



City of Arvada

City Council Agenda

MARCH 25, 2024
WORKSHOPS

Councilmembers:

Lauren Simpson, Mayor
Randy Moorman, Mayor Pro-Tem
Shawna Ambrose, District 2
Sharon Davis, At large
Lisa Feret, At large
Bob Fifer, District 4
John Marriott, District 3

Staff Members Usually Present:

Lorie Gillis, City Manager
Linda Haley, Deputy City Manager
Don Wick, Deputy City Manager
Rachel Morris, City Attorney
Jacqueline Rhoades, Director of Public Works
Sharon Israel, Director of Utilities
Jessica Garner, Director of Community & Econ. Dev.
Bryan Archer, Director of Finance
Gabriella Bommer, Director of Human Resources
Rachael Kuroiwa, Director of Communications & Engagement
Kristen Rush, City Clerk

Info: 720-898-7550

CITY COUNCIL CHAMBERS

6:00 PM

1. Call to Order/Roll Call of Councilmembers
2. Workshops
 - A. Bond Project Updates
 - B. Housing Strategic Plan Update
 - C. Staff Updates
3. Adjournment



REPORT TO CITY COUNCIL

AGENDA ITEM
2.A.

TO: THE HONORABLE CITY COUNCIL

DATE: March 25, 2024

SUBJECT: Bond Project Updates

Report in Brief

The Public Works engineering team will provide the City Council with an update on the bond projects for streets and utilities. There are two street projects. The first project is Ralston Road Phase 2 (Yukon Street to Garrison Street). The second project is W. 72nd Avenue (Swadley Court to Kipling Street). The W. 72nd Avenue project also includes the construction of an underpass for the Union Pacific Railroad. The utility bonds were issued in December 2022 and an update for each fund will be presented.

Prepared by:

Richard Thomas, Civil Engineer III

Reviewed by:

Approved by:

Jenny Wolfschlag, City Engineer	2/25/2024
Jacqueline Rhoades, Public Works Director	3/6/2024
Bryan Archer, Director of Finance	3/6/2024
Tammy Hedlund, Legal Specialist	3/7/2024
Kelsy Sargent, Assistant City Attorney	3/8/2024
Don Wick, Deputy City Manager	3/8/2024
Rachel Morris, City Attorney	3/11/2024
Lorie Gillis, City Manager	3/11/2024

Enclosure, exhibits & attachments required to support the report

An aerial night photograph of Arvada, Colorado. The image shows a cityscape with various buildings, streets, and parking lots illuminated by city lights. A prominent white water tower with a dark conical roof stands in the center-right. The tower has the words "Old Town Arvada" and "ARVADA" written on its side. A light rail train is visible on tracks in the lower-left quadrant, moving towards the right. The sky is a deep blue, suggesting dusk or dawn.

Bond Projects Update

March 25, 2024

Tonight's Agenda

- **Transportation Projects**
 - **Ralston Rd**
 - **72nd Ave**
- **Utilities Projects**
 - **Water**
 - **Wastewater**



Transportation Projects Agenda

- Budget
- Construction Phasing
- Schedule
- Challenges and Risks
- Community Outreach

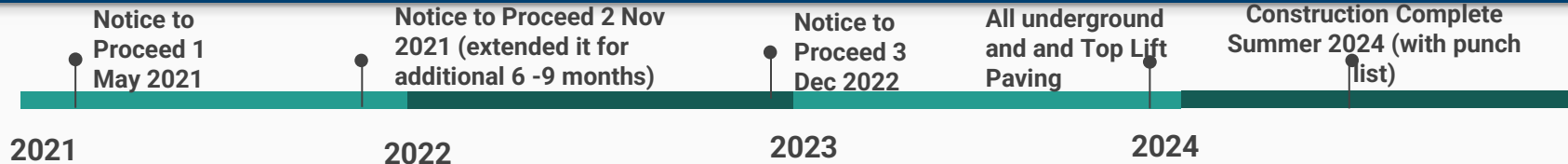


Ralston Road Ph 2 - Budget & Expenditure

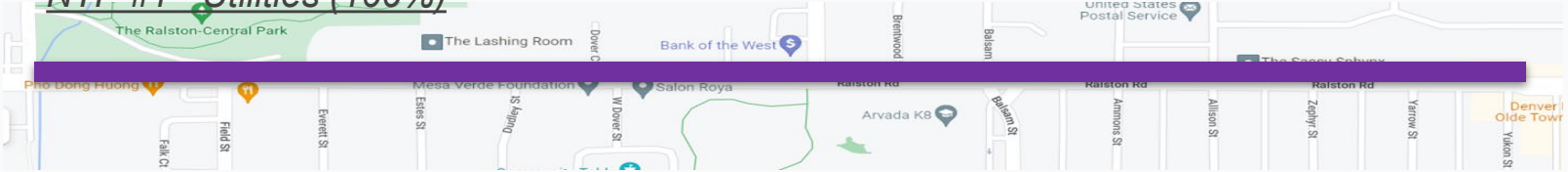
SOURCES	Initial Budget & Costs	Current Expected Budget & Costs
1. Bond Funding	\$ 15,300,000	\$15,300,000
2. Additional City and Bond Funding	\$0	\$6,464,136
3. AURA Funding (Streetscape)	\$3,500,000	\$3,500,000
TOTAL	\$18,800,000	\$ 25,264,136
USES		
A. Design	\$852,407	\$2,133,532
B. Right-of-Way	\$4,190,034	\$5,212,790
C. Construction - Hamon Infrastructure, Inc.	\$12,274,000	*\$12,706,766
D. Construction - Street Lights & Testing	\$0	\$193,769
Construction: Storm water - CO #3		\$3,577,702
Construction: Soils, Pipe and utility adjustment- CO # 4 & 5		\$1,439,577
TOTAL	\$18,800,000	\$ *25,264,136
*Change Order 6 is in process		



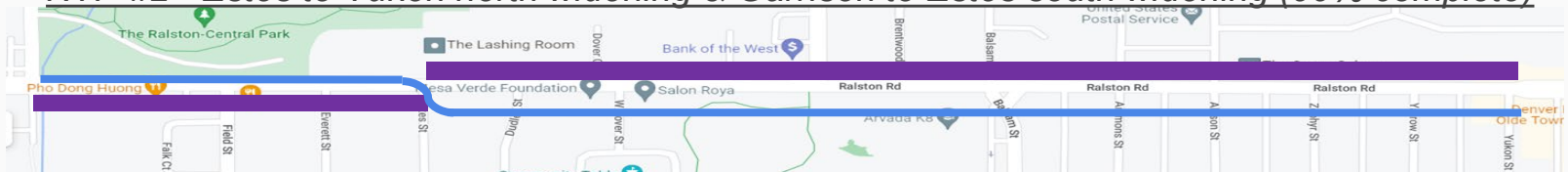
Ralston Road Ph 2 - Construction Phasing



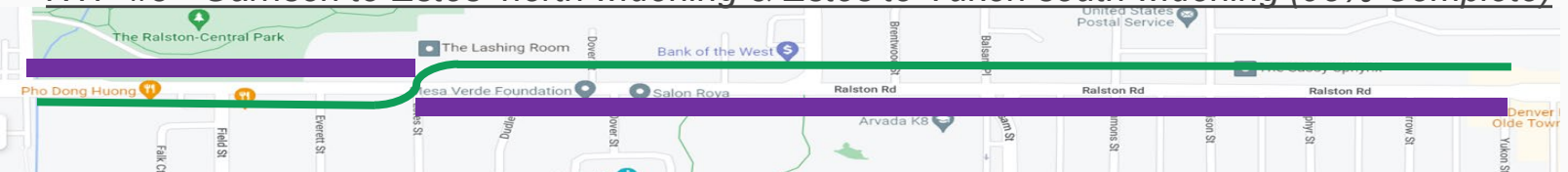
NTP #1 - Utilities (100%)



NTP #2 - Estes to Yukon north widening & Garrison to Estes south widening (99% complete)



NTP #3 - Garrison to Estes north widening & Estes to Yukon south widening (95% Complete)



Ralston Road Ph 2 - Status & Schedule

PROJECT BUDGET

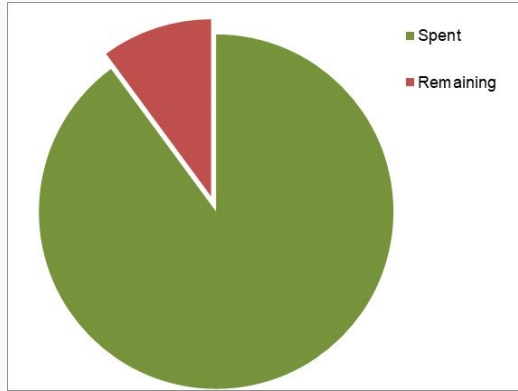
BUDGET :

\$25,264,136

SPENT: \$22,711, 982

PERCENT SPENT:

90%

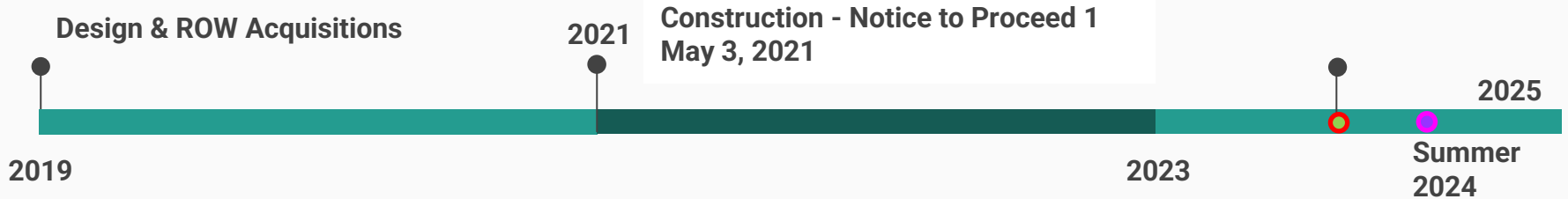
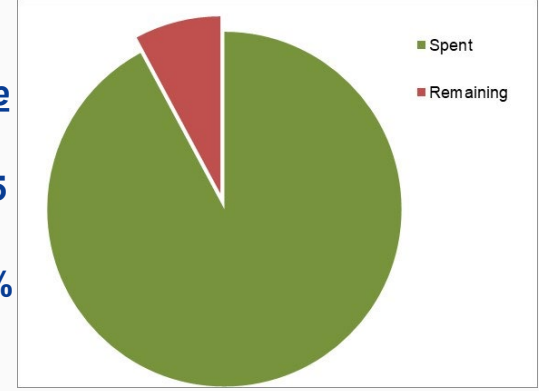


CONSTRUCTION BUDGET (with Change orders)

BUDGET : \$17,724,045

SPENT: \$16,332,995

PERCENT SPENT: 92%



● Current Status
● Anticipated completion

Ralston Road Ph 2 - Completed Activities

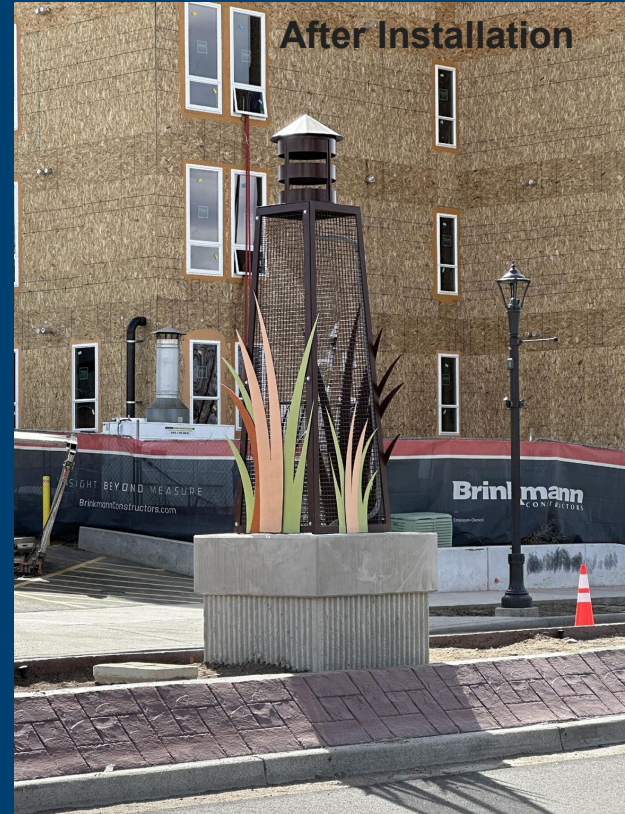
Completed:

- Stormwater work at Yukon St. (small section connecting Phase I to II)
- All the Manholes are adjusted to final pavement grade
- Stormwater pipe repair work at Field St.
- Sidewalk removal and replacement on south side is also completed
- Neighborhood monuments and District markers work
- Temporary Construction Easement work in the southeast side parcels
- Pedestrian light pole installation work (including Phase I)
- All the median work with sealant and district markers installation is complete
- Raised bed and amended soil placement in the medians



Ralston Rd @ Yukon St

District Markers Installation on Ralston Rd (Infront of Central park)



District Markers installation on Ralston Rd (Infront of City Hall)

During Installation



After Installation



District Markers installation on Ralston Rd @ Allison St

During Installation



After Installation



Ralston Road Ph 2 - Current & Upcoming Activities

Current and Upcoming:

- Landscaping work (planting Trees and Bushes)
- Tree grate work
- Couple of medians removal and replacement
- Final punch list work before initial warranty in all divisions

As of now all side streets and travel lanes on both sides are open for traffic except for some small sections of rolling closures for shorter period.



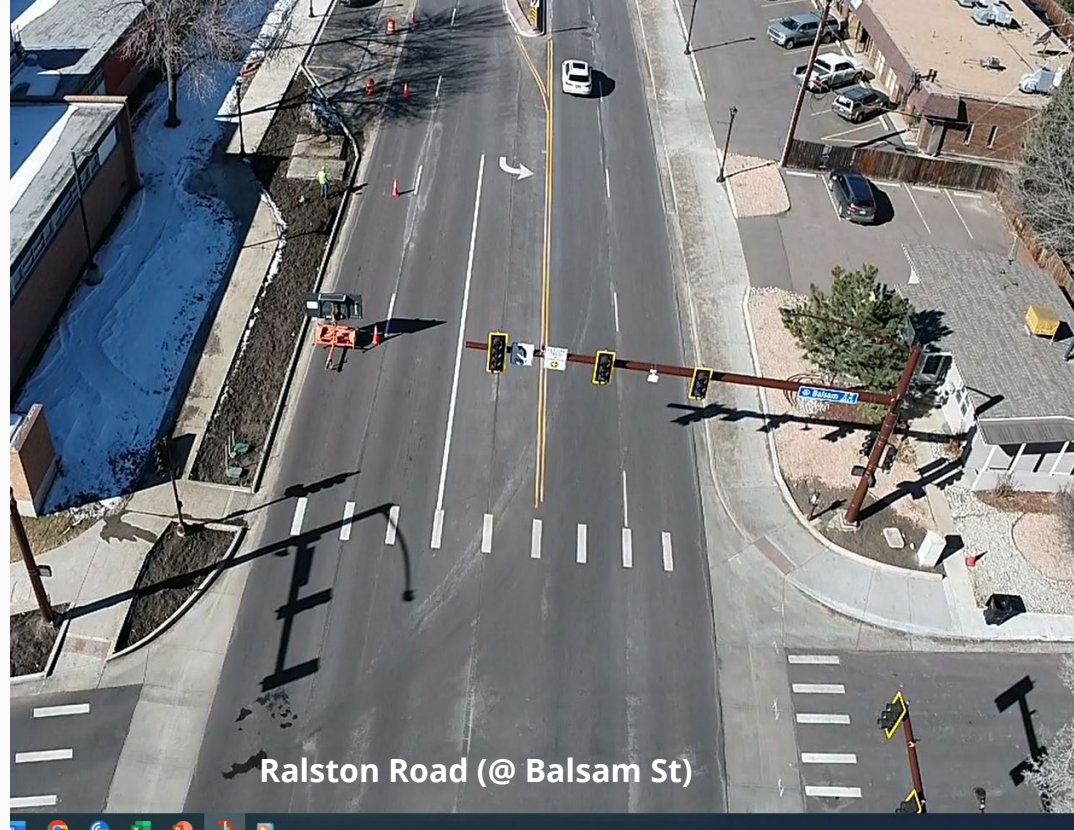
Ralston Road Ph 2 - Challenges and Risks

- Ralston gardens utility connections and other work coordination
- Business access during final improvements
- Theft of several items



Ralston Road Ph 2 - Community Outreach and Press

- Regular communication on project updates to stakeholders
- Updating project websites with upcoming work and milestones
- Business access impacts during final improvements



Ralston Road Ph 2 Project Completion

**Anticipated Completion
Summer 2024***

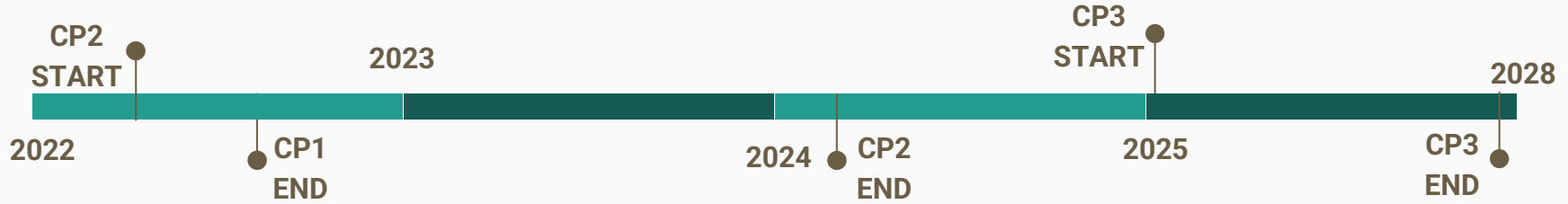
*Landscaping and some of the punch list items are remaining

Ralston Road Phase 2 Questions?

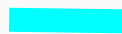


Ralston Road (In Front of City hall)

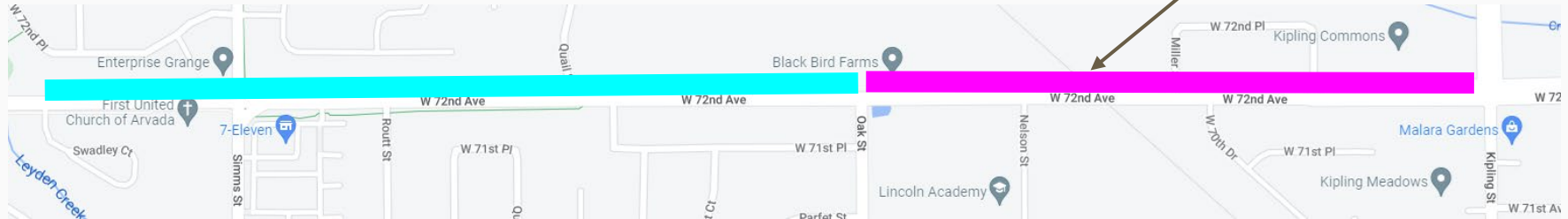
W. 72nd Ave - Construction Phasing



Construction Package #1- Utilities

 Construction Package #2 - Swadley Ct to Oak St

 Construction Package #3 - Oak St to Kipling St



W. 72nd Ave - ROW Acquisition

- Most agreements made five years before CP3 work begins
- Three temp easements to renegotiate before CP3

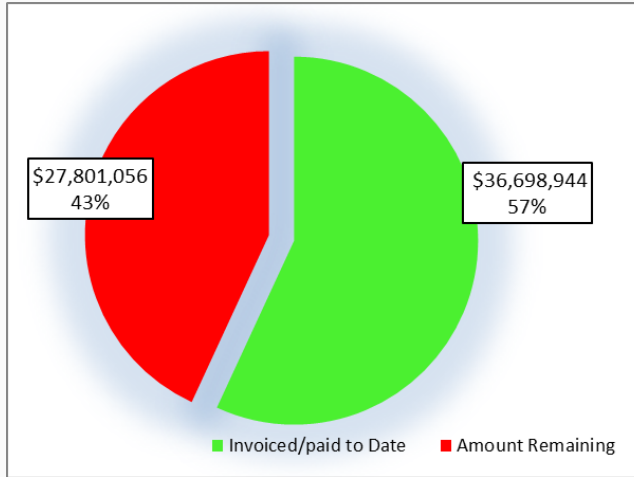
Completed

Closed 72 parcels
Amount spent on ROW \$5.8M
(105%)

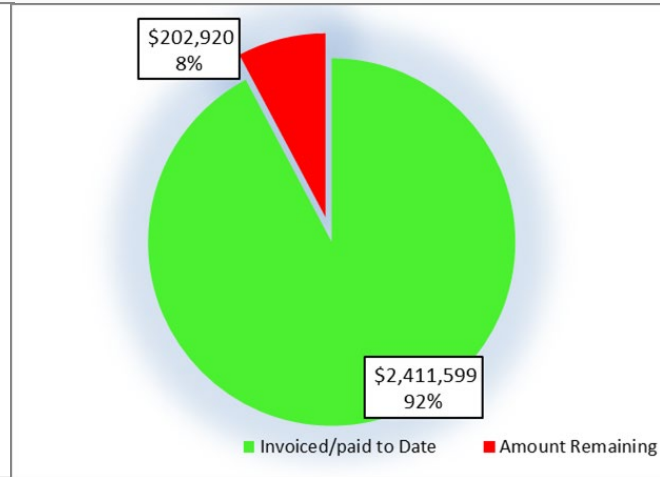


W. 72nd Ave - Budget

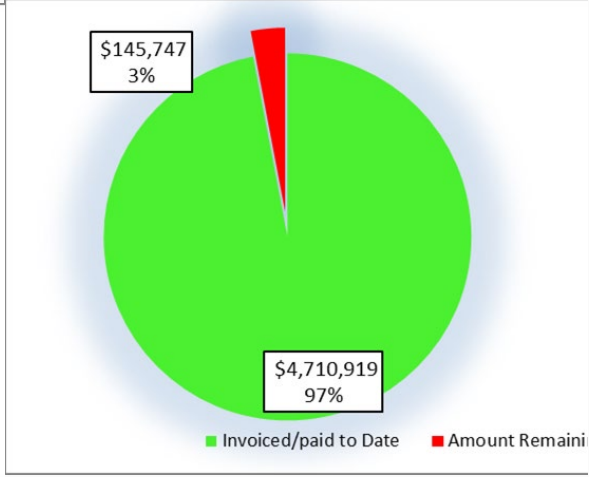
Total Budget



Owner's Rep



Design



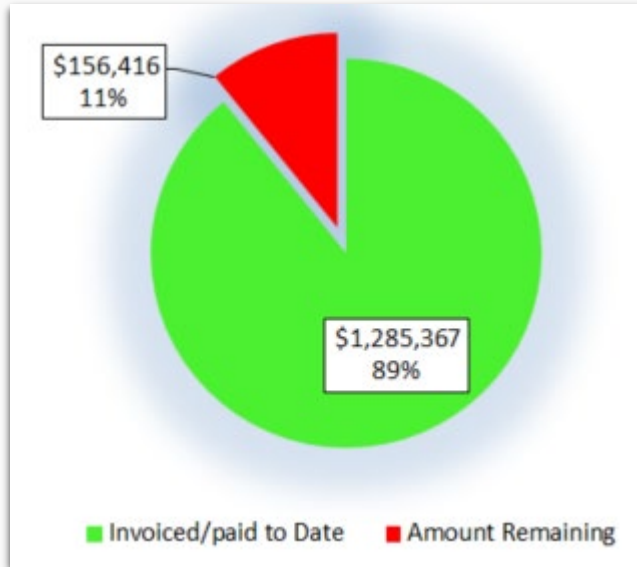
Expected to exceed budget
Additional bond debt issued
in June 2023 (\$7.23M)

Minimal Staffing now until
start of CP3

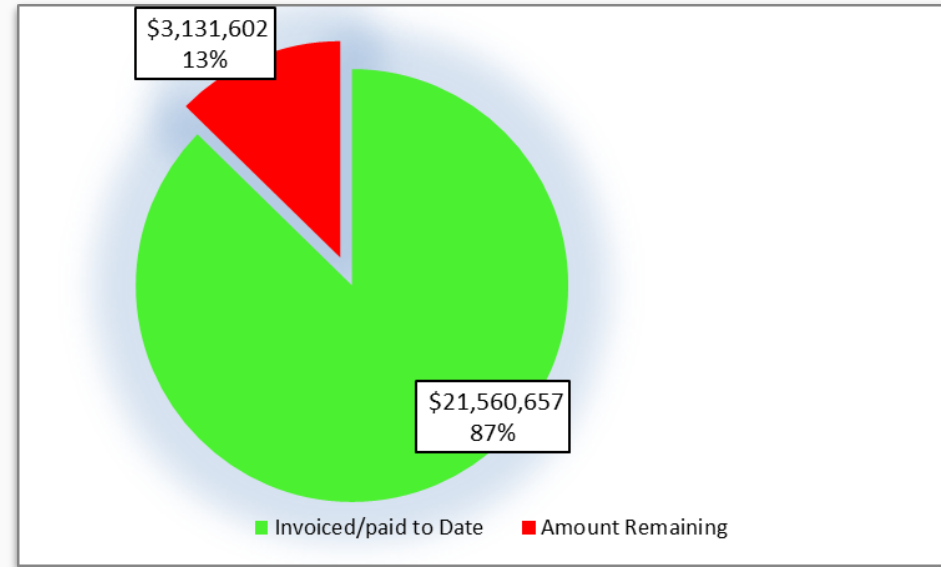
Determine Contract Increase
Pending Finalization of
Railroad Design

W. 72nd Ave - Construction Budget

Construction Package #1



Construction Package #2



W. 72nd Ave - CP2 Progress



Power poles removed!!!



