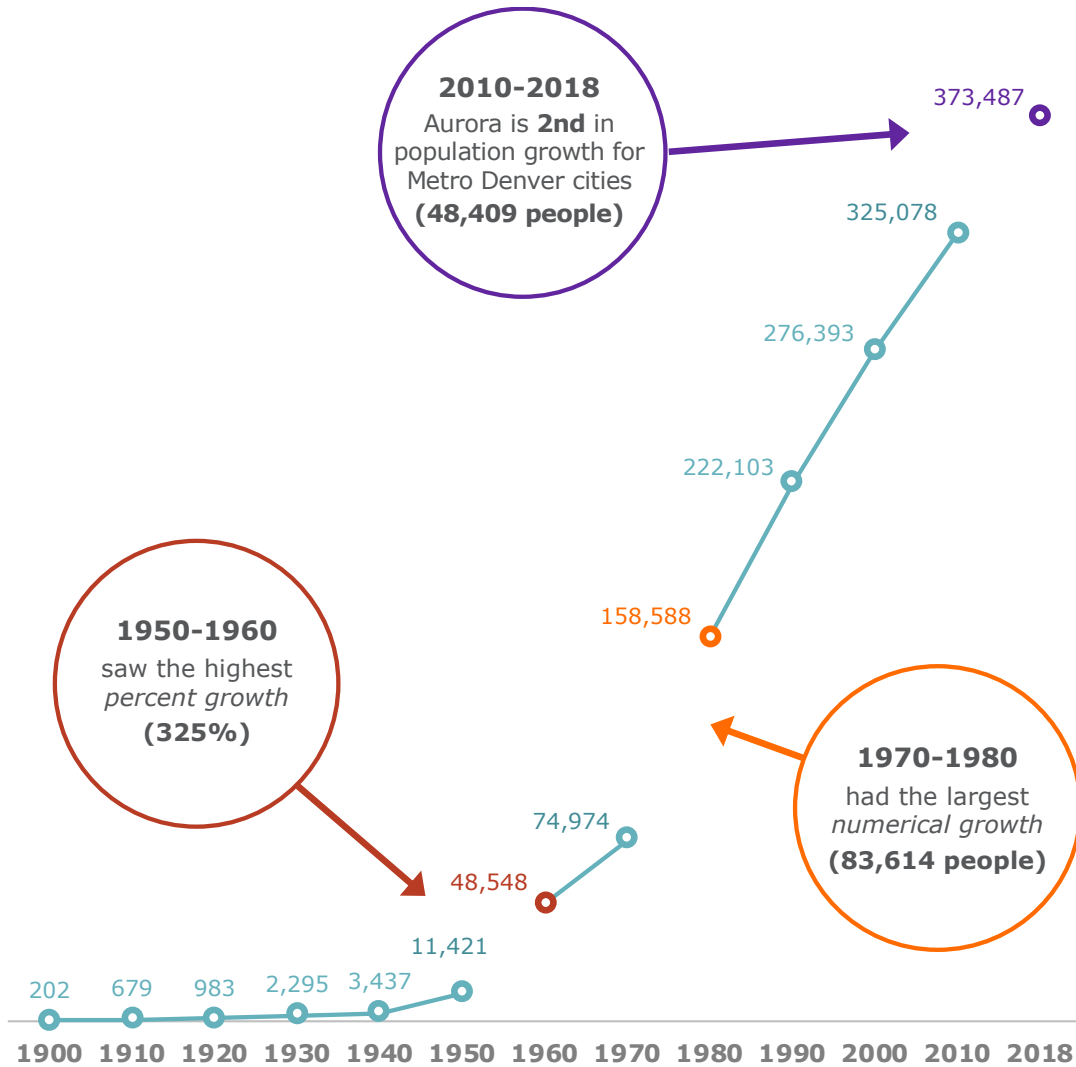
Demographic context. Population growth affects demand for housing—and housing prices. Between 2010 and 2018, Aurora grew by 15 percent and gained 48,409 residents, or an average of about 6,000 residents per year. Households increased by 13,600—an average of 1,700 per year.

This growth is strong compared to other Metro Denver cities yet lower than past decades. As demonstrated by the following figure,

- The highest *percentage growth* occurred during the 1950s, when Aurora's population increased by 325 percent.
- The highest *numerical growth* occurred during the 1970s, when Aurora gained 83,614 residents.
- Numerically, between 2010 and 2018, Aurora's population gain was the second strongest of all cities in Metro Denver. Denver was first, adding more than 100,000 residents. Thornton was third at more than 20,000 residents.

It is likely that Aurora, as well as Adams and Arapahoe Counties, will continue to be high growth areas in the future. Relative to other counties in the metro area, these offer a unique combination of relatively affordable and available properties for both residential and commercial growth.

Figure 2.
Population Growth



Note: Population numbers represent mid-year counts.
Source: Aurora Places and 2018 1-year American Community Survey (ACS).

Housing and employment link. To attract employers, a city should be able to demonstrate that it can provide a range of housing choices to new workers. It is also desirable for residents living in a city to find employment near where they live: this leads to less traffic congestion, encourages local spending, and ensures more time for residents to invest in their household’s economic well-being. In general, the jobs that exist in Aurora match the types of industries in which Aurora residents are employed, with a few exceptions.

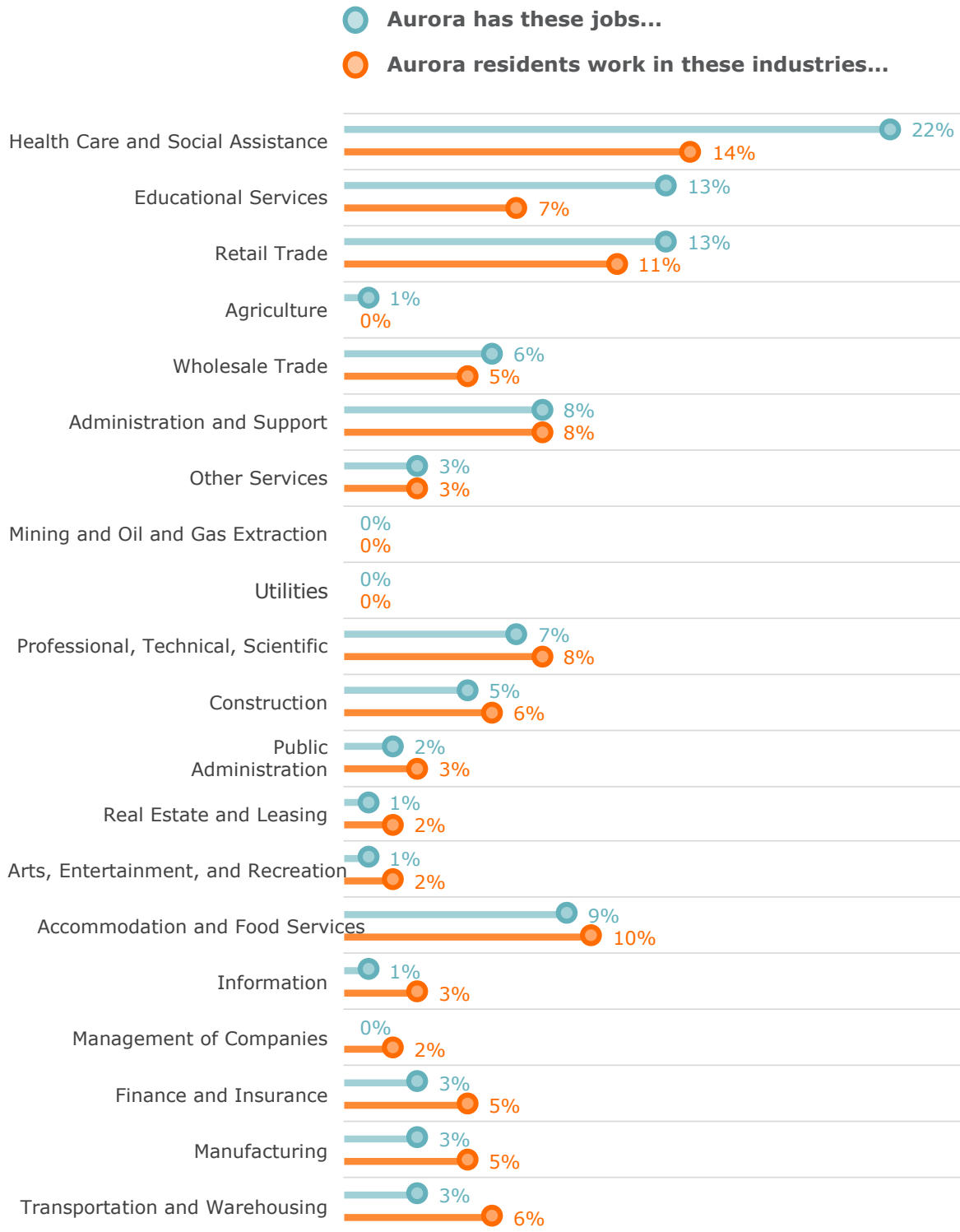
As shown in the figure 3 below, Health and Service Assistance, Education, and Retail Trade are the most common employment sectors in Aurora today. Together, these three industries make up nearly half of all jobs in the city.

The distribution of jobs *held by Aurora residents* are slightly broader. Comparing the industries in which Aurora residents work to jobs in the city shows these differences:

- The Health Care and Social Assistance industries have more jobs in Aurora than Aurora residents working in those areas. Providing a continuum of housing opportunities for workers in the CU Health Sciences Center and Children’s Hospital on or near the Anschutz medical campus—from affordable rentals to executive housing—will be important for closing that gap.
- Educational Services also shows a gap between jobs within the city and residents working in that industry. On average, this industry pays about \$10,000 less annually than the Health Sciences sector. The disparity between where workers in Educational Services live and work is likely related to lack of affordable rental and ownership housing and product type diversity in Aurora.

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Figure 3.
Differences in Jobs Aurora Residents Have and Jobs Aurora Offers



Source: 2016 ACS.

Future job growth. Aurora Places projects that the city will add 38,017 new jobs before 2025, equivalent to an average of 3,800 jobs per year. If each household has 1.5 workers, about 2,500 new housing units per year are needed to provide housing for these new workers. The economic impacts of the Covid-19 pandemic is unknown at this time but could well affect job growth over the next few years.

By industry, these jobs will be in the Health care and Social Assistance fields, similar to the distribution of jobs in the city today, as shown in Figure 5.

Figure 4.
Projected
Job Growth,
2015-2025

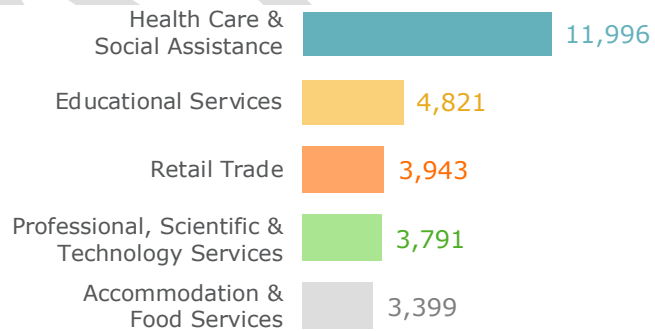
Center for Economic Studies



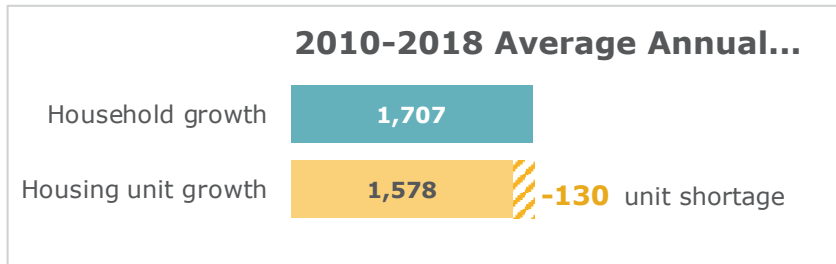
Figure 5.
Projected Increase
in Employment

Employment will grow in Aurora and a large portion of that growth will be in healthcare.

Source:
 Colorado Dept. of Labor and Employment.



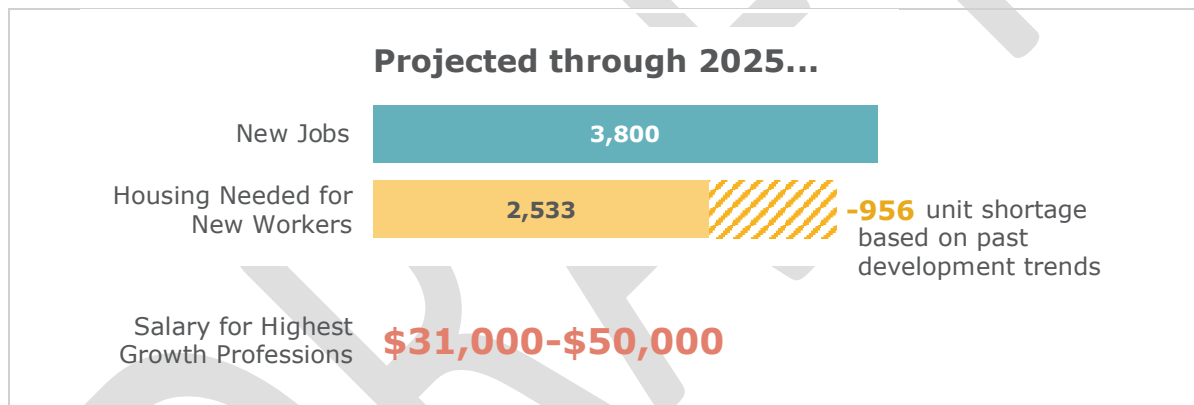
To support the projected employment expansion—and create opportunities for new and current workers to live in the city—Aurora will need to provide enough housing. Between 2010 and 2018, development of housing units in Aurora lagged behind household growth by an average of 130 units per year. This was a factor of slow residential development, mostly in the early part of the decade.



