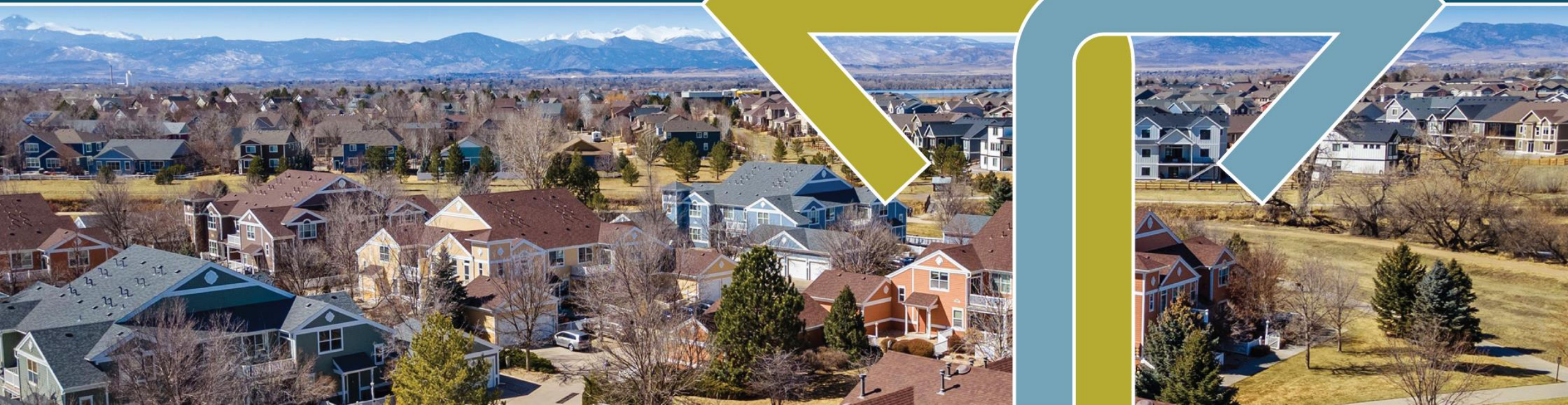


Housing at a Crossroads

AFFORDABILITY, ACCESS, AND THE
FUTURE OF NORTHERN COLORADO



← → Premier Sponsor



Aimee Sundstrom
Director, Member Expansion
Elevations Credit Union

← → **Welcome**

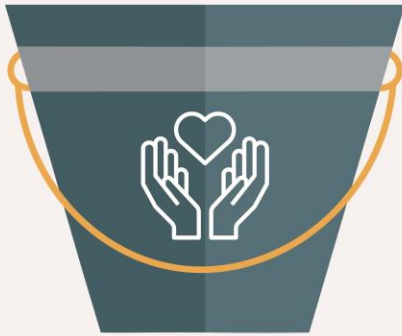


Kristin Todd
President & CEO
NoCo Foundation



Strategic “Buckets” of Work

Philanthropic Services



Build trusted relationships with donors to connect them with high impact community issues and opportunities

Collaborate with Professional Advisors to create charitable strategies for client success

Philanthropic “easy button”

Nonprofit Support



Enable nonprofit sustainability through management of endowment

Strengthen the sector for community well-being

Build capacity through grants, loans, and trainings

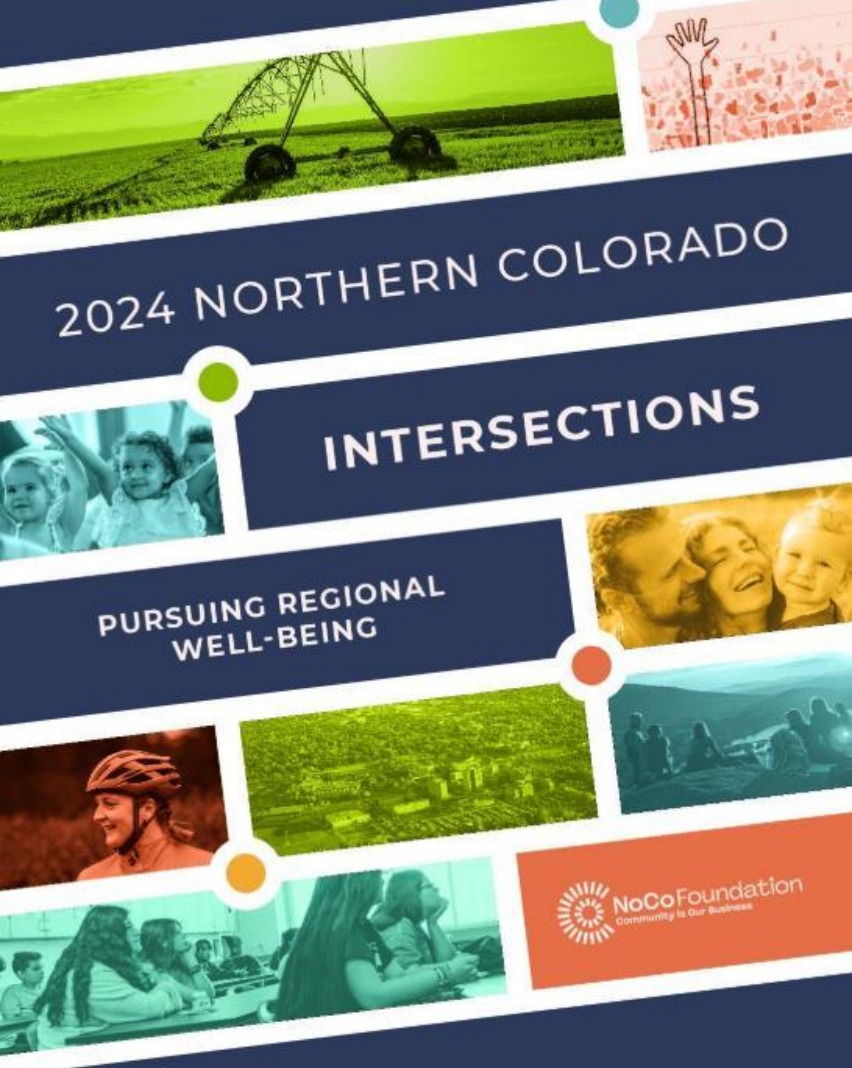
Community Engagement



Support regional partnerships to address today’s most challenging issues

Convene regional leaders for impact and solutions

Lead the Northern Colorado Intersections initiative including research, outreach, and regional convening



Why housing and why now?

←→ Introducing *Housing at a Crossroads*

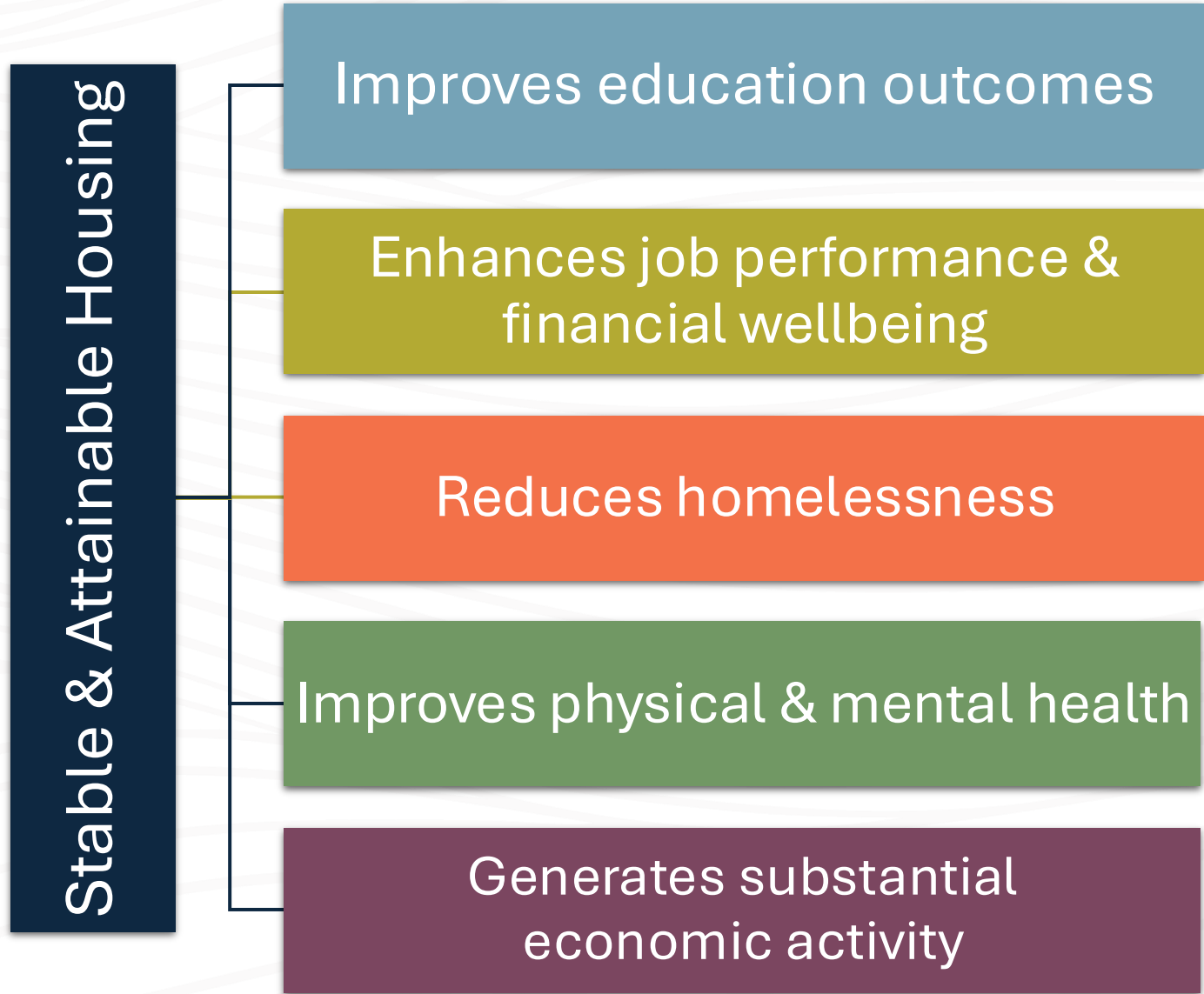


Brooke Cunningham
Regional Housing Officer
NoCo Foundation

Agenda

- Why Housing Matters
- Meet your neighbors
- Key Factors shaping housing
- What will it take?
- Moving forward together