W. 72nd Ave - CP2 Progress



Pierson Ct original



26 Feb 2024 16:55:50
Pierson

Pierson Ct permanent closure

W. 72nd Ave - CP2 Progress



New Lights Swadley to Routt



New Retention Pond Simms & Leyden Creek

W. 72nd Ave - CP2 Progress



W. 72nd Ave - CP2 Upcoming Construction

Upcoming Work

- Signs
- Power to Street Lights
- Additional Storm Sewer on Oak
- Final Paving
 - North extension of Oak
 - Project tie-in at Swadley
 - Pierson Ct dead end

MAJOR UPCOMING CLOSURES

- No additional major closures
- Single lane closures as needed
- Misc Paving Late Mar-Early Apr

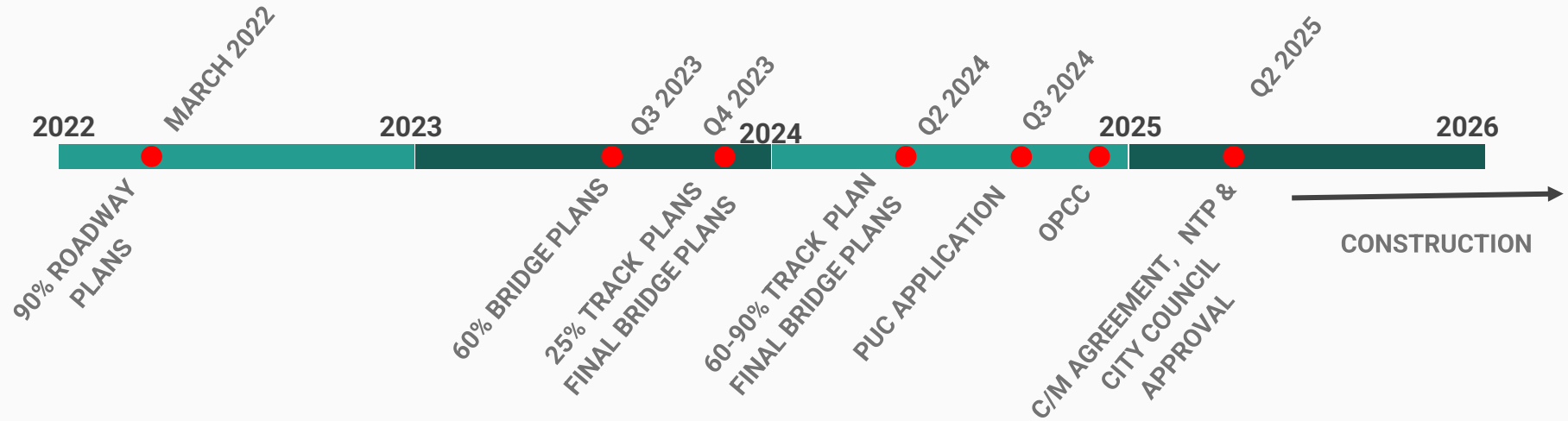


West end of Project

W. 72nd Ave - Status of Coordination with UPRR

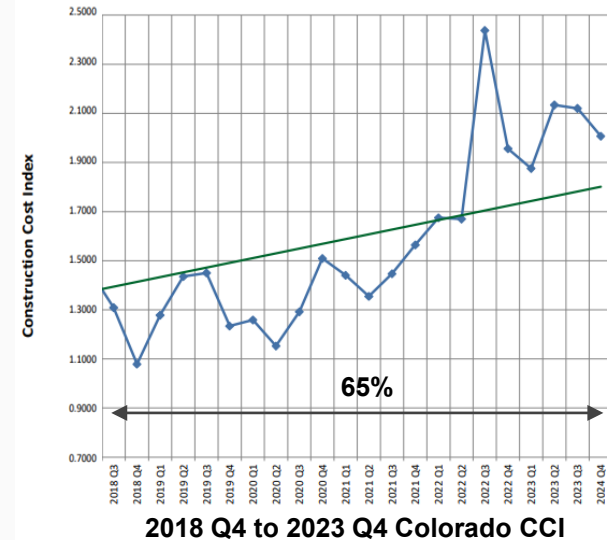
- Feb 2021 - 25% Track Plans Submittal
 - Mar 2021 - 25% Temp Bypass Plans Submittal
 - Jun 2021 - Resubmittal of 25% Temp Bypass and Shoofly Plans
 - Jul 2021 - 60% Bridge Plan Submittal
 - Aug 2021 - Waterline Crossing Agreement Executed
 - Dec 2021 - Resubmittal 60% Bridge Plans (Revised Abutment)
 - May 2022 - Resubmittal 60% Bridge Plans
 - Aug 2022 - Resubmittal 60% Bridge Plans
 - Nov 2022 - 25% Track Plans Submitted (Courtesy Review)
 - Feb 2023 - Resubmittal 60% Bridge Plans
 - Aug 2023 - Resubmittal 60% Bridge Plans (Approved Sept 14)
 - Dec 5, 2023 - 25% Track Plans Resubmittal
 - Dec 12, 2023 - Track Plans Site Visit
 - Dec 22, 2023 - 100% Bridge Plan Submittal
-
- **Q2 2024 - 60% or 90% Track Plan & 100% Bridge Plan Submittal**
 - **Q4 2024 - PUC Application Execution (6 month process)**
 - **Q4 2024 - C&M Agreement Execution (4-6 month process)**

W. 72nd Ave - Estimated Schedule CP-3 (Oak to Kipling)



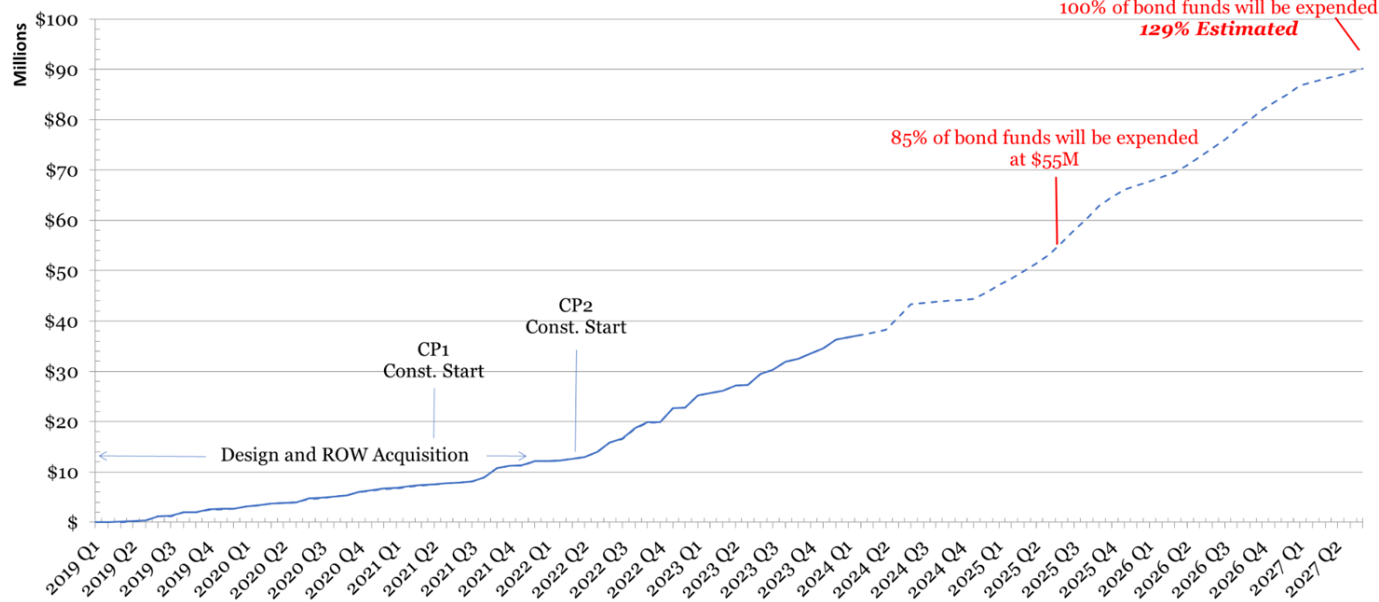
W. 72nd Ave - Challenges and Risks

- Union Pacific Railroad
 - Temp conditions between phases
- Supply Chain
 - Longer lead times for materials. (railings)
 - Subcontractor Availability
- Steel Costs - Material Procurement Package
 - Material fabrication has a 1 year lead time.
- The Project will exceed budget
 - Primarily price escalations for materials.
- Moving forward
 - CP3 ROM Pricing (April 2022)
 - Finance Department has identified funding
 - Design Team always looking for cost savings options

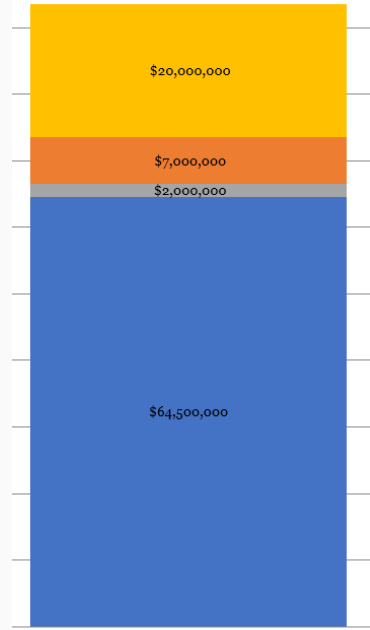


W. 72nd Ave - Spending Forecast

SPENDING



Funding



- Issue COP (Cert of Participation)
- 98-101 CIP Funds
- Issue Remaining Debt
- Original Bond

W. 72nd Ave - Community Feedback / Questions

Community Meeting

10 April 5:30 PM

First United Church of Arvada, 7195 Simms St

Stated concerns

- General Construction
- Potholes
- Driveway Access/No left turns
- Final configuration

Close coordination with schools

Oberon Middle School

- Students walking/biking from E
- New drop-off/pick up times

Lincoln Academy

- Signage-Lighting
- N entrance



W. 72nd Ave. Questions?

Oak St.
Lincoln Academy



Takeaways

- Ralston Rd Phase II
 - Landscaping and Punch list items are remaining
 - Project completion date - Summer 2024 (including punch list).
- W 72nd Avenue
 - 95% complete
 - CP-3 60% Bridge Plans approved Sept 14th. 100% Bridge Plan submittal in December. UPRR Site Visit - December 12, 2023.
 - UPRR approvals impacted the project timeline with an expected at least a 12-month gap between CP-2 finish and CP-3 start.
 - Open House April 10th
- Additional \$7.23M bond debt was issued June 2023 for use on both projects.
- Drone flight [videos](#) are being uploaded to [City of Arvada Project Websites](#).

Utilities Agenda

Smart Meters



CRT6 - Under Construction

- Water Projects
- Wastewater/ Sanitary Sewer Projects



Solids Ponds

Water Bond

\$50M - \$20M Growth, \$30M Repair/Rehabilitation/Replace

Repayment: ~ 40% SDCs, ~ 60% Rates and Fees

Projects identified in bond language

- Lead/Copper Rule Revisions (LCRR) and Service Line Replacement
- RWTP Filter Rehab
- RWTP Residuals/Solids
- Smart Meter Upgrades
- Waterline Replacement
- Gross Reservoir Payments

What is not financed by this bond

- Much of Gross Reservoir Participation
- Replacement of Arvada Water Treatment Plant
- Waterline rehabilitation beyond 2024
- Much of smart meters
- Much of Lead and Copper Rule compliance
- Growth projects in the distribution system

Sewer Bond

\$50M - \$34M Growth, \$16M Repair/Rehabilitation/Replace

Repayment: ~60% SDCs, ~40% Rates and Fees

Projects identified in bond language

- North Trunk Line Program
- Central Ralston Trunk Program

What is not financed by this bond

- Portions of recommended trunk line work
- Rehabilitation of interceptor segments not identified as being capacity limited
- Work on collector (smaller) lines

Water Projects

All

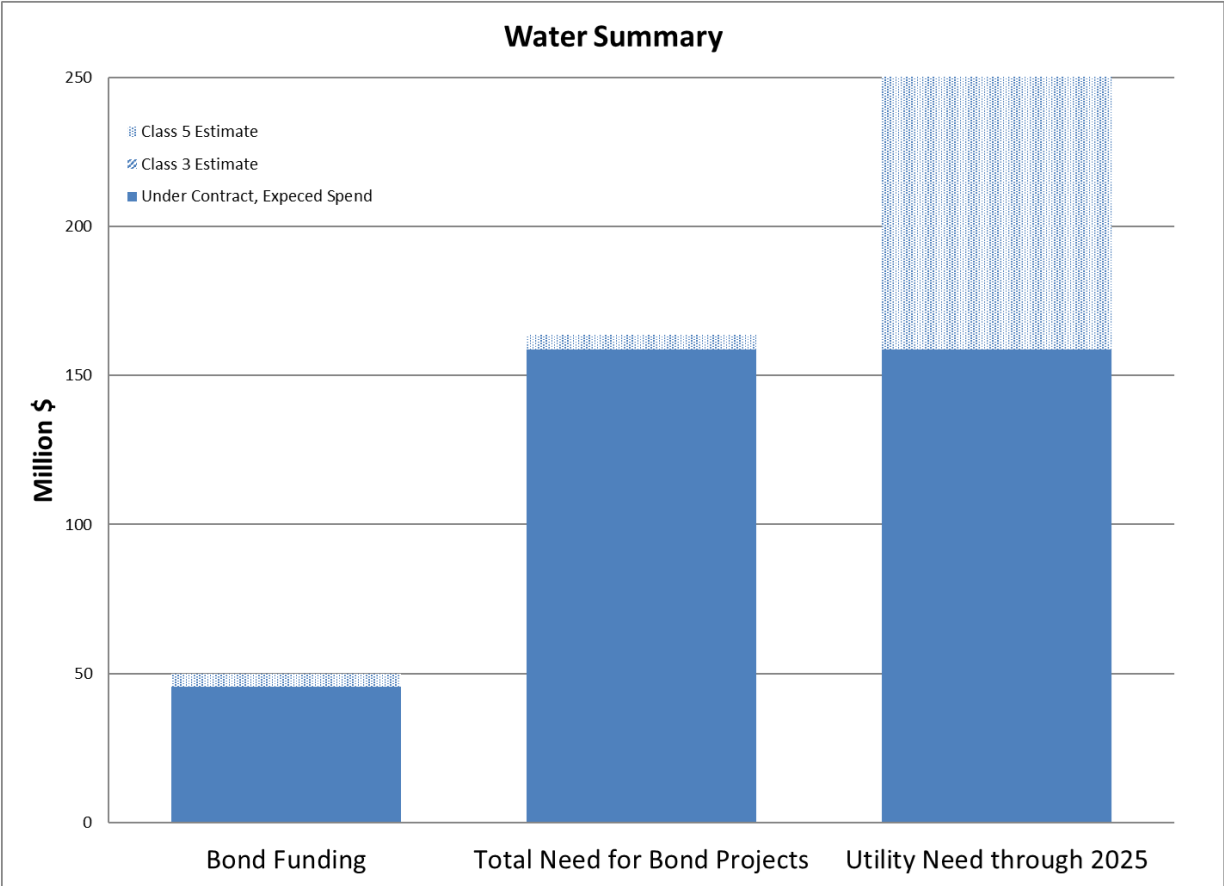
estimates with * are in 2022 dollars and are Class 5

Project	Project Estimates	Bond Funding	Start Date	Est. Bond \$ Completion
Gross Reservoir (DW is on target for 2028 delivery of water)**	\$120M	\$20M	Ongoing	Bond Funds Spent February 2024
Ralston Water Treatment Plant Filter Rehab**	\$13M	\$12.2M	Ongoing	November 2024 September 2024
Ralston Water Treatment Plant Solids	\$8.5M	\$8.5M	Ongoing	September 2024
Waterline Replacement (2021 Project)**	\$4.5M	\$2.5M	Ongoing	February 2025 December 2024
Waterline Replacement (2023 Project)**	\$5M*	\$4.5M	Ongoing	December 2024
Lead/Copper Rule Revision and Service Line Replacements - Regulatory Requirement**	\$2.3M*	\$0.2M	Ongoing	December 2024 (Bond Funds)
Smart Meters**	\$11.1	\$2.1M	Ongoing	Bond Funds Spent December 2023
Total	\$163.6	\$50M	Ongoing	February 2025 December 2024

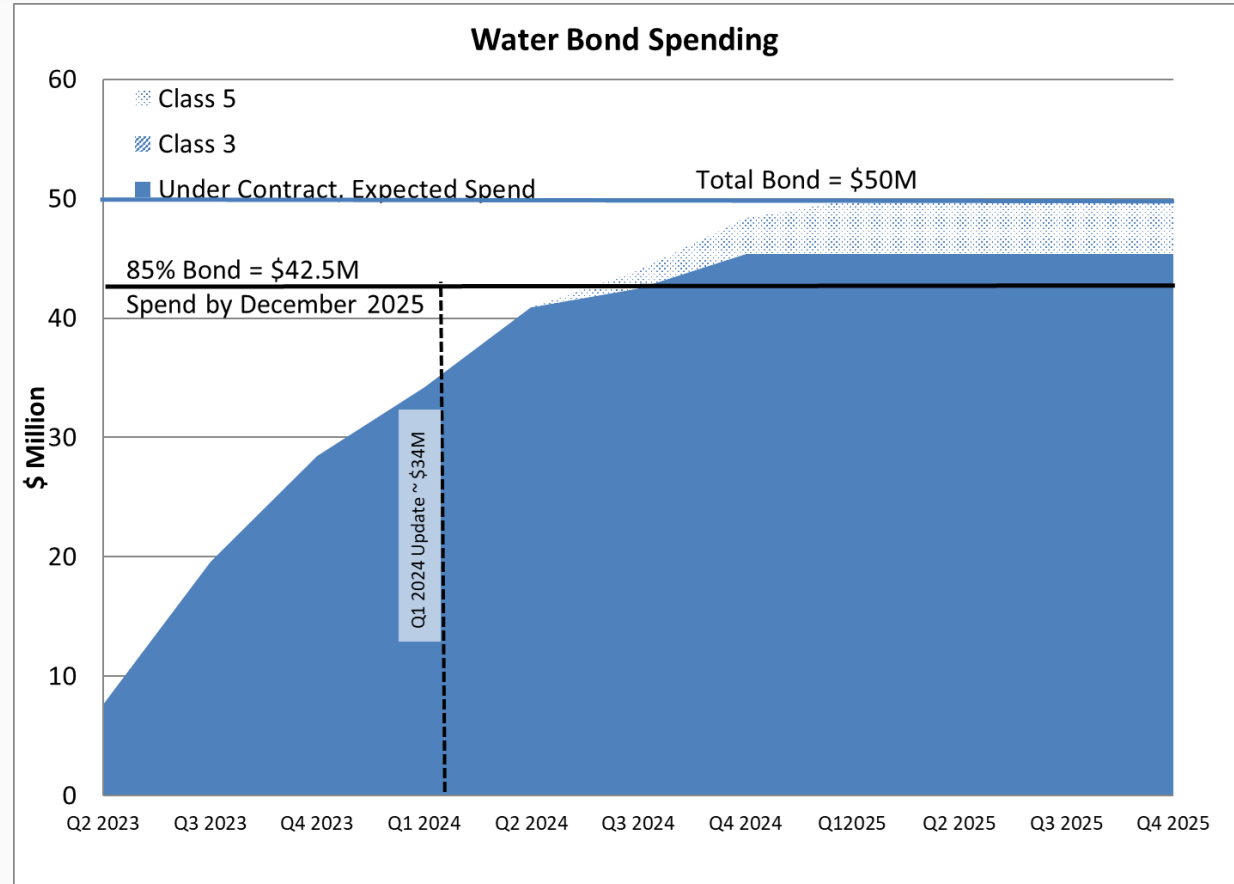
** Cash funding will also be used.

Water Projects - Spending Estimates

City team is in budget process.
Total need through 2025 is
currently being updated



Water Projects - Spending Timing Estimate



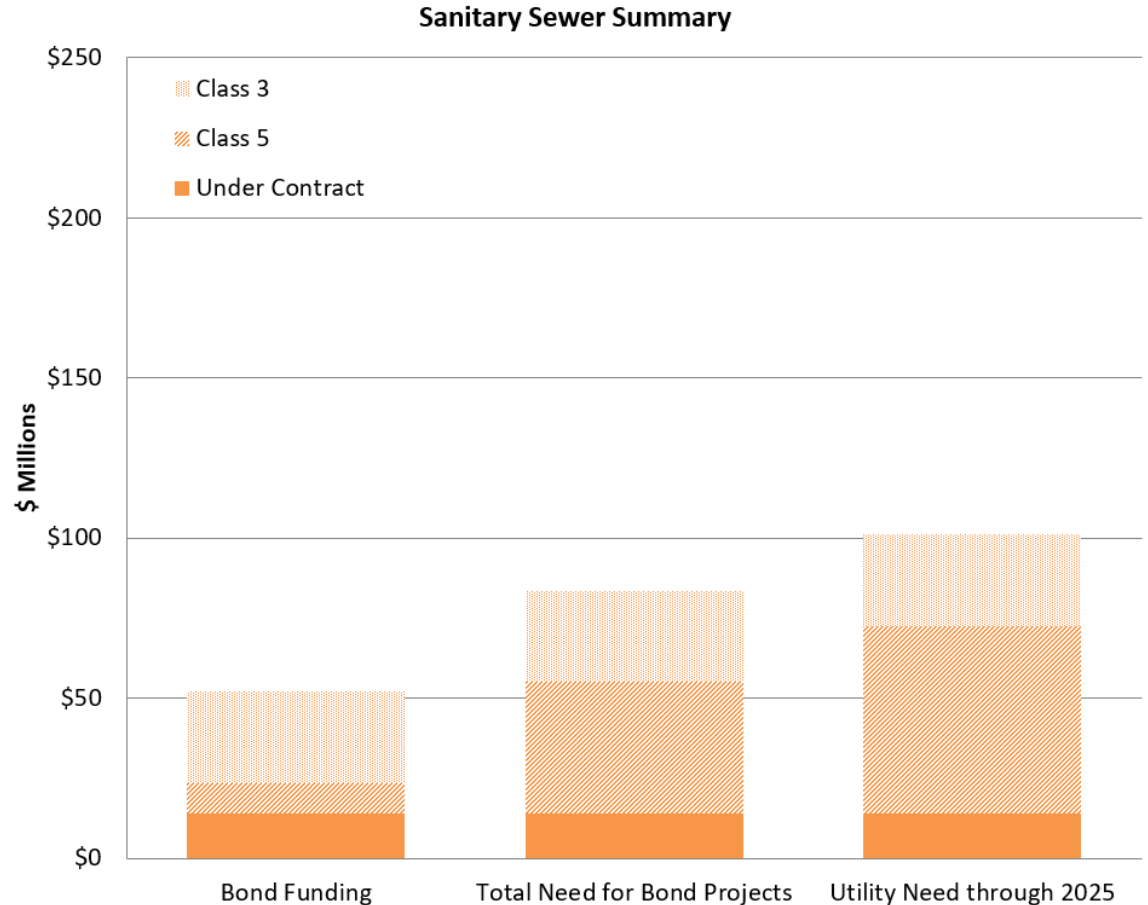
Sanitary Sewer Programs - Ongoing

NTL = North Trunk Line
CRT = Central Ralston Trunk

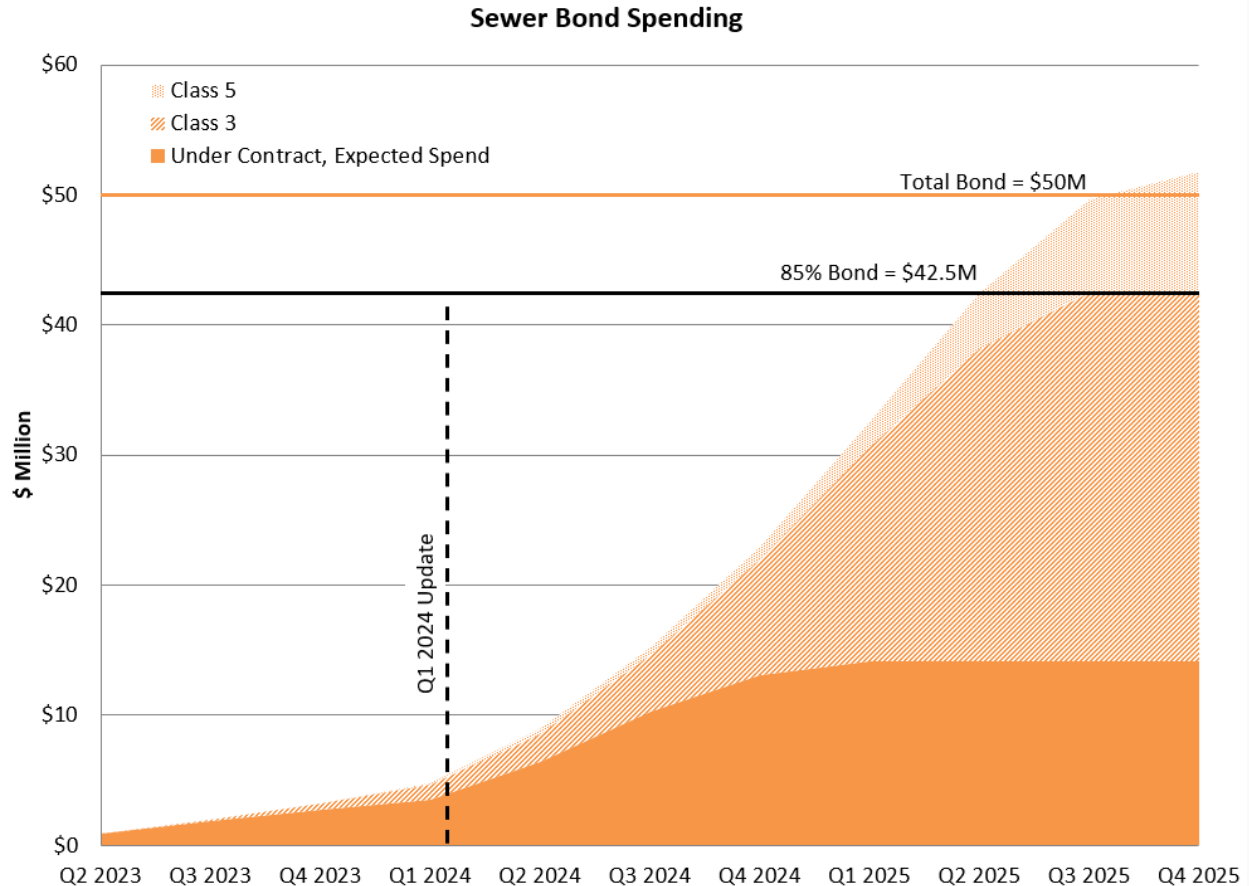
Project	Est. Paid by Bonds	Start Date	Est. Completion
NTL Preliminary Design	\$1M	Complete	December 2023
NTL 4 Phase 1 Construction	\$2M	Complete	August 2023
CRT 6 (69th and Ward) - Phase 1	\$6.3M	Ongoing	June 2024 - Oct 2024
CRT 7 (Davis Lane Park/Simms)	\$5.5M	Ongoing	Nov 2024
NTL 10 (Tennyson)	\$14M [†]	Ongoing	Dec 2024 - March 2025
NTL 7 (Sheridan)	\$14M [*]	Ongoing	March 2025 - June 2025
NTL 2/3 (84th/Alkire+Force Main)	\$8.0M [*]	Ongoing	April 2025 - Sept 2025
Total Bond Program	\$50M	Ongoing	Dec 2025

Sanitary Sewer Projects - Estimated Spending

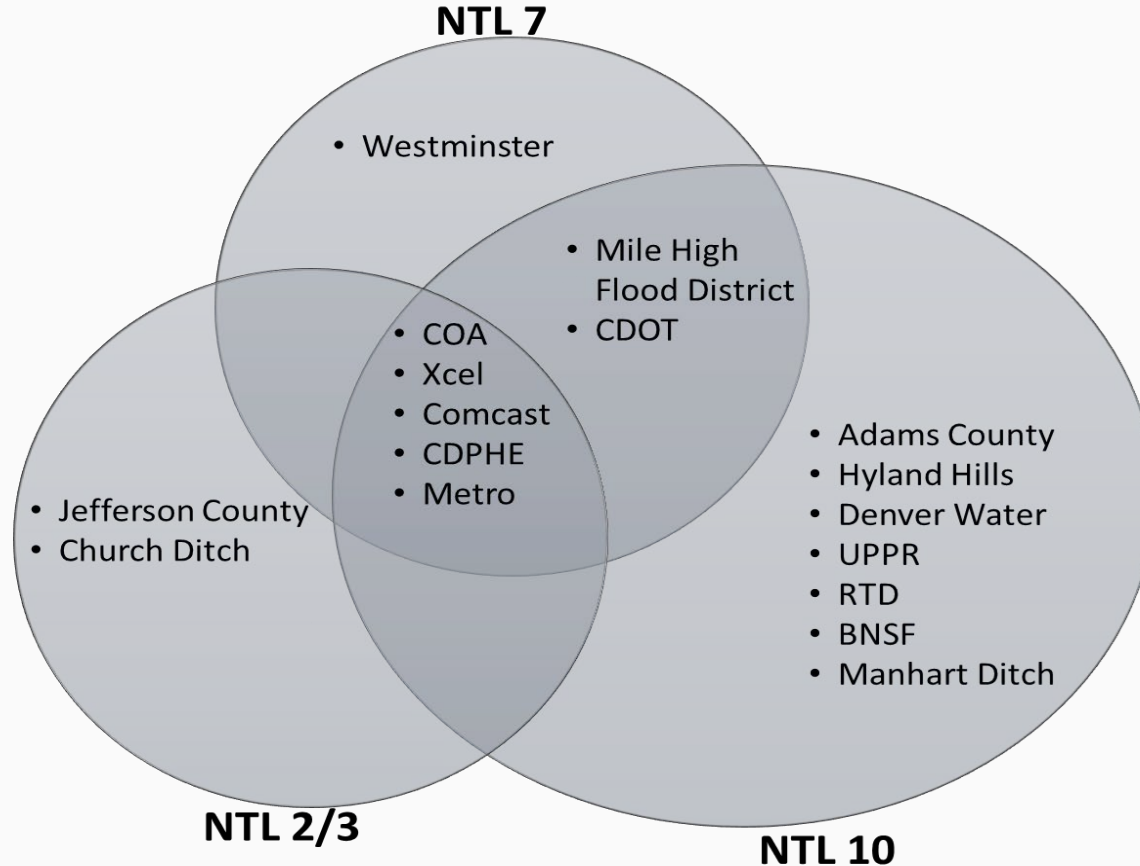
City team is in budget process.
Total need through 2025 is
currently being updated

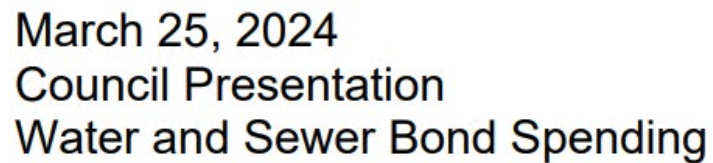


Sanitary Sewer Projects - Spending Timing Estimate



Design Coordination Schedule Impacts





Utilities Takeaways

- Water bond projects are mostly in construction stage
- Sanitary Sewer projects will be underway by end of 1Q2025
- Projects not under contract are in 2022 dollars* and are Class 5 estimates (+100/-50% cost range)
- Water projects listed are not the entirety of need (March 2022 presentation >\$430M through 10-year projection)
- Sanitary sewer projects listed are not the entirety of projects identified by the Master Plan (March 2022 presentation ~ \$99M)
- Reminder - Full Master Plan Implementation will require additional revenue to support projects beyond those presented tonight

Questions?



REPORT TO CITY COUNCIL WORKSHOP

AGENDA ITEM
2.B.

TO: THE HONORABLE CITY COUNCIL

DATE: March 25, 2024

SUBJECT: Housing Strategic Plan Update

Report in Brief

Presenter: Carrie Espinosa

During this workshop, Root Policy Research along with the City team will provide a summary of the findings of the housing needs assessment and an update of the draft Housing Strategic Plan.

Background

On October 3, 2022, the Arvada City Council approved R22-082, A Resolution Authorizing an Intergovernmental Agreement Between the City of Arvada and the Colorado Department of Local Affairs for the Purpose of the Innovative Affordable Housing Strategies Planning Grant Program. The purpose of the agreement was for the City to receive grant funding from DOLA for the creation of a Housing Strategic Plan. The City used the grant to commission Root Policy Research to complete the Housing Strategic Plan in partnership with the newly formed Arvada Housing Advisory Committee. In May 2023, Root Policy Research and the Housing Advisory Committee begin their work toward drafting the Plan, including the completion of the Housing Survey in October/November 2023 to assist in updating the Housing Needs Assessment of the Plan. According to the grant terms, the City must adopt the Plan no later than June 1, 2034. The City team will use this workshop to update City Council on the results of the Housing Needs Assessment and strategies under consideration for recommendation in the final Plan.

Strategic Alignment

The Housing Strategic Plan aligns with the Community and Economic Strategic Priority Area to implement a tool kit of housing mix and style plan to improve access to quality housing that is affordable for a broad range of income levels.

Next Steps

In May 2024, the Housing Advisory Committee and the City team will present the final draft of the Arvada Strategic Plan to the Arvada City Council.

Prepared by:

Carrie Espinosa, Manager of Housing Preservation and Resources

Reviewed by:

Approved by:

Jessica Garner, Director of Community and Economic Development 3/6/2024

Gail Walker, Legal Specialist-Contracts	3/7/2024
Emily Grogg, Senior Assistant City Attorney	3/7/2024
Linda Haley, Deputy City Manager	3/7/2024
Rachel Morris, City Attorney	3/11/2024
Lorie Gillis, City Manager	3/11/2024

Enclosure, exhibits & attachments required to support the report

ARVADA HOUSING NEEDS ASSESSMENT & STRATEGIC PLAN

Council Update & Discussion

PRESENTED BY

MOLLIE FITZPATRICK, MANAGING DIRECTOR



Denver, Colorado 80220
970.880.1415
hello@rootpolicy.com

Background

In 2020, Root Policy Research (Root) conducted a comprehensive Housing Needs Assessment and Strategy for the City of Arvada. Given recent housing market changes and the creation of the Arvada Housing Advisory Committee, the City contracted with Root to update the Housing Needs Assessment and prepare a comprehensive Housing Strategic Plan that identifies strategies and actions to address housing needs.

- Phase I: Housing Needs Assessment 
- Phase II: Housing Strategy & Action Plan 

HOUSING NEEDS ASSESSMENT

HUD Area Median Income (AMI):

Housing programs rely on income limits published by the U.S. Department of Housing and Urban Development (HUD) that are represented as percentages of the area median family income (commonly abbreviated as “HUD AMI” or simply “AMI”

2023 HUD AMI FOR JEFFCO

“extremely” low income
< 30% AMI

Income < \$29,790 per year
Affordable rent: < 629/mo.
Affordable home: <\$85,702

“very” low income
30-50% AMI

Income: \$29,790-\$49,650 per year
Affordable rent: \$629-\$1,049/mo.
Affordable home: \$85,702-\$142,837

“low” income
50-80% AMI

Income: \$49,650-\$79,440 per year
Affordable rent: \$1,049-\$1,678/mo.
Affordable home: \$142,837-\$228,539

“median” to “moderate” income
80-120% AMI

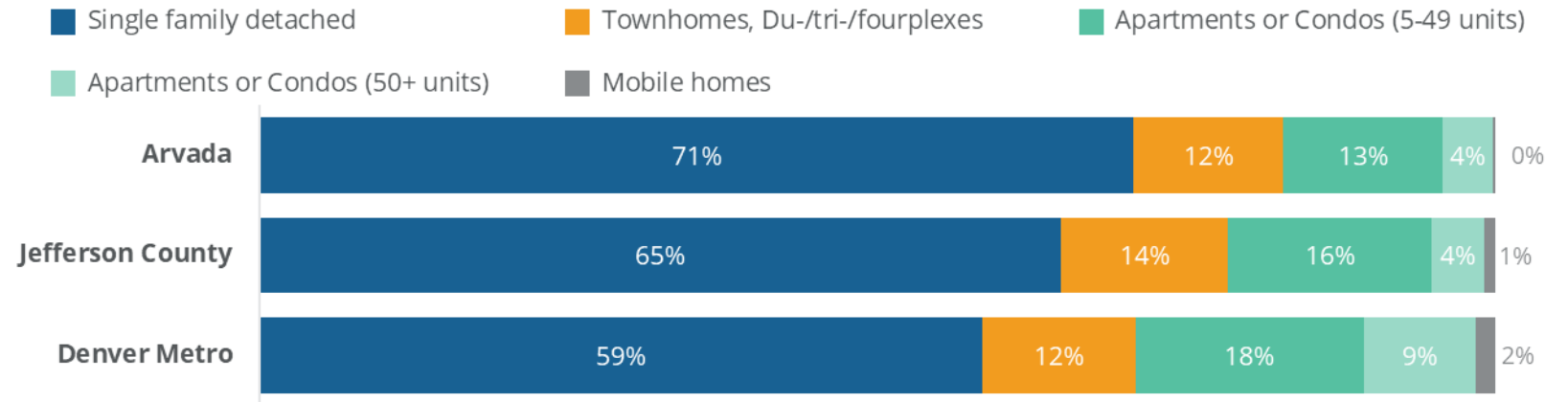
Income: \$79,440-\$119,160 per year
Affordable rent: \$1,678-2,517/mo.
Affordable home: \$228,539-\$342,808

Income and affordability shown for a 2-person household

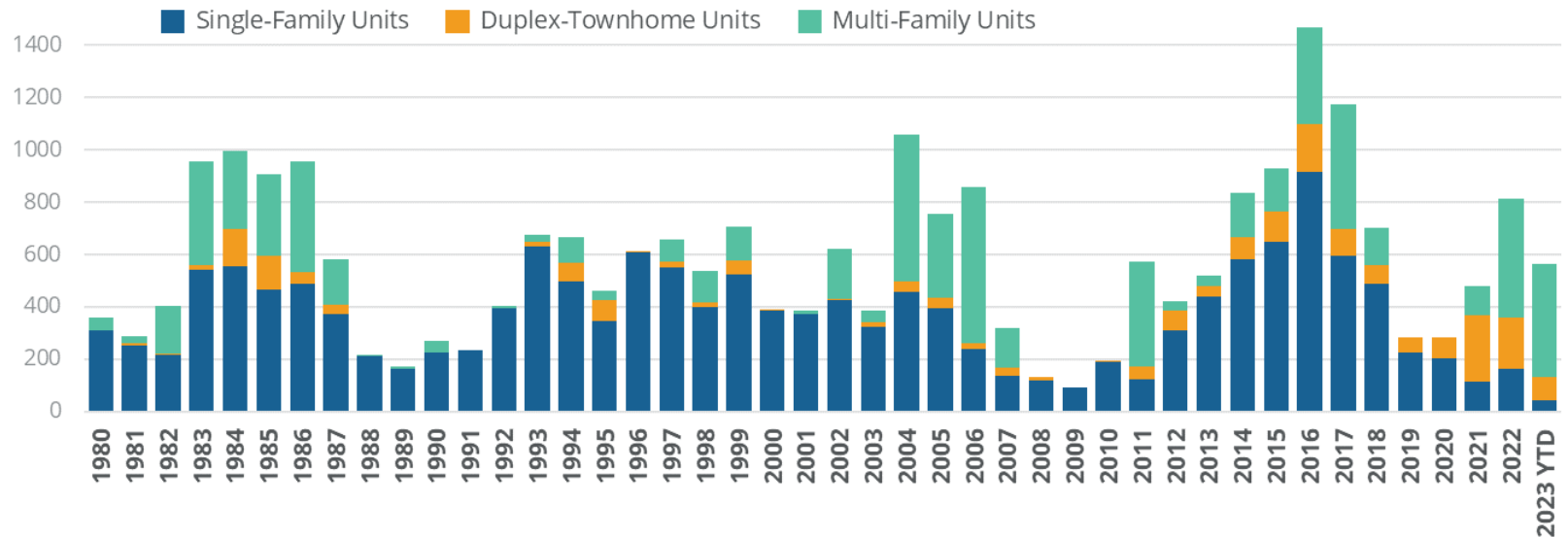
Housing Supply

Arvada's housing supply did not quite keep pace with household and population growth over the past 5 years. Arvada's current housing stock is weighted toward single family detached products (71% of all units). Production of "missing middle" housing types is increasing but still constitutes a small share of home sales.

Existing Housing Stock



Building Permit Trends

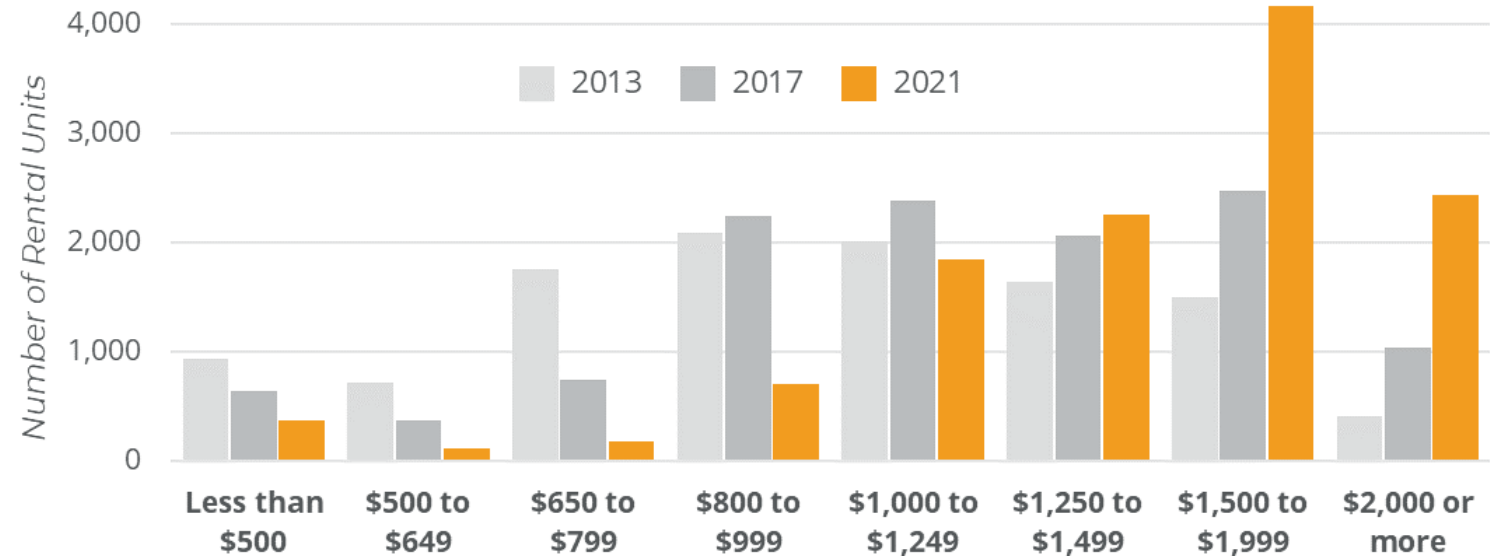


Market Trends

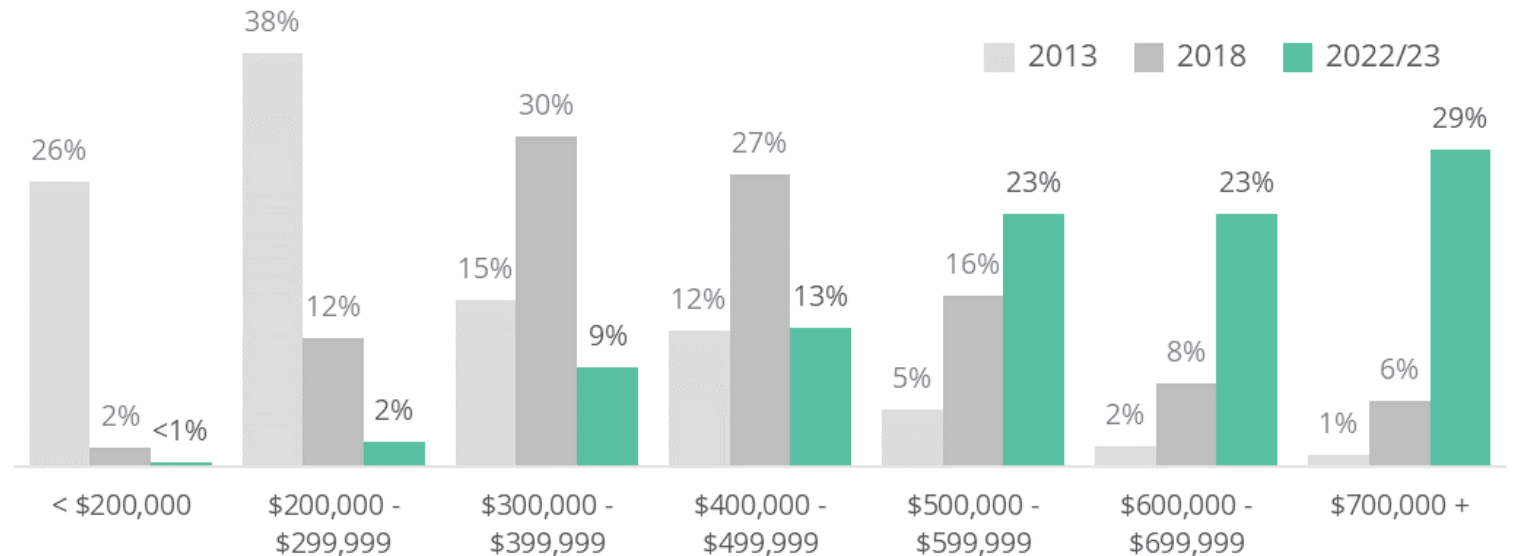
Median rents in Arvada were around \$1,600 in 2021, 56% higher than median rent in 2013.

Arvada households need an income of \$199,000 to afford the median price of \$606,000. Condos offer the most affordable option with a median price around \$350,000, but account for a relatively small proportion of total sales (8%).

Rent Distribution 2013-2021



Sale Price Distribution 2013-2022/23

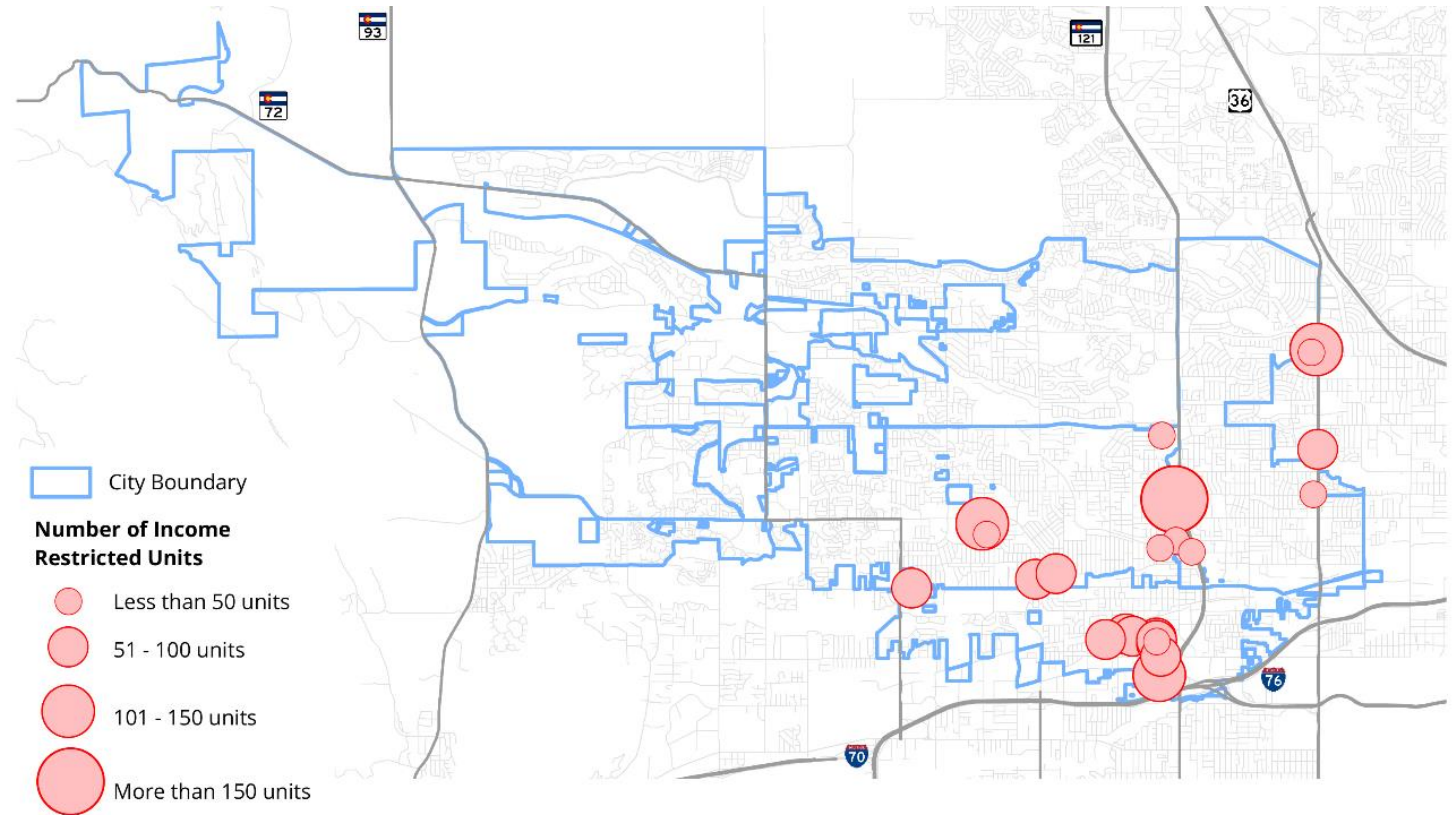


Affordable Inventory

Income-restricted housing units (IRUs) play a critical role in providing affordable rents to low- and moderate-income households.

Arvada has a total of 1,400 IRUs across 24 properties with another 750 units in the pipeline.

Of the 1,400 IRUs, 380 have affordability contracts that expire in the next 10 years (and 1,200 expire in the next 15 years).



Program/Funding Source	Affordable Units	
	Num.	Pct.
Low Income Housing Tax Credit (LIHTC)	839	60%
HUD-funded (e.g., HOME, Section 8, 202, 236)	349	25%
Other funding	212	15%
Total	1,400	100%

Affordability Gaps

Mismatches in supply and demand by price-point show affordability needs are concentrated below 50% AMI in the rental market and below 120% AMI in the for-sale market (though for-sale needs do persist up to 150% AMI).

The Arvada workforce faces affordability challenges as well: only 8 industries have average wages high enough to afford the median rent in Arvada and no industries have average wages high enough to afford the median sale price (even if they have 1.5 workers per household).

Rental Affordability Gap

Arvada renters
earning < 50% AMI

4,606

Arvada rental
units < 50% AMI

1,816

GAP: 2,790 units

For-Sale Affordability Gap

Renters earning
50% - 120% AMI

38%

For-Sale Supply
< 120% AMI

6%

GAP: 32 percentage points

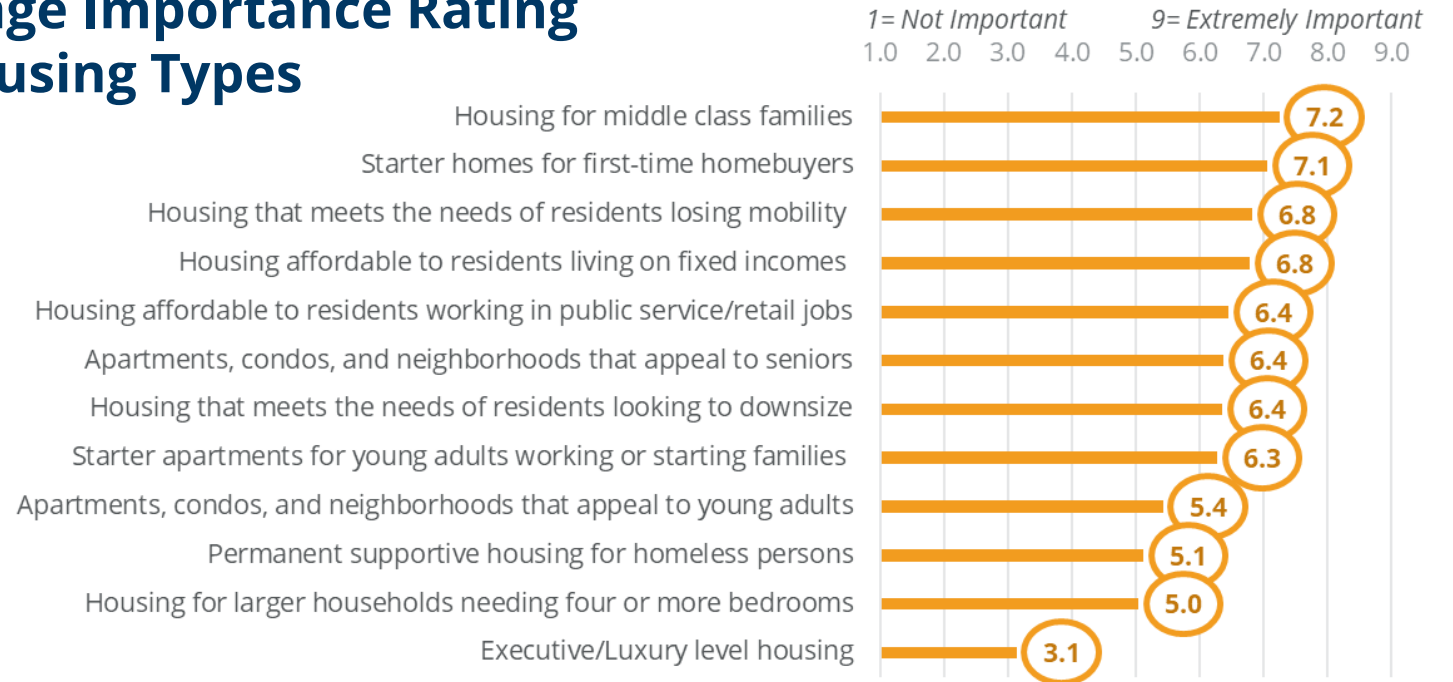
Stakeholder Consultation

- **Social service providers** emphasized the need for long-term programming to support low-income families and residents experiencing (and at risk of) homelessness. Examples included: a navigation center, mental health services, financial assistance programs, and workforce development programs.
- **Employers** are losing workers interested in homeownership but cannot afford to buy a home in Arvada. One Arvada employer reported losing 7 employees in the last year due to high housing costs in the City.
- **Real estate developers** highlighted policy and process barriers that prevent or delay housing projects including: high parking requirements/standards; relatively high tap fees and infrastructure costs; public opposition to multi-family houses; requirements for conditional use permits in mixed-use zones; and slow approval processes. Addressing these barriers and/or creating deeper affordability incentives could boost housing production and affordability.
- **Community advocates** feel there is strong leadership on City Council—however, advocates would like to see members make land use decisions more administrative (when in line with Comp Plan, base zoning and City priorities).

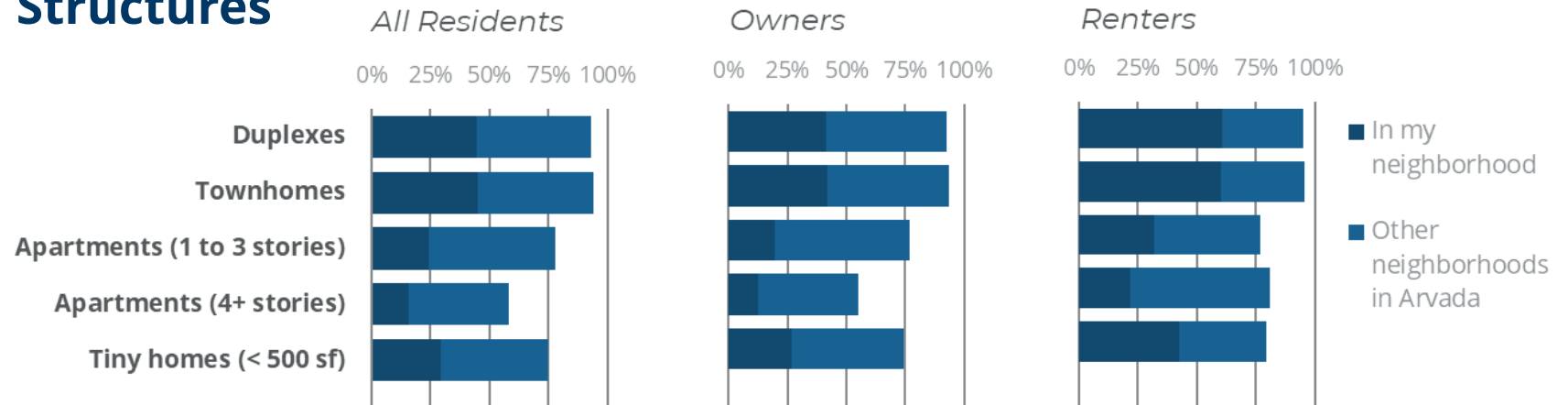
Survey Responses

Arvada residents report to highly value housing diversity/accessibility and affordability, however, they are less willing to accommodate the housing forms that typically provide diversity, accessibility, and affordability.

Average Importance Rating of Housing Types



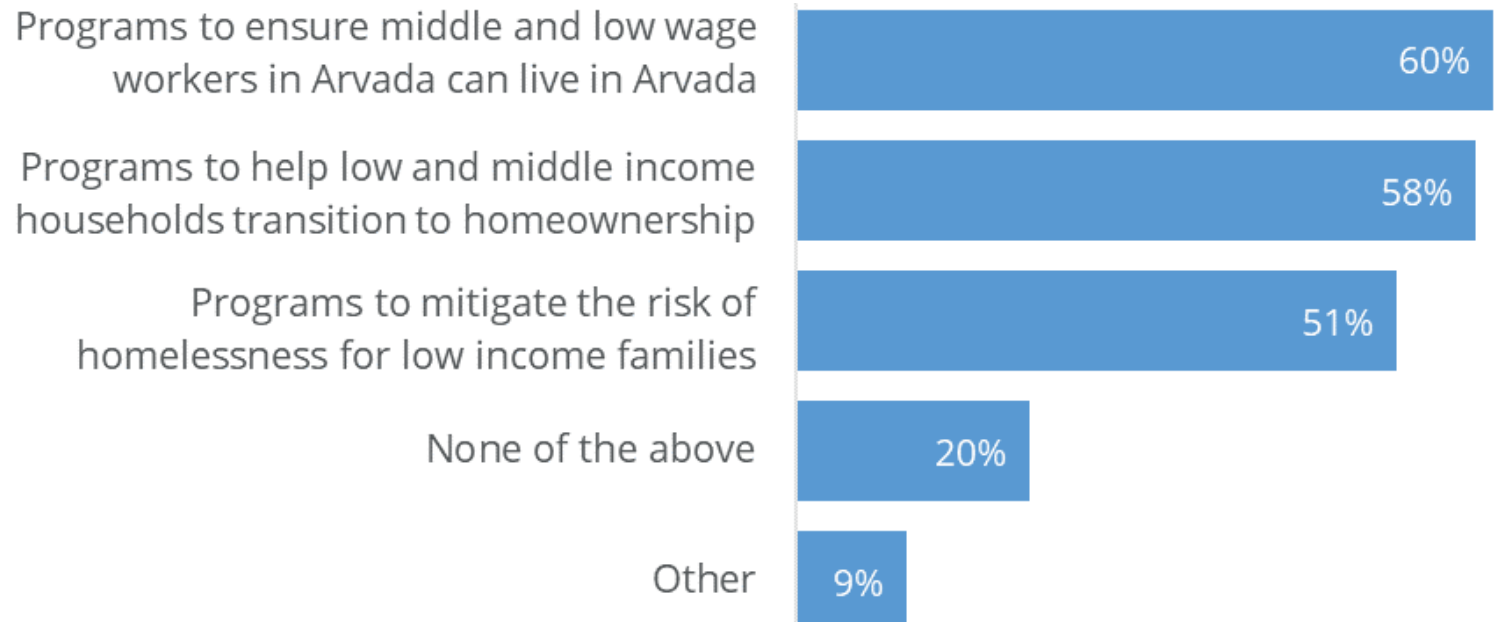
Perception of Neighborhood Compatibility of Housing Structures



Survey Responses

Residents did express strong support for public investment in housing—particularly for low and middle wage workers as well as programs to stabilize low income families.

What types of housing programs should the City of Arvada invest in over the next 5 years?



Summary: How have housing needs changed?

The top needs identified in the 2020 Housing Study are still present (affordable rental and ownership options and increased housing diversity). Survey results also indicate a need for programs that improve housing stability and broad support for City investments in housing for low- and middle-income workers.

Top Needs – 2020 Study

1

Additional affordable rentals (or rental assistance), specifically for residents earning less than \$35,000.

2

Starter homes and family homes priced near or below \$300,000.

3

Increased diversity in housing stock with a focus on “missing middle” ownership options and product types attractive to aging seniors.

Updates – 2024

Rental affordability gap increased from 2,275 units to 2,790 units.

Acute need now goes up to \$350,000 and market continues to undersupply homes up to \$450,000.

Increased diversity still a need to accommodate priority housing types (based on survey results). Survey also indicates a need for programs that improve housing stability.

HOUSING STRATEGIC PLAN: IN PROGRESS

Why work to address housing needs?

A balanced housing stock accommodates a full “life cycle community”—where there are affordable housing options for each stage of life from career starters through centenarians—which in turn supports the local economy and contributes to Arvada’s community culture.



Arvada's Housing Vision:

Arvada's Comprehensive Plan (completed in 2014) outlines the City's vision for growth and change through 2034. The Plan includes the following goals for neighborhoods and housing:

- Plan for a range of neighborhoods and accessible housing of different tenure types to **accommodate diverse incomes and all ages and abilities**.
 - Encourage development of **workforce or assisted housing** throughout Arvada.
 - Maintain and improve the **quality of the existing housing stock** in Arvada and revitalize the physical and social fabric of neighborhoods that are in decline.
 - Provide opportunities **for special needs and senior housing** in Arvada.
-

Arvada's Housing Goals:

- Increase Affordable Housing (<60% AMI for rental and <100% AMI) by 3% per year—139 units annually from the current baseline—in compliance with the City's commitment with State Proposition 123 funding.
- Increase production of housing that expands price-point and product diversity in Arvada, including multifamily and “missing middle” products (e.g., du-/ tri-/quad-plexes and townhomes) that tend to have more attainable price-points.

*Focus on
the public
sector's
sphere of
influence.*



- Fed funds rate, interest rates
- Wages (outside of public sector jobs)
- Commodities pricing and construction costs (outside of regulatory costs)
- In-migration
- Second and vacation ownership
- Out-of-state ownership
- NIMBYism (mostly)

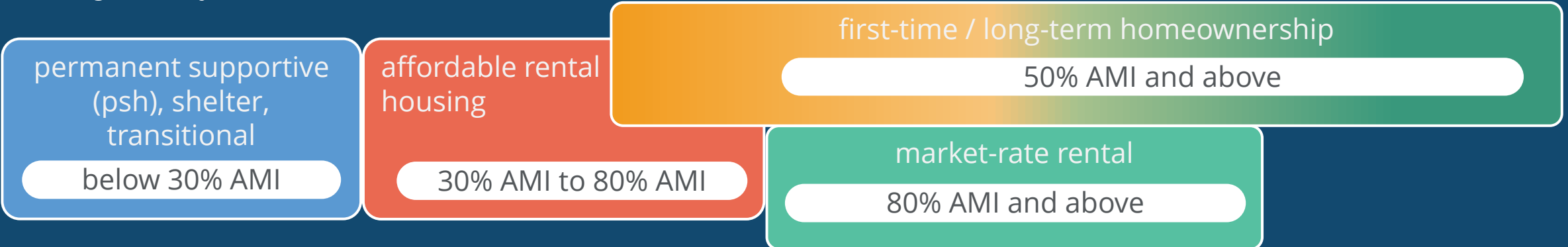
- ✓ Funding prioritization and allocation
- ✓ Producing publicly assisted housing
- ✓ Zoning consistent with housing needs and market demand
- ✓ Balancing employment growth and housing growth—for example, pairing economic development incentives with housing production incentives
- ✓ Mitigating discriminatory activity

City of Arvada's Policy Levers across the Housing Spectrum:

- *Financial Assets* (\$ and land)—to subsidize housing production, preservation, and programs.
- *Land use and Zoning*—to unlock supply, improve natural affordability, and incentivize affordable/attainable projects.

PUBLIC ASSISTANCE NEEDED

Use financial assets (i.e., subsidies) along with incentives and policies to create /preserve income-qualified units; and programs to improve housing stability for residents and workers



graphic adapted from CHFA's Housing Continuum
AMI = Area Median Income

green indicates market-provision without incentives/subsidies

2020 Housing Strategy & Action Steps: Progress to Date

2020 Strategy and Action Steps	Progress to Date
1. Establish a committee to implement the city's affordable housing action plan and support affordable housing development.	Housing Advisory Committee (HAC) was formed in 2023 and meets quarterly
2. Incorporate additional development incentives to the city's land development code. <i>Arvada recently updated its land development code (adopted by City Council on 5/18/20) to include a height bonus, fast-track review, and modification opportunities for affordable development. Additional incentives could include:</i> <i>Waive or reduce development fees (up to an amount) for affordable housing development.</i> <i>Waive rezone requirements (or streamline rezone process) for developments with deep affordability.</i> <i>City to utilize CDBG, HODAG or other resources to fund off site infrastructure that a development may need in return for affordable units.</i>	Arvada's code now includes height bonus incentives and a reduced parking requirement for LIHTC development. The parking incentive has been utilized the most. The HAC has also established criteria for providing gap financing to LIHTC as an additional incentive.
3. Allocate publicly owned land (and/or acquire vacant or underutilized properties) for affordable and mixed-income housing. <i>Inventory existing public land (including land owned by the City, County, schools district, etc.) and evaluate feasibility for residential development.</i> <i>Establish partnership with local affordable developers and land trusts</i> <i>Evaluate funding sources for land/property acquisition that could be utilized to create or preserve affordable housing.</i> <i>Actively watch for property and land to acquire to repurpose (could include vacant land, underutilized commercial, and/or small naturally occurring affordable multifamily housing).</i>	The City has identified potential sites and is actively meeting with partners.

2020 Housing Strategy & Action Steps: Progress to Date

2020 Strategy and Action Steps	Progress to Date
4. Implement a foreclosure/eviction prevention program. <i>Identify potential non-profit partners to provide services.</i> <i>Evaluate funding source options and feasibility of providing short-term emergency rent and utilities assistance.</i>	Jefferson County administered emergency assistance during the pandemic but the program does not have ongoing funding. Housing counseling is currently available.
5. Establish a local funding source using commercial and/or residential linkage fees (or impact fees). <i>Evaluate political support for linkage fee option.</i> <i>Consider and allocate staff resources for program compliance.</i> <i>Conduct/contract a nexus study to investigate potential fee amounts and implement program.</i>	This was identified as a long-term strategy in 2020 so action steps are ongoing.
6. Leverage existing resources to facilitate affordable housing development. <i>Utilize current city resources for affordable housing development and preservation.</i> <i>Analyze and configure current housing revenues.</i> <i>Private Activity Bond procedures and priorities.</i>	The City, in consultation with the HAC, has established procedures and priorities for the Arvada Affordable Housing Fund (AAHF). The City continues to leverage state and federal resources effectively and efficiently to serve low and moderate income households.

CGF Jeffco Housing Advocacy Steering Committee's Workforce Housing (60%-120% AMI) Policy Recommendations

Policy Area 1: Land Use and Zoning Reforms

The Steering Committee recommends all Jeffco communities:

- Allow accessory dwelling units (ADUs) by right in agricultural, single family, and two-family uses (subject to lot and/or occupancy requirements).
- Discourage growth limits that restrict annual permits.
- Zone more land for multi-family.
- Create opportunity for modular solutions through local accommodations and state advocacy.

The Steering Committee recommends some communities (depending on local context):

- Allow more types of housing in single-family zones—especially duplexes.
- Allow medium density housing (10 dwellings per acre) in 10% of land area.
- Allow administrative approvals of small multifamily or affordable projects.
- Lower minimum lot size for single-family.
- Increase lot coverage limits.
- Allow conversion of commercial and office buildings to multi-family housing as appropriate.
- Allow higher occupancy in each unit (accounting for multi-generational households and expanding forms of committed partnership and functional households).

Goal: *Unlock supply through zoning and land use reforms that create more price-point and/or product diversity.*

Preliminary Strategy Recommendations—2024

Policy Lever 1. Leverage financial assets *to support affordable housing production, preservation, and programs.*

- a) Continue existing program funding supported by federal and state funds and service-delivery partnerships.
- b) Continue to allocate publicly owned land (and/or acquire vacant or underutilized properties) for affordable and mixed-income housing.
- c) Evaluate options for a new dedicated, sustainable revenue source to support the under-funded Arvada Affordable Housing Fund (AAHF), including feasibility and impact of a small increase to sales or property tax (and/or other funding options).
- d) Invest in the production of income-restricted housing, prioritizing projects that meet identified housing needs.
- e) Invest in the preservation of affordable housing, prioritizing properties that have expiring affordability contracts that could convert to market-rate housing.

**Note that specific criteria for distribution of funds from the AAHF are set annually by the HAC in alignment with the Strategic Plan.*

Preliminary Strategy Recommendations—2024

Policy Lever 2. Consider land use and zoning modifications *to unlock supply, improve natural affordability and housing diversity, and incentivize affordable/attainable projects.*

- a) Incorporate additional incentives for Affordable (income restricted) developments:
- Create “fast-track” process for Affordable (already a requirement of Prop 123)
 - Update the “Affordable” definition in to include Affordable for-sale (define by income restriction and AMI rather than LIHTC)
 - Consider deeper parking reductions for Affordable multi-family and add parking reduction for affordable townhomes (pending outcome of HB24-1304).
 - Consider administrative approval of Affordable residential in mixed use zones (potentially subject to ground-floor commercial space).
 - Consider design incentives for Affordable that reduce the impact of balcony and covered parking requirements (e.g., allow Juliette or faux balconies).
 - Consider density bonuses for both multi-family and single-family Affordable projects (e.g., lot size reductions, additional duos, and/or incremental zoning).

Preliminary Strategy Recommendations—2024

Policy Lever 2. (continued)...

- b) Consider implementation of the Jeffco Housing Advocacy Steering Committee's Workforce Housing land use recommendations for local jurisdictions, intended to create more price-point and/or product diversity in Jeffco cities. Recommendations relevant to Arvada include:
 - Zone more land for multi-family.
 - Allow more types of housing in single-family zones—especially duplexes.
 - Lower minimum lot size for single-family.
 - Increase lot coverage limits.
 - Allow conversion of commercial and office buildings to multi-family housing as appropriate.
- c) Continue to evaluate the viability and potential impact of affordability requirements in new developments (e.g., inclusionary zoning and/or affordable housing linkage fee).
- d) Monitor state legislation that may impact additional land use and zoning opportunities and/or requirements related to housing.

Questions & Discussion





REPORT TO CITY COUNCIL

AGENDA ITEM
2.C.

TO: THE HONORABLE CITY COUNCIL

DATE: March 25, 2024

SUBJECT: Staff Updates

Report in Brief

The purpose of this workshop is for staff to provide City Council with brief updates on projects and issues that do not require a full workshop.

Prepared by:
Chris Koch, CCO Admin

Reviewed by:

Approved by:

Enclosure, exhibits & attachments required to support the report