Housing Action Plan Workshop

April 14, 2021
1. Introductions (5 minutes)
2. Key Findings of the Needs Assessment (10 minutes)
3. Solutions Survey – What we heard (5 minutes)
4. Action Plan – outline (15 minutes)
5. Your Questions – (15 minutes)
6. Your Feedback - Breakout Rooms or Rotate Topics (60 minutes)
   - Goals
   - Programs to Grow
   - New Initiatives
6. Report back/wrap up (10 minutes)
FINAL HOUSING NEEDS ASSESSMENT

JANUARY 2021

Available at: https://bit.ly/3aqcaxH
Key Findings

Tight Housing Market

NO VACANCY

Low Vacancy → Increasing Rents

Shortage of choices increasing home prices

Construction costs are high
Key Findings

Lack of Suitable Housing Choices

Decline in Working Aged People + Employment Challenges

Strong Partnerships + Local Programs and Initiatives
Employers and Housing

“How would you rate your ability to find/attract qualified employees for your business or organization?”

“What are the primary housing difficulties encountered by your employees?”

<table>
<thead>
<tr>
<th>Housing Difficulty</th>
<th>Average Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selection/variety of homes</td>
<td>3.5</td>
</tr>
<tr>
<td>Rents are too expensive</td>
<td>3.4</td>
</tr>
<tr>
<td>Homes in poor condition/need repairs</td>
<td>3.3</td>
</tr>
<tr>
<td>Home purchase prices are too expensive</td>
<td>3.2</td>
</tr>
<tr>
<td>Limited community amenities</td>
<td>2.8</td>
</tr>
<tr>
<td>Homes not nice enough</td>
<td>2.8</td>
</tr>
<tr>
<td>Lack of family neighborhoods</td>
<td>2.5</td>
</tr>
</tbody>
</table>
Housing prices increased faster than wages.

Half of renters and a third of owners are cost-burdened (spend >30% of income on housing).
## Summary

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfilled Jobs (3% of jobs)</td>
<td>72</td>
</tr>
<tr>
<td>Functional rental market (5% vacancy rate plus lost unit replacement)</td>
<td>89</td>
</tr>
<tr>
<td>Balanced for-sale market (6-month inventory)</td>
<td>23</td>
</tr>
<tr>
<td>Pending development adjustment</td>
<td>-80</td>
</tr>
<tr>
<td><strong>Total Catch-up Housing Units</strong></td>
<td><strong>105</strong></td>
</tr>
</tbody>
</table>
# Keep-Up

<table>
<thead>
<tr>
<th>Summary</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Jobs (1% or 1.5% annually)</td>
<td>130</td>
<td>200</td>
</tr>
<tr>
<td>Retiring employees (5% of jobs)</td>
<td>210</td>
<td>210</td>
</tr>
<tr>
<td><strong>Total Keep-up Housing Units</strong></td>
<td>340</td>
<td>410</td>
</tr>
</tbody>
</table>
Housing Needs

**Catch-Up**

+105

Housing Units

**Keep-Up**

+340-410

Housing Units

Total Through 2026: 445-515
Greatest Needs

Consider a goal that lands somewhere between historic production and 100% fulfillment of these needs projections, taking funding, land, and other local resources into consideration.

Public-Private Partnerships Likely needed to overcome the high cost of construction compared to the rental and sale prices needed locally.

Homes for renters below $700/month (some market gaps up to $1,300/month)

Homes for ownership under $200,000 (some market gaps up to $300,000)
Action Plan Process

• Solutions Survey – Done
• Develop recommended actions to address needs and community priorities – In Process
• Housing Steering Committee – guides the consultant team
• Planning Commission Discussion – April 28
• Draft to City Council – May 19th
Historically, the City has not played an active role in housing. We are now considering taking a more active role, including supporting our community partners as they pursue housing.

What priority should community housing (housing for residents and local employees that costs no more than 30% of their income) be in Alamosa?

The Needs Assessment found that between 445 and 515 new homes and apartments are needed over the next five years to provide the community with housing opportunities and help employers fill jobs. Over the past ten years, about 44 new homes and apartments have been built each year in the city. At this rate about half the housing need would be satisfied over the next five years.

Should the community set a goal to increase housing production?
Write in comments – major themes

This issue affects me, my family and people I know.

Let’s make investments in rundown/abandoned homes and lift up our neighborhoods.

I’m concerned about taxes.

Mobile homes need attention.

I’m concerned about mobile homes.

Also need to focus on jobs and the economy.

City should not take a larger role in housing.

I’d like the City to do more to help developer’s get housing built.

Concerned about homelessness.

We need good housing for crisis situations: pandemic, fire.

Habitat for Humanity and Self Help Build are a great fit for our community.

City should not take a larger role in housing.

New ideas for construction, funding, land, and how we can help.

More support for people recovering from addiction.

I don’t want to have to choose between my pet and having a roof over my head.

Concerned about homelessness.

Also need to focus on jobs and the economy.

More support for people recovering from addiction.
### Survey Results - Highest Ranking Priorities

<table>
<thead>
<tr>
<th>Housing Types</th>
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<tbody>
<tr>
<td>Rentals priced at or below $700 per month</td>
</tr>
<tr>
<td>Supportive housing</td>
</tr>
<tr>
<td>Smaller, low-maintenance homes for seniors</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Existing Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Down payment assistance</td>
</tr>
<tr>
<td>Renovation and energy improvements assistance</td>
</tr>
<tr>
<td>Homeownership counseling and financial readiness classes</td>
</tr>
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<table>
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<tr>
<th>New Programs and Partnerships</th>
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<tbody>
<tr>
<td>Purchasing run down or abandoned homes, fixing them up, reselling with a price restriction</td>
</tr>
<tr>
<td>Renovating and repurposing vacant or underutilized buildings for rental housing</td>
</tr>
<tr>
<td>Support building small units such as accessory dwelling units/casitas/mother-in-law units.</td>
</tr>
<tr>
<td>Preserve the affordable housing we already have</td>
</tr>
<tr>
<td>Investments in infrastructure upgrades to facilitate redevelopment of older properties into housing that local residents can afford.</td>
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</tbody>
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<table>
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<th>Funding</th>
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<td>Federal and State loans and grants to help pay for local resident housing programs.</td>
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</table>
Toolkit Assessment

Reviewed over 30 Housing Tools with consideration for:

**Complexity**
- L
- M
- H

**Cost**
- $
- $$
- $$$

**Community Priority**

**Impact**

**Opportunity Driven**

**Action Oriented**
1. Housing units by 2026

Set goals that balance available resources and aspirations: somewhere between historic production and 100% fulfillment of these needs projections, taking funding, land, and other local resources into consideration.

2. Public-Private Partnerships

Likely needed to overcome the high cost of construction compared to the rental and sale prices needed locally.

3. Missing Middle

Address “missing middle” in type and price of housing to create synergy between housing self-sufficiency and economic vibrancy.
Considerations for Action Planning

4. Attainable Rentals
   Additional rentals for low-income households, and additional housing choice vouchers would be helpful.

5. Preservation and Existing Capacity
   Protect existing affordable housing resources, both formal and informal. Invest in the existing inventory to serve future generations. Continue renovating, weatherizing, and rehabilitating housing. Do more of what is already working well.

6. Work Towards Equity
   Promote diversity and inclusion and make strategic investments to reverse historic racial and economic disparities.
### Survey Results

#### Housing Types
- Rentals priced at or below $700 per month
- Supportive housing
- Smaller, low-maintenance homes for seniors

#### Existing Programs
- Down payment assistance
- Renovation and energy improvements assistance
- Homeownership counseling and financial readiness classes
- Self Help Housing

#### New Programs and Partnerships
- Purchasing run down or abandoned homes, fixing them up, reselling
- Renovating and repurposing vacant or underutilized buildings for rental housing
- Support building small units - accessory dwellings/casitas/mother-in-law units.
- Preserve the affordable housing we already have
- Infrastructure upgrades to facilitate housing that local residents can afford.

#### Funding
- Federal and State loans and grants to pay for local resident housing programs.

### Committee Recommendations

#### Housing Types
- Rentals priced at or below $700 per month
- Supportive housing
- Smaller, low-maintenance homes for seniors
- Missing Middle - price and type

#### Priority Actions
- Aligning Zoning Code
- Supportive Housing
- Infrastructure Investments
- Accessory Dwelling Opportunities
- Mobile Homes

#### Existing Programs to Grow
- Increase Homeownership readiness
- Increase renovation and energy improvements
- Partnerships with landlords to use housing choice vouchers
- Grow down payment assistance for first time homebuyers
- Support CRDHC and Habitat to produce more “Self help” housing

#### Tasks to Start Now
- Resource Hub
- Property Tax Exemption for Affordable Rentals
- Preserve the affordable housing we already have
Committee Recommendations…
Continued

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<tr>
<td>Federal and State loans and grants to pay for local resident housing programs.</td>
</tr>
<tr>
<td>Each priority action will be developed with a budget</td>
</tr>
<tr>
<td>Some local, foundation, and private funding will be needed to meet these goals and initiatives</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Future Actions as Capacity Grows/Opportunities Arise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchasing and renovating run down or abandoned homes</td>
</tr>
<tr>
<td>Renovating and repurposing vacant or underutilized buildings for rental housing</td>
</tr>
<tr>
<td>Build homes on suitable and available public- and institutionally-owned land.</td>
</tr>
<tr>
<td>Purchase land and hold for future housing development.</td>
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</tbody>
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<table>
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<th>Parking Lot – Not a Fit at This Time</th>
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</thead>
<tbody>
<tr>
<td>Support for landlords to make repairs and improvements to rentals</td>
</tr>
<tr>
<td>Building code enforcement and residential inspections</td>
</tr>
<tr>
<td>Purchasing homes and deed restricting them so they will be affordable to local residents permanently</td>
</tr>
<tr>
<td>Allow parking reductions for developments producing homes that local residents can afford to reduce the cost of development.</td>
</tr>
<tr>
<td>Employer help with housing</td>
</tr>
<tr>
<td>Local Funding Sources Dedicated to Community Housing</td>
</tr>
</tbody>
</table>
Consider a goal that lands somewhere between historic production and 100% fulfillment of these needs projections, taking funding, land, and other local resources into consideration.

Public-Private Partnerships Likely needed to overcome the high cost of construction compared to the rental and sale prices needed locally.

State and Federal Resources can help address Will need public/private partnerships, foundation funding, business, and/or local government support.
UNDERSTANDING THE CAPITAL GAP

Single Family Home: 1500 square feet (CRHDC)

TDC: $290K

- Soft Cost: $10K (Design, Permits, Fees)
- Infrastructure Cost: $30K
- Land Cost: $40K
- Construction Cost: $210K

$200K Purchase Price (80% AMI) - Community investment required

Who we are trying to serve

Who we are trying to serve

What it costs to build

Community investment required

$90K Capital Gap
UNDERSTANDING THE CAPITAL GAP

Single Family Home: 1600 square feet (River Trece)

Soft Cost: $11K
Design, Permits, Fees

Infrastructure Cost: $65K

Land Cost: $50K

Construction Cost: $260K

TDC: $386K

$300K Purchase Price
(120% AMI)

$86K Capital Gap

Community investment required

What it costs to build

Who we are trying to serve
Questions so far?
1. Introduction, Purpose, **Goals**, Principles
2. Simple Tasks to Start Now
3. **Priority Actions**
   i. Aligning Zoning Code
   ii. Accessory Dwelling Opportunities
   iii. Infrastructure Investments
   iv. Supportive Housing
   v. Mobile Homes
4. **Existing Programs to Grow**
5. Actions to Take as Capacity Grows
Ground Rules

• Be action-oriented: HOW do we improve housing in Alamosa, not should we...

• Recognize that the status quo is not working – changes are needed. What tools can best ensure housing happens in our community?

• Be open-minded: at today’s session – no idea is a bad idea.

• Be collaborative and work together: listen, learn and contribute.

• Disagreement is welcome, interruption is not.

• Be creative – don’t get hung up on current barriers … think about what can be done.

Overall: Stay focused on the common goal to produce more community housing to work through differences and find solutions!
Break Out Room Discussions

Choose the room you want to join

• Action Plan Goals
• Programs to Grow
• New Initiatives
Additional Comments or Questions:
Deacon Aspinwall
daspinwall@ci.alamosa.co.us
(719)-589-6631

Thank you!
**UNDERSTANDING THE CAPITAL GAP**

Multi Family: 45 units, 2 bedroom, 1000 square feet each (Iron Horse - like example)

<table>
<thead>
<tr>
<th>Incomes served</th>
<th>30% AMI</th>
<th>60% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly rent</td>
<td>$375</td>
<td>$852</td>
</tr>
<tr>
<td>Total annual rent (income)</td>
<td>$202,000</td>
<td>$460,000</td>
</tr>
<tr>
<td>Less operating costs</td>
<td>($150,000)</td>
<td>($150,000)</td>
</tr>
<tr>
<td>Net operating income (NOI)</td>
<td>$52,000</td>
<td>$310,000</td>
</tr>
<tr>
<td>Mortgage Size</td>
<td>$250,000</td>
<td>$1.2M</td>
</tr>
<tr>
<td>Capital Gap (Equity Needs)</td>
<td>$8.5M</td>
<td>$7.6M</td>
</tr>
</tbody>
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