Meet your Neighbors



**OFFICE MANAGER
& PT BARISTA**

1 KID, 3 PERSON HH

**\$72,200
HH INCOME**



**FIREFIGHTER &
NURSE'S AID**

2 PERSON HH

**\$99,700
HH INCOME**



**HIGH SCHOOL
TEACHER**

1 PERSON HH

**\$52,200
HH INCOME**



**MULTIGENERATIONAL
FAMILY**

3 KIDS, 6 PERSON HH

**\$100,500
HH INCOME**



**SINGLE RETIREE,
FIXED INCOME**

1 PERSON HH

**\$25,000
HH INCOME**

Meet your Neighbors



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Larimer: 61% AMI

95% AMI

57% AMI

66% AMI

27% AMI

Weld: 64% AMI

100% AMI

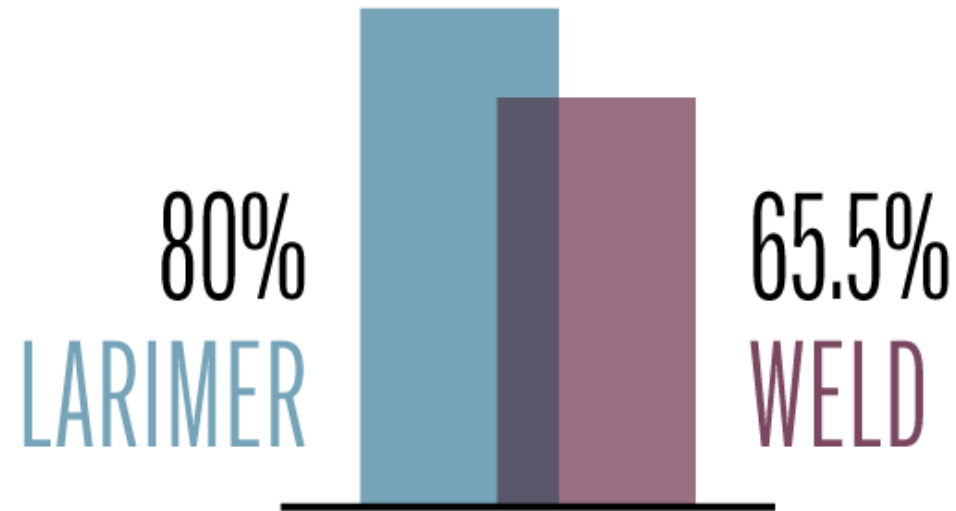
60% AMI

69% AMI

29% AMI

Meet your Neighbors

Percentage of households that can't afford the homes available:



Larimer County is the most mismatched county in Colorado

Weld County ranks in the top 10

Key Factors Shaping Housing:

FACTOR 1

Growth Continues and is Changing Who We Are

FACTOR 2

What We Build Does Not Match What People Need

FACTOR 3

The Affordability Gap is Widening

FACTOR 4

Development Costs & Processes are Limiting What Can Be Built

FACTOR 5

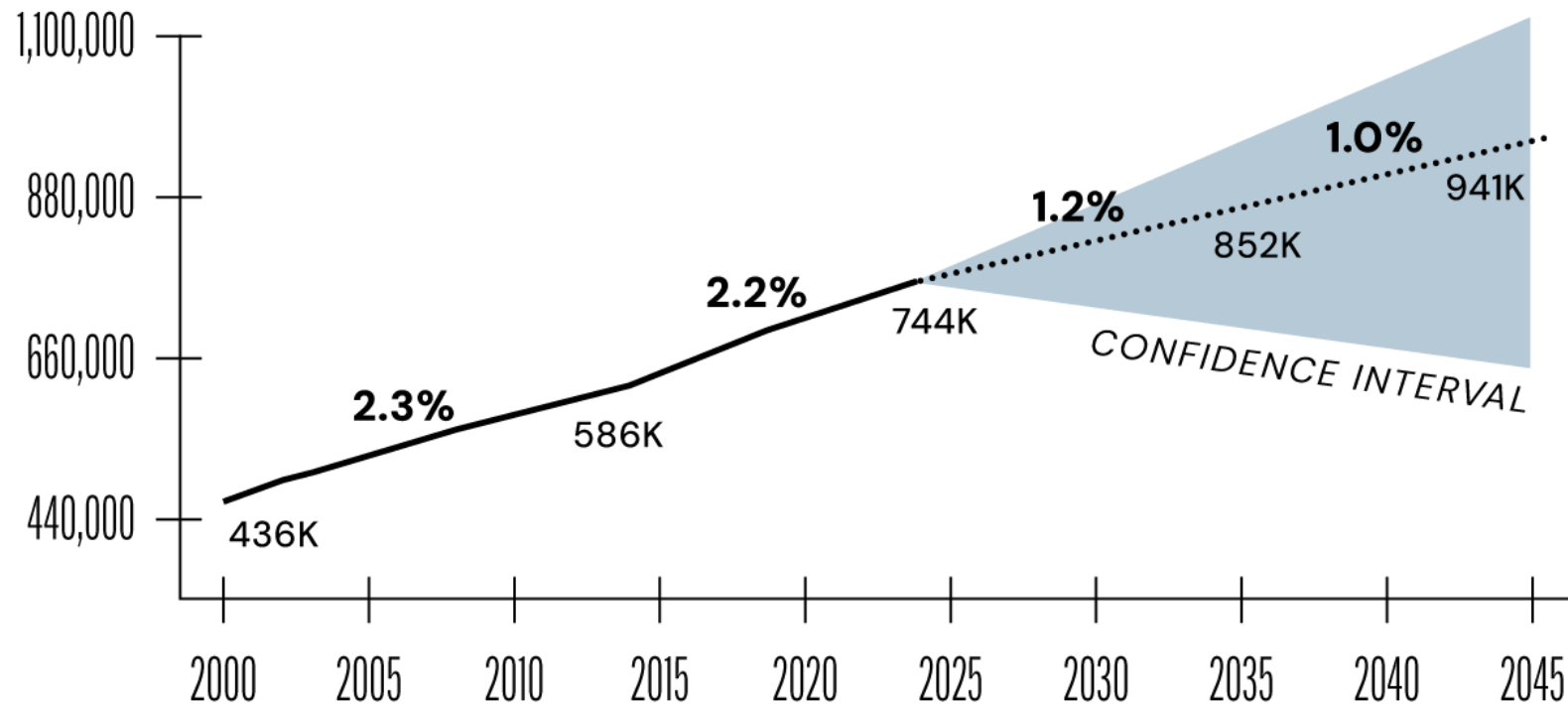
Policy, Land Use, and Community Factors Shape What is Possible

FACTOR 1 | KEY FACTORS SHAPING HOUSING

Growth Continues and is Changing Who We Are

Larimer & Weld County Combined Population

Historic & Projected Growth



FACTOR 1 | KEY FACTORS SHAPING HOUSING

Growth Continues and is Changing Who We Are

THE AVERAGE
HOUSEHOLD SIZE
IS DECREASING

1980



2.7 PEOPLE

-6%

2024



2.55 PEOPLE

FACTOR 1 | KEY FACTORS SHAPING HOUSING

Growth Continues and is Changing Who We Are

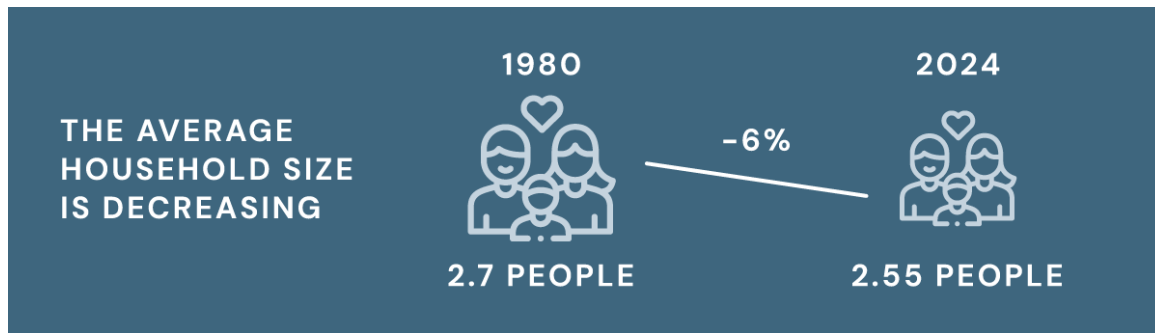


So What?

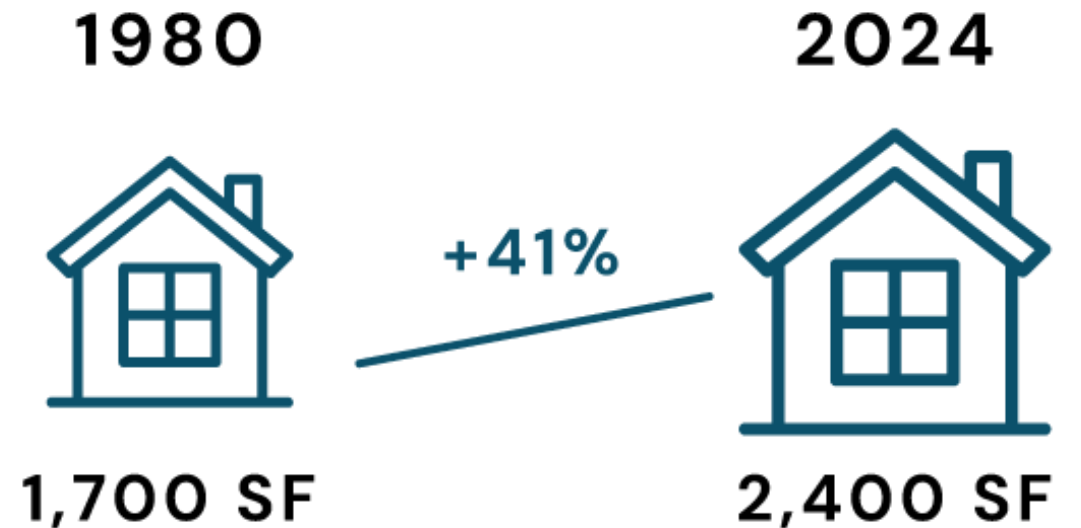
- 43,000 households will need housing over next 10 years
- Given low vacancy rates and availability, most will need to be new construction

FACTOR 2 | KEY FACTORS SHAPING HOUSING

What We Build Does Not Match What People Need



AVERAGE HOME SIZE



FACTOR 2 | KEY FACTORS SHAPING HOUSING

What We Build Does Not Match What People Need

CONDO CONSTRUCTION IN COLORADO:



THE NUMBER OF ACTIVE CONDO DEVELOPERS IN COLORADO DROPPED FROM 146 IN 2007 TO 13 IN 2025. THAT'S A 95% DECLINE.

FACTOR 2 | KEY FACTORS SHAPING HOUSING

What We Build Does Not Match What People Need

So What?

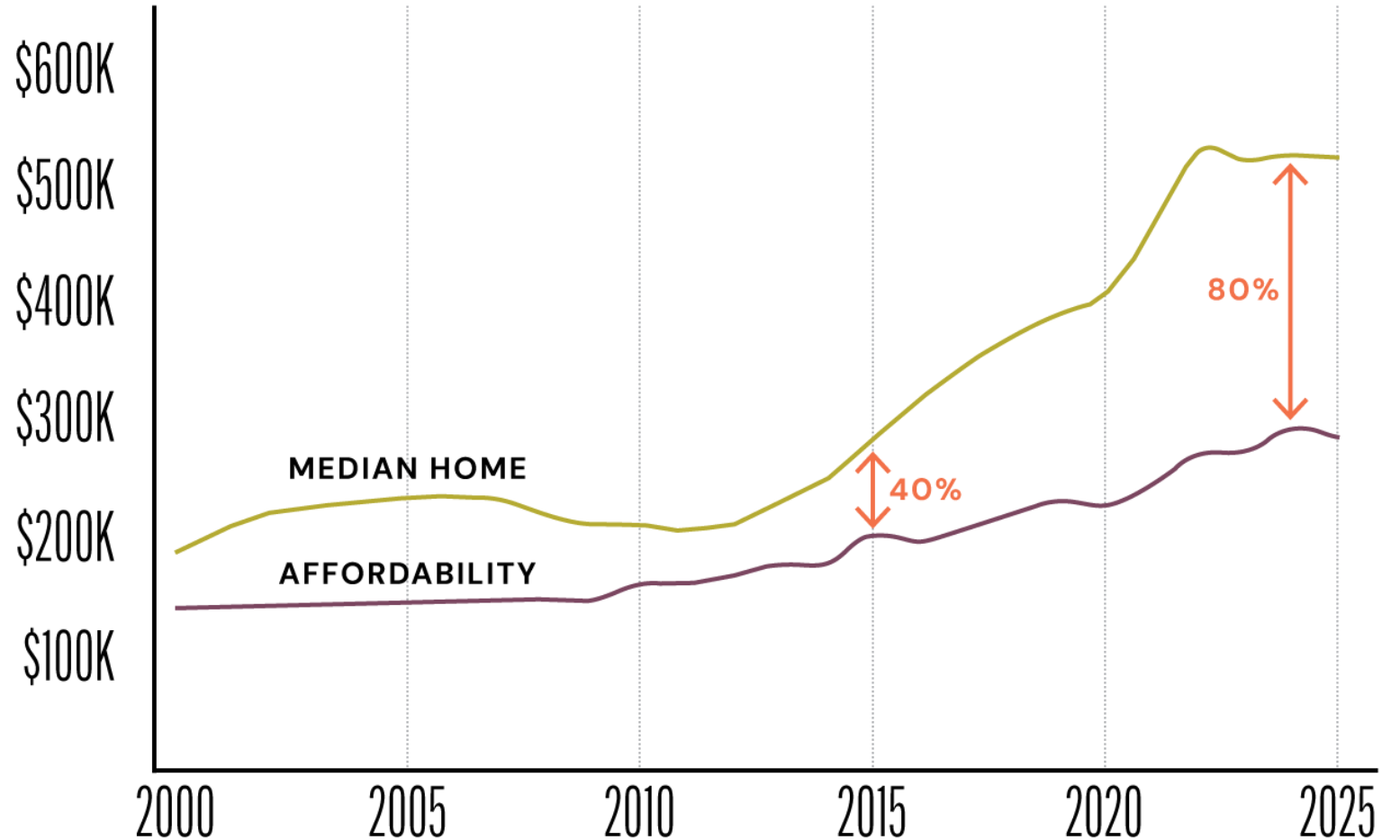
- Fewer starter homes
- Constrained supply impact housing decisions
- Higher demand causes upward pressure on prices



FACTOR 3 | KEY FACTORS SHAPING HOUSING

The Affordability Gap is Widening

Larimer and Weld County affordability gap over time:



FACTOR 3 | KEY FACTORS SHAPING HOUSING

The Affordability Gap is Widening

OUT OF REACH 2015-2025

HOME
PRICES
INCREASED

209%

MORE THAN
INCOMES

RENTS
INCREASED

34%

MORE THAN
INCOMES

MOST LIKELY TO FEEL THE GAP:



<60% AMI
RENTERS



<150% AMI
OWNERS

FACTOR 3 | KEY FACTORS SHAPING HOUSING

The Affordability Gap is Widening

“I was born and raised in Northern Colorado, and while growing up, I doubt my parents would have ever thought I’d be almost 40 by the time I could buy my first home here.”

-Fort Collins Resident

FACTOR 3 | KEY FACTORS SHAPING HOUSING

The Affordability Gap is Widening



So What?

- Difficult to stay and plan
- Less stability for families
- Need new approach helps grow workforce and support economic sustainability

FACTOR 4 | KEY FACTORS SHAPING HOUSING

Development Costs & Processes are Limiting What Can Be Built

IN 2015, A SINGLE-FAMILY HOME COST

\$300,000

TO BUILD THAT SAME HOUSE NOW, IT WOULD COST

\$450,000

Does not include the increases in land, water, and development fee costs



FACTOR 4 | KEY FACTORS SHAPING HOUSING

Development Costs & Processes are Limiting What Can Be Built

A ONE MONTH DELAY IN CONSTRUCTION =

A PRICE INCREASE OF \$1,200+
2,000 buyers now are priced out

DELAY OR LOSS OF 80 OTHER HOUSING STARTS

\$50M IN DELAYED OR \$80M IN REDUCED OPPORTUNITY COST AND ECONOMIC IMPACTS

OTHER LOSSES ON THE DEVELOPER SIDE:
Unoccupied units and direct construction costs = nearly \$150,000/month of delay for a \$10 million development

IN LOCAL COMMUNITIES:
Nearly \$15,000/month in lost local sales tax revenues and \$10,000/month of lost property tax revenues for all taxing jurisdictions

THE LONGER WE WAIT, THE MORE COSTLY IT WILL BE TO SOLVE OUR HOUSING CHALLENGES.

FACTOR 4 | KEY FACTORS SHAPING HOUSING

Development Costs & Processes are Limiting What Can Be Built



So What?

- The market is demanding affordability
- Barriers exist to meeting the need

FACTOR 5 | KEY FACTORS SHAPING HOUSING

Policy, Land Use, and Community Factors Shape What is Possible



FACTOR 5 | KEY FACTORS SHAPING HOUSING

Policy, Land Use, and Community Factors Shape What is Possible



So What?

Aligning policy, process,
and community priorities is
essential

What Will It Take?

CURRENT NEEDS

2,800 RENTALS

*Highest need for units priced below
60% of AMI, or \$1,556/month*

+

3,600 FOR SALE

*Highest need for units priced below
150% AMI or \$490,000*

6,400 UNITS



WHAT WILL IT TAKE?

OVER THE
NEXT 10 YEARS, LARIMER +
WELD COUNTIES WILL NEED

47,500 UNITS

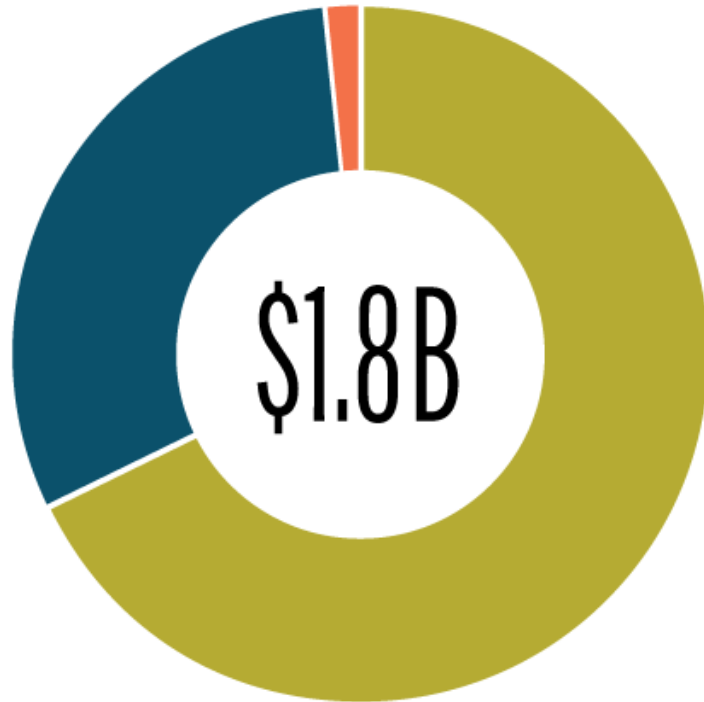
OF ALL TYPES AND PRICE
POINTS TO MEET DEMAND

20,500 RENTALS

27,000 FOR SALE

WHAT WILL IT TAKE?

HOW MUCH WILL IT COST ANNUALLY TO MEET DEMAND?



\$1.23B PRIVATE FUNDING

\$550M REMAINING GAP

\$30M PUBLIC PROGRAMS

“Food, shelter and clothing are the three basics of life – and three keys to a vibrant, healthy community. Without an affordable place to live:

- Our schools start closing because young families can't afford to live here.*
- Employers stop hiring (or leave) because their employees can't afford to live here.*
- Traffic increases with commuters traveling to our city as a job site.*

The question isn't whether we are smart enough to maintain a vibrant, healthy, and affordable community, it's only a question of our will and commitment.

We can do this!”



-Larry Kendall

Founder of The Group Inc. Real Estate, author of *Ninja Selling*, and philanthropist

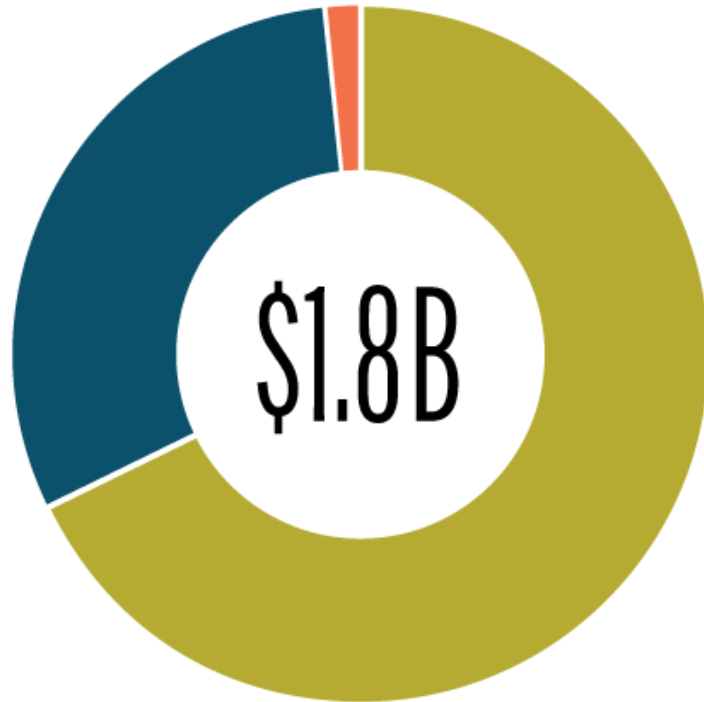
←→ Looking Ahead



Kristin Todd
President & CEO
NoCo Foundation

LOOKING AHEAD

HOW MUCH WILL IT COST TO MEET DEMAND?



\$1.23 B PRIVATE FUNDING

\$550 M REMAINING GAP

\$30 M PUBLIC PROGRAMS

LOOKING AHEAD

NoCo Housing Fund

\$7 Million (to date)

Down Payment
Assistance Program
\$3,000,000

Revolving Commercial
Loan Fund
\$4,000,000



You?

Down Payment Assistance

- Helping local families access homeownership
- Up to 120% Area Median Income
- Up to 15% of purchase price
- Equity Share Model – does not increase monthly payment



Meet your Neighbors – All Would Qualify



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Down Payment Assistance Example



**OFFICE MANAGER
& PT BARISTA**

1 KID, 3 PERSON HH

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HH INCOME**

2 Bedroom, 1.5 Bathroom Condo in Greeley
Sale Price: \$255,000



Down Payment Assistance Example



**OFFICE MANAGER
& PT BARISTA**

1 KID, 3 PERSON HH

**\$72,200
HH INCOME**

2 Bedroom, 1.5 Bathroom Condo in Greeley
Sale Price: \$255,000

Mortgage	\$204,000
NoCo Housing Fund (15% of home value)	\$38,250
Borrower Down Payment (5% of home value)	\$12,750
Monthly Payment	\$1,878

Down Payment Assistance Example



**OFFICE MANAGER
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HH INCOME

Selling after 7 years, 5% compounded annual appreciation
Sales Price: \$358,000

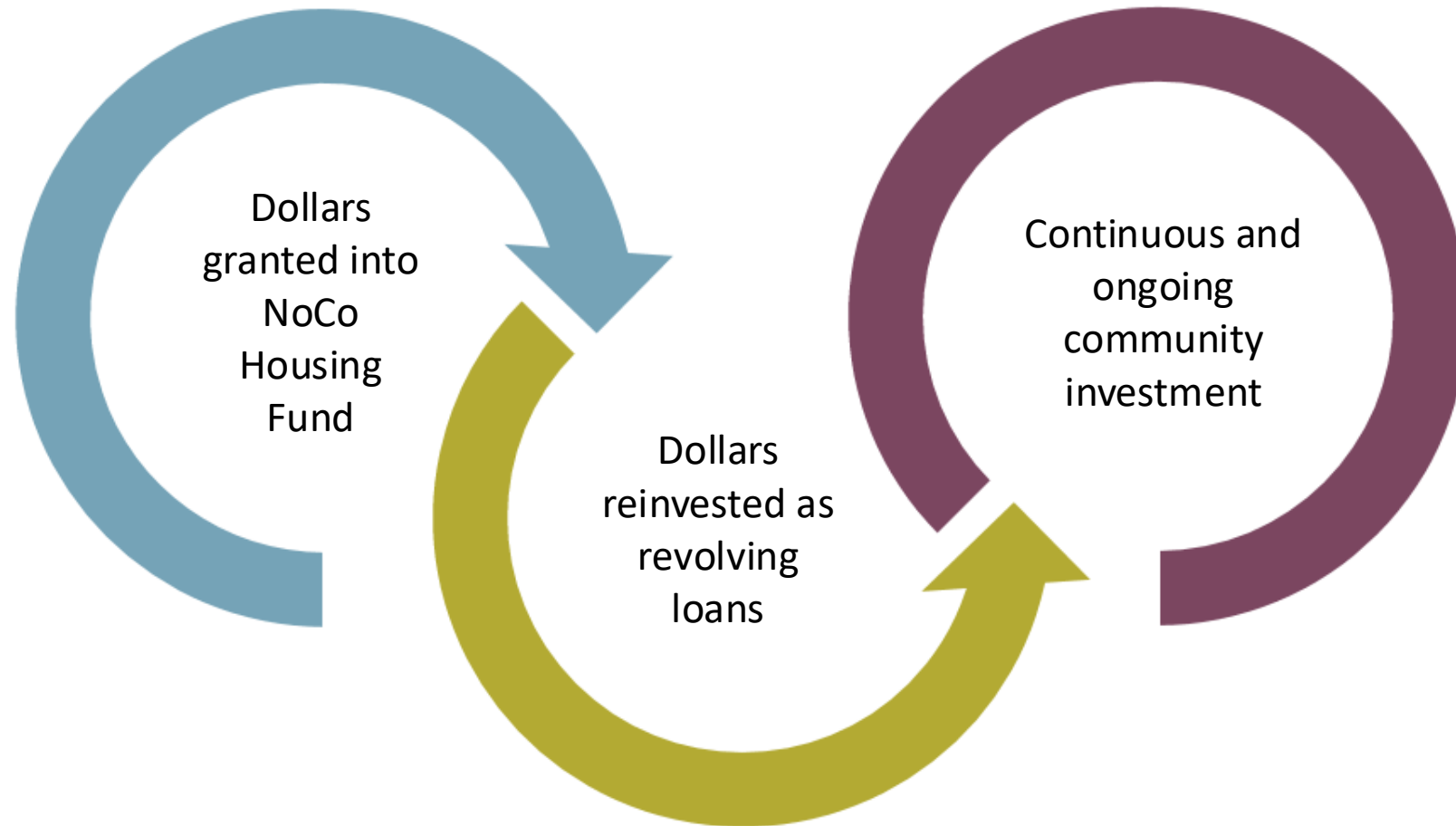
Gross Appreciation	\$103,000
<i>Shared Appreciation (15%)</i>	<i>(\$15,450)</i>
Borrower Realized Appreciation	\$87,550
NoCo Housing Fund DPA Loan Principal	\$38,250
Shared Appreciation (15%)	\$15,450
Total NoCo Housing Fund Repayment	\$53,700

Revolving Commercial Loan Fund

- Flexible fund to help build affordable housing
- Low-interest rate loans
- Dollars will revolve, growing the fund over time
- Rental and for-sale projects eligible
- Funds revolve quickly, average 18-24 months



A Revolving Fund That Grows & Creates Exponential Impact





Where we are now – Regional Convening



Public and Political Will



Cash



Cost



Partnerships



Regional Strategies



←→ It Takes All of Us

- Elected Officials
- Businesses
- Community Members
- Philanthropists
- Investors
- Municipal Staff
- Housing Stakeholders
- Developers

Thank You!

To learn more, please visit

[Nocofoundation.org](https://nocofoundation.org)

or email

bcunningham@nocofoundation.org