Aurora's success in attracting residential development has been an important factor in creating income, racial and ethnic, and household diversity in the

city. The city is positioned to capture a larger share of workers who need both affordability and proximity to major employment centers, including the Health Sciences Campus and Denver International Airport, as well as middle income renters who want to become owners.

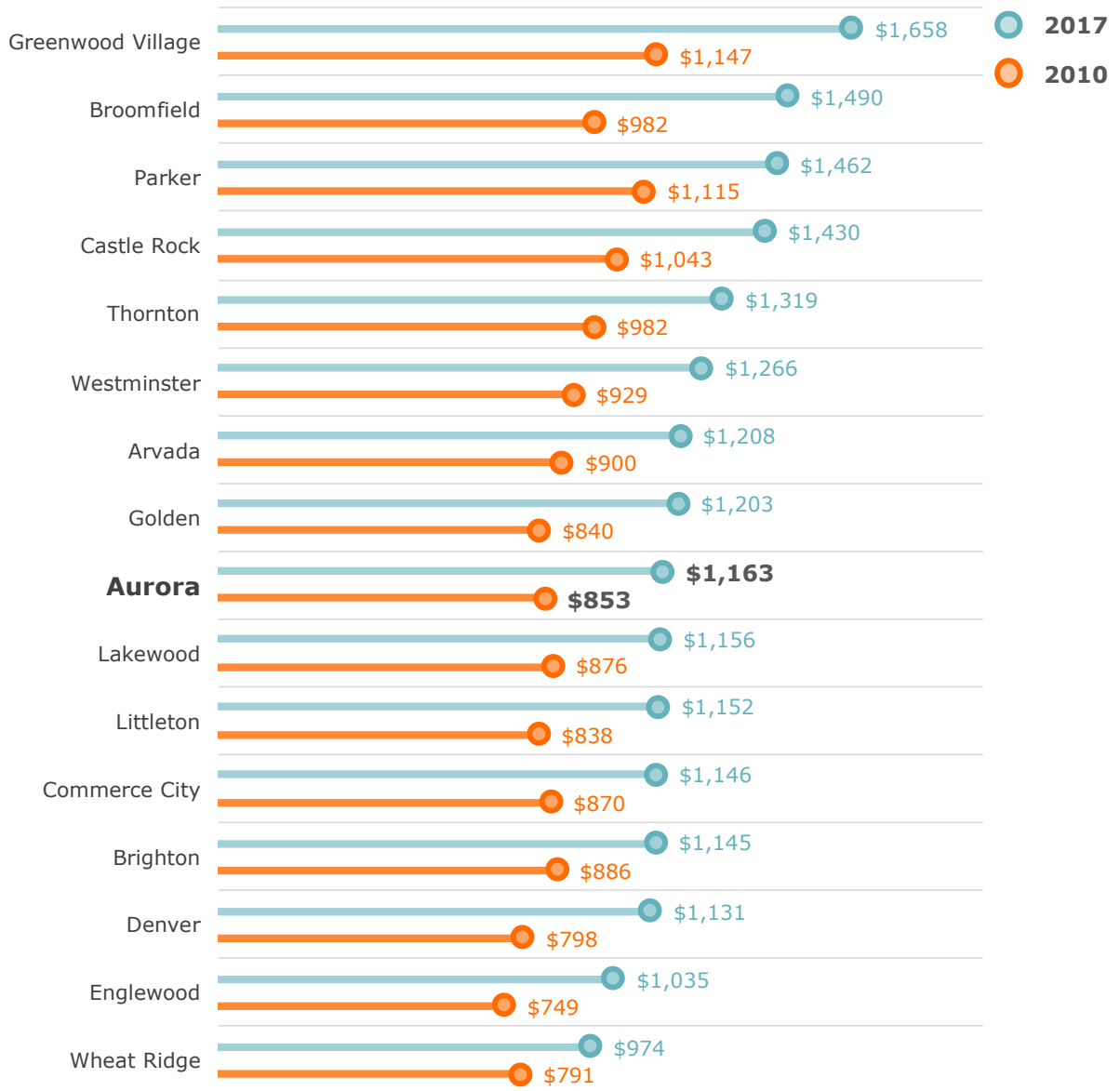
To accommodate projected employment growth, the city will need to increase the pace of residential development across the price spectrum and include affordable rental and ownership products. Based on past trends, if development does not increase, the city will fall short of potential household growth and fail to house new workers, particularly those in high-growth employment fields. The city may also struggle to attract higher income workers.



Rental housing. During the economic expansion between 2013 and 2019, Aurora gained higher income renters who were able to manage rent increases. However, many renters did not experience income increases—and, due to the COVID-19 crisis, have faced significant income losses.

Rent v. income increases. Aurora rent increased by 36 percent between 2010 and 2017. As shown in the figure 6 below, this is about average for the region and similar to that in Castle Rock, Westminster, and Englewood, but much higher than Wheat Ridge (23% increase) and lower than Broomfield (52%).

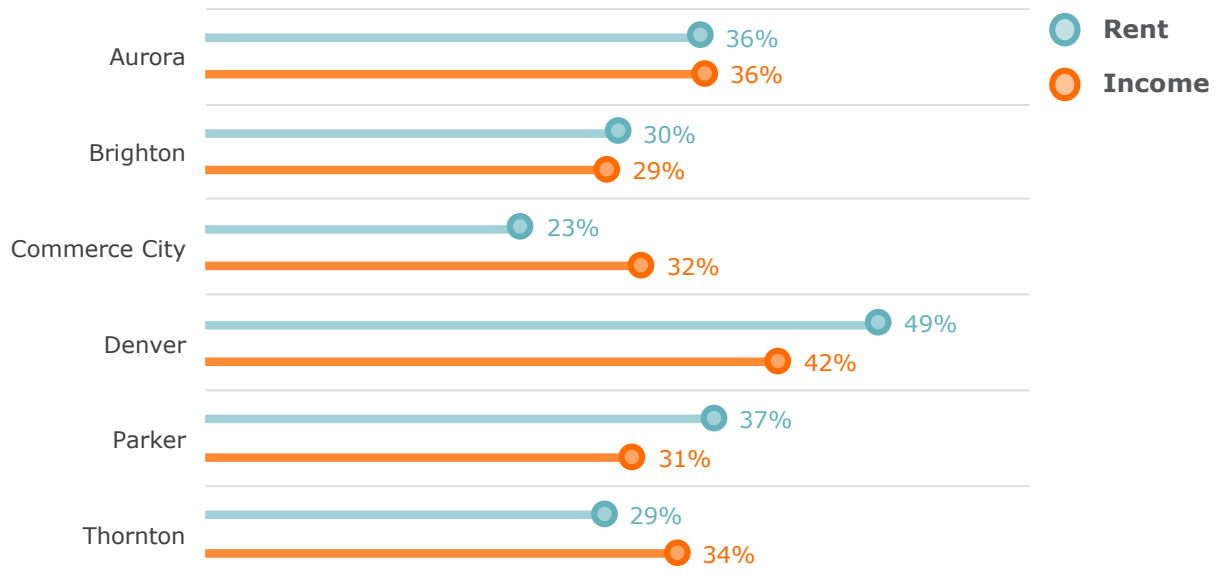
Figure 6.
Change in Median Gross Rent, 2010 to 2017



Source: 5-year ACS 2010, 2017.

As shown in Figure 7, in Aurora, renter income increased by the same proportion as rents—36 percent. Compared to other cities, Aurora is unique in that renter income has kept pace with rent increases. Only Brighton shows the same trend. In Commerce City and Thornton, rents outpaced increases in renter income.

Figure 7.
Change in Median Rent v. Change in Median Renter Income, 2010 to 2017



Source: 5-year ACS 2010, 2017.

As of third quarter 2019, according to the Apartment Association of Metro Denver, the average rent in Aurora ranged between \$1,300 per month in northwest Aurora to \$1,640 in southeast Aurora.

In all areas of Aurora's rental submarkets an income of more than \$50,000 is required to afford the average rent—this is about \$10,000 higher than the median renter income. The priciest submarkets are in the furthestmost northern (Adams County) and southern parts of the city—areas of newer residential development.

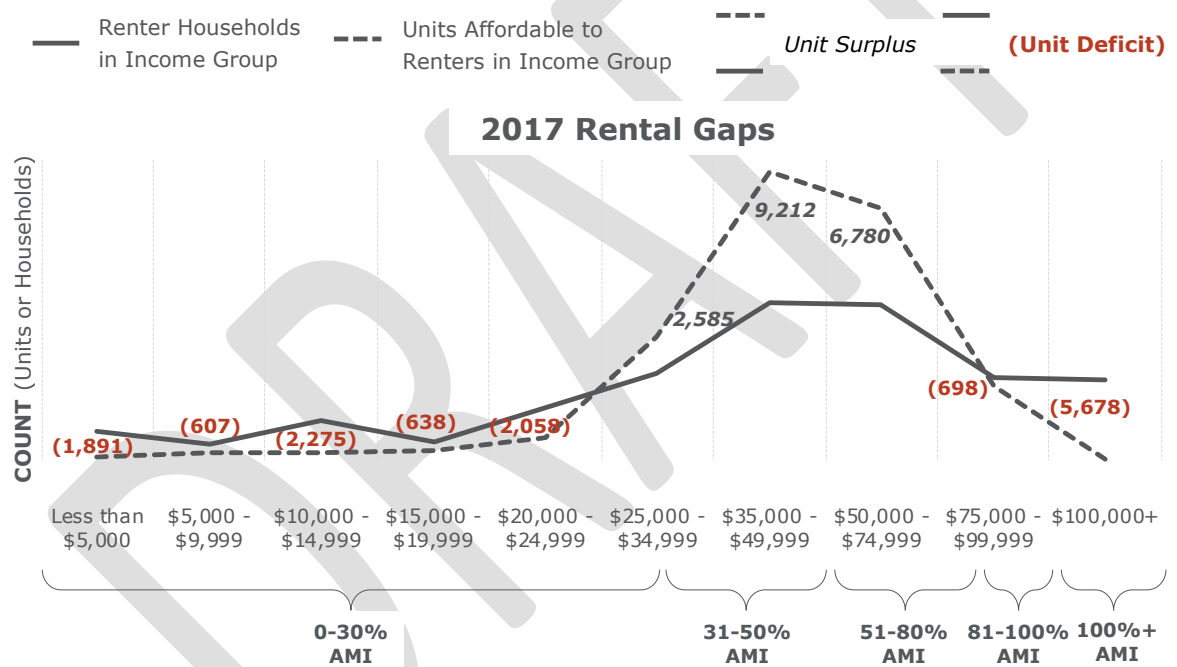
Affordability gaps. A rental “gaps analysis” that examines the difference in supply and demand of rental units by price point found gaps in the following areas. The gap is illustrated in the graphic in Figure 8.

- As of 2017, Aurora had approximately 7,500 too few rental units for renters earning less than \$25,000/year. This is shown by the numbers in the left-side “tail” of the graphic, which totals 7,469. Low income renter households who cannot find affordable units are cost burdened, paying more than 30 percent of their income in rental costs.
- In 2010, the rental gap was 10,211 affordable units for households earning less than \$20,000 per year. The reduction in the gap was due to extremely low-income renters leaving the city; the number of affordable units stayed relatively constant.
- It is likely that the current gap is much larger due to job losses and reductions in hours that many renters working in the food and service sectors have experienced in first quarter

2020 due to the economic impacts of COVID-19. Changes in income—and the response of the rental market—will not be fully known until late 2020.

- As shown by the red numbers in the right side “tail” of the figure 8, Aurora also has a rental gap on the high end of the income spectrum. There are 698 renters earning between \$75,000 and \$99,000 and 5,678 renters earning more than \$100,000 who are “renting down”—that is, occupying units that are cheaper than what they could afford. This leaves a total rental gap of 6,376 for luxury rentals. It is unclear if these renters would choose to rent at a higher level if units were available for them; some may prefer to rent down to save money for a home to buy. However, some may choose to spend as much as they can afford if their preferred rental product is available, as long as their economic situations support higher rents.

Figure 8.
Rental Unit Shortage, 2017



Source: 2017 5-year ACS.

Geographic dispersion of subsidized rentals. Geographic location of affordable rental units and rental subsidies: Housing voucher location (if this data is available aggregated) and project-based affordable housing locations

Existing affordable rental units can be lost to price increases and redevelopment (typical of NOAH) and expiration of federal, state, and local contracts that ensure subsidies. Between 2020 and 2025, an estimated 788 affordable rental units in Aurora have contracts that expire.

Expiration of these contracts could widen the rental gap to 8,250 units in five years.

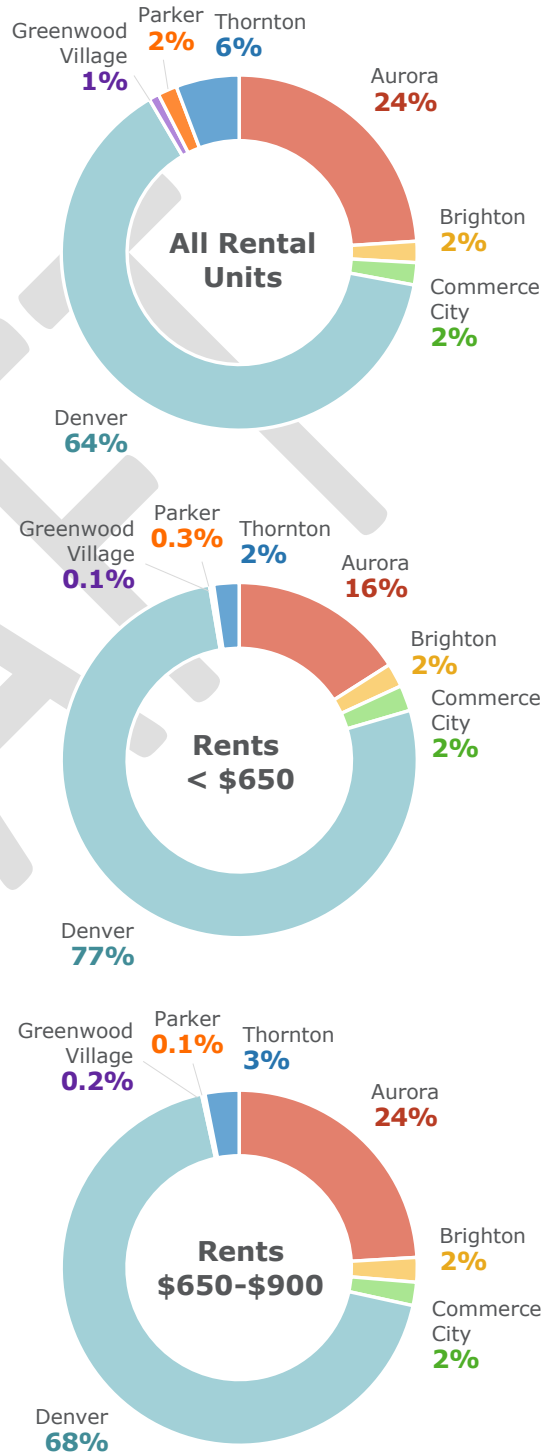
Fair share of affordable rentals. Among the cities serving employment markets in the eastern portion of the Denver Metro area, **Aurora provides about one-quarter of all rental units.** **Denver provides the largest share at two-thirds (see figure 9).**

Denver provides 77 percent of the eastern region’s deeply affordable rentals, renting less than \$650 per month, compared to 64 percent of all rentals. Aurora provides 16 percent of deeply affordable units, compared to 24 percent of all rentals. For rental units in the \$650 to \$875 range, serving households earning \$25,000 to \$35,000, Aurora provides exactly its share of all rental units.

Denver's strength in accommodating the region's lowest income households is partially due to the long history and operations of the Denver Housing Authority, a major provider of deeply subsidized rentals.

Greenwood Village and Parker, despite employing low income workers in service and retail jobs, provide less than 1 percent of the region's most affordable rentals. Thornton also provides less than its fair share.

Figure 9. Aurora’s Provision of Rental Units Compared to Eastern Employment Market Cities

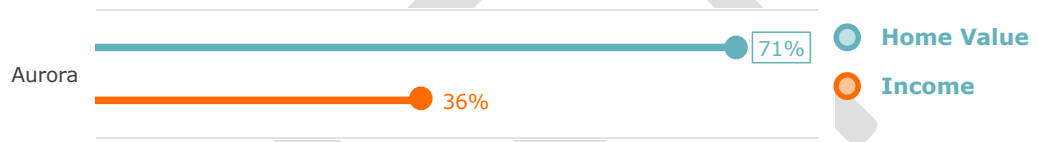


Source: 2017 ACS.

Ownership housing. Aurora has historically been one of the most affordable communities for homebuying in the metro area. While Aurora continues to be relatively affordable compared to many communities, the ability of renters to attain homeownership in Aurora has declined significantly in the past few years.

Home value v. income increases. As shown below in figure 10, median renter income increased by 36 percent between 2010 and 2017. Home values increased by 71 percent; this is nearly twice as much as the increase in renter income and median rent (Figure 7). Between 2010 and 2017, it was easier for Aurora renters to keep up with increases in their rent than to attain homeownership.

Figure 10.
Change in Median Home Value v. Change in Median Renter Income,
2010 to 2017



Source: 5-year ACS 2010, 2017.

Declining interest rates helped further ownership opportunities after the Great Recession. In recent years, however, low interest rates have not been able to compensate for rapidly rising prices—and the larger downpayments associated with more expensive homes. The combination of recent, large price increases and a slower income growth has priced many residents out of Aurora’s homeownership market.

Supply of homes to buy. As shown below in figure 11 since 2016, the number of affordable homes for sale in Aurora has dropped significantly. Between 2016 and 2017, 56 percent of units sold were priced under \$300,000 compared to 35 percent in 2018 and 2019.

Figure 11.
Change in Affordability of For Sale Homes

	2018-1Q2019			2016-2Q2017
	Attached	Detached	All Homes	All Homes
Total Homes				
Number (% of all homes)	4,027 (34%)	7,815 (66%)	11,842	15,437
Listed/Sold Price				
Less than \$200,000	27%	0%	10%	19%
\$200,000 to \$300,000	52%	11%	25%	37%
\$300,000 to \$500,000	20%	71%	54%	38%
\$500,000 or more	0%	17%	12%	6%
Average Characteristics				
Square Feet	1,372	2,682	2,237	2,182
Number of Bathrooms	2.1	2.9	2.6	2.6
Number of Bedrooms	2.2	3.7	3.2	3.1
Year Built	1987	1987	1987	1988
Days on Market	21	25	23	23

Source: MLS data.

This is not due to differences in product: the home size, number of bedrooms and bathrooms, and year built have changed little. The rapid decline in affordable ownership is mostly linked to increased demand—and lack of supply to accommodate demand.

Despite rising costs of ownership, [Aurora continues to be a leader in affordable ownership opportunities in the region](#). Aurora provided 52 percent of Metro Denver’s homes listed for sale or sold under \$200,000 and 34 percent of homes listed or sold between \$200,000 and \$300,000. This compares to 24 percent of Aurora’s share of all homes listed for sale and sold in 2018 and 1Q2019.

Conversely, Aurora’s supply of high-cost ownership products is lower than in other communities. Overall, Aurora provided 11 percent of homes listed or for sale priced at \$500,000 and above. Figure 12 shows Aurora’s share of the region’s listed and for sale homes by price point.

Figure 12.

Aurora’s Share of Metro area For Sale Homes by Price Point, 2018-1Q2019

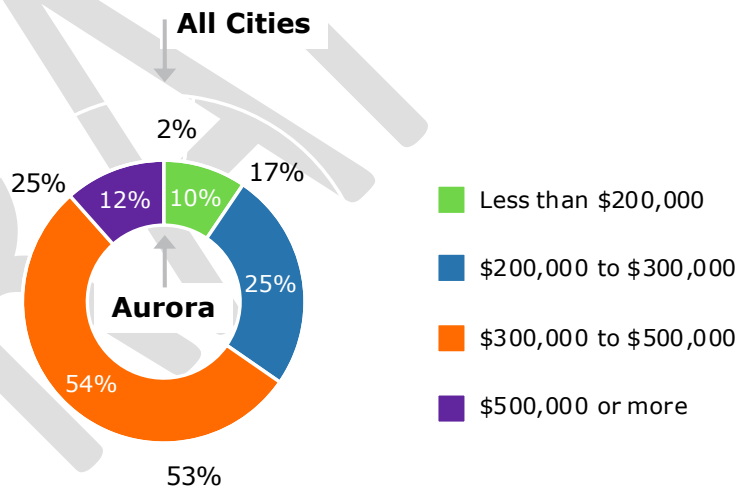
	Less than \$200,000	\$200,000 to \$300,000	\$300,000 to \$500,000	\$500,000 or more	All Homes Listed
Aurora units for sale	1,125	2,977	6,373	1,367	11,842
All Denver metro units	2,180	8,660	26,373	12,485	49,698
Aurora share	52%	34%	24%	11%	24%

Source: MLS data.

Figure 13 looks at the comparison a bit differently: this graphic shows the distribution of homes listed or for sale in Aurora relative to the region overall. Other than homes priced between \$300,000 and \$500,000—which make up about half of the inventory in Aurora and the region overall—Aurora’s distribution is very different than the region. Aurora’s inventory has more units priced at less than \$300,000 and fewer at \$500,000 or more.

Figure 13.
Distribution of Homes listed or for sale, Aurora v. All Cities, 2018-1Q2019

Source: MLS data.

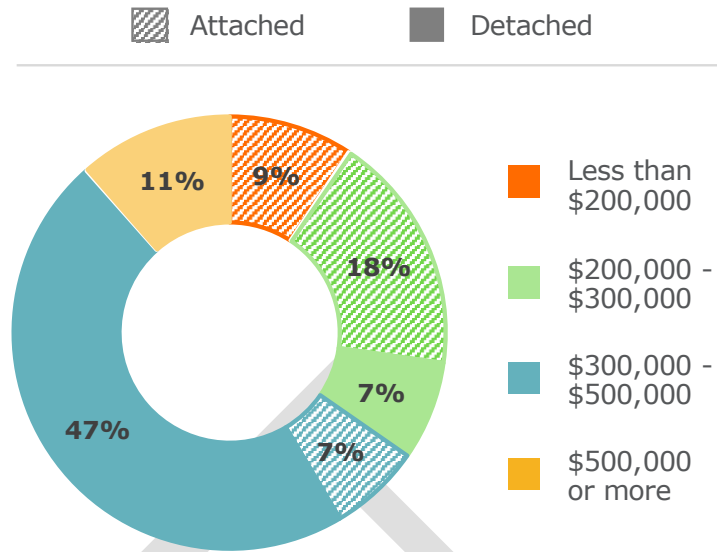


Missing middle products. As Figure 14 demonstrates, attached homes continue to offer the most affordable option for homebuyers earning less than \$100,000—a needed segment of the “missing middle” market.

Unlike some markets, where attached homes can carry higher prices than some single family detached products, attached homes in Aurora are typically non-luxury products. This may be a disadvantage to attracting higher earners—empty nesters and couples without children—looking for higher-end low maintenance and second home products. However, the city’s attached homes provide a much-needed inventory of “missing middle” housing products.

Figure 14.
For sale and
Listed Homes in
Aurora, Attached
and Detached,
2018-1Q2019

Source:
 MLS data.



Small lot homes (defined as lots with fewer than 5,000 square feet) can offer a missing middle product solution. Compared to the Denver metro area overall, Aurora had fewer small lot homes for sale between 2016 and 2017: Small lot homes for sale made up 8 percent of all homes for sale in Aurora (808 in total) compared to 11 percent for the region overall and 26 percent in Denver.

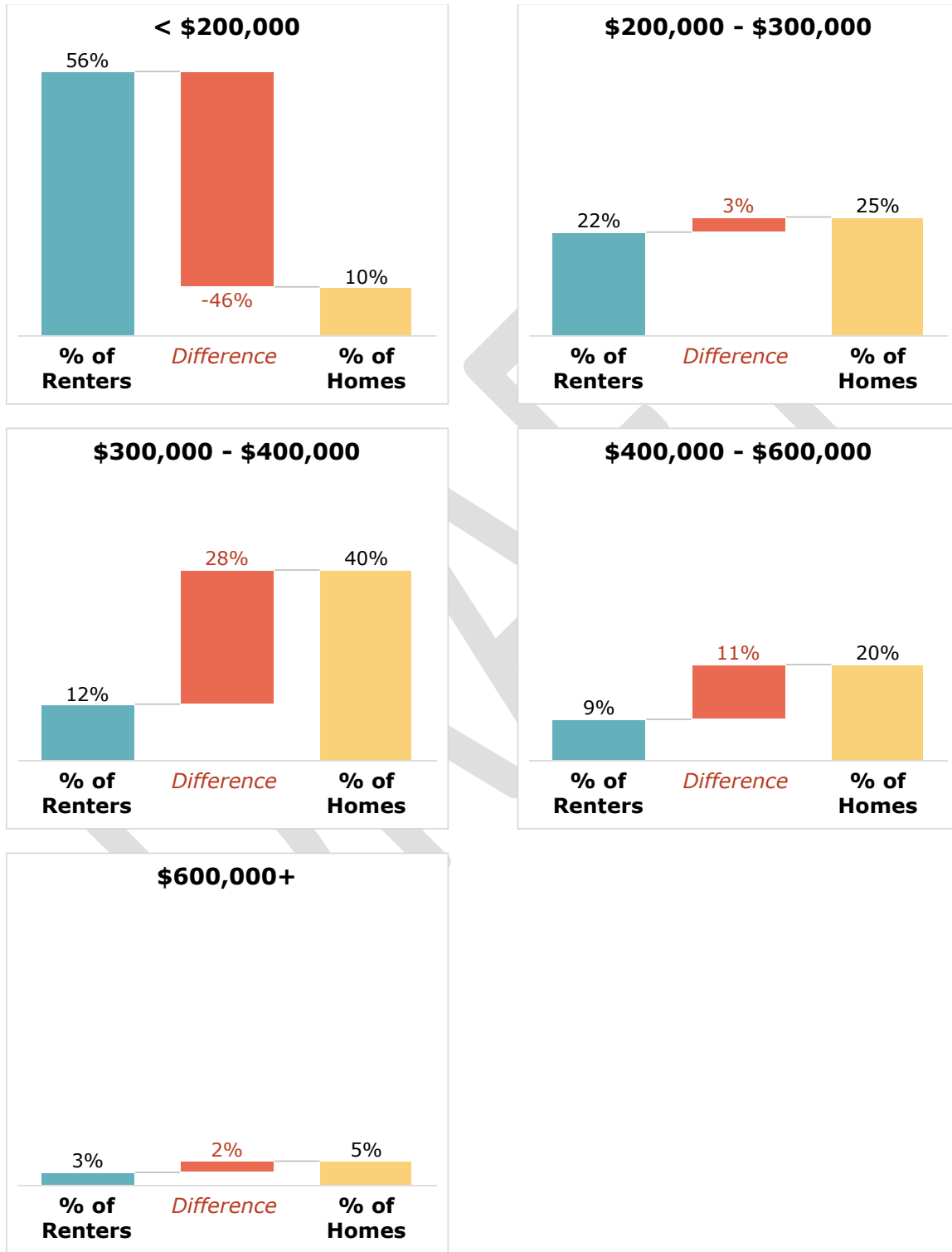
Small lot homes can be just as or more expensive than standard single family detached homes because of their location or finish. Aurora’s small lot homes for sale in 2016 and 2017 had a median price of \$293,750, about the same as all homes for sale. Based on this the public sector should evaluate requiring affordability commitments from developers who are receiving value through smaller lot allowances.

Affordability gaps. Ownership products serve a broad set of household types: renters who want to become owners; households who want to “move up” as their economic situation improves; investors who desire rental income; and households who want to “downsize” as their family circumstances change. Owner preferences can fluctuate suddenly based on employment changes, economic changes, satisfaction with K-12 schools, and household dynamics. As such, it can be challenging to measure demand for ownership housing.

Figure 15 below compares the proportion of renters at various income levels with the proportion of affordable listed and for sale homes. The largest gaps between renters and homes priced for their affordability level occur for homes priced less than \$200,000 (far fewer homes than renters) and homes priced between \$300,000 and \$400,000 (more homes than renters). The city also has more high-end homes than renters who can afford them, meaning that new owners are more likely to be residents from outside of the city, potentially working in Aurora, versus Aurora renters who are attaining ownership.

Figure 15.

Comparison of Renters who can Afford to Buy v. Homes listed or for sale, Aurora, 2018-1Q2019



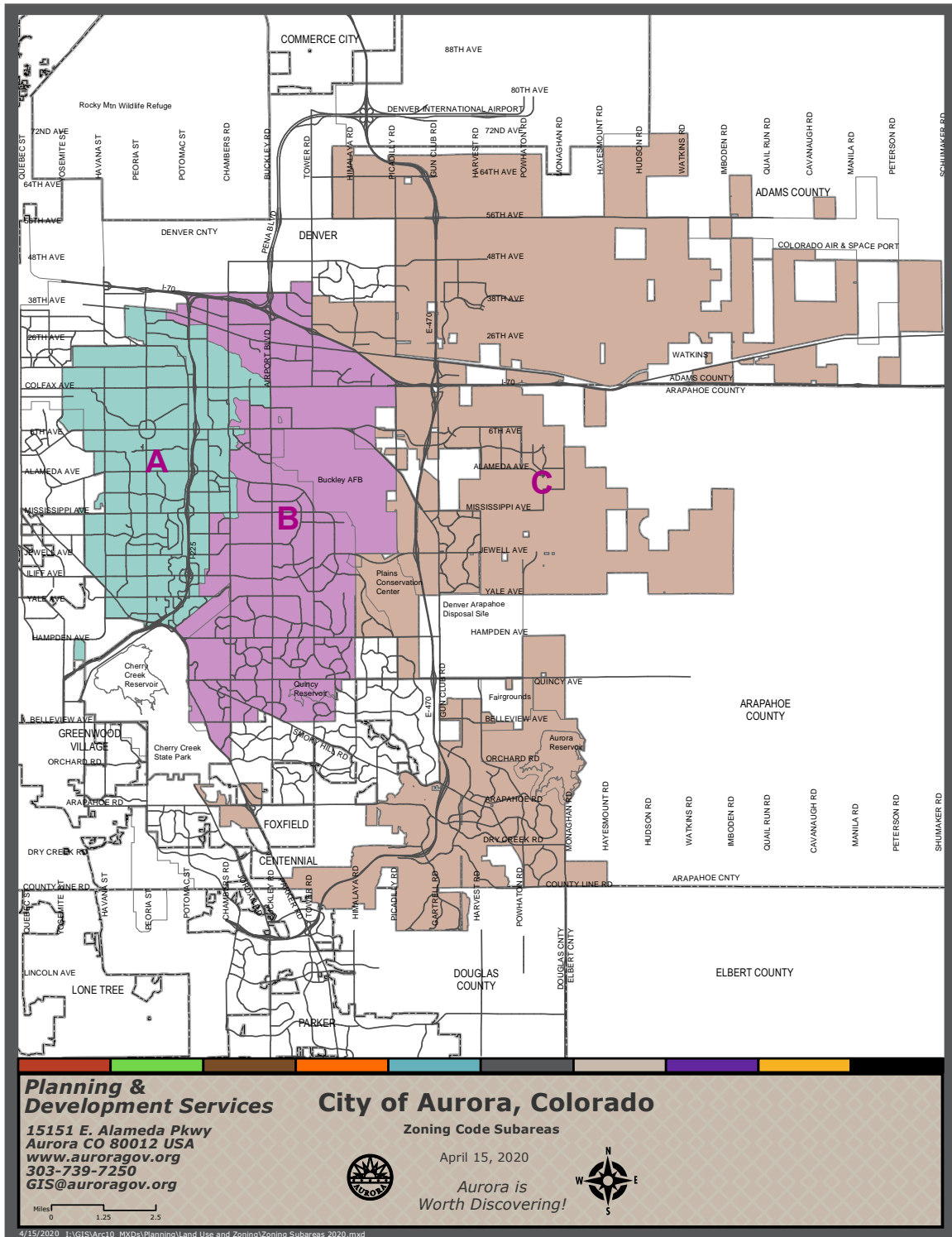
Source: MLS data.

Geographic dispersion. Figure 17 examines the distribution of homes by value and price point in Aurora’s planning subareas. Figure 16 shows the location of the subareas.

- **Subarea A** encompasses Original Aurora, the redeveloped Fitzsimons campus, the Aurora Mall, the Aurora Municipal Center (AMC), the neighborhoods that border Denver on the west, and neighborhoods around I-225 on the east. Subarea A includes Aurora’s oldest neighborhoods and housing stock.
- **Subarea B** includes the areas east of I-225 to Buckley Air Force Base. Subarea B is characterized by single family detached homes in neighborhood clusters serviced by strip mall and big box commercial and retail. Multifamily housing is located along transportation corridors. Housing stock in this area was built in the 1980s and 1990s with pockets of newer construction.
- **Subarea C** is the newest part of Aurora. Subarea C neighborhoods cluster around E-470 and include far southeast Aurora where most of the city’s new residential construction has occurred.

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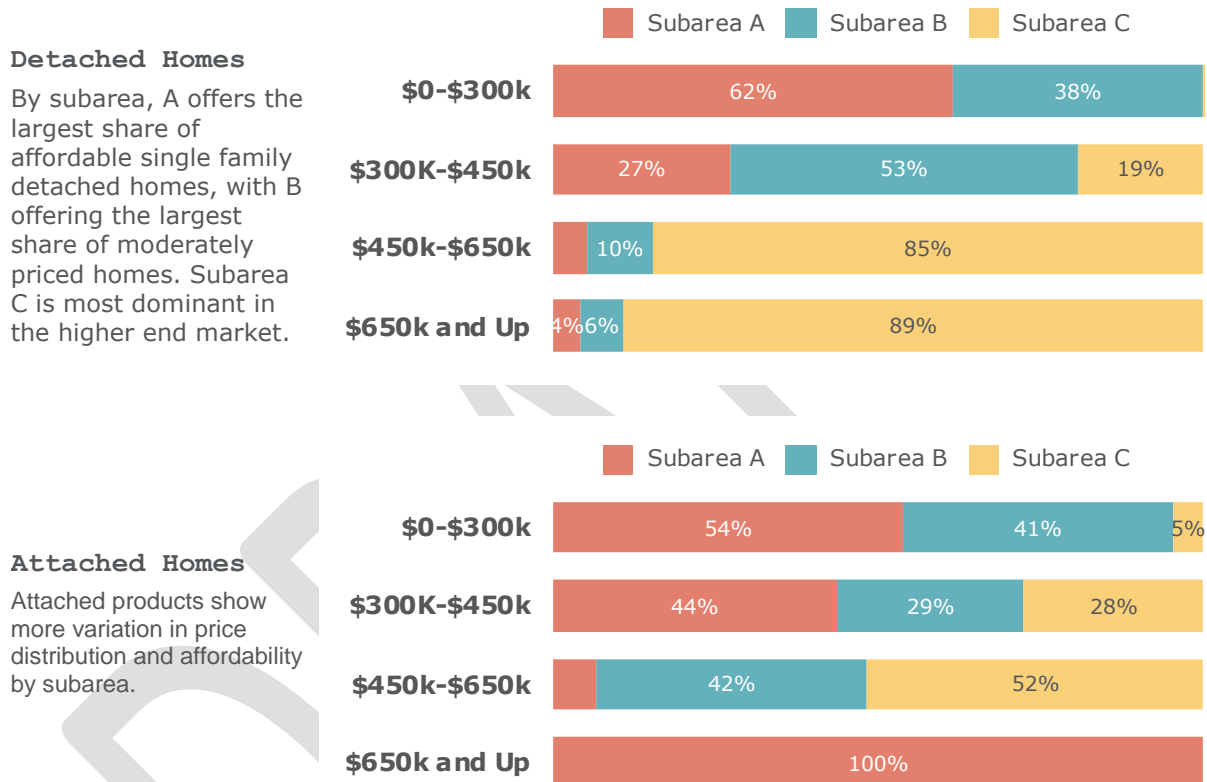
Figure 16.
City of Aurora Subareas



Source: City of Aurora.

As demonstrated by the figures below, the most affordable single family detached ownership housing is found in Subarea A and is nonexistent in Subarea C. This is true of both detached and attached homes. Subarea B offers the largest share moderately priced homes. Subarea C is most dominant in the higher end of the market. Attached homes show more variation in price distribution and affordability among subareas.

Figure 17.
Home Values by Comprehensive Plan Subarea



Source: Arapahoe County Assessor.

Special populations housing. Many households have greater challenges finding affordable housing because of their unique needs. They may not be able to drive; they may need housing near services; they may require larger units; or they may require accessible features in their housing units. The housing industry refers to populations with greater needs as “special populations.” Being intentional about housing choices for special populations is important to further equity and address the continuum of needs.

The special populations with the most acute housing needs in Aurora include:

- **Persons who are precariously housed/at-risk of homelessness.** A resident survey conducted to support the Aurora Analysis of Impediments (AI) study found that 5 percent of Aurora residents were “precariously” housed—living temporarily with family and friends,

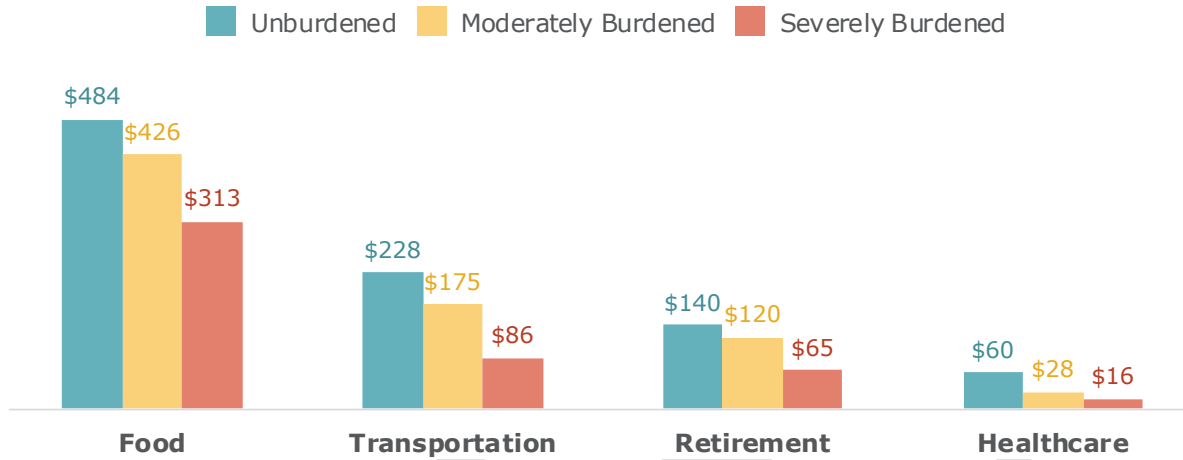
staying in a motel, etc. This translates to nearly 20,000 Aurora residents who are precariously housed.

- **Households with a member with a disability.** Nearly 27,000 households in Aurora have a disability (hearing or vision impairment, ambulatory limitation, cognitive limitation or self-care or independent living limitation). An estimated 50 percent of those are cost burdened—about 13,000 households.
- **Older adults/seniors.** More than 30,000 of the city’s households have a household member over the age of 62. About one-third of these households—10,000 senior households—face housing challenges, mostly cost burden.
- **Large family households.** 8,300 households with 5 and more household members are cost burdened.
- **Immigrants/New Americans.** Overall, according to 2018 Census data, about one in five Aurora residents are foreign-born—or more than 70,000 residents. An estimated 9,000 foreign-born households have challenges with English language proficiency and 14 percent live in poverty. At least 1,200 of these households have housing needs.
- **Persons experiencing homelessness.** The 2019 Point-in-Time count of persons experiencing homeless identified nearly 400 Aurora residents without homes, including 300 without children and almost 100 with children. Data from K-12 schools on children without permanent homes puts this number at more than 1,000 children.
- **Victims of domestic violence.** Annually, 14,700 Aurora residents are likely to have experienced some type of domestic violence, dating violence, sexual assault and/or stalking by an intimate partner annually. Many of these residents require affordable housing to leave abusive situations. National statistics show that 3.6 percent of women and 1.0 percent of men experiencing intimate partner violence need housing services. In Aurora, these statistics suggest that 350 victims of domestic violence require housing services each year.

The above estimates should be thought of as a lower-bound, as they are based on needs gathered prior to rising unemployment related to the 2020 COVID-19 virus.

Impact of housing shortages on the local economy. National data show that cost burdened households spend less on basic needs. They also have less money to spend on needed home improvements, many of which are needed to preserve the long term affordability of a home. This is demonstrated by the figure 18 below, which shows the amount that households in the U.S. spend each month on various goods by their level of cost burden.

Figure 18.
Average Monthly Expenditures by Level of Housing Cost Burden,
U.S., 2017



Note: All numbers are averages for households with children under 18. Low income families with children are in the bottom quartile of families with children ranked by total spending. Households whose housing accounts for 30% to 49% of their total expenditures are considered moderately cost-burdened.

Households whose housing accounts for 50% or more of their total expenditures are considered severely cost-burdened.

Source: JCHS tabulations of Bureau of Labor Statistics, 2017 Consumer Expenditure Survey.

If a household is not burdened by housing costs, they have more money to spend on food—including patronizing local restaurants. The negative impact of cutbacks in household spending on local revenues has become acutely apparent with the COVID-19 public health crisis.

A 2013 study by Shift Research Lab concluded that in Adams County alone, cost burdened households spend \$170 million fewer dollars on household goods. This translates to nearly \$6 million in foregone municipal sales tax revenues for Adams County. ²

² https://assets.website-files.com/5c40c8bb42d68e9dae7f3465/5c756fef1d93ff84bf074c0_Housing%20Case%20Study_Shift_0.pdf

AURORA'S APPROACH TO HOUSING

This section discusses how the City of Aurora is currently addressing housing solutions through city department programs and initiatives, as well as partnerships with nonprofit housing providers.

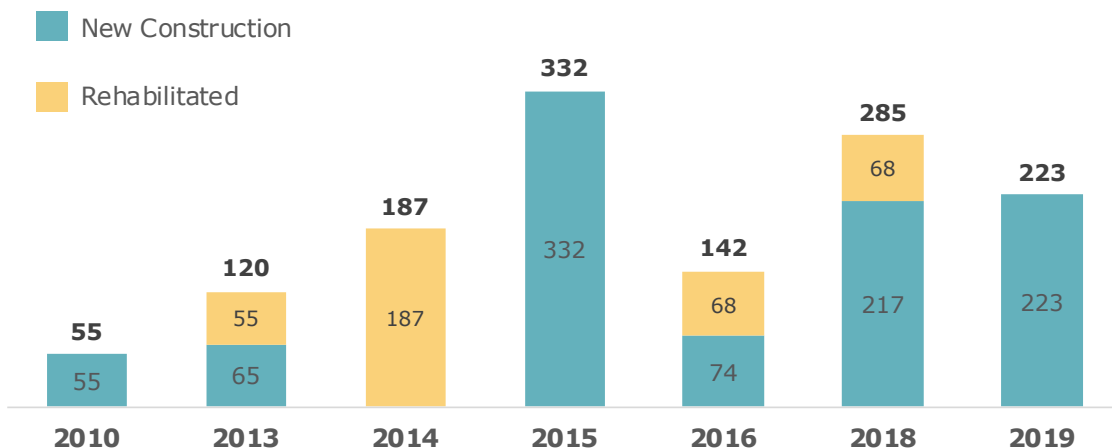
Current programs, initiatives, and partnerships

Community Development Department. Community Development addresses Aurora's needs, goals and strategies regarding housing and community development. The city's Community Development Division is funded by various housing grants from the U.S. Department of Housing and Urban Development (HUD) to carry out its mission to create safe, decent and affordable housing and other community-based programs.

The priorities developed in the city's five-year consolidated plan target a wide range of issues, from basic needs such as the availability of affordable housing for families and individuals, to overall community quality of life issues such as the reduction or elimination of blighting influences in Original Aurora, which is the city's historical business and residential district. In addition, this plan identifies economic opportunities within the community, the provision of support services for all residents, and the prevention of homelessness.

The City of Aurora is an important partner in facilitating the development of affordable products. Funding has increased in recent years leading to historically high unit production. On average, 134 units are funded for new construction or rehabilitation annually as shown in figure 19.

Figure 19.
City Subsidized Units by Year Funded



Source: City of Aurora Community Development Department.

Additional existing city programs to meet housing needs include:

- **Homeownership Counseling:** Homeownership Assistance Program (HOAP) provides housing counseling for pre-purchase, foreclosure prevention, reverse mortgage counseling, credit counseling for homeowners.
- **Down Payment Assistance:** HOAP provides down payment and closing cost assistance loans for the purchase of single-family housing. Up to \$15,000 for first-time homebuyers.
- **Rental Counseling:** HOAP also provides rental counseling, rental referrals, and renter's rights and credit counseling for renters.
- **Deposit and rent assistance** for move-in costs as well as tenant based rental assistance which may extend rental assistance for several months
- **Emergency Rental Assistance:** One-time housing assistance for security deposit and/or first month's rent that is targeted, but not exclusive to, families with children under the age of 18, disabled individuals, or seniors living in hotels/motels/shelters/unsheltered move to more stable housing.
- **The Minor Home Repair Grant Program:** Provides financial and technical assistance to low- and moderate-income Aurora Colorado homeowners needing essential home repairs. The repairs will be geared to correct immediate threats to the health and safety of the client, to stabilize the condition of the property, and reduce the need for more substantial rehabilitation.
- **Handicap Accessibility Grant Program:** Assists owner-occupied, income-eligible households for handicap accessibility modifications, such as installation of wheelchair ramps, chair lifts, widening of doorways (exterior and interior), kitchen repairs, bathroom repairs and any other handicap accessibility needs.
- **Single Family Rehabilitation Program:** Aims to maintain existing affordable housing stock in the community for low- and moderate-income homeowners by offering a 0 percent interest, deferred repayment loan.
- **Gap Financing for New Affordable Housing Developments and Multi-family rehabilitation-** both construction costs and soft costs are considered utilizing HUD HOME and CDBG programs as well as Marijuana and General Funds.
- **Code Enforcement:** Community maintenance-directed code enforcement aimed at being a proactive link between the city and citizens to foster self-reliance and promote a positive physical image in Aurora's low- to moderate income neighborhoods.
- **Private Activity Bonds:** used as match for state housing credits. Aurora's allocation has been dedicated to a variety of multi-family housing projects over the past ten years.

- **City-owned land:** Used to incentivize development by reducing the overall costs for the development. This has been done in a few instances and further inventory of city-owned land is needed.
- **Land Trust Pilot Project:** In partnership with Elevations Land Trust, two homes have been purchased, renovated, and sold to new homeowners.
- **Covid 19 Rental Assistance:** Emergency assistance program using CARES Act funds which assists those that have lost income due to COVID.

These programs have been effective in addressing past needs. However, given the changing landscape of housing demand and decline in affordability, additional efforts are needed. In addition, the impacts of COVID 19 on housing in Aurora are yet to be fully understood; however, the priority of housing options is already apparent. The city is well-positioned to expand solutions and facilitate partnerships with private sector and foundations: Housing affordability is a recognized priority of both and the willingness to assist with solutions is best when collaboration exists.

Aurora Housing Authority. The Housing Authority of the City of Aurora, Colorado (AHA) was established by action of the Aurora City Council in February of 1975. AHA is committed to providing safe, decent, affordable rental housing to our community and proudly serves many different groups. With an operating budget of \$50 million, the Authority owns and manages 800 units of rental housing, administers approximately 2,000 housing choice vouchers, and assists 10,000 individuals with affordable rental housing annually.

Aurora@Home (A@H) is Aurora's collaborative plan to address homelessness. The A@H program is focused on families with dependent children who are homeless or who are at-risk of becoming homeless. A@H is designed to place homeless families into affordable housing in an expedited manner. This then gives the family a level of initial stability. Once the family is in an affordable unit, the parent and case worker for the project will develop a case plan of wrap around services which will help ensure long term stability. Partners include the City of Aurora, Arapahoe and Adams Counties, Aurora Mental Health, Aurora Housing Authority, Aurora Public Schools, and others.

Urban Renewal. Aurora creates urban renewal areas in the city to eliminate blight and plan to prevent its reoccurrence in identified locations throughout the city. Urban renewal plans are created for each area describing how blight conditions will be alleviated and creating a neighborhood vision to guide future development. An urban renewal project is a public/private partnership intended to stimulate a development project that would not otherwise happen without public support. The private sector funds the majority of the investments required to redevelop urban renewal areas. Funding for public investment comes from tax increment financing (TIF) revenue, which is the increased amount of property tax or municipal sales tax revenue collected within the Urban Renewal Area resulting from redevelopment projects. This public financing is used to address particular needs associated with redevelopment such as infrastructure improvements, public spaces and parking.

Planning Department. The city's Planning Department plays two significant roles in addressing housing issues. First, the development review division enforces the city's zoning and development regulations, found in the Unified Development Ordinance (UDO), and guides the development process. That staff works with homeowners, developers, property owners, homebuilders on development, redevelopment, and major improvements to homes and businesses. Also, the city's long-range planning division develops area and neighborhood plans that address neighborhood protection and improvement, commercial development, infrastructure and transportation improvements, and public facilities. Through this work, the Planning Department can advocate for implementation of the city's housing policies and identify potential housing projects and partners and encourage public improvement investments to improve neighborhoods.

Previous studies addressing housing affordability

Aurora Places Comprehensive Plan. The city's Aurora Places Comprehensive Plan is built around seven guiding community principles, one of which is "Housing for All". This principle is described as "high-quality housing options enable people across all socioeconomic levels, cultural practices, and stages of life to establish and manage households." Goals include:

- Increase high-quality housing options of all types and at all price levels throughout the city through ongoing collaboration with the development community.
- Work with partners to better understand specific needs of affordable housing and to develop new, creative housing options.
- Locate affordable housing and senior housing throughout the city at locations with a variety of transportation choices.
- Address barriers to the development of diverse housing choices across the city.
- Decrease barriers to homeownership.

Developing housing strategies, including those addressing housing affordability, are specifically called out in Chapter 7 Action Strategies as an important activity toward implementing the goals of the comprehensive plan and addressing critical housing goals.

Aurora Consolidated Plan 2020–2024. The Consolidated Plan is a strategic plan required by the U. S. Department of Housing and Urban Development (HUD) for the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), and Emergency Solutions Grant (ESG) programs. This plan supports the proposed use of funds provided by those grant programs. The City of Aurora's Consolidated Plan was updated last year for the 2020-2024 timeframe. It identifies programmatic uses for the approximately \$2.85 million in CDBG funds, \$1.1 million in HOME funds, and \$250,000 in ESG funds received each year. The city provides two major in-house housing programs – rehabilitation and homeownership assistance – and provides support to affordable housing developers and service agencies that operate in Aurora.

2018 Housing Market Analysis Report. A housing market analysis was completed by the city, in coordination with BBC Research & Consulting (now Root Policy), in 2018. The study includes a detailed demographic profile of the community, including household characteristics and economic health. The study also provides a profile of housing needs, supply, and trends in rental and homeownership sectors. Recommendations presented by the study address a number of topics, including working to address the shortage of lower-cost rental units, address the loss of affordable rental units to rising rental rates and investors, and addressing demand for a variety of starter and family homes in Aurora. Finally, the study identifies best practices used by regional peer communities, including the City of Westminster, who in many ways is a local model for strategy, innovation, and success in addressing their housing needs.

2019/20 Regional Analysis of Impediments to Fair Housing Choice (AFH)

The overall goal of the Regional AFH approach is to help communities analyze challenges to fair housing choice and establish goals and priorities to address fair housing barriers. A secondary goal is to help communities move toward an economic opportunity philosophy when making planning and housing policy decisions. An “economic opportunity” philosophy recognizes that where housing is located has a lasting effect on the economic outcomes of residents—and, consequently, the economic health of neighborhoods and entire communities.

Primary findings from the study specific to Aurora include:

- Residents of Hispanic descent, especially those living below the poverty level, have very low access to high economic opportunity environments. This is also true of Native American residents and, lesser so, for African American residents.
- African Americans in Aurora are equally as unlikely to live in high opportunity environments in Aurora as they are in the region. This is not true of other races and ethnicities, which have better access regionwide than in Aurora.
- K-12 school quality, as measured through proficiency on standardized tests, is low in Aurora relative to the region, for all residents and residents living below poverty. Aurora residents also have lower levels of labor market engagement, indicating that access to job training and skill development may be beneficial for many.
- Aurora residents have equivalent or higher access to transit and low-cost transportation than residents region wide. Yet Aurora residents live farther away from employment centers, suggesting that expansion of employment centers within Aurora would improve job proximity and create even better access to transit and lower transportation costs.

Three goals emerged from the AFH as themes to further fair housing.

- Add affordable housing to the market. Prioritize housing that accommodates families with larger units.
- Continue to fund rehabilitation and accessibility improvements for low income homeowners to preserve existing affordable housing.

- Create a program to "buy down" the cost of market-rate units created by the private market and which are not affordable to persons at or below 60 percent AMI.

Housing study and strategy (2019–20)

The goal of the study was to identify Aurora’s housing needs and recommend a range of policy tools and practices that address the current and future challenges of housing affordability in the community. The strategy is focused in large part on affordable housing, however it is also intended to address housing needs across the income spectrum.

The strategy includes policies and strategies that target three major segments of housing needs:

- Individuals experiencing homelessness
- Affordable housing for low-income households
- Mixed-income neighborhoods and executive rental and ownership housing

Recommendations are included to address barriers to housing for those in the very low-income category of 0-30 percent of AMI up to and including middle and higher incomes of 120 percent of AMI or more, including rental and ownership housing, and housing for first-time homebuyers, seniors, special need populations, and individuals experiencing homelessness or housing insecurity.

Public outreach. Throughout Summer 2019, public outreach efforts were conducted as part of this study, which included a series of 11 focus groups to review and provide feedback on the draft housing toolkit. Topics discussed at the focus group meetings included better utilization of land, preservation of existing housing, funding mechanisms, regulatory tools and incentives, and partnerships, among others.

Stakeholders invited to participate included: affordable and market-rate housing developers and builders, housing advocates and service providers, real estate, financial and lending industry representatives, public partners and local institutions, residents, and six city boards and commissions. A comprehensive list of stakeholders that provided feedback are located in Appendix A.

Participants provided a variety of input that formed the basis for many of the recommendations in the plan. Additional funding sources, community partnerships, code and process improvements, policy and goal setting, and adding supply through new development, rehabilitation, or protection of existing affordable housing were major topics suggested by the stakeholders.

Additionally, Root Policy Research was also a consultant on the regional Assessment of Fair Housing (AFH), which included the City of Aurora and the Aurora Housing Authority and has incorporated the extensive public input from the AFH into the Aurora Housing Study.

The following policy and strategy recommendations are intended to provide vision, guidance, and prioritization in addressing Aurora's housing issues. The recommendations are based on the stakeholder focus groups, input gathered during the regional Assessment of Fair Housing (AFH), the Aurora Places Comprehensive Plan and Consolidated Plan 2020-24, as well as City Council feedback and direction, and have been organized into four major categories:

- Increasing resources,
- Setting housing goals,
- Preserving and increasing supply, and
- Implementing process improvements and incentives.

DRAFT

POLICY RECOMMENDATIONS

(A) Foster a balanced and sustainable housing portfolio in Aurora.

(A.1) Establish and pursue citywide housing development goals.

Policy description: In order to address Aurora’s housing affordability challenges, the city has set the following goals or targets for the production of new housing, protection of existing housing, or expansion of housing choices to meet the needs of current and future residents. Setting aspirational goals may help focus efforts and resources toward specific community needs and catalyze action by all parties involved in providing or protecting housing.

Five-year goals:

Goal 1. New deeply affordable rental units:

Base goal = 1,125 new units renting at less than \$625 per month, reducing the current gap by 15 percent.

With increased federal and state funds = 1,500 new units, reducing the gap by 20 percent³

Goal 2. Maintenance of deeply affordable rental units: Ensure that none of the 788 affordable rental units with contracts set to expire between 2020-2025 are lost from the affordable housing inventory

Goal 3. Maintenance of moderately affordable rental units: Support development of 500 Low Income Housing Tax Credit (LIHTC) units and/or preservation of NOAH to mitigate the continued loss of units affordable to very low income renters needing rents of between \$625 and \$875 per month

Goal 4. New subsidies for rental assistance through a comprehensive program which addresses eviction prevention, rapid re-housing and Tenant Based Rental Assistance (TBRA): Provide 25 extremely low households with TBRA each year and 300 through emergency rental assistance. *(note these numbers may vary during 2020 due to the impacts of COVID-19 and available funding)

Goal 5. New missing middle ownership units:

Base goal: 15% of all new ownership units are affordable to households earning 80 percent of the Area Median Income (household income of \$75,000 to \$80,000 per year and less)

With discounted land/donated land/additional funding = 20%

³ Significant changes in development due to economic cycles may require modifications to this goal as TBRA (Goal 4)

Goal 6. Low- and moderate-income owners' homes improved:

Base goal = 75 units per year;

With increased federal and state funds = 125 units per year

Goal 7. Reduction in persons experiencing homelessness*:

Base goal = 100 persons experiencing homelessness transition into permanent supportive housing

With increased federal and state funds = 400 persons experiencing homelessness transition into permanent supportive housing

Meeting these targets will require implementation of some or many of the recommendations contained in this report. In some cases, housing production or protection may be supported by direct Federal, state, or local support, while in other cases, partnerships with private developers, public agencies, and non-profit partners may yield the needed housing. The desired outcome is a housing stock that meets the diverse needs of both current and future Aurora residents.

Performance measures: Progress toward meeting stated goals (annual and long-term progress)

Due to COVID 19 special focus on tracking the following on a monthly basis will be important

- Home foreclosure and eviction rates
- Demand for housing assistance
- Rent prices and rental vacancy rates

(A.2) Fill the deficit of middle market for-sale multifamily stock (townhomes/condos) .

Policy description: For-sale multifamily or attached units, including condominiums and townhomes, create an entry opportunity for home ownership for middle income households. Development of this type of unit has slowed in recent years around the region, leaving an unmet need and opportunity for prospective homeowners.

Supporting data: Between 2018 and 2019, 35 percent of homes for sale in Aurora were priced at less than \$300,000, down from 52 percent between 2016 and 2017. More than 75 percent of the city's current renters need homes priced at less than \$300,000 to attain ownership.

Performance measures: Increased diversity of products that support missing middle ownership and mix of incomes within new ownership products.

(A.3) Fill the deficits for rental housing.

Policy description: Support the development of rental housing to meet household needs, sizes, and features throughout Aurora and across the housing continuum. A healthy local housing

market is one that enables current and future households to find appropriate and desirable housing options. Aurora's current rental stock has shortages on both ends of the income spectrum.

Supporting data: As shown above in Figure 8, Aurora has shortages in rental units on both sides of the income spectrum:

- 1) The city has 7,500 too few deeply subsidized units for renters earning less than \$25,000/year.
- 2) The city has 5,700 too few luxury rentals for renters earning more than \$100,000 per year.

Performance measures: Positive change to unit deficits by investing in programs that produce deep rental subsidies and encouraging the private sector to develop mixed-income units, including luxury rentals.

(A.4) Support the development of executive ownership housing and high-end rental housing.

Policy description: Housing for households earning in the middle- and upper-income levels is part of an overall balanced housing portfolio. Executive or high-end housing options diversify the housing options in Aurora, diversify the retail consumer base, and can be an important attraction for employer recruitment and business growth. This type of housing is desirable as part of mixed-income housing projects or neighborhoods. This housing should be served with high-quality services, amenities, mobility options, and proximity to employment centers.

Performance measures: Addition of homeownership and renter housing options for households earning 120% AMI or greater.

(B) Preserve the long-term affordability of existing housing stock.

(B.1) Continue to fund rehabilitation and accessibility improvements for low income homeowners to preserve existing affordable housing.

Policy description: Align home repair programs with the needs of aging housing stock. Ensure that essential systems are functional within homes for health and safety as well as exterior and landscaping. Leveraging volunteers and community programs can help achieve an improved neighborhood appearance.

Maintaining the existing housing stock is a key element of keeping neighborhoods stable and affordable. Many residents are living on fixed incomes and home repairs are often neglected in order to pay for essential basic needs, these residents do not have options to move to another dwelling as it becomes cost prohibited.

Supporting data: Aurora's efforts to assist low income homeowners make needed repairs has resulted in between 70 and 100 of households receiving needed repairs.

Performance measures: Assist 100 low income households per year through home repair programs with the objective to help preserve existing housing stock

(B.2) Support the protection of naturally occurring affordable housing (NOAH) .

Policy description: Aurora has a substantial current supply of Naturally Occurring Affordable Housing. NOAH is generally interpreted as any rental housing that is affordable to low-and moderate-income households without direct public subsidies. NOAH properties are commonly defined by their physical characteristics. NOAH properties tend to be older and have fewer amenities which can be less desirable to renters with higher ability to pay and provide opportunities for those with lower incomes.

The supply of NOAH properties is rapidly decreasing in many metropolitan areas. There are several major reasons for this: increased competition for affordable rental housing; low-cost capital enabling investors to purchase NOAH properties; and owners upgrading existing properties to take advantage of opportunities for higher rents in a hot housing market.

The city and its partners could implement best practices and innovative approaches to protecting this valuable housing resource. Tax incentives, flexible financing to purchase or rehab small multifamily buildings, energy-saving and maintenance improvements to reduce operating or tenant costs, and interim or long-term refinancing support are a few potential tools to address this goal.

Supporting data: A comparison of the mismatch between supply and demand for affordable rental units between 2010 and 2017 found that rental units affordable to households earning less than \$25,000 per year dropped by 7,000.

Performance measures: Change in number/proportion of unsubsidized units in Aurora that meet affordability thresholds. Percentage of units that pass inspection each year with code enforcement (this would only apply to hotels and multi-family).

(B.3) Recognize the value of manufactured homes, mobile home parks and innovative small detached dwelling types as an important element of the city's overall affordable housing stock.

Policy description: Manufactured or mobile home parks represent one source of naturally-occurring affordable housing for homeowners. Many residents in manufactured housing communities own their homes but rent the land from owners who see the property as an investment. These can be mom-and-pop enterprises or larger corporations that own multiple communities.

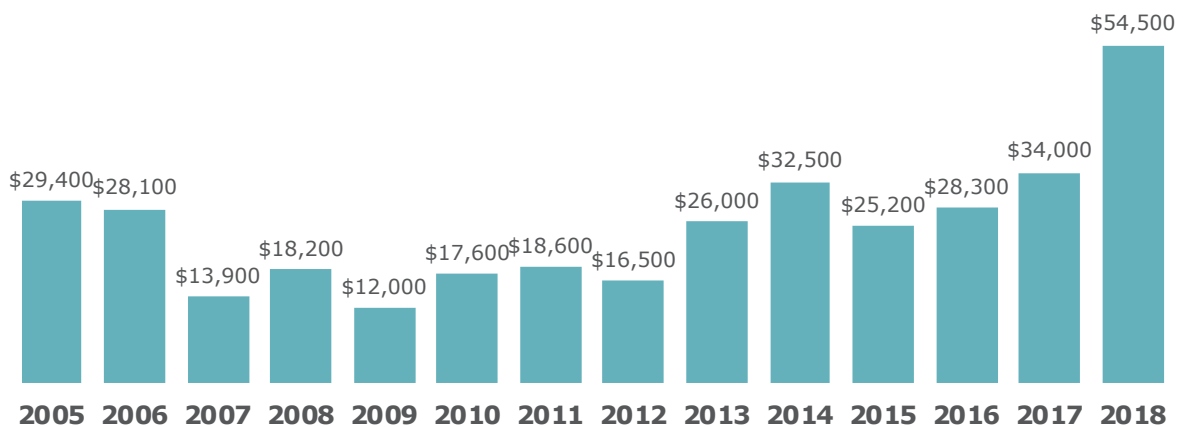
In either case, when land values increase or when infrastructure maintenance becomes too costly, investors may choose to close the community and sell the property for another use.

Because manufactured homes are hard to move and alternative sites are limited, residents can be forced to abandon their houses when a community closes. The loss of scarce locations for manufactured and mobile homes depletes this housing resource.

Supporting data: The number of mobile homes in Aurora has fluctuated over the last decade but has declined overall from 2,400 units in 2005 to 1,700 units in 2016. Fewer mobile home units combined with an increasing number of overall housing units in Aurora has reduced the share of mobile homes. Only 1.3 percent of the total housing stock in Aurora are mobile home units. By tenure, mobile homes make up 1.6 percent of owner-occupied units in Aurora and .8 percent of renter-occupied units.

Mobile homes remain a very affordable option for ownership when the lot lease is reasonably priced. As shown in the figure 20 below, after increasing during the last economic recovery, mobile values have averaged around \$30,000/unit—until 2018 when their values increased in tandem with housing costs overall.

Figure 20.
Median Value of Mobile Homes



Source: 1-year ACS.

Performance measures: Change in number/proportion of units within manufactured, mobile home parks units or small detached dwellings in Aurora; average purchase/rental costs of manufactured, mobile home units or small detached dwellings

(C) Expand the inventory of housing options throughout Aurora.

(C.1) Support the development of mixed-income housing projects and neighborhoods to offer a variety of housing options to households.

Policy description: New or rehabilitated affordable housing projects should serve a diversity of household types, sizes, and incomes. Projects that offer long-term affordable units that meet multiple affordability thresholds are desirable and new neighborhoods are encouraged to incorporate both affordable units and market-rate housing options. Units should meet the needs

of qualifying households, including families, in terms of number of bedrooms, facilities, amenities, and accessibility, among other factors.

Like all housing in Aurora, affordable housing projects should offer safe and convenient access to jobs, transportation, shopping, services, and public amenities, and may be located to meet affordability needs that exist throughout Aurora's neighborhoods.

Performance measures: 25 percent of affordable housing units that are created or preserved should have two or more bedrooms, child-friendly amenities, and a marketing plan to provide opportunities for families with children.

Affordable projects should have at least two different unit income thresholds within the project. (For example, units reserved for 30% of AMI and 60% of AMI or 30% of AMI and 80% of AMI)

(C.2) Expand the diversity of housing types and layouts throughout the city, including "missing middle" types of housing options.

Policy description: Cities have traditionally offered households a variety of housing types beyond the single-family detached homes and mid-rise apartment complexes ("three-story walkups") that are pervasive in many suburban communities. Duplexes, fourplexes, small or low-rise apartment buildings, bungalow or cottage clusters, townhouses, accessory dwelling units and live/work buildings not only offer diversity in living arrangements, they can offer diversity of housing prices for both renters and homeowners.

Aurora's new Unified Development Code (UDO) allows for more of these types of housing types and layouts in residential and mixed-use districts. Case studies of some types of "missing middle" housing, such as accessory dwelling units and cottage cluster developments, can be found in the appendix of this report.

Performance measures: Change in number/proportion of units that fall within "missing middle" type/layouts and price points

(D) Strengthen the city's capacity for addressing local housing issues.

(D.1) Monitor and align funding and programs to support housing goals.

Policy description: Housing resources should be evaluated on an ongoing basis in order to align with City Council strategic goals and other adopted policy goals, including those in this report. The city can enhance its efforts and resources by addressing housing as an organization-wide priority with departments aligned to support common goals. Periodic assessment of programs may make the city more responsive to changing local needs.

The city will leverage staff resources and funding in order to have more alignment leading to increased outcomes and ensure that funds are used in the most strategic way, for example

making sure that more restrictive funds and more flexible funds are aligned for use to meet housing goals in the best way possible.

Performance measures: Leverage rate of private/non-city housing investments to city housing investments

(D.2) Establish or expand local funding sources dedicated to affordable housing.

Policy description: Traditional funding sources, such as Federal tax credits or state programs, have become increasingly competitive or limited. Aurora's annual Community Development Block Grant (CDBG) and HOME allocations, traditional sources for housing and community services funding, are important tools however local needs will continue to outpace availability of these funds.

Supplementing these sources with local funding offers opportunities to do more toward meeting Aurora's housing goals. Local funds may not come with the program restrictions, competition, extensive reporting requirements, or other program restrictions of traditional Federal or state funding sources. These funds could be very effectively and strategically targeted toward locally identified priorities.

Performance measures: Total amount of local funding dedicated to housing goals; proportion of total dedicated housing funds coming from local sources vs external sources (State, Federal, etc.)

(D.3) Expand partnerships with local or regional housing and community development organizations.

Policy description: The city will continue to explore and expand its relationships with public-, private-, and non-profit sector partners who can support shared housing and community development goals. Increasingly, addressing housing issues requires a diverse partnership in order to identify and provide the services needed by a community. City relationships can leverage funds, create innovative solutions, bring new or expanded technical capacity or assistance and advocacy to Aurora. Partners may range from market-rate and affordable developers, housing advocates, service providers, local, State or Federal agencies, foundations or philanthropic organizations, and others.

Performance measures: Increased presence of private- and non-profit funders working in the affordable housing realm in Aurora over 5 years.

(D.4) Improve internal processes to support housing goals.

Policy description: The city will regularly review its processes to identify additional improvements that support its housing goals and be more effective in working with community stakeholders. Improvements could address internal and external communication, inspections, permitting and fees, data sharing, and other processes.

Performance measures: Dependent on processes addressed.

(E) Strengthen the local economy and expand employment opportunities in Aurora.

(E.1) Continue to support workforce development.

Policy description: The city will continue to support workforce development activities that align with industry needs and equip job seekers with the skills, training, and certifications needed to be successful. The city can support these efforts through partnerships with Arapahoe Douglas Works!, local school districts and colleges, and local and regional employers.

Supporting data: The Analysis of Impediments to Fair Housing Choice found that Aurora residents live farther away from employment centers than residents in Denver and the Boulder Valley, suggesting that expansion of employment centers within Aurora would improve job proximity and create even better access to transit and lower transportation costs.

(E.2) Continue to support expansion and diversification of local job market.

Policy description: Gainful and reliable employment is a foundational element in households' ability to find suitable housing. The city will continue to work to expand and diversify employment opportunities in Aurora through partnerships with the Small Business Development Center (SBDC), Aurora Economic Development Council (AEDC), Aurora Chamber of Commerce, and local and regional employers.

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(F) Support protections for homeowners and renters.

(F.1) Address disproportionate housing needs.

Policy description: The city will address disproportionate housing needs by investing in housing solutions that benefit the special populations with the greatest needs and further equity in access to housing and economic opportunity among Aurora residents. The City will require that developers receiving assistance (federal pass through and local dollars) affirmatively market availability of units to eligible Aurora residents with the greatest housing needs.

Performance measures: Tracking of beneficiaries of city programs and monitoring of affirmative marketing by development partners.

(F.2) Monitor Federal and State legislation related to housing, fair housing, community development, and related topics.

Policy description: Continue to monitor Federal and State legislation related to housing issues and advocate positions that support the city's goals and policies.

Performance measures: Continued tracking of legislation; communication of relevant legislation with city housing and planning staff; communication with peer communities in the metro area with similar goals and needs to coordinate efforts

STRATEGY RECOMMENDATIONS

Create a housing trust fund.

Description: Housing trust funds are distinct funds established by city, county, or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing. Housing trust funds shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue. A stable, predictable funding source enables long-term planning and progress on affordable housing.

Funding may be provided from a variety of sources, including, but not limited to: General Funds, Tax Increment Financing (TIF), impact fees, hotel occupancy taxes, general obligation (GO) bond revenues, or other sources. The fund could support many types of housing activities, including gap financing, land acquisition/banking, and other real estate or financial support.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s): “All population targets”—local funding allows decision-makers to support a variety of housing projects and activities	
Intervention Type: <input type="radio"/> Set housing goals <input type="radio"/> Preserve or increase housing stock <input type="radio"/> Improve processes <input checked="" type="radio"/> Increase resources	Policies Supported: D.1, D.2

Current implementation: The city does not currently have a single and consolidated local housing trust fund dedicated to supporting affordable housing development. The City of Aurora allocates funding on an annual basis to support the creation or preservation of affordable housing using State and Federal CDBG/HOME/ESG funds, marijuana revenue, and more recently, allocation of Tax Increment Financing (TIF) funds. While these have played a critical role in advancing affordable housing within the city, they can be unpredictable sources of revenue, making long-term progress challenging.

Recommended implementation: The City Manager will bring forward a proposal to create a Housing Trust Fund as part of the 2021 budget. The proposal will include potential funding sources and amounts. Criteria for prioritizing and evaluating potential uses for these funds will be developed as part of this implementation and will guide the strategic and efficient use of these funds.

Waive or reduce development fees up to an annual amount.

Description: Expanding local funding sources is one way to support the development of new units, rehabilitate existing properties, and target the types of projects the community desires. Development fee waivers, reductions, or reimbursements from other sources, can work hand-in-hand with other funding sources, like a locally-funded Housing Trust Fund, to increase the city’s capacity to financially support affordable housing projects that meet the community’s priorities and expectations. Reduction of fees may be in the form of waived fees or reimbursements to other funds. By setting an annual cap, the city can ensure impacts to the budget are predictable and manageable.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s): “All population targets”— fee waivers or reductions could be used to support development of a variety of types and prices of housing	
Intervention Type: <input type="radio"/> Set housing goals <input type="radio"/> Preserve or increase housing stock <input type="radio"/> Improve processes <input checked="" type="radio"/> Increase resources	Policies Supported: D.1, D.2

Current implementation:

Recommended implementation: Staff will develop recommended criteria to evaluate projects for this type of incentive and the City Manager will bring forward a proposal as part of the 2021 budget.

Provide infrastructure improvements to manufactured home parks to maintain affordable rents, or support resident acquisition of mobile home parks.

Description: Currently Aurora has 12 existing manufactured home parks consisting of approximately 2,500 housing units. These provide some of the most affordable housing within the city and are a form of naturally occurring affordable housing (NOAH). At the same time these parks were developed decades ago, may include substandard facilities and significant deferred maintenance.

A land lease homeownership option can be applied to mobile home parks as well as other types of micro housing providing an ownership opportunity for those that prefer not to live in an attached unit. High quality common space should be preserved or established as part of these developments.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s):	
Intervention Type: <input type="radio"/> Set housing goals <input checked="" type="radio"/> Preserve or increase housing stock <input type="radio"/> Improve processes <input checked="" type="radio"/> Increase resources	Policies Supported: B.2, B.3

Current implementation: Refer to findings of Mobile Home Task Force.

Recommended implementation: Assistance with infrastructure improvements can convince existing owners to maintain and improve parks while preserving affordability, or can assist in permanent preservation through acquisition by residents or non-profit groups. City staff will develop recommendations for potential infrastructure improvement assistance and present for City Council consideration.

Identify and set aside publicly owned land for mixed-income housing.

Description: Property acquisition costs, especially in developed areas of the city, is a major component of the cost of developing affordable housing. The city and other public agencies own numerous properties in Aurora which could potentially reduce costs and facilitate development of affordable housing. While much of this property is either already utilized for public facilities or is inappropriate for residential development, there may be opportunities to leverage additional affordable and mixed-income housing through better utilization of publicly owned property.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s): “All population targets”—property identified could be used for development of a variety of types and prices of housing	
Intervention Type: <input type="radio"/> Set housing goals <input checked="" type="radio"/> Preserve or increase housing stock <input type="radio"/> Improve processes <input checked="" type="radio"/> Increase resources	Policies Supported: C.1, C.2, D.2, D.3

Current implementation: The city does not currently operate this type of coordinated program.

Recommended implementation: Land costs and availability represent significant hurdles in the development of new affordable housing. Opportunities may exist within Aurora to repurpose underused or surplus public property for affordable housing. Engagement with public sector owners and identification of suitable properties could yield opportunities for new affordable housing projects.

The city will inventory and assess underused or potentially surplus city property and engage with public sector and institutional partners to investigate their property holdings and future plans for that property. These partners may include Aurora Public Schools, Cherry Creek School District, Arapahoe and Adams Counties, as well as area hospitals, non-profit organizations, and mission-based community organizations.

Pilot innovative housing projects for rental and homeownership.

Description: Innovative models for housing have been finding success across the country and in the Denver region. The recently adopted Unified Development Ordinance (UDO) now defines and allows many new types of housing structures and layouts in an expanded number of zoning districts. These housing models include, but are not limited to, clustered cottages, co-housing communities, tiny houses, modular homes, green court and motor courts. Many of these housing types are considered as “missing middle” housing.

Type and targets:

Status: <input type="radio"/> Continue <input checked="" type="radio"/> Build Upon <input type="radio"/> Start	
Population Target(s): “All population targets”— innovative housing models may serve renters and homeowners at various affordability thresholds	
Intervention Type: <input type="radio"/> Set housing goals <input checked="" type="radio"/> Preserve or increase housing stock <input type="radio"/> Improve processes <input type="radio"/> Increase resources	Policies Supported: A.2, C.1, C.2

Current implementation: While there have been successful projects and programs developed by the city and its partners, there are still untapped opportunities to pioneer innovative projects and establish Aurora as a regional leader.

Recommended implementation: While now allowed by code, some of these innovative housing models are still fairly new to the region, the local development community, and Aurora. Development of a successful local pilot or model project could offer new housing options to Aurora residents as well as help support further interest from the development community in future housing projects.

City staff will research and identify potential development partners, funding sources, and locations for the development of unique or innovative model projects and provide recommendations for Council consideration.

Develop a recruitment strategy for executive ownership housing and high-end rental housing.

Description: Housing for households earning in the middle and upper income levels is part of an overall balanced housing portfolio. Executive or high-end housing options diversify the housing options in Aurora, diversify the retail consumer base, and can be an important attraction for employer recruitment and business growth. Aurora faces competition for these types of housing by surrounding jurisdictions and challenges with market perception.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s): Households earning 120% AMI or greater.	
Intervention Type: <input type="radio"/> Set housing goals <input checked="" type="radio"/> Preserve or increase housing stock <input type="radio"/> Improve processes <input type="radio"/> Increase resources	Policies Supported: A.3, A.4, C.1, C.2

Current implementation: In response to private development proposals, the city has approved a variety of housing, including ownership and rental units targeted at middle or higher-income households.

Recommended implementation: Develop a recruitment strategy for executive ownership housing and high-end rental housing. Consider branding and marketing efforts that respond to key information needs of prospective developers and homebuilders, including available sites with proximity to job centers, transportation access, high-quality amenities and services, and proximity to active and desirable places. Proactively target and coordinate communication with prospective developers and homebuilders that work in the target markets. Support mixed-income projects or neighborhoods that integrate executive ownership housing and high-end rental housing as part of a range of housing options and prices.

Partner in the development of an affordable housing unit/renter matching software program.

Description: Affirmative marketing and prospective tenant screening are critical elements to connecting qualifying households with appropriate housing, however these activities are complex and costly to households as well as to developers, landlords, or service providers

without experience with these processes. A single resource could help reduce this time and cost burdens on housing providers and serve as a convenient resource for those seeking housing.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s): Households eligible for affordable housing support under local, state, or Federal programs	
Intervention Type: <input type="radio"/> Set housing goals <input type="radio"/> Preserve or increase housing stock <input checked="" type="radio"/> Improve processes <input type="radio"/> Increase resources	Policies Supported: D.4

Current implementation: Affordable housing providers are required to screen and qualify prospective tenants based on specific funding sources and program requirements. There is currently no unified online portal for connecting prospective tenants with housing options.

Recommended implementation: The city will engage with the City and County of Denver and/or other regional partners, as well as potential funding sources, to discuss the feasibility of developing such a software program.

Partner in the development of a home share program

Description: A home sharing program would match individuals seeking housing with people who have a room or accessory dwelling unit (ADU) to rent. A home provider is matched with a home seeker who pays rent and a home provider is matched with a home seeker who exchanges household duties for reduced rent. Home share programs work because they are a practical solution to housing challenges, they can help many different types of demographics in the community, they are an efficient use of existing housing stock and they keep residents housed locally.

Type and targets:

Status: <input type="radio"/> Continue <input type="radio"/> Build Upon <input checked="" type="radio"/> Start	
Population Target(s): Seniors, empty nesters, college students, singles, families	
Intervention Type: <input type="radio"/> Set housing goals <input checked="" type="radio"/> Preserve or increase housing stock <input checked="" type="radio"/> Improve processes <input type="radio"/> Increase resources	Policies Supported:

Current implementation: The city does not current operate or support this type of program.

Recommended implementation: Pilot a housing share program utilizing a local partner that will facilitate the process of background checks, finances, matching and wrap around services for residents participating in the program. Leverage other programs like single family rehabilitation and existing partnerships in the community.

Streamline rental inspections for affordable housing providers and tenants

Description: Multiple rental inspections can be a nuisance to households and add cost for housing providers and regulators. A streamlined inspection process could reduce these burdens while still meeting the intent or requirements of the inspections.

Type and targets:

Status: <input type="radio"/> Continue <input checked="" type="radio"/> Build Upon <input type="radio"/> Start	
Population Target(s): Renters and rental property owners subject to inspections	
Intervention Type: <ul style="list-style-type: none"><input type="radio"/> Set housing goals<input type="radio"/> Preserve or increase housing stock<input checked="" type="radio"/> Improve processes<input type="radio"/> Increase resources	Policies Supported: D.4

Current implementation: Currently, the city and other regulators conduct periodic inspections of affordable housing units. A household and landlord can be subject to multiple inspections every year by different regulatory entities.

Recommended implementation: The city will engage with affordable housing providers and regulatory agencies to identify opportunities for streamlined inspections processes.

Implement Neighborhood and Area Planning

Description: Aurora is experiencing a new era of growth and transition. Households are changing as are their needs and preferences for housing, retail, employment, recreation, and transportation. Likewise, neighborhoods are aging and changing. Some neighborhoods are acutely experiencing this change, while conversely, some areas of the city are not experiencing this interest and investment as much as others. In either case, the city can play a role in helping these neighborhoods respond to change in ways that balance potential benefits to both existing and new neighbors and businesses, while mitigating potential impacts on existing housing options.

Type and targets:

Status: <input checked="" type="radio"/> Continue <input type="radio"/> Build Upon <input type="radio"/> Start	
Population Target(s): “All population targets”—neighborhood planning or engagement efforts could address a range of housing types and prices	
Intervention Type: <ul style="list-style-type: none"><input checked="" type="radio"/> Set housing goals<input checked="" type="radio"/> Preserve or increase housing stock<input checked="" type="radio"/> Improve processes<input type="radio"/> Increase resources	Policies Supported: A.1, D.4

Current implementation: Focused research and community engagement with specific neighborhoods or districts as part of neighborhood planning or area planning activities is one way the city has address community change. The type and extend of these efforts has varied, from the focused “Neighborhood Action Plans” to more extensive planning initiatives, such as the Westerly Creek efforts, urban renewal and station area planning, and other area-specific planning processes.

Recommended implementation: Staff will continue to engage in neighborhood and area planning to address the community’s needs and priorities, including housing.

Identify potential amendments to the Unified Development Ordinance (UDO) to encourage the production of affordable housing.

Description: The newly-adopted UDO contains a number of benefits to housing diversity and affordability. Most of the city’s zoning districts are now mixed-use, allowing more residential uses than under the previous code, and the UDO also defines and permits more diverse housing types and layouts. Additionally, affordable multifamily project are also given some relief from specific development standards in the code. There may be opportunities to further amend the UDO to provide additional incentives to support the city’s housing goals.

Type and targets:

Status: <input type="radio"/> Continue <input checked="" type="radio"/> Build Upon <input type="radio"/> Start	
Population Target(s): “All population targets”— expanded or modified zoning regulations are likely to benefit both market-rate and affordable housing for all household types	
Intervention Type: <ul style="list-style-type: none"><input type="radio"/> Set housing goals<input type="radio"/> Preserve or increase housing stock<input checked="" type="radio"/> Improve processes<input type="radio"/> Increase resources	Policies Supported: C.1, C.2, D.4

Current implementation: Based on stakeholder input during the development of the UDO, modified development standards were added for multifamily housing projects that provide long-term, dedicated affordable units. Projects that may utilize these standards are currently limited to multifamily projects that receive financial assistance for affordable housing through state or Federal housing programs. The modified standards are optional and allow extra building height, reduced parking requirements, and partial relief from specific architecture or design requirements.

Recommended implementation: While the modified development standards included in the UDO provide important incentives for affordable multi-family projects, there may be other opportunities within the UDO to encourage different types of affordable housing (i.e. duplexes, townhomes, single-family, etc.) or to leverage additional resources for affordable housing.

Staff has begun researching potential amendments to the UDO to provide incentives for affordable housing and has had initial discussions with the Home Builders Association of Metro Denver (HBA). Examples of potential amendments include modifying development standards or design requirements for more types of affordable housing, expanding the opportunity for Accessory Dwelling Units (ADU's), and allowing additional density for other housing types, such as cottage or co-housing developments. Staff will bring forward recommendations for City Council consideration in late 2020 or 2021.

Implement changes to staffing or organization structure to support housing initiatives.

Description: Align staffing and funding resources to efficiently implement the housing strategy while serving the community in the best possible way. Housing needs and priorities change over time and the city should be responsive with regular review of programs and funding priorities to react to changing conditions in the community.

Type and targets:

Status: <input type="radio"/> Continue <input checked="" type="radio"/> Build Upon <input type="radio"/> Start	
Population Target(s): "All population targets"	
Intervention Type: <ul style="list-style-type: none"><input type="radio"/> Set housing goals<input type="radio"/> Preserve or increase housing stock<input checked="" type="radio"/> Improve processes<input type="radio"/> Increase resources	Policies Supported: D.1, D.4

Current implementation: Housing is a complex issue that affects or is affected by many influences. Likewise, there are a number of city departments whose work impacts housing, from zoning and development standards, to administering state and Federal housing funds and programs, to revitalizing neighborhoods, providing infrastructure, and encouraging investment.

Recommended implementation: While good work is being done on the topic of housing by a number of city departments, there is an opportunity to better align staffing and organization to be even more strategic, organized, and effective in addressing this critical issue. Staffing and organizational decisions that are anticipated in the coming year will take into account the recommendations in this report in how those decisions are addressed.

Appendix

Appendix A Stakeholder Outreach and Engagement

Appendix B Summary of Performance Measures

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APPENDIX A:

Stakeholder Outreach and Engagement:

The following stakeholders were engaged throughout the process of creating this strategy. Feedback was collected from surveys, focus groups, and informant interviews.

Analysis of Impediments to Fair housing

- Survey: ~800 Aurora resident responses (out of nearly 6,000 regional responses)
- Focus groups at Village at Westerly Creek and Aurora Economic Opportunity Coalition (*Spanish language*)
- Local organizations participating:
 - Aurora Housing Authority
 - Aurora Mental Health
 - Aurora Public Schools
 - Community College of Aurora

2020-2025 Aurora Consolidated plan

- Public meetings conducted at GlobalFest and at Village Exchange Center engaged with more than 500 residents (*interpreters for 7 languages available*)
- Resident survey conducted in 2018 yielded nearly 800 responses
- Additional stakeholder input conducted at 4 public hearings

Housing Study

- Affordable housing developers, *including AHA, Adams County, Elevation Land Trust, Habitat for Humanity*
- Market-rate housing developers, *including JTF*
- Finance/lenders, *including Co Mortgage Lenders Association*
- Housing advocates, *including Housing Colorado, Mile High Connects, AARP Colorado*
- Immigrant/refugee advocates, *including APDC, Project Worthmore, Rocky Mountain Welcome Ctr*
- Aurora Association of Realtors
- AARP Colorado
- Aurora Public Schools
- Cherry Creek School District

- Community College of Aurora
- Medical Center of Aurora
- Anschutz Campus
- DRCOG Area Agency on Aging
- AEDC
- Aurora Chamber of Commerce
- Arapahoe County
- Planning and Zoning Commission
- Citizens Advisory Committee for Housing and Community Development
- Business Advisory Board
- Aurora Commission for Seniors
- Aurora Immigrant and Refugee Commission

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APPENDIX B

Summary of Performance Measures:

Each policy recommendation has associated one or more performance measures to track changing conditions on the topic. The following is an inventory of the measures described earlier in the document:

Policy A.1 Establish and pursue citywide housing development goals

Performance measure:

- Progress toward meeting stated goals (annual and long-term progress).

Policy A.2 Fill the deficit of middle market for-sale multifamily stock (townhomes/condos).

Performance measure:

- Increased diversity of products that support missing middle ownership and mix of incomes within new ownership products.

Policy A.3 Fill the deficits for rental housing.

Performance measure:

- Positive change to unit deficits by investing in programs that produce deep rental subsidies and encouraging the private sector to develop mixed-income units, including luxury rentals.

Policy A.4 Support the development of executive ownership housing and high-end rentals.

Performance measures:

- Addition of homeownership and renter housing options for households earning 120% AMI or greater.

Policy B.1 Continue to fund rehabilitation and accessibility improvements for low income homeowners to preserve existing affordable housing.

Performance measure:

- Progress toward goals of assisting 100 low income households per year through home repair programs with the objective to help preserve existing housing stock.

Policy B.2 Support the protection of naturally occurring affordable housing (NOAH).

Performance measures:

- Change in number/proportion of unsubsidized units in Aurora that meet affordability thresholds.
- Percentage of units that pass inspection each year with code enforcement (this would only apply to hotels and multi-family).

Policy B.3 Recognize the value of manufactured homes, mobile home parks and innovative small detached dwelling types as an important element of the city's overall affordable housing stock.

Performance measures:

- Change in number/proportion of units within manufactured, mobile home parks units or small detached dwellings in Aurora
- Average purchase/rental costs of manufactured, mobile home units or small detached dwellings

Policy C.1 Support the development of mixed-income housing projects and neighborhoods to offer a variety of housing options to households.

Performance measure:

- 25 percent of affordable housing units that are created or preserved should have two or more bedrooms, child-friendly amenities, and a marketing plan to provide opportunities for families with children.
- Affordable projects should have at least two different unit income thresholds within the project. (For example units reserved for 30% of AMI and 60% of AMI or 30% of AMI and 80% of AMI)

Policy C.2 Expand the diversity of housing types and layouts throughout the city, including “missing middle” types of housing options.

Performance measure:

- Change in number/proportion of units that fall within “missing middle” type/layouts and price points.

Policy D.1 Monitor and align funding and programs to support housing goals.

Performance measure:

- Leverage rate of private/non-city housing investments to city housing investments.

Policy D.2 Establish or expand local funding sources dedicated to affordable housing.

Performance measure:

- Total amount of local funding dedicated to housing goals; proportion of total dedicated housing funds coming from local sources vs external sources (State, Federal, etc.)

Policy D.3 Expand partnerships with local or regional housing and community development organizations.

Performance measure:

- Increased presence of private- and non-profit funders working in the affordable housing realm in Aurora over 5 years.

Policy D.4 Improve internal processes to support housing goals.

Performance measure:

- N/A

Policy E.1 Continue to support workforce development.

Performance measure:

- N/A

Policy E.2 Continue to support expansion and diversification of local job market.

Performance measure:

- N/A

Policy F.1 Address disproportionate housing needs.

Performance measure:

- Tracking of beneficiaries of city programs and monitoring of affirmative marketing by development partners.

Policy F.2 Monitor Federal and State legislation related to housing, fair housing, community development, and related topics.

Performance measures:

- Continued tracking of legislation
- Communication of relevant legislation with city housing and planning staff
- Communication with peer communities in the metro area with similar goals and needs to coordinate efforts

In response to Covid-19, the city will track the following data:

- Home foreclosure and eviction rates
- Demand for housing assistance
- Rent prices and rental vacancy rates
- Prices of home sold and days on market
- Building permit data
- Outlook on housing market from real estate and development communities

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