

# Lakewood Housing Needs Assessment



Prepared for:  
Department of Housing and Family  
Services  
City of Lakewood, Colorado  
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The Community Strategies Institute was formed in 2003 to provide fiscal and economic analysis, education and training to individuals and groups wishing to better understand and improve the economic and social factors influencing affordable housing development, housing conditions and community infrastructure as those elements influence the economic mobility of low-income populations. The Institute Directors and Members have diverse backgrounds in housing development, finance, management, policy and research. The Institute can be your partner in designing research, programs, and investments for expanding opportunities for individuals to become economically stable members of caring communities.

For more information contact:

Tom Hart  
303.902.9028

[tomhart@csicolorado.org](mailto:tomhart@csicolorado.org)

Jennie Rodgers  
303.668.2534

[jennie@csicolorado.org](mailto:jennie@csicolorado.org)

Dayna Ashley-Oehm  
303.929.9591

[dayna@csicolorado.org](mailto:dayna@csicolorado.org)

Visit our website:

[www.csicolorado.org](http://www.csicolorado.org)

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## DEMOGRAPHIC TRENDS AND FORECASTS

This section of the report will analyze population, households and key demographic characteristics of the City of Lakewood. The information will provide a framework for understanding current and future housing conditions and needs.

The City of Lakewood is located in the central portion of Jefferson County, Colorado and is surrounded by other established communities. Lakewood has a land area of 43 square miles with little developable land remaining within the City boundaries. Lakewood has 25 established neighborhoods.

### Population

Lakewood has approximately 26 percent of Jefferson County's population, with an estimated population of 145,370 in 2006. According to the U.S. Census and Colorado Demography Section estimates, Lakewood's population has held stable since 2000, increasing at an average annual rate of 0.1 percent.

**Table 1: Total Population Estimates, 2000-2006**

	2000	2001	2002	2003	2004	2005	2006
Colorado	4,301,261	4,446,934	4,521,858	4,586,869	4,653,139	4,722,755	4,804,353
Jefferson County	527,056	530,111	531,733	530,781	532,723	532,608	536,748
Lakewood	144,126	143,976	144,150	143,454	143,611	142,810	145,370

Source: U.S. Census Bureau (2000 figures) and Colorado Demography Section

**Table 2: Annual Growth, 2000-2006**

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Av Annual Growth
Colorado	3.40%	1.70%	1.40%	1.40%	1.50%	1.70%	1.90%
Jefferson County	0.60%	0.30%	-0.20%	0.40%	0.00%	0.80%	0.30%
Lakewood	-0.10%	0.10%	-0.50%	0.10%	-0.60%	1.80%	0.10%

Source: U.S. Census Bureau (2000 figures) and Colorado Demography Section

Lakewood and Jefferson County's population has stayed fairly steady, below the average statewide growth rate. CSI estimates that Lakewood's population will grow slightly between now and 2012, as development occurs on the site of the Federal Center, around light rail stations, and at the Karma development in the Rooney Valley area of Lakewood.

The following table shows Lakewood population forecasts through 2012 by age group. The age distribution of people in Lakewood is not expected to change dramatically during the next five years. Many younger people are expected to move into the area. Senior population growth is due mostly to current residents aging in place, and is not due to any forecasted in-migration of older persons to Lakewood.

**Table 3: Lakewood Total Populations by Age**

	2000		2005		2010		2012	
	Total Population:	Distribution of Total Population by Age	Total Population:	Distribution of Total Population by Age	Total Population:	Distribution of Total Population by Age	Total Population:	Distribution of Total Population by Age
Under 5 years	8,740	6.1%	9,060	6.4%	8,580	5.8%	8,443	5.8%
5 to 9 years	8,843	6.1%	8,275	5.8%	8,103	5.5%	7,974	5.5%
10 to 14 years	9,055	6.3%	10,472	7.4%	10,876	7.4%	10,481	7.2%
15 to 19 years	9,006	6.2%	8,065	5.7%	7,692	5.2%	7,570	5.2%
20 to 24 years	10,290	7.1%	11,021	7.7%	11,095	7.5%	10,918	7.5%
25 to 29 years	11,687	8.1%	9,945	7.0%	8,728	5.9%	8,589	5.9%
30 to 34 years	10,890	7.6%	9,202	6.5%	9,557	6.5%	9,317	6.4%
35 to 39 years	12,012	8.3%	10,146	7.1%	9,468	6.4%	9,171	6.3%
40 to 44 years	12,174	8.4%	12,780	9.0%	13,273	9.0%	12,956	8.9%
45 to 49 years	10,944	7.6%	12,860	9.0%	13,356	9.0%	12,831	8.8%
50 to 54 years	9,517	6.6%	8,985	6.3%	9,332	6.3%	9,183	6.3%
55 to 59 years	7,562	5.2%	8,264	5.8%	9,763	6.6%	9,608	6.6%
60 to 64 years	5,996	4.2%	4,954	3.5%	6,065	4.1%	5,969	4.1%
65 to 69 years	4,972	3.4%	5,404	3.8%	6,213	4.2%	6,114	4.2%
70 to 74 years	4,341	3.0%	5,558	3.9%	6,805	4.6%	6,988	4.8%
75 to 79 years	3,683	2.6%	2,966	2.1%	3,846	2.6%	3,785	2.6%
80 to 84 years	2,312	1.6%	2,438	1.7%	2,811	1.9%	3,057	2.1%
85 years and over	2,102	1.5%	2,039	1.4%	2,367	1.6%	2,620	1.8%
<b>Total</b>	<b>144,126</b>		<b>142,810</b>		<b>147,930</b>		<b>145,573</b>	
Aged 19 and under	35,644	24.7%	35,872	25.1%	35,251	23.8%	34,468	23.7%
65 and Over	17,410	12.1%	18,405	12.9%	22,042	14.9%	22,564	15.5%

Source: 2000 Census Bureau and 2005 American Communities Survey, Colorado Demography Section, Ribbon Demographics Population Forecasts, CSI analysis

Lakewood's senior population is not expected to grow significantly during the next five years, adding approximately 5,000 seniors between 2005 and 2012.

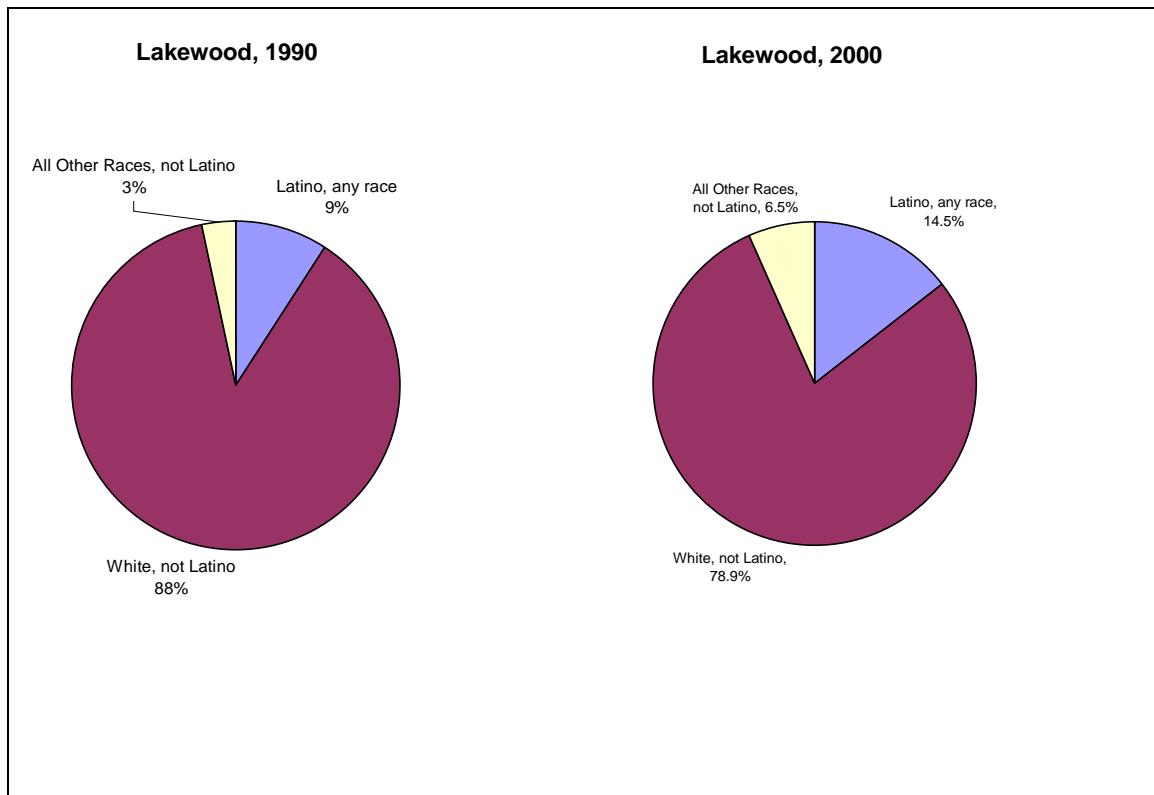
### **Population by Race, Ethnicity, and Limited English Proficiency**

Lakewood has a majority population that is white, but the racial and ethnic makeup of Lakewood's population is changing. In 1990, 87.5 percent of the City's population was white, while in 2000 that percentage was 78.9 percent.

**Table 4: Population Distribution by Race and Ethnicity**

	1990			Total	2000			Total
	Latino, any race	White, not Latino	All Other Races, not Latino		Latino, any race	White, not Latino	All Other Races, not Latino	
Colorado	12.9%	80.7%	6.4%	100.0%	17.1%	74.5%	8.4%	100.0%
Jefferson County	7.0%	90.1%	2.9%	100.0%	10.0%	84.9%	5.2%	100.0%
Lakewood	9.1%	87.5%	3.4%	100.0%	14.5%	78.9%	6.5%	100.0%

Source: U.S. Census Bureau



Lakewood has a higher minority population than Jefferson County overall, with a 13 percent minority population in 2000, compared to nine percent throughout the county. Lakewood’s Latino population is also rising.

**Table 5: Total Population by Race and Ethnicity, 2000 Census**

	Jefferson County				
	Not Hispanic or Latino:	Hispanic or Latino:	Total:	Distribution by Race:	Percent Latino
White alone	447,416	30,038	477,454	90.6%	6.3%
Black or African American alone	4,312	365	4,677	0.9%	7.8%
American Indian and Alaska Native alone	2,748	1,223	3,971	0.8%	30.8%
Asian/Native Hawaiian/Pac. Islander	12,190	255	12,445	2.4%	2.0%
Some other race alone	534	16,509	17,043	3.2%	96.9%
Two or more races	7,407	4,059	11,466	2.2%	35.4%
<b>Total Population:</b>	<b>474,607</b>	<b>52,449</b>	<b>527,056</b>	<b>100.0%</b>	
Percent White, not Latino	84.9%				
Percent Latino	10.0%				
	Lakewood				
	Not Hispanic or Latino:	Hispanic or Latino:	Total:	Distribution by Race:	Percent Latino
White alone	113,755	11,856	125,611	87.2%	9.4%
Black or African American alone	1,910	218	2,128	1.5%	10.2%
American Indian and Alaska Native alone	1,085	514	1,599	1.1%	32.1%
Asian/Native Hawaiian/Pac. Islander	3,966	69	4,035	2.8%	1.7%
Some other race alone	175	6,853	7,028	4.9%	97.5%
Two or more races	2,286	1,439	3,725	2.6%	38.6%
<b>Total Population:</b>	<b>123,177</b>	<b>20,949</b>	<b>144,126</b>	<b>100.0%</b>	
Percent White, not Latino	78.9%				
Percent Latino	14.5%				

Source: U.S. Census Bureau

Eight percent of Lakewood's population was born somewhere besides the United States. Though this population is growing, it is still a small percentage of the total Lakewood population.

There were 11,467 persons counted in the 2005 American Communities Survey in Lakewood that were born outside the United States. The majority are United States citizens. This census count most likely undercounts those that are not citizens.

**Table 6: Place of Birth, 2005**

	Lakewood	
	Number	Distribution
Native:	131,343	92.0%
Born in state of residence	65,744	46.0%
Born in other state in the United States:	63,429	44.4%
Northeast	8,318	5.8%
Midwest	27,103	19.0%
South	10,401	7.3%
West	17,606	12.3%
Born outside the United States:	2,170	1.5%
Puerto Rico	49	0.0%
U.S. Island Areas	0	0.0%
Born abroad of American parent(s)	2,121	1.5%
Foreign born:	11,467	8.0%
Naturalized U.S. citizen	5,045	3.5%
Not a U.S. citizen	6,422	4.5%
<b>Total:</b>	<b>142,810</b>	<b>100.0%</b>

Source: U.S. Census Bureau, 2005 American Community Survey

School enrollment data in Jefferson County and the Lakewood attainment area shows that there is a significant minority population in schools, and minority enrollment in elementary schools is slightly higher than in the upper levels, indicating a change in school demographics over time towards a higher minority population.

**Table 7: 2005-2006 School Enrollment for Lakewood Area**

	American Indian	Asian	African American	Hispanic	White, not Hispanic	Total	% Minority
<b>Elementary Schools</b>							
Belmar	0	23	7	80	226	336	32.7%
Eiber	8	12	20	193	149	382	61.0%
Glennon Heights	2	10	5	41	166	224	25.9%
Slater	8	4	20	96	177	305	42.0%
South Lakewood	9	8	18	108	326	469	30.5%
<b>All Elementary Schools</b>	<b>27</b>	<b>57</b>	<b>70</b>	<b>518</b>	<b>1,044</b>	<b>1,716</b>	<b>39.2%</b>
<b>Middle School</b>							
Creighton	15	18	16	174	390	613	36.4%
<b>High School</b>							
Lakewood	27	107	40	313	1,309	1,796	27.1%

Source: Jefferson County School District

There are schools serving Lakewood that are not classified within the Lakewood attainment area by the Jefferson County school district. The following chart shows all high schools in Jefferson County. Lakewood, Green Mountain, Bear Creek and Alameda High Schools all serve portions of Lakewood as well as other areas of the county.

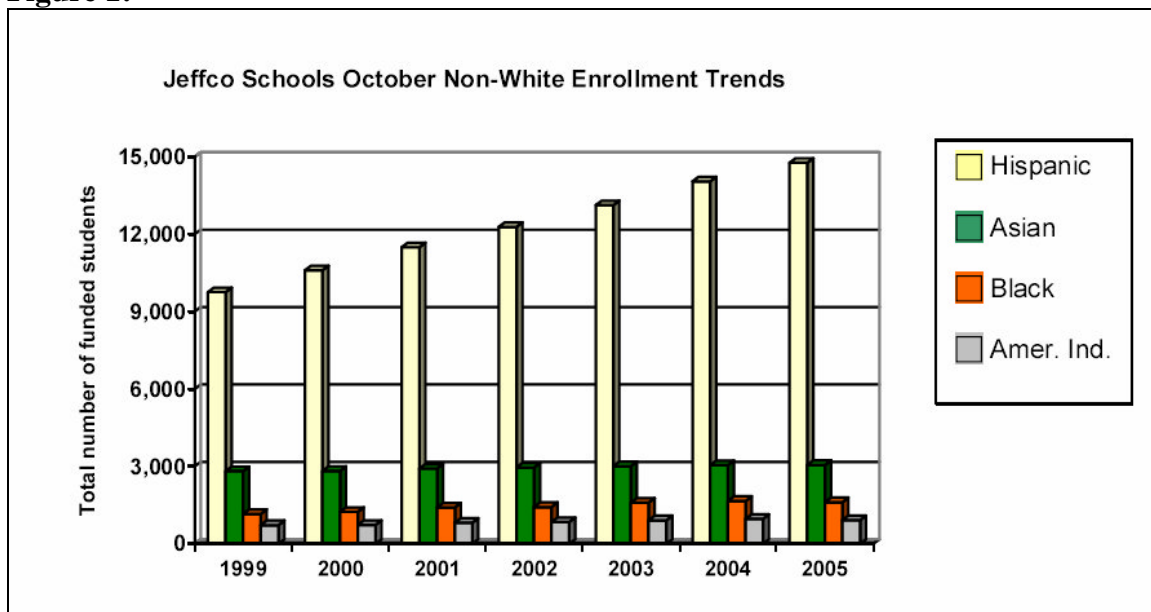
**Table 8: Jefferson County High Schools Serving the City of Lakewood**

Attainment Area	Enrollment	Minority Students	% Minority Enrollment	Free & Reduced Lunch Rate
Alameda	4,090	2,515	61.5%	63.3%
Bear Creek	6,213	1,627	26.2%	24.1%
Green Mountain	4,184	723	17.3%	14.8%
Jefferson	2,927	2134	72.9%	77.6%
Lakewood	4,125	1,382	33.5%	37.7%
<b>Total</b>	<b>21,539</b>	<b>8,381</b>	<b>38.9%</b>	<b>39.6%</b>
All District schools	85,083	20,350	23.9%	24.0%

Source: Jefferson County School District

Overall Jefferson County school enrollment has been decreasing slightly over time, as has the white enrollment levels. However, minority enrollment continues to grow. Hispanic students make up 17 percent of the students population, and is the highest growing ethnic group.

**Figure 1:**



Source: Jefferson County School District

In Lakewood, almost 10 percent of households speak a language other than English as their primary language. Spanish is the most prevalent second language, but other European languages such as Russian, and Asian and Pacific Island languages are also spoken by approximately 3,700 households.

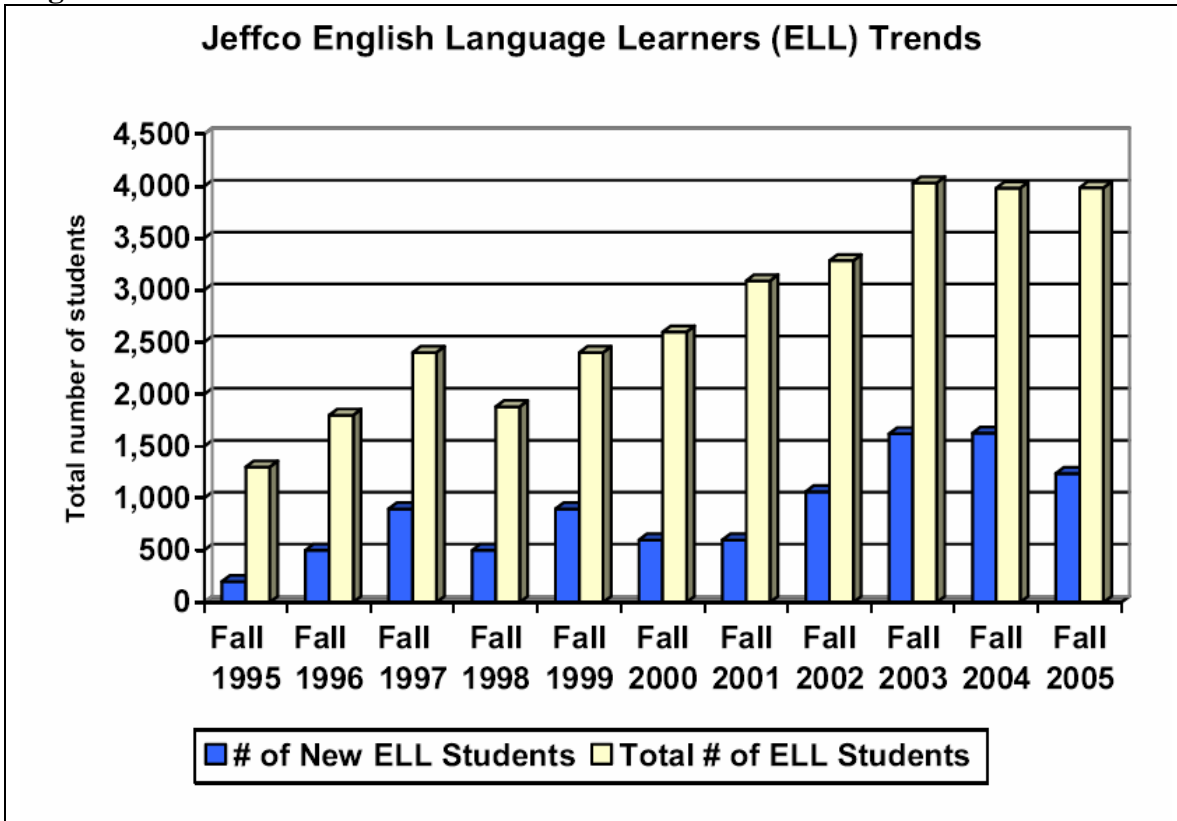
**Table 9: Households by Household Language, 2005**

	Lakewood	
	Estimate	Distribution
English	50,403	84.2%
Spanish	5,722	9.6%
Other Indo-European languages	2,252	3.8%
Asian and Pacific Island languages	1,471	2.5%
Other languages	39	0.1%
<b>Total:</b>	<b>59,888</b>	

Source: U.S. Census Bureau, 2005 American Community Survey

School district data, though only available for the entire district, shows that the percentage of non-native English speaking children has grown during the past five years. Many of the schools with high minority and English Language Learner (ELL) students are located within Lakewood.

**Figure 2:**



Source: Jefferson County School District

The top ELL Languages Spoken in Jefferson County Schools are:

• Spanish	70%	2,800 students
• Vietnamese	7%	261 students
• Russian	6%	225 students
• Chinese, Cantonese	2%	65 students
• Hmong	2%	64 students
• Korean	2%	61 students

The American Community Survey (ACS) also indicates that the number of households in Lakewood moving from abroad is growing. In 2005, there were 873 households living in Lakewood who had lived abroad the year before. The census does not indicate where these families are moving from, but school district data reflects a trend in population from Spanish speaking countries and Asian nations as well.

**Table 10: Residence One Year Ago by Tenure, 2005**

	Lakewood				
	Owner	Renter	Total	Proportion of Renters	Distribution of Total
Same house one year ago	85,505	21,539	107,044	20.1%	75.0%
Moved within same county	4,655	12,101	16,756	72.2%	11.7%
Moved from different county within same state	3,235	10,247	13,482	76.0%	9.4%
Moved from different state	1,501	3,154	4,655	67.8%	3.3%
Moved from abroad	225	649	873	74.3%	0.6%
Total	93,984	47,690	142,810		

Source: U.S. Census Bureau, 2005 American Communities Survey, Colorado Demography Section, CSI

As the number of Spanish speaking and other non-English speaking households in Lakewood grows, housing providers and other social service providers may need to hire staff that are bilingual or provide materials in multiple languages.

## Household Trends and Characteristics

### Households

In 2005, there were 59,888 households in Lakewood. Of these, 22,680, or 37.9 percent, were renters. The percentage of renters has decreased since 2000 from 39.1 percent, though the total number of renters has increased by a few hundred.

The following table shows that the median age in Lakewood in 2005 was 37.8, the average household size was 2.27 and the average family size was 2.88. Households tend to be smaller in Lakewood than in Jefferson County. There are more single people and fewer families than the county as a whole. In 2005, 59.7 percent of all households in Lakewood were families, for a total of 37,532 households. In Jefferson County, 66.1 percent of households were family households.

**Table 11: Household Demographics, 2005**

	Median Age	Av HH Size	Av Family Size
Jefferson County	38.8	2.46	3.03
Lakewood	37.8	2.27	2.88

Source: U.S. Census Bureau, 2005 American Community Survey

CSI estimates the number of Lakewood households increased slightly until 2007, but will decrease slightly through 2012 as the population remains fairly stable. The average household size is not expected to change during this time period. The number of people living in group quarters was held constant in projections for the next five years, as no new group quarters are expected to be built during this time period.

The redevelopment of the Federal Center could change the makeup of Lakewood's population. A market study conducted for the redevelopment effort estimates that over the next 20 years, the Federal Center site plans for up to 290 new residential units, retail, industrial, office and research space. Planning has just begun on the site, and only Saint Anthony's Hospital will be on line within the next few years. These housing unit numbers could change significantly as the redevelopment effort gets further along in the planning process.

**Table 12: Lakewood Population and Household Estimates**

1999-2005			
Year	Total Population	Group Quarters Population	Household Population
1999	143,201	4,003	139,198
2000	144,126	3,800	140,326
2001	143,976	3,800	140,176
2002	144,150	3,800	140,350
2003	143,454	3,872	139,582
2004	143,611	3,872	139,739
2005	142,810	3,872	138,938

2006-2012			
Year	Total Population	Group Quarters Population	Household Population
2006	145,370	3,872	141,498
<b>2007</b>	<b>147,930</b>	<b>3,872</b>	<b>144,058</b>
2008	147,459	3,872	143,587
2009	146,987	3,872	143,115
2010	146,516	3,872	142,644
2011	146,044	3,872	142,172
2012	145,573	3,872	141,701

Source: U.S. Census Bureau, 2005 American Community Survey, Colorado Demography Section, Ribbon Demographics, CSI

As is often the case, a much higher percentage of younger households in Lakewood are renters. The homeownership rate increases significantly in households 35 years old or older and again for those in the 45 to 54 year old range. Often, when households in the 35 to 44 age range do not have a homeownership rate in line with that of older households, the cause was the rapid increase in housing prices that occurred during the 1990s, before these households were ready or able to buy. Current prices may be a barrier to younger households who would like to make the jump to homeownership. Lakewood has a lower homeownership rate than in all of Jefferson County.

**Table 13: Households by Tenure and Age of Householder, 2005**

	Lakewood				
	Owner occupied:	Renter occupied:	Total	Proportion of Renters	Distribution of Total
Householder 15 to 24 years	650	4,014	4,664	86.1%	7.8%
Householder 25 to 34 years	3,227	5,689	8,915	63.8%	14.9%
Householder 35 to 44 years	8,031	4,953	12,984	38.2%	21.7%
Householder 45 to 54 years	9,755	3,446	13,201	26.1%	22.0%
Householder 55 to 59 years	3,729	2,091	5,820	35.9%	9.7%
Householder 60 to 64 years	2,998	311	3,310	9.4%	5.5%
Householder 65 to 74 years	5,173	977	6,151	15.9%	10.3%
Householder 75 to 84 years	2,737	592	3,330	17.8%	5.6%
Householder 85 years and over	909	606	1,514	40.0%	2.5%
Total:	37,208	22,680	59,888	37.9%	
Median age of householder	51.9	38.3	47.6		

Source: U.S. Census Bureau, 2005 American Community Survey, Colorado Demography Section, CSI

Lakewood's homeownership rate is expected to grow slowly during the next five years as new housing units for sale come on line at Belmar, the Rooney Valley area and along the light rail corridor. The number of renter households will be stable or decline slightly.

**Table 14: Lakewood Households by Tenure and Age of Householder**

<b>2000</b>					
Age of Householder	Owners	Renters	Total	Proportion of Renters	Distribution of Total
Under 55	21,692	19,779	41,471	47.7%	68.5%
55-61	4,618	1,124	5,742	19.6%	9.5%
62+	10,541	2,777	13,318	20.9%	22.0%
Total	36,851	23,680	60,531	39.1%	
<b>2005</b>					
Age of Householder	Owners	Renters	Total	Proportion of Renters	Distribution of Total
Under 55	22,745	19,007	41,752	45.5%	66.4%
55-61	5,174	2,327	7,501	31.0%	11.9%
62+	11,149	2,480	13,629	18.2%	21.7%
Total	39,068	23,814	62,882	37.9%	
<b>2007</b>					
Age of Householder	Owners	Renters	Total	Proportion of Renters	Distribution of Total
Under 55	20,509	18,204	38,713	47.0%	62.3%
55-61	6,478	1,682	8,160	20.6%	13.1%
62+	12,042	3,179	15,221	20.9%	24.5%
Total	39,029	23,065	62,094	37.1%	
<b>2012</b>					
Age of Householder	Owners	Renters	Total	Proportion of Renters	Distribution of Total
Under 55	18,539	16,958	35,497	47.8%	58.1%
55-61	7,075	1,965	9,040	21.7%	14.8%
62+	13,039	3,502	16,541	21.2%	27.1%
Total	38,653	22,425	61,078	36.7%	

Source: Ribbon Demographics, Colorado Demography Section, CSI

Married couple households have a very high homeownership rate, especially those with no children under the age of 18. Female headed family households with children have the lowest homeownership rates in the City of Lakewood. Overall, all household types had a lower ownership rate in Lakewood in 2005 compared to Jefferson County.

**Table 15: Tenure by Household Type and Presence and Age of Own Children, 2005**

	Lakewood City				
	Owner occupied	Renter occupied	Total	Percent Renters	Distribution of Total
Family households:	25,609	10,136	35,745	28.4%	59.7%
Married-couple family:	20,216	3,475	23,692	14.7%	39.6%
With own children under 18 years	7,011	2,221	9,232	24.1%	15.4%
No own children under 18 years	13,205	1,254	14,459	8.7%	24.1%
Other family:	5,392	6,661	12,053	55.3%	20.1%
Male householder, no wife present:	2,016	2,364	4,380	54.0%	7.3%
With own children under 18 years	1,294	1,413	2,708	52.2%	4.5%
No own children under 18 years	722	950	1,672	56.8%	2.8%
Female householder, no husband present:	3,376	4,297	7,673	56.0%	12.8%
With own children under 18 years	2,110	2,946	5,056	58.3%	8.4%
No own children under 18 years	1,266	1,351	2,617	51.6%	4.4%
Nonfamily households	11,599	12,544	24,143	52.0%	40.3%
<b>Total:</b>	<b>37,208</b>	<b>22,680</b>	<b>59,888</b>	<b>37.9%</b>	<b>100.0%</b>
	Jefferson County				
	Owner occupied	Renter occupied	Total	Percent Renters	Distribution of Total
Family households:	111,285	25,979	137,263	18.9%	66.1%
Married-couple family:	95,848	12,599	108,447	11.6%	52.2%
With own children under 18 years	37,079	7,606	44,686	17.0%	21.5%
No own children under 18 years	58,769	4,993	63,761	7.8%	30.7%
Other family:	15,437	13,379	28,816	46.4%	13.9%
Male householder, no wife present:	4,883	4,015	8,898	45.1%	4.3%
With own children under 18 years	2,655	2,111	4,766	44.3%	2.3%
No own children under 18 years	2,228	1,904	4,132	46.1%	2.0%
Female householder, no husband present:	10,554	9,364	19,919	47.0%	9.6%
With own children under 18 years	5,790	6,794	12,583	54.0%	6.1%
No own children under 18 years	4,765	2,571	7,335	35.0%	3.5%
Nonfamily households	41,968	28,489	70,457	40.4%	33.9%
<b>Total:</b>	<b>153,252</b>	<b>54,468</b>	<b>207,720</b>	<b>26.2%</b>	<b>100.0%</b>

Source: U.S. Census Bureau, 2005 American Community Survey, State Demography Section, CSI

## LOCAL ECONOMY AND EMPLOYMENT

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This section of the report will examine employment trends and wage data for the City of Lakewood and Jefferson County. This information is used to estimate the number and type of new housing units needed as well as price ranges necessary to meet the housing needs of the area workforce.

Colorado, the Denver Metro area, and Lakewood have all suffered through an economic downturn since 2000, when the area lost many higher paying jobs. In the past few years, the economy has begun to turn around. Unemployment in Jefferson County is decreasing and the number of employed persons is on the rise. Average wage increases have kept pace with inflation in Jefferson County. The five year average wage increase in Jefferson County, according to the U.S. Census Bureau County Business Patterns, was 2.6 percent. The average Denver/Boulder inflation rate during the same time period was 2.56 percent.

### Labor Force

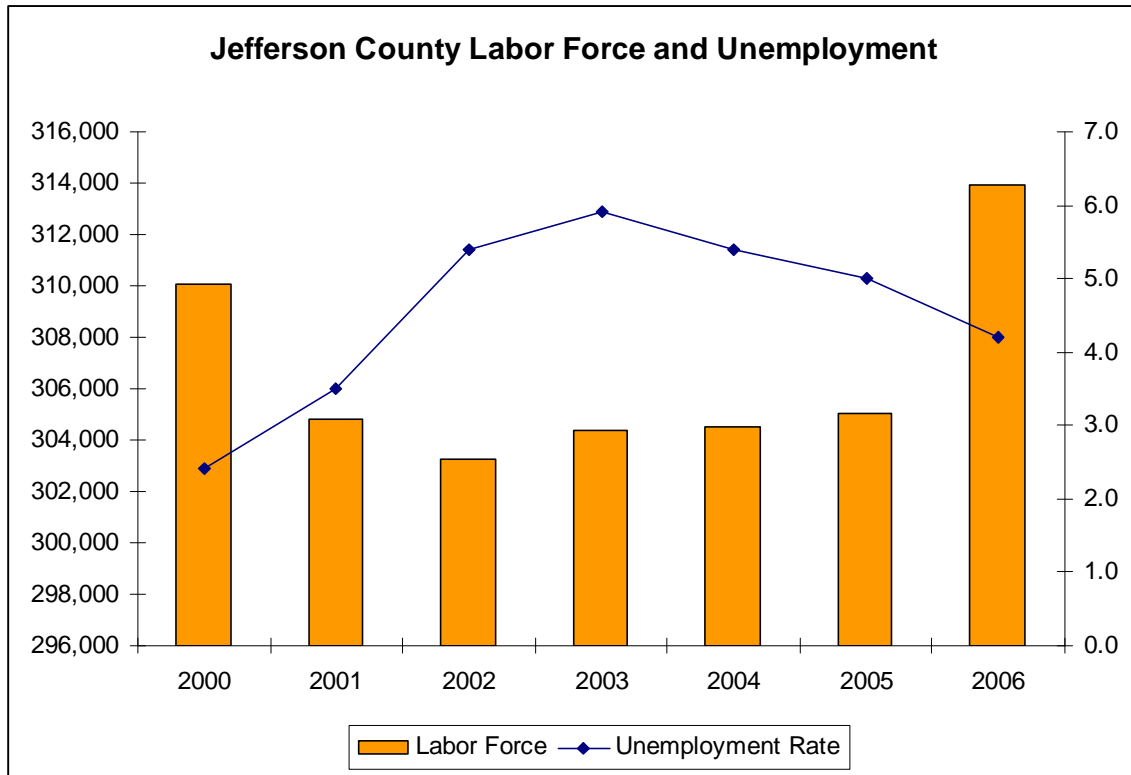
The following table provides an employment overview in Jefferson County. This information is not available for the City of Lakewood. In Jefferson County the labor force has been growing, the unemployment rate decreasing and the number of employed people rising. In 2006, Jefferson County's unemployment rate was 4.2 percent -- up from 2000, but much lower than the 2003 rate of 5.9 percent. The 2006 statewide average annual unemployment rate was 4.3 percent, just over the rate for Jefferson County. The May 2007 Department of Labor and Employment non seasonally adjusted rate for Jefferson County is 3.2 percent.

**Table 16: Jefferson County Annual Average Labor Force, Employment and Unemployment**

	2000	2001	2002	2003	2004	2005	2006
Labor Force	310,079	304,783	303,252	304,352	304,507	305,008	313,901
Employment	302,787	294,223	286,823	286,323	288,089	289,810	300,690
Unemployment	7,292	10,560	16,429	18,029	16,418	15,198	13,211
Unemployment Rate	2.4	3.5	5.4	5.9	5.4	5.0	4.2

Source: Labor Market Information, Colorado Department of Labor & Employment

**Figure 3:**



Source: Labor Market Information, Colorado Department of Labor and Employment

### Employment and Wages

Lakewood has 13 employers with 250 or more employees. This diverse list includes the Jefferson County Schools, a manufacturing firm, the Federal and City governments, a college and other private employers. The following table lists these employers. Centura Health's St Anthony Central Hospital will relocate to Lakewood in 2010, and will have approximately 1,200 employees.

**Table 17: 2007 Selected Lakewood Businesses with 250 or more Employees**

<b>Company</b>	<b>Employees</b>	<b>Product</b>
Denver Federal Center	6,200	Federal Government Offices
Jefferson County R-1 School District	3,930	Education
Gambro	1,654	Disease Management Services & Medical Device Manufacturing
City of Lakewood	933	City Government
FirstBank of Colorado	704	Commercial Banking
Integer Group	600	Marketing Firm
AON Innovative Solutions	490	Insurance
MoneyGram International	430	Financial
Jacobs Engineering Group	350	Engineering
Kinder Morgan, Inc.	347	Energy
Service Magic	325	Construction
Lockheed Martin	300	Defense Contractor/ Engineering
Red Rocks Community College	262	2-Year Community College

Source: Lakewood Economic Development

Employment data is available at the county level. In 2005, the largest industries in Jefferson County were retail trade, manufacturing, healthcare and social assistance, administration support, waste management, remediation services and accommodations and food service. Manufacturing jobs posted the highest average annual wage of \$57,181. Accommodations and food services had an average wage of just \$13,501.

**Table 18: Jefferson County Employment Sectors**

<b>SIC Industry Code Description (2000-2002)</b>	<b>Employment 2005</b>	<b>Average Wage 2005</b>
Forestry, fishing, hunting, and agriculture support	34	\$28,029
Mining	558	\$65,007
Utilities	1,207	\$75,947
Construction	15,318	\$43,093
Manufacturing	19,186	\$57,181
Wholesale trade	5,561	\$54,614
Retail trade	26,370	\$24,703
Transportation & warehousing	2,429	\$40,142
Information	4,039	\$64,912
Finance & insurance	7,772	\$50,188
Real estate & rental & leasing	3,311	\$31,200
Professional, scientific & technical services	16,108	\$58,939
Management of companies & enterprises	3,999	\$83,311
Admin, support, waste mgt, remediation services	19,310	\$31,858
Educational services	2,709	\$24,159
Health care and social assistance	19,143	\$37,616
Arts, entertainment & recreation	2,260	\$17,363
Accommodation & food services	18,793	\$13,501
Other services (except public administration)	8,841	\$23,032
Auxiliaries (exc corporate, subsidiary & regional mgt)		
Unclassified establishments	35	\$17,200
<b>Total/Average</b>	<b>176,983</b>	<b>\$38,844</b>

Source: County Business Patterns, U.S. Census Bureau

CSI estimated the number of employees by county business patterns category in 2005. The total number of employees by category and the percentage in each category has not changed significantly in the past few years. Nor are they expected to do so in the near future, as no new economic development activity is taking in place in Lakewood within the next few years. Looking long term, the Saint Anthony's Central Hospital relocation will contribute nearly 1,200 health care jobs to the Federal Center. A Federal Center redevelopment market study estimates 747,900 square feet of retail, 1,082,750 square feet of office, and 630,500 square feet of research/industrial and development space could be added to the site. A light rail transit station will be located at the Federal Center, making it attractive for the creation of new job sites.

**Table 19: Estimated Employment in Lakewood, 2005**

County Business Patterns Categories Industry Code Description	Lakewood Estimate 2005	Percent of Total
Forestry, fishing, hunting, and agriculture support	11	0.02%
Mining	178	0.30%
Utilities	384	0.65%
<b>Construction</b>	<b>4,878</b>	<b>8.28%</b>
Manufacturing	2,352	3.99%
Wholesale trade	1,266	2.15%
<b>Retail trade</b>	<b>8,374</b>	<b>14.21%</b>
Transportation & warehousing	774	1.31%
Information	1,594	2.71%
Finance & insurance	2,475	4.20%
Real estate & rental & leasing	1,236	2.10%
<b>Professional, scientific &amp; technical services</b>	<b>7,394</b>	<b>12.55%</b>
Management of companies & enterprises	1,274	2.16%
<b>Admin, support, waste mgt, remediation services</b>	<b>9,050</b>	<b>15.36%</b>
Educational services	606	1.03%
<b>Health care and social assistance</b>	<b>6,798</b>	<b>11.54%</b>
Arts, entertainment & recreation	606	1.03%
<b>Accommodation &amp; food services</b>	<b>6,852</b>	<b>11.63%</b>
Other services (except public administration)	2,816	4.78%
Unclassified establishments	11	0.02%
<b>Total</b>	<b>58,930</b>	

Source: County Business Patterns U.S. Census, CSI

The City of Lakewood has a higher percentage of its population with an associates, bachelor's or post-graduate degrees compared with the rest of the nation and state. Forty percent of Lakewood residents have a degree. Another 23.3 percent have some college education. The percentage of the population with a high school degree or higher increased slightly between 2000 and 2005 -- to 89.9 percent. Lakewood is served by the Jefferson County school district, which is highly regarded statewide. Some high schools in Lakewood have high mobility and free and reduced lunch rates, while Lakewood High School does not. However, Lakewood students have the option to open enroll in schools throughout the county.

**Table 20: Educational Attainment for the Population 25 Years and Over**

	Lakewood			
	2000	Distribution of Total	2005	Distribution of Total
	Did not complete High School	10,480	10.7%	9,960
High School Graduate	24,134	24.6%	26,141	26.6%
Some College, no degree	24,902	25.4%	22,900	23.3%
Associate or Bachelor's degree	27,578	28.1%	27,525	28.0%
Post-college degree	11,075	11.3%	11,666	11.9%
<b>Total</b>	<b>98,169</b>		<b>98,192</b>	

Source: U.S. Census Bureau, 2005 American Community Survey, CSI

Lakewood residents work close to home, with 30.6 percent of residents working in the City of Lakewood and another 18.0 percent working within Jefferson County. Another 30.5 percent work within the City and County of Denver, which abuts Lakewood along the City's eastern border.

Having housing with a range of prices and types for the local work force is important for all communities. With almost 50 percent of Lakewood's residents working within the county, it appears that a live/work balance is possible. Eighty percent of respondents to the Lakewood Community Housing Survey indicated they are able to live as close to work as they would like. This situation can only improve as rail lines will connect Lakewood residents to downtown Denver, where many of the 23,662 Lakewood commuters most likely work. Only 4.2 percent of Lakewood residents work outside the metro Denver area.

**Table 21: Workers Aged 16 and Over who Live in Lakewood**

Place of Work		Percent of Total
Lakewood	23,762	30.6%
Elsewhere in Jefferson County	13,963	18.0%
City and County of Denver	23,662	30.5%
Work Outside Colorado	388	0.5%
Elsewhere in Metro Denver	15,905	20.5%
In Colorado but Outside Denver Metro Area	2,844	3.7%
<b>Total</b>	<b>77,680</b>	

Source: U.S. Census Bureau 2000 Census

Lakewood's residents earn slightly more than the average Coloradan, though less than Jefferson County residents on average. This is true for median earnings, per capita earnings and median household incomes for families and non-families. Lakewood has a higher percentage of households with SSI or public assistance earnings than the state or county, though the percentage of households living below the poverty rate is less.

**Table 22: Economic Snapshot, 2005**

	<b>Colorado</b>	<b>Jefferson County</b>	<b>Lakewood</b>
<b>Individual Income</b>			
Median Earnings - Male 16+ (civilian only)	\$36,890	\$42,340	\$37,540
Median Earnings - Female 16+ (civilian only)	\$26,140	\$30,760	\$28,031
Earnings Below Poverty Level in Last 12 Months	11.1%	7.4%	10.4%
Per Capita Earnings	\$27,081	\$30,163	\$27,890
<b>Household Income</b>			
Median Household Income	50,652	60,944	50,234
Proportion of Households with Wage or Salary Earnings	81.3%	82.8%	82.0%
Proportion of Households with Self Employment Income	14.8%	14.7%	12.3%
Proportion of Households with Income from Dividends, Interest or Rent	27.2%	30.9%	26.4%
Proportion of Households Receiving Social Security	20.3%	21.3%	21.3%
Proportion of Households Receiving SSI	2.7%	2.1%	2.7%
Proportion of Households Receiving Public Assistance or Food Stamps	5.8%	4.2%	6.8%
Proportion of Households with Retirement Income	14.8%	15.9%	14.9%
<b>Family Income</b>			
Median Family Income	\$62,470	\$73,355	\$60,822
Median non-Family Income	\$32,189	\$35,747	\$33,373
<b>Labor Force</b>			
People 16+ in Labor Force	2,501,817	293,688	81,345
In Armed Forces	14,139	431	160
Civilian Employed	2,333,593	275,549	75,099
Civilian Unemployed	154,085	17,708	6,086

Source: U.S. Census Bureau, 2005 American Community Survey

## HOUSING PRODUCTION

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This section of the report will focus on the current housing stock as well as recent housing construction by types of units and price ranges for the City, for sale and for rent units, housing conditions, housing types and other characteristics will be examined in detail. This data will be used to estimate new housing production needs in the City.

### **Number and Types of Housing Units**

The majority of owner occupied housing units in Lakewood are single-family, stick built, detached homes. Just over 20 percent of owner occupied units are attached townhome, condo or other units. In contrast, only 11 percent of rental units in the county are detached, stick built or mobile homes. Sixty-eight percent (68%) of rental units are located in properties with five or more units. The percentage of attached housing units is higher in the City of Lakewood than Jefferson County. The number of attached units has increased since the 2005 American Community Survey was released due to the construction of the Belmar area condominiums.

**Table 23: Tenure by Units in Structure, 2005**

	City of Lakewood				
	Owner-occupied housing units:	Renter-occupied housing units:	Total occupied housing units	% Renter occupied	Distribution of total occupied units
1, detached	27,154	2,399	29,554	8.1%	49.3%
1, attached	5,098	2,478	7,576	32.7%	12.7%
2	168	864	1,031	83.7%	1.7%
3 or 4	440	1,436	1,876	76.5%	3.1%
5 to 9	2,006	4,711	6,716	70.1%	11.2%
10 to 19	1,656	3,835	5,491	69.8%	9.2%
20 to 49	404	4,455	4,859	91.7%	8.1%
50 or more	126	2,439	2,565	95.1%	4.3%
Mobile home	156	63	219	28.7%	0.4%
Boat, RV, van, etc.	0	0	0	0.0%	0.0%
<b>Total</b>	<b>37,208</b>	<b>22,680</b>	<b>59,888</b>	<b>37.9%</b>	<b>100.0%</b>
	Jefferson County				
	Owner-occupied housing units:	Renter-occupied housing units:	Total occupied housing units	% Renter occupied	Distribution of total occupied units
1, detached	125,368	10,154	135,522	7.5%	65.2%
1, attached	14,517	6,671	21,188	31.5%	10.2%
2	364	2,568	2,931	87.6%	1.4%
3 or 4	1,890	3,636	5,525	65.8%	2.7%
5 to 9	4,089	7,870	11,958	65.8%	5.8%
10 to 19	3,850	8,550	12,400	69.0%	6.0%
20 to 49	1,527	8,639	10,166	85.0%	4.9%
50 or more	273	5,816	6,089	95.5%	2.9%
Mobile home	1,323	564	1,887	29.9%	0.9%
Boat, RV, van, etc.	53	0	53	0.0%	0.0%
<b>Total</b>	<b>153,252</b>	<b>54,468</b>	<b>207,720</b>	<b>26.2%</b>	<b>100.0%</b>

Source: U.S. Census Bureau, 2005 American Community Survey, Colorado Demographer Section, CSI

Most housing units in Lakewood were built between 1960 and 1990, with the biggest number built between 1970 and 1979. Many areas of Lakewood were rural in nature until 1969, when the City was incorporated. Homes built before 1950 may be in need of rehabilitation.

**Table 24: Tenure by Year Structure Built, 2005**

	Lakewood				
	Owner occupied:	Renter occupied:	Total	% Renters	Distribution of total by year built
Built 2000 to 2004	1,452	1,154	2,607	44.3%	4.4%
Built 1990 to 1999	2,841	4,023	6,864	58.6%	11.5%
Built 1980 to 1989	6,991	4,699	11,691	40.2%	19.5%
Built 1970 to 1979	8,881	6,387	15,268	41.8%	25.5%
Built 1960 to 1969	8,723	3,222	11,945	27.0%	19.9%
Built 1950 to 1959	5,348	2,269	7,616	29.8%	12.7%
Built 1940 to 1949	1,490	532	2,023	26.3%	3.4%
Built 1939 or earlier	1,481	394	1,875	21.0%	3.1%
<b>Total:</b>	<b>37,208</b>	<b>22,680</b>	<b>59,888</b>	<b>37.9%</b>	<b>100.0%</b>
	Jefferson County				
	Owner occupied:	Renter occupied:	Total	% Renters	Distribution of total by year built
Built 2000 to 2004	9,312	4,355	13,376	32.6%	6.4%
Built 1990 to 1999	25,433	9,464	34,897	27.1%	16.8%
Built 1980 to 1989	29,221	11,725	40,946	28.6%	19.7%
Built 1970 to 1979	43,905	14,125	58,031	24.3%	27.9%
Built 1960 to 1969	22,178	7,161	29,339	24.4%	14.1%
Built 1950 to 1959	14,064	4,836	18,901	25.6%	9.1%
Built 1940 to 1949	3,993	1,359	5,352	25.4%	2.6%
Built 1939 or earlier	5,145	1,442	6,587	21.9%	3.2%
<b>Total:</b>	<b>153,252</b>	<b>54,468</b>	<b>207,720</b>	<b>26.2%</b>	<b>100.0%</b>

Source: U.S. Census Bureau, 2005 American Community Survey, Colorado Demographer Section, CSI

## Housing Production

Applications for building permits and Certificates of Occupancy in Lakewood had been declining since 2001. The Belmar housing development, with many units in a dense Planned Unit Development (PUD), and other infill housing projects, increased the number of permits between 2005 and 2006. Lakewood is landlocked and has very little room for new development. In addition to Belmar, the Federal Center will be redeveloped, but housing construction is not expected for 10 to 20 years. There is one 1,400 unit PUD in south Lakewood. Homes in this area will be upscale and will not include affordable units.

**Table 25: City of Lakewood Residential Building Permits**

	<b>Building Permits Issued</b>	<b>Certificates of Occupancy</b>	<b>Demolition Permits</b>	<b>Value of New Residential Construction</b>
2000	262	580	0	\$42,457,787
2001	522	474	0	\$70,531,222
2002	445	471	0	\$74,980,182
2003	498	349	5	\$76,613,316
2004	314	244	2	\$63,201,737
2005	327	314	11	\$70,827,174
2006	591	183	19	\$92,248,343

Source: City of Lakewood Planning Department

## Housing Sales Data

Sales of housing units in Lakewood have slowed in the past few years mirroring trends throughout the entire metro Denver area. Some Lakewood neighborhoods are faring better than others -- foreclosures are concentrated in six of the 11 zip codes within Lakewood. Discussions with some neighborhood groups revealed there are many units on the market with little buyer interest; while in other areas sales have been steady.

## Price Trends

Currently, there are 398 housing units on the market in Lakewood. Of these, 260 are single family units and 148 are condominiums or attached units. The following table shows the profile of these current listings. The condominium market is much different than the single family home market right now. Condominiums, on average, are on the market for over a year. Discussions with local realtors indicate the condominium market is oversaturated. This is not true for newer condominiums, however, which average 63 days on the market. Newer condominiums also have a dramatically higher price per square foot and average price compared to condos built before 2004.

Single family homes have a much higher price than condominiums on average, and sell much faster. These homes are also typically bigger and older.

**Table 26: Current Listings**

	<b>Avg Price</b>	<b>Avg Bdrms</b>	<b>Avg Baths</b>	<b>Avg s.f.</b>	<b>Avg Year Built</b>	<b>Avg Days on Market</b>	<b>Avg Price Per sf</b>
<b>Condos</b>	\$158,908	2.1	1.9	1,169	1983	447	\$135.97
<b>Single Family</b>	\$357,277	3.8	2.7	1,987	1967	115	\$179.84

Source: MLS Data from Your Castle Real Estate Office, CSI analysis

**Table 27: Current Listings Price Comparisons by Year of Construction**

	Price Per Square Foot		Average Price	
	Pre-2005	2005 - 2007	Pre-2005	2005 - 2007
<b>Condos</b>	\$128.80	\$262.90	\$148,995	\$375,333
<b>Single Family</b>	\$174.60	\$220.82	\$338,815	\$538,816

Source: MLS Data from Your Castle Real Estate Office, CSI analysis

Households at 60 – 80 percent of area median income (AMI) can afford to purchase homes priced between \$138,298 and \$184,398 (assuming three percent (3.0%) downpayment, seven percent (7.0%) interest and a 30-year, fixed rate mortgage. Currently, older condos are affordable to households in this income range. There are 212 condos or single family homes on the market priced at \$138,298 or lower and an additional 187 priced between \$138,298 and \$184,398, for a total of 399 affordable units for sale.

This may be a good time for first-time or low-income homebuyers to purchase affordable units on the market in Lakewood. However, buyers should avoid purchasing an overpriced unit that will not hold its value over time.

The following chart shows that single family homes sold within the past 18 months have lower prices than units on the market currently, while prices for attached units have decreased significantly. With some condominiums on the market for over a year, the list of for sale units most likely includes those that are less desirable -- forcing reductions in their listing price. MLS data for detached units sold in 2006 and 2007 show the average sold price is slightly less (two percent) than their list price.

**Table 28: Units Sold in 2006/2007**

	Avg Price	Avg Bdrms	Avg Baths	Avg s.f.	Avg Year Built	Avg Days on Market	Avg Price Per sf
<b>Condos</b>	\$268,160	3.5	3.0	1783	1981	102	\$150.36
<b>Single Family</b>	\$272,148	3.7	3.0	1758	1968	132	\$154.80

Source: MLS Data from Your Castle Real Estate Office, CSI Analysis

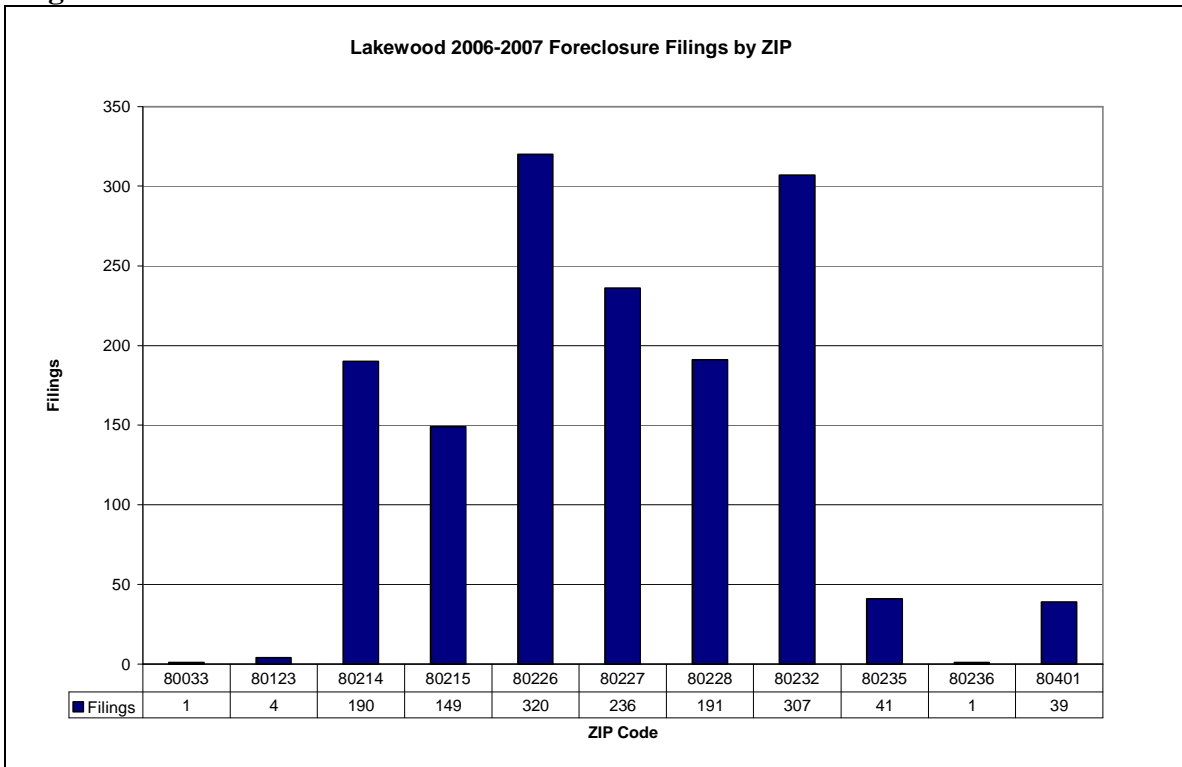
## Foreclosures

Colorado's foreclosure woes are drawing national attention as our state often tops the list of those with the highest foreclosure rate. Much of Colorado's foreclosure problem is centered along the Front Range and in the Denver metro suburbs. CSI reviewed foreclosure filings from the past 18 months in a study of Lakewood's foreclosure problem.

While no clear trends emerged, the number of Lakewood foreclosures increased slightly in the first six months of 2007 compared with the first six months of 2006. The biggest month was October 2006, when there were 116 foreclosure filings. Foreclosures are more common in certain zip codes and neighborhoods. A review of census data about tenure, value, housing debt, move in year, age of home, and type of home reveals no clear

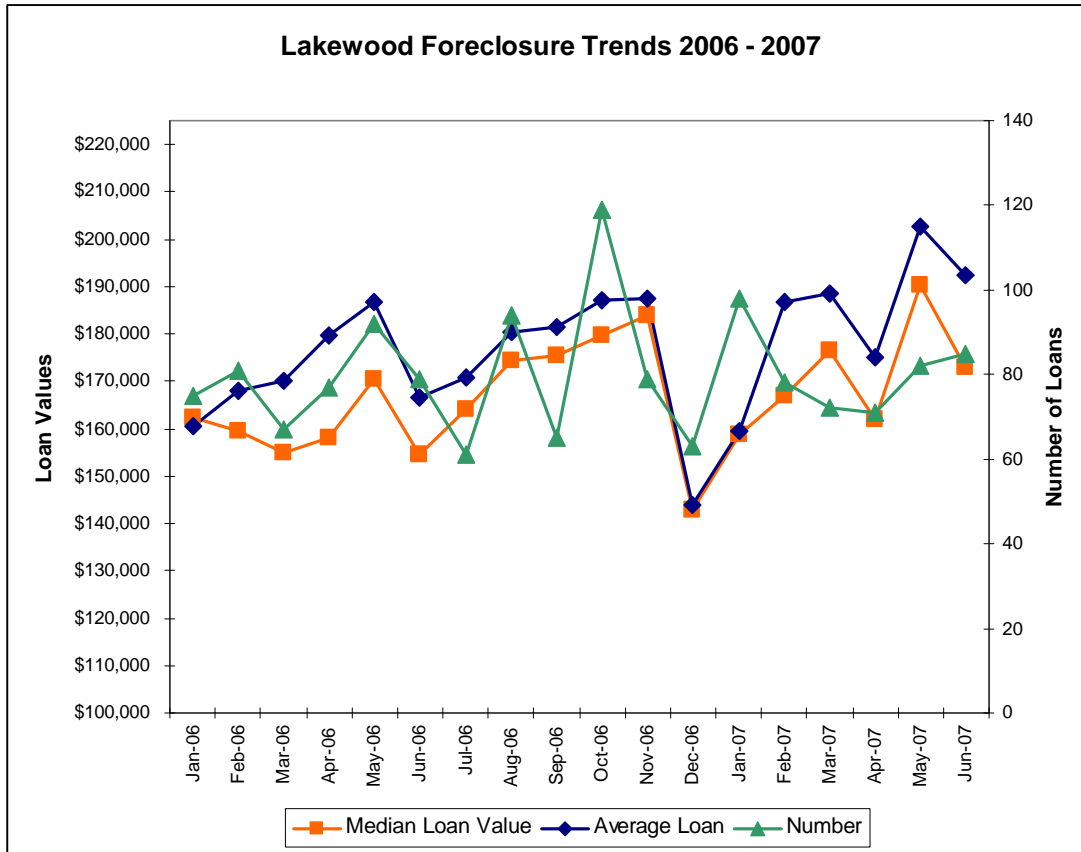
correlation between any of these factors and higher foreclosure rates. Most foreclosures are for homes purchased within the past few years.

**Figure 4:**



Source: SKLD Information Services, CSI

**Figure 5:**



Source: SKLD Information Services, CSI

One emerging trend is the increase in average values of foreclosed homes. This may be an indication that higher income households are unable to keep up with adjustable rate mortgage payments.

**Table 29: Foreclosure Information**

	Number	Av Loan Amt
2006 Monthly Average	79.3	\$174,840
2007 Monthly Average	78.5	\$183,498
2006 January - June Total	471	\$172,390
2007 January - June Total	486	\$183,498

Source: SKLD Information Services, CSI Analysis

According to the most recent Colorado Division of Housing Foreclosure Report for the first quarter of 2007, one in every 248 loans in Jefferson County is being foreclosed upon. In Lakewood, CSI has estimated that one in 341 loans is being foreclosed upon. Statewide, the average is one in every 385.

CSI examined foreclosure filings in Lakewood by length of loan -- which is the time between the filing of the deed of trust on the loan and the time the foreclosure was filed. Over half of the units going into foreclosure have loans between two and five years old, the time period where interest rates begin increasing on an adjustable rate mortgages.

Another 30 to 35 percent have loans less than two years old. These loans may have been made to households that never could afford them, be from subprime lenders or have been made using fraudulent information. There is no way to know the loan terms of each mortgage to definitively state the reasons borrowers have had trouble in such a short period of time.

**Table 30: Lakewood Foreclosures by Length of Ownership**

Length of Ownership	2006		2007		Total
	(Jan - Dec)	Distribution	(Jan - June)	Distribution	
Less than 2 years	335	35.2%	162	30.7%	497
2 to 5 years	503	52.8%	298	56.5%	802
More than 5 years	114	12.0%	67	12.7%	181
Total	952		527		1,480

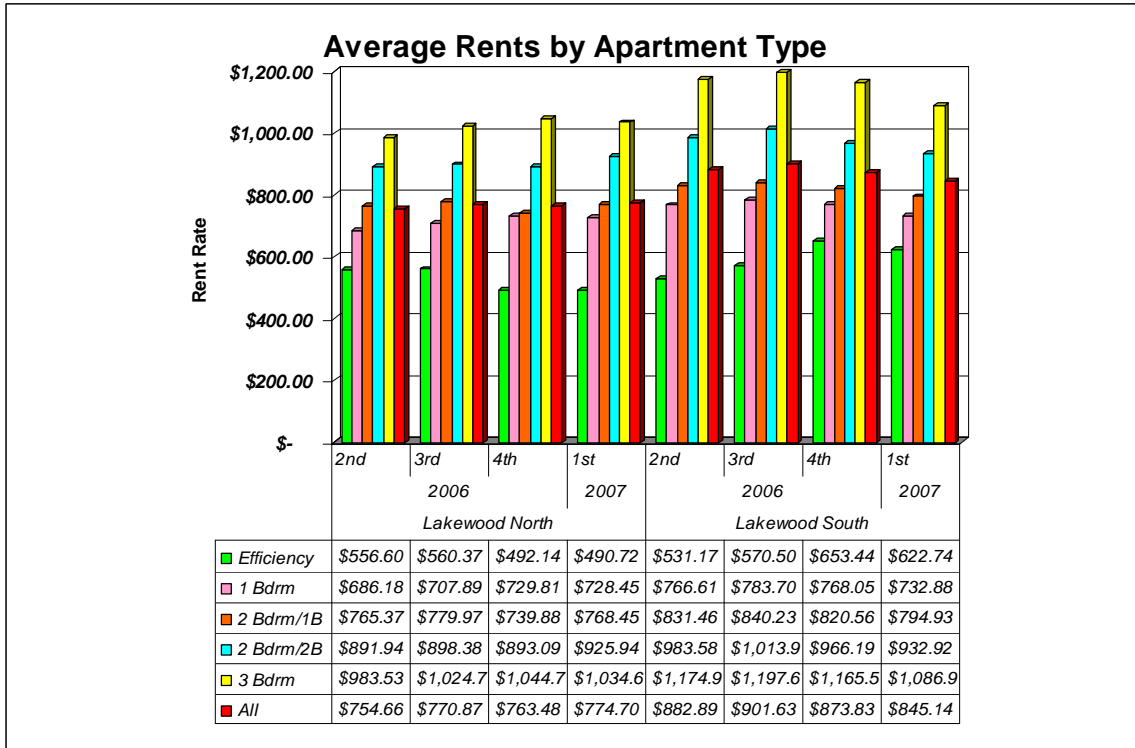
Source: Jefferson County Public Trustee; CSI

## Rental Housing Cost and Condition

The rents in Lakewood have decreased in the past 12 months according to the Denver Apartment Association Rent and Vacancy Survey for the first quarter of 2007. The association surveys Lakewood in two areas, Lakewood North and Lakewood South. The Lakewood North area is described as being bound to the north by the Cities of Wheat Ridge and Edgewater, the east by Sheridan Boulevard, the south by Alameda Parkway and to the west by I-70. Lakewood South is bound to the north by Alameda Parkway, to the east by the City and County of Denver, to the south and west by unincorporated Jefferson County.

The following chart shows the rent trends by unit type in the two Lakewood study areas during the past 12 months. Steady or declining rent rates in the metro area, including Lakewood, have given renters more choice and a chance to stabilize housing payments compared to the decade before when rent rates rose at a rate much higher than incomes.

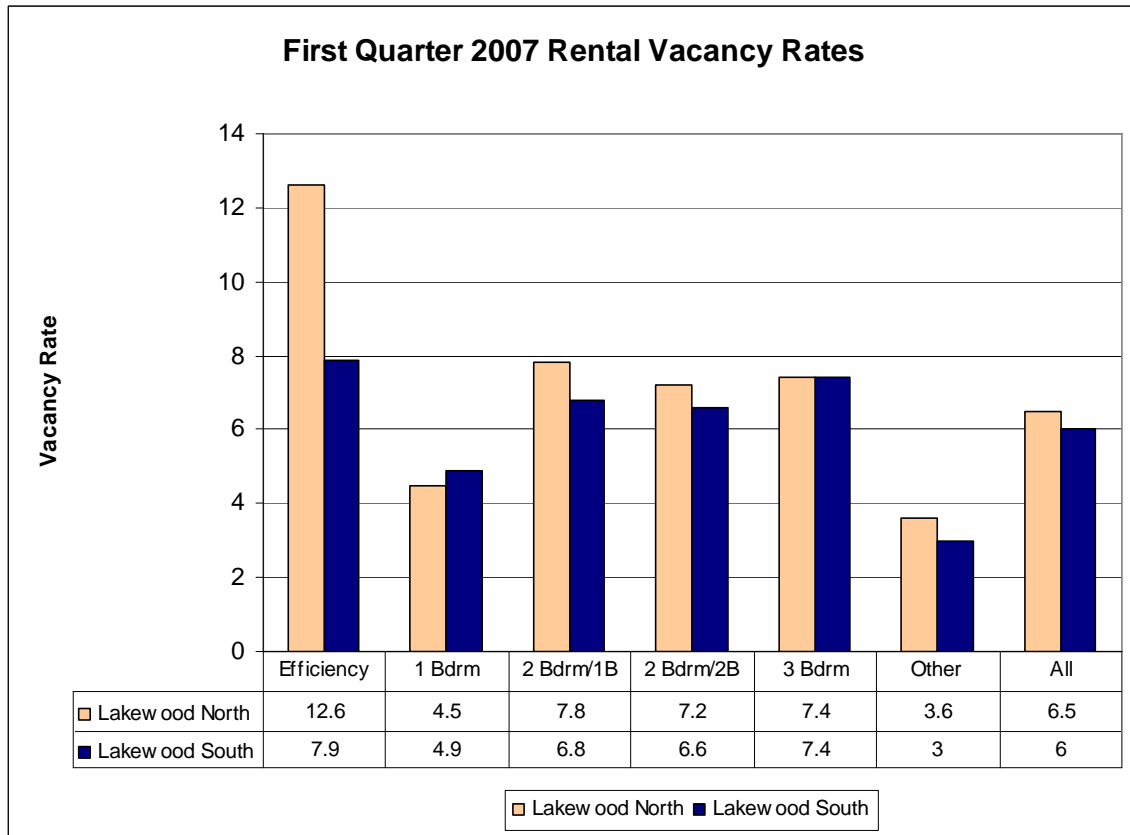
**Figure 6:**



Source: Apartment Association of Metro Denver Rent and Vacancy Survey, 1<sup>st</sup> Quarter 2007

The average rents in Lakewood range from \$490.72 for an efficiency in the Lakewood North area to \$1,086.90 for a three-bedroom unit in the Lakewood South area.

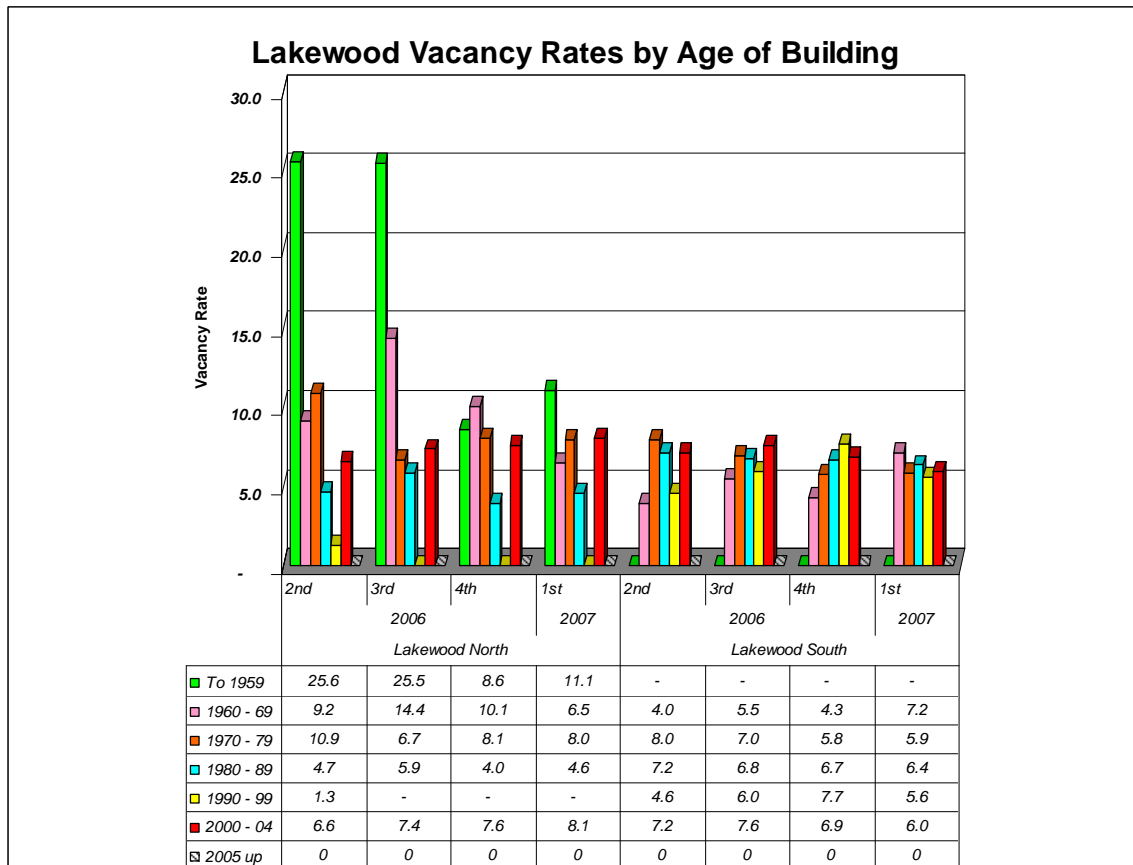
**Figure 7:**



Source: Apartment Association of Metro Denver Rent and Vacancy Survey, 1<sup>st</sup> Quarter 2007

Vacancy rates in Lakewood have been decreasing -- a sign of stabilization in the rental market. This same trend is occurring throughout the metro Denver area. Larger/Other units have the lowest vacancy rates, while efficiencies have the highest rate, at 12.6 percent in the Lakewood North area. A decrease in vacancies may lead to increases in rents, and an end to rent concessions offered in the metro Denver area for the past few years.

**Figure 8:**



Source: Apartment Association of Metro Denver Rent and Vacancy Survey, 1<sup>st</sup> Quarter 2007

Vacancy rates are higher in older properties. Units built before 1950 have vacancy rates over 10 percent in the Lakewood North area.

### Affordable Rental Properties

Lakewood’s affordable rental inventory is primarily owned and/or managed by the Lakewood Housing Authority. The Housing Authority is a limited partnership owner of some units. The Authority has acquired, constructed or partnered for the creation of 1,036 new affordable rental units in Lakewood since 2003. Most of these units are targeted to households at 60 percent of AMI. The following chart shows the AMI breakdown of these units.

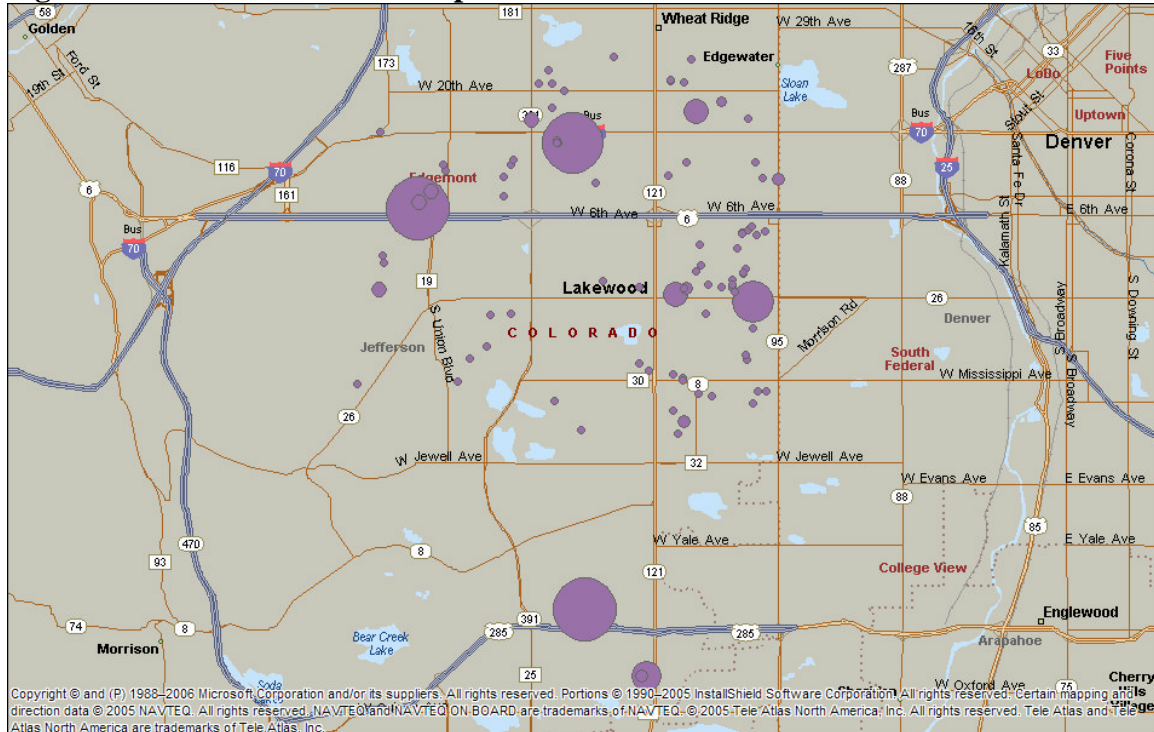
**Table 31: Housing Authority Units**

	Units	Percent of Total
30% AMI	25	2.4%
40% AMI	64	6.2%
50% AMI	342	33.0%
60% AMI	581	56.1%
>60%	24	2.3%
Total	1,036	100.0%

Source: Lakewood Housing Authority

CSI conducted a survey of affordable rental units and found a total of 1,936 affordable units targeted to families, seniors or persons with disabilities within the City of Lakewood. The Housing Authority owns or is part owner of 1,517 of these units. Affordable rent-restricted properties are scattered throughout Lakewood, though concentrations exist along the eastern boundary of the City and close to the Colfax Avenue corridor.

**Figure 9: Affordable Rental Properties in Lakewood**



Source: Community Strategies Institute

Tables 32 and 33 below show the results of the CSI restricted property survey. More than half of the affordable inventory was built 30 to 40 years ago. All but one of these properties has project based rental assistance, serving the lowest income residents of Lakewood. Almost 30 percent of affordable units have been created in the past 10 years - including 1,036 acquired, constructed or partnered for the creation of by the Lakewood Housing Authority since 2003. These newer units were financed using tools such as Private Activity Bonds and Low Income Housing Tax Credits, and tend to serve households with incomes between 50 and 60 percent of the Area Median Income.

Most units do not include heating or electricity as part of the rent. The projects that do offer these amenities are older. The average monthly turnover rate for all units is four percent (4%), less than the average for market rate rental units throughout the metro area. This low rate indicates a need for more affordable units.

**Table 32: Affordable Rental Survey Results**

<b>Age of Property</b>	<b>Percent of Properties</b>
0 - 10 Years	29%
11 - 20 Years	0%
21 - 30 Years	18%
30 - 40 Years	53%
Over 40 Years	0%
<b>Average Units Sizes</b>	
Efficiency	NA
One Bedroom	677
Two Bedroom/1 Bath	829
Two Bedroom/2 Bath	966
Three Bedroom	1,114
Four Bedroom	1,108
<b>Utilities Included</b>	
Gas Heat	12%
Other Gas	14%
Water/Sewer	82%
Electric Heat	5%
Other Electric	18%
Trash	77%
<b>Average Turnover Per Month</b>	<b>4.0%</b>

Source: Community Strategies Institute

Vacancy rates are lowest for larger units, indicating a need for more large family units. Two-bedroom, one-bath units have the highest vacancy rate. According to one City of Lakewood staff member these units are also the hardest to rent. Two bedroom units with two bathrooms have a much lower vacancy rate. Vacancy rates of less than five percent (5.0%) indicate an unmet need for these unit types.

**Table 33: CSI Affordable Rent Survey Results**

	<b>Average Rent</b>	<b>Vacancy Rate</b>	<b>Units</b>
Efficiencies	\$451	8%	26
One Bedroom	\$472	7%	723
2Bdrm/1 Bath	\$650	13%	524
2 Bdrm/2 Bath	\$781	4%	367
3 Bedroom	\$572	3%	366
4 Bedroom	\$489	0%	31

Source: Community Strategies Institute

CSI identified 477 rent restricted units with project based rental assistance in Lakewood. The following chart includes all affordable rental properties, including scattered site units owned by the Housing Authority. The largest waiting lists are for properties with project based rental assistance or with units targeted to 30 percent of AMI. For instance, the majority of those on the waiting list for the Creekside Senior Residences need units with rents affordable at 30 percent AMI seniors.

**Table 34: Affordable Properties**

	<b># of Units</b>	<b>Households Served</b>	<b>Rental Assist.</b>	<b>Income Restrictions</b>	<b>Waiting List</b>
Belmar Groves	118	families	no	60% AMI	2
Belmar Manor	20	families	no	30%, 50%, 55%	2
Cedar Ave - Seniors	16	seniors	no	50% and market rate	0
Cedar Gardens	57	families	no	50% and market rate	0
Residences at Creekside	118	seniors	no	30%, 40%, 50%, 60%	200
Eaton Terrace Independent Apts.	162	seniors	162	50%	35
Foothills Green	71	families	no	40%, 50%	14
Maplewood	58	families	no	None	0
Marston Pointe		families	no	50%, 60%, unrestricted	1
Panorama West	204	families	no	60%	0
Ressaissance at Concord Plaza	75	families/homeless	16	40%, 60%	0
Ridgemoor	254	families	no	50%, 60%	0
Tanglewood Oaks	201	families	no	50%, 60%, market	5
Tiffany Square	52	families	41	60%	60
Timberleaf	200	families	51	50%, 60%	0
Willow Glen	69	seniors	0	30%, 40%, 50%, 60%	95
Windrift	48		48	50%	60
Lakewood Hsg Auth Public Hsg Lakewood Hsg Auth HOME Units	159	families/seniors	159	50%	1,470
Lakewood Housing Corp Units	21	families/seniors	0	50%	0
Lakewood Housing Corp Units	33	families/seniors	0	Unrestricted	0

Source: Community Strategies Institute

## HOUSING NEEDS ASSESSMENT

In this section of the report, an analysis of the need for more housing development will be presented. Household income, what households can afford for housing, and how the existing and planned housing stock meets the needs of current residents will be discussed. Gaps in the housing stock will be identified based upon current household structure and income, housing prices, locations and conditions.

### Households by Income

In Lakewood, over 40 percent of households earn over \$60,000 annually. This percentage is expected to grow to 50 percent in the next five years. Lower income groups tend to have a high percentage of renters, while higher income groups are characterized by a majority of owners. Many of the lowest income owners earning between \$0 and \$10,000 a year are elderly people living with fixed incomes. In the next five years, the income distribution of households is not expected to shift significantly in any category.

**Table 35: Household Incomes**

Household Income	2007				
	Owner occupied	Renter occupied	Total	% Renters	Distribution of Total
\$0-10,000	923	1,763	2,686	65.6%	4.5%
\$10,000-20,000	2,188	2,657	4,845	54.8%	8.1%
\$20,000-30,000	3,146	3,276	6,422	51.0%	10.7%
\$30,000-40,000	4,406	3,770	8,176	46.1%	13.7%
\$40,000-50,000	4,368	3,428	7,796	44.0%	13.0%
\$50,000-60,000	4,372	2,265	6,637	34.1%	11.1%
\$60,000+	19,639	5,906	25,545	23.1%	42.7%
<b>Total</b>	<b>39,042</b>	<b>23,065</b>	<b>62,107</b>	<b>37.1%</b>	
	Owner occupied	Renter occupied	Total		
Median Household Income	\$60,060	\$40,194	\$51,700		
Household Income	2012				
	Owner occupied	Renter occupied	Total	% Renters	Distribution of Total
\$0-10,000	762	1,595	2,357	67.7%	3.9%
\$10,000-20,000	1,577	2,344	3,921	59.8%	6.5%
\$20,000-30,000	2,426	2,791	5,217	53.5%	8.7%
\$30,000-40,000	3,336	3,270	6,606	49.5%	11.0%
\$40,000-50,000	3,529	3,278	6,807	48.2%	11.4%
\$50,000-60,000	3,768	2,316	6,084	38.1%	10.2%
\$60,000+	23,255	6,831	30,086	22.7%	50.2%
<b>Total</b>	<b>38,653</b>	<b>22,425</b>	<b>61,078</b>	<b>36.7%</b>	
	Owner occupied	Renter occupied	Total		
Median Household Income	\$61,689	\$43,698	\$59,255		

Source: Ribbon Demographics

The following chart shows the 2007 HUD income ranges for the Denver-Aurora MSA by household size. The median family income for the MSA (\$71,400) is based upon a family of 3.5 people and is adjusted up or down by HUD depending upon family size. The table is further broken down by ranges based upon a percentage of the median income.

**Table 36: HUD Income Ranges for Denver-Aurora MSA**

Income Range	Household Size				
	1	2	3	4	5
30% MFI	\$15,050	\$17,200	\$19,350	\$21,500	\$23,250
50% MFI	\$25,100	\$28,650	\$32,250	\$35,850	\$38,700
60% MFI	\$30,120	\$34,380	\$38,700	\$43,020	\$46,440
80% MFI	\$40,150	\$45,900	\$51,600	\$57,350	\$61,950
100% MFI	\$50,200	\$57,300	\$64,500	\$71,700	\$77,400
120% MFI	\$60,240	\$68,760	\$77,400	\$86,040	\$92,880

Source: Department of Housing and Urban Development, 2007

The following table breaks Lakewood households into HUD income ranges by tenure. These income ranges are for the entire metro Denver area, and are not specific to Lakewood or Jefferson County. They are used by affordable housing providers to target affordable rental properties and homeownership programs to different income ranges.

Subsidized rental housing is targeted to households at the 60 percent AMI range or less, while homebuyer programs usually target households with incomes higher than 60 percent AMI, usually up to a maximum of 100 percent AMI. There are a total of 12,440 renter households in Lakewood in 2007 with incomes at 60 percent AMI or below. There are a total of 6,789 renter households with incomes between 60 and 100 percent of AMI, those who are good candidates for downpayment assistance or other homebuyer assistance programs. The 3,747 renter households with incomes above 100 percent AMI are perfect candidates for the new market rate for sale housing that is being built or planned in Lakewood.

The percentage of Lakewood's population with incomes at or below 30 percent AMI is expected to decline over the next five years, as more households with higher incomes move into newly developed areas with high cost housing. In 2007, CSI estimates 12.7 percent of all Lakewood households have incomes at 30 percent AMI or less, which is categorized as extremely low income according to HUD. One third of Lakewood residents currently have incomes at 100 percent of the area median income or more.

**Table 37: Households by AMI Level**

<b>2007</b>			
	Owner	Renter	Total
< 30% AMI	3,030	4,885	7,915
>=30%, <50%	2,612	4,960	7,571
>=50%, <60%	4,608	2,595	7,202
>=60%, <80%	5,549	4,067	9,616
>=80%, <100%	5,668	2,812	8,480
>=100% HUD AMI	17,563	3,747	21,310
All Households	39,029	23,065	62,094
% <= 30% AMI	7.8%	21.2%	12.7%
<b>2012</b>			
	Owner	Renter	Total
< 30% AMI	2,683	4,335	7,019
>=30%, <50%	3,983	4,259	8,242
>=50%, <60%	2,437	2,337	4,774
>=60%, <80%	5,210	3,996	9,206
>=80%, <100%	7,140	5,345	12,485
>=100% HUD AMI	17,201	2,153	19,353
All Households	38,653	22,425	61,078
% <= 30% AMI	6.9%	19.3%	11.5%

Source: Ribbon Demographics, CSI

## Existing Housing Needs

In housing markets such as the metro Denver area, where housing prices outpace many wage rates, households are forced to pay much more than they can afford for housing. Many households were able to stabilize housing payments during the recent real estate downturn by taking advantage of low interest rates to buy homes. Others have lost jobs, seen a reduction in hours or have wages so low that prevailing market rate rents are still unaffordable.

## Rental Housing Needs

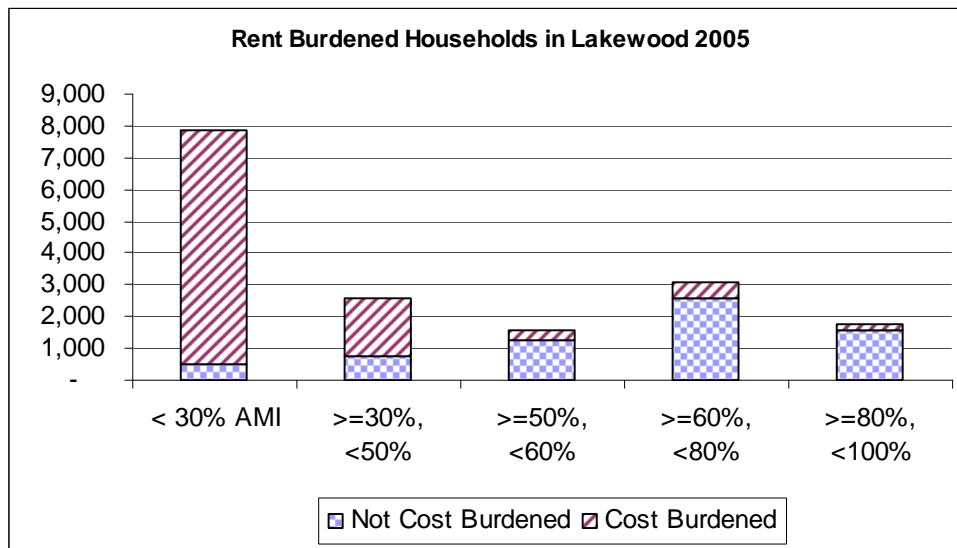
An important indicator of affordable housing need is the number of rent burdened households in the county. The 2005 American Community Survey provides information regarding the percent of household income used to pay for housing expenses. Those that pay more than 30 percent of their income for housing expenses (rent and utilities) are considered “cost burdened.” Table 38 shows the number of renter households in various income ranges that were cost burdened in 2007 in Lakewood.

**Table 38: Rent Burdened Households, 2007**

	Not Cost Burdened	Cost Burdened	% Cost Burdened
< 30% AMI	495	7,387	94%
>=30%, <50%	742	1,860	71%
>=50%, <60%	1,251	338	21%
>=60%, <80%	2,568	515	17%
>=80%, <100%	1,582	211	12%

Source: American Community Survey 2005, CSI

**Figure 10:**



Source: American Community Survey 2005, CSI

The majority of cost burdened households in Lakewood earned less than \$35,700 a year, or 50 percent of the Median Family Income (MFI). The complete HUD income schedule can be found in Table 39. In all, there were 7,387 renter households earning 30 percent or less of the MFI and 1,860 renter households earning between 30 and 50 percent of the MFI paying too much for rent. In order for these households to afford other living expenses such as food, healthcare, transportation and childcare, solutions should be found to reduce their housing cost burden.

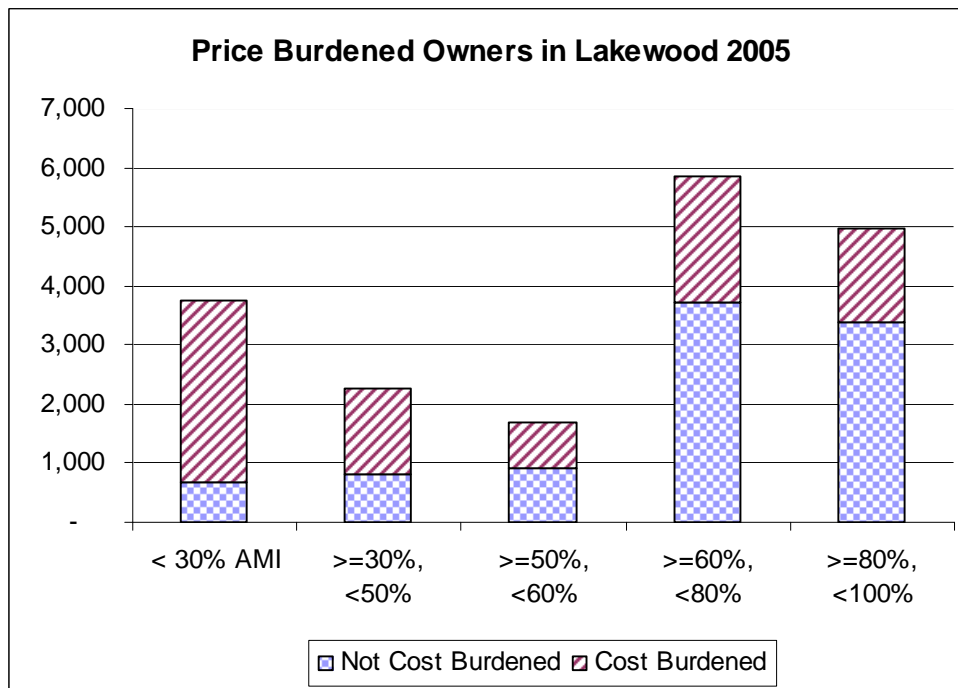
There are also many owner households who are cost burdened in Lakewood. -- including 3,713 moderate income households earning between 61 and 80 percent of MFI. High cost burden can lead some owners to foreclosure.

**Table 39: Cost Burdened Owner Households, 2007**

	Not Cost Burdened	Cost Burdened	% Cost Burdened
< 30% AMI	692	3,050	82%
>=30%, <50%	795	1,462	65%
>=50%, <60%	909	784	46%
>=60%, <80%	3,713	2,126	36%
>=80%, <100%	3,371	1,613	32%

Source: American Community Survey 2005, CSI

**Figure 11:**



Source: American Community Survey 2005, CSI

When there is a smaller number of housing units available to households within a certain income range than households within that range, a housing gap exists. The following tables provide a supply/demand analysis of the housing stock in Lakewood.

The supply/demand analysis chart shows the number of renter households in various income ranges in 2007, the maximum household income in that range, what a household can afford to pay in rent after consideration for a utility payment, and the number of rental units available in the market. The supply/demand analysis is the difference between the number of households in the income range and the number of units affordable to them. Household income is based upon a 3.5 person household.

In Lakewood, the supply/demand analysis below shows there is a lack of housing units affordable to households earning 30 percent or less of the area median income. These

households can only afford a rent of \$451 after a utility payment. Not surprisingly, these households are the biggest consumers of rent subsidized housing and Section 8 vouchers. There are only 1,251 Section 8 rental assistance vouchers available in Lakewood to serve the very low income households. The 3,860 households that need a unit priced at 30 percent AMI or below comprise some of those on the waiting list for Section 8 vouchers and public housing units.

Table 40 shows there are more rental units affordable at 31 to 50 percent MFI and 51 to 60 percent MFI than there are renter households in these income ranges, meaning that there is an adequate supply. Most rental units in Lakewood have rents affordable to these households. Renters with higher incomes can choose to live in market rate rental units with lower rents, leaving fewer available for those with low incomes.

There is a gap in the supply of units available to higher income renters in the 61 to 80 percent Area Median Income (AMI) and 81 to 100 percent AMI ranges. This supply gap indicates there is a market for higher end rental units offering amenities not currently found in the Lakewood market. By constructing higher end rentals with more amenities, the market would ease up for those in lower income ranges.

**Table 40: Supply / Demand Analysis for Rental Housing Units, 2007**

	Income Limit	Households in Income Range	Affordable Price	Additional Supply Needed
0-30%	\$21,420	4,885	\$451	3,860
31-50%	\$35,700	4,960	\$808	NA
51-60%	\$42,840	2,595	\$986	NA
61-80%	\$57,120	4,067	\$1,343	79
81-100%	\$71,400	2,812	\$1,700	2,237

Source: CSI

## Ownership Housing Needs

Demand for new, for-sale product comes from households currently living and renting in Lakewood and new households moving to the community. In Lakewood, the homeownership rate for younger households is almost 30 percent less than for households age 36 and older.

Many renter households are paying rents equal to a mortgage payment on a modest home. The softer sales market is an opportunity for renter households with steady income to make the leap to homeownership. Good home buyer counseling, fixed rate mortgage products and downpayment assistance can assure that moderate income households can become homeowners for the long-term.

Table 41 shows the difference between the number of renter households by income range, what these households can afford to buy, and the number of affordable housing units on the market during a 12-month period. Units on the market are based upon active listings

as of July 2007 and inflated for a 12-month period using the average number of days on the market for sold properties in the past year.

This analysis shows there is a lack of for-sale, affordable units in Lakewood for any renter households earning 100 percent or less of MFI. This analysis does not take into consideration growth in household numbers over time. As new households move into the community, they will compete for the same housing units as existing renters -- exacerbating any housing shortage.

Households with incomes at or below 30 percent MFI can afford a few homes on the market – mostly older condominiums. These households could benefit from self-help housing models such as Habitat for Humanity, a program that directs funding to very low-income households who spend considerable time building their own homes.

The households at 31 to 50 percent MFI and those at 51 to 80 percent MFI are perfect candidates for homebuyer assistance programs. Lakewood has an active lending community that continually utilizes affordable mortgage products. However, finding appropriate inventory in the affordable price range can be a challenge. There are opportunities for development of dense, attached housing at prices below the market with the light rail TMU zoning areas and the future redevelopment of the Federal Center.

**Table 41: Supply/Demand Analysis for Sale Housing Units 2007**

	Income Limit	Households in Income Range	Affordable Price	Additional Supply Needed
0-30%	\$21,420	4,885	\$69,149	4,870
31-50%	\$35,700	4,960	\$115,249	4,879
51-60%	\$42,840	2,595	\$138,298	2,480
61-80%	\$57,120	4,067	\$184,398	3,880
81-100%	\$71,400	2,812	\$230,497	2,532

Source: Community Strategies Institute

### **Housing Needs From Job and Household Growth**

While Lakewood is a landlocked community with little area to build in, there will be some changes in the employment sector over the next 5 to 10 years with the move of Saint Anthony's Central Hospital to the Federal Center, and the eventual redevelopment of the area.

The total redevelopment of the Federal Center is just beginning, but current published plans include up to 290 residential units on the site, with a suggested mix of attached units for sale and rent. The site could include more residential use when plans are finalized. In the next 20 years, large amounts of retail, industrial/research and development and office space may be added at the Federal Center, making it a large employment center. With light rail transit being included in 2015, the site should be attractive for new residential development.

Light rail will make much of Lakewood more accessible to people who hold jobs in downtown Denver, and should attract new residents to new, dense housing along the light rail corridor. Because Lakewood is part of the larger metro Denver area, households who work in downtown or elsewhere may choose to move to Lakewood for amenities such as Light Rail or to the new Belmar development. This and other in-fill residential development will sell or rent to households attracted to the amenities from access on light rail to shopping at Belmar.

### Special Populations Housing Needs

In 2005, there were 16,644 people with a disability in Lakewood. Sixty-one percent (10,225) of this population was under the age of 65. There were also 6,402 seniors with a disability. Of the 16,644 persons with a disability, 3,198 (or 19 percent) lived below the poverty level. Interviews with disability providers reveal there is a large unmet demand for deeply subsidized housing for persons with disabilities and their families.

**Table 42: Disability Status and Poverty By Age, 2005**

	With a Disability	No Disability	Total:	Proportion Disabled	Proportion Disabled and Below Poverty Level
5 to 15 years:	983	19,071	20,054	4.90%	1.80%
Income in the past 12 months below the poverty level	361	2,973	3,334		
Income in the past 12 months at or above the poverty level	627	16,093	16,720		
16 to 20 years:	315	8,658	8,973	3.5%	0.70%
Income in the past 12 months below the poverty level	60	1,189	1,249		
Income in the past 12 months at or above the poverty level	255	7,469	7,723		
21 to 64 years:	8,928	77,095	86,022	10.4%	2.70%
Income in the past 12 months below the poverty level	2,312	5,536	7,848		
Income in the past 12 months at or above the poverty level	6,615	71,559	78,175		
65 years and over:	6,419	12,035	18,454	34.8%	2.50%
Income in the past 12 months below the poverty level	465	728	1,193		
Income in the past 12 months at or above the poverty level	5,954	11,307	17,260		
Total Civilian, Noninstitutionalized Population aged 5+	33,293	116,546	133,502	12.50%	

Source: U.S. Census Bureau, 2005 American Community Survey, CSI

Some population groups require specialized housing choices to meet specific physical and other needs. Seniors, for example, may require more accessible housing, or need housekeeping and personal care support. Persons with physical disabilities often need wheelchair-accessible units. Those with developmental disabilities or with mental health concerns also require housing tailored to their needs. Lakewood also has a homeless population requiring free or extremely reduced housing payments along with supportive services to ensure self-sufficiency.

This section of the report will analyze the existing housing options for these populations and unmet needs that exist in Lakewood.

Seniors

Lakewood will experience an increase in the number of senior residents during the next five years. In 2000, Lakewood was home to just over 17,000 residents over the age of 65; by 2012 this number will increase to over 22,000 (15.5 percent of the overall population). The 2005 American Communities Survey estimates that over 996 non-ethnic seniors over the age of 65 are living in poverty.

The definition of mobility or self-care limitations used to create this table includes all households in which one or more persons has:

- (1) A long-lasting condition that substantially limits one or more basic physical activity, such as walking, climbing stairs, reaching, lifting, or carrying; and/or
- (2) A physical, mental, or emotional condition lasting more than six months that creates difficulty with dressing, bathing, or getting around inside the home.

There are a total of 2,780 senior owners and 1,376 senior renters with self care or mobility limitations in Lakewood. This number is expected to grow during the next five years as the elderly population ages and baby boomers become seniors. Lower income seniors have a higher rate of limitations than higher income seniors, though the total numbers with mobility and self care limitations are higher in the higher income ranges for owner households. Seniors who rent have a more consistent level of limitation throughout income ranges.

**Table 43: Lakewood Elderly (Aged 62+) with Mobility and/or Self Care Limitations by Tenure and Income**

	2007			2012	
	% With Self Care / Mobility Limitations	Number with Self Care / Mobility Limitations	Total Senior Households	Number with Self Care / Mobility Limitations	Total Senior Households
<b>Owners</b>					
<= 30% MFI	31.8%	330	1,038	357	1,124
>30 to <=50% MFI	29.6%	517	1,748	560	1,892
>50 to <=80% MFI	22.8%	647	2,836	701	3,071
>80% MFI	20.0%	1,286	6,420	1,392	6,952
<b>Total</b>	<b>23.1%</b>	<b>2,780</b>	<b>12,042</b>	<b>3,010</b>	<b>13,039</b>
<b>Renters</b>					
<= 30% MFI	47.1%	457	970	503	1,068
>30 to <=50% MFI	44.3%	335	756	369	833
>50 to <=80% MFI	39.1%	237	606	261	667
>80% MFI	40.9%	347	847	382	933
<b>Total</b>	<b>43.3%</b>	<b>1,376</b>	<b>3,179</b>	<b>1,515</b>	<b>3,502</b>

Source: CSI, HUD Special Tabulation 2000 Census

The Lakewood Housing Authority owns housing units targeted to seniors, including affordable rental units. There are also some large affordable assisted living properties within the City of Lakewood that target lower income seniors. Many seniors prefer to

stay in their own homes as long as possible and use home health care services to maintain independence.

### Persons with Disabilities

There is no agency in Lakewood serving the physically disabled population. There are two agencies that serve specific disabled populations, the developmental disabled and the mentally ill. Some communities have independent living centers which serve the needs of physically disabled individuals.

The Lakewood organization serving the needs of persons with developmental disabilities is the Developmental Disabilities Resource Center (DDRC). DDRC serves clients in Lakewood and also in Jefferson, Clear Creek, Gilpin and Summit counties. DDRC provides or contracts for housing for 380 clients. The housing includes properties owned by DDRC, private market apartments, host homes and group homes.

DDRC owns six group homes providing housing for 45 people and six condominiums housing 10 people. Thirty-three clients are housed in apartments and 16 people live in host homes. The vast majority of those housed are living in Jefferson County.

In Jefferson County, approximately 535 DDRC clients are on the waiting list for comprehensive services which include housing. Another 320 people are waiting to receive support services. Based on census data and waiting list information provided by DDRC, it is clear that Lakewood lacks enough housing for developmentally disabled households.

Jefferson Center for Mental Health (JCMH) serves 3,000 people annually. Of this group, 80 receive Shelter + Care Vouchers and 172 receive Section 8 housing vouchers. The Center owns 32 beds of HUD 811 housing at Fenton Place and another 35 units in two group homes and one apartment complex.

Often persons with self-care limitations cannot participate fully in the workforce, have low incomes and need housing assistance. Assistance ranges from affordable housing costs for those with fixed incomes (i.e. social security disability), to housing units with modifications for wheelchair access, to group homes for those with mental illness or developmental disabilities.

Table 44 shows there are many renters in Lakewood with self-care and mobility limitations. The households presented in this chart are not elderly. Many of these households are low-income households who cannot afford a large housing payment. Ensuring there are affordable and accessible rental units available to this population is important as new housing is planned.

There are also many owners with self-care and mobility limitations who would benefit from a housing modification program that would allow them greater mobility within their own home. The Jefferson County Housing Authority offers a home rehabilitation loan

program to qualified families living in Lakewood. Since 2002, 46 disabled households have received loans to retrofit their existing homes.

The number of households with a self care or mobility limitation is expected to remain fairly steady during the next five years.

Conversations with advocates for the disabled reveal a persistent concern regarding the lack of accessible, affordable housing for persons with disabilities in Lakewood. While a large portion of those with limitations can work, households that live on SSI disability incomes can not afford rent even in many rent-restricted properties. Most of the affordable inventory is not accessible to these households.

**Table 44: Persons with Self-Care Limitations, 2007, 2012**

	Percent With Mobility/Self Care Limitations	2007		2012	
		Number With Mobility/Self Care Limitations	Total Households	Number With Mobility/Self Care Limitations	Total Households
<b>Owners</b>					
0-30% MFI	13.9%	422	3,030	418	2,683
31-50% MFI	24.7%	645	2,612	638	3,983
51-80% MFI	10.2%	1,032	10,156	1,022	7,646
80%+ MFI	12.5%	2,899	23,231	2,871	24,340
Total	12.8%	4,997	39,029	4,949	38,653
<b>Renters</b>					
0-30% MFI	20.8%	1,015	4,885	987	4,335
31-50% MFI	11.8%	588	4,960	571	4,259
51-80% MFI	11.2%	748	6,662	727	6,333
80%+ MFI	7.4%	985	13,220	957	7,498
Total	11.2%	3,335	29,727	3,243	22,425

Source: HUD Special Tabulation of 2000 Census data, CSI

### Homeless Populations

Based on the most recent Point-In-Time Survey, Lakewood had approximately 684 homeless people within the community. The majority (76 percent) are adults and less than half (43 percent) have children.

**Table 45: 2007 Point in Time Homeless Survey, MDHI**

	All Homeless	Lakewood Homeless
Total	684	371
<b>Respondents by Age</b>		
Age Group	Respondents	Distribution
Teen (13-17)	5	1.40%
Young Adult (18-25)	78	21.70%
Adult (26-64)	276	76.90%
Missing Records	12	n/a
Total	371	100.00%
<b>Presence of Children</b>		
	Respondents	Distribution
With children	153	43.00%
Without children	203	57.00%
Missing Records	15	n/a
Total	371	100.00%

Source: Metro Denver Homeless Initiative

The spectrum of services designed to serve the homeless range from emergency shelters to transitional housing. Lakewood does not provide a full range of services for the homeless, but does offer a working shelter operated by Jeffco Action Center, emergency shelter beds for families coordinated by the Interfaith Hospitality Network and transitional housing units through Colorado Coalition for the Homeless, Family Tree and STRIDE. Overall these providers offer 58 transitional housing units and 37 shelter beds within the City of Lakewood.

A significant gap remains – both in terms of number of housing units and the variety of homeless services offered in the community. Due to the lack of appropriate housing, many homeless are sent to other municipalities to receive assistance.

## LAKWOOD COMMUNITY HOUSING SURVEY

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The Community Strategies Institute created and distributed a community survey to collect primary data about the City. The electronic survey was posted on the City of Lakewood’s Homepage of their website and the survey link was highlighted in the local newspaper. This link was also forwarded to business associations, housing service providers, neighborhood associations and affordable housing residents. When necessary, paper surveys were distributed to target audiences and the results recorded in the electronic survey. A total of 833 households responded to the survey – representing 1,233 individuals within the community. On any given answer, fewer than 833 responses may be recorded. Survey results are based upon only complete responses to a particular question.

### Household Profile

Seventy percent (70%) of survey respondents live in Lakewood and 69 percent work in the community. Seventy-five percent of respondents identified their race or ethnicity as “white,” 19 percent as “Hispanic or Latino,” four percent as “black or African American,” three percent as, “American Indian or Alaska Native,” and three percent as, “Asian.” This breakout is compared to census data in the table below. Sixty-two percent (62%) had small households with only one or two members.

**Table 46: Race/Ethnicity of Survey Respondents vs. Census**

Race/Ethnicity of Survey Respondents		
	Census	Survey
American Indian or Alaska Native	3%	1%
Black or African American	4%	2%
Asian, Native Hawaiian or Other Pacific Islander	3%	3%
White	75%	87%
Hispanic or Latino	19%	15%

Source: Community Strategies Institute

Of those living in Lakewood, 37 percent of respondents own their home, while 63 percent rent. This is not reflective of Lakewood overall, where the homeownership rate is 62 percent.

Eighty percent indicated they live as close to work as they would like – 77 percent of commuters drive less than 10 miles one way to work.

When renters were asked, “Do you believe there is an adequate supply of affordable homes within your price range with the amenities you desire in the City of Lakewood?”

59 percent answered “No.” When owners were asked the same question, 59 percent answered “Yes.”

**Table 47: Lakewood Community Housing Survey Renters/Owners vs. Census**

Lakewood Renters/Owners	Survey	U.S. Census
Rent	63%	38%
Own Home	37%	62%

Source: Community Strategies Institute, U.S. Census

Previously in the text it was reported that in 2005, the largest industries in Jefferson County were retail trade, manufacturing, healthcare and social assistance, administration support, waste management, remediation services and accommodations and food service. By contrast, the most commonly identified labor categories listed by survey respondents were government administration (22 percent), professional and technical services (14 percent) and health care (13 percent).

Of the survey respondents providing wage and housing cost data, 50 percent are cost burdened with housing expenses. Sixty-six percent of respondents reported earning less than 50 percent of the HUD Median Family Income of \$37,500 for the Denver-Aurora MSA. This reinforces the findings listed earlier in the report that a very high percentage of very low income households (94 percent of renter households and 82 percent of owner households) are cost burdened in Lakewood.

This survey captured the responses of many households living in publically subsidized housing. Fifty-two percent of respondents indicated they receive housing assistance.

**Table 48: Lakewood Community Housing Survey Subsidized Property Residents**

Living in publicly-subsidized property/receiving housing benefits such as HUD Section 8 rental assistance?	
Yes	52%
No	48%

Source: Community Strategies Institute

The survey represented both newcomers and seasoned residents – with 38 percent of respondents living in the community for less than 5 years and 44 percent living in Lakewood over 11 years.

**Table 49: Lakewood Community Housing Survey Subsidized Property Residents**

How long have you lived in Lakewood?		
	N	%
Less than 1 year	41	7%
1 - 5 years	175	31%
6 - 10 years	104	18%
11 - 20 years	110	19%
Over 20 years	138	24%
<b>Total</b>	<b>568</b>	<b>100%</b>

Source: Community Strategies Institute

Sixty-four percent of renter respondents indicated a desire to become homeowners. Programs such as Habitat for Humanity and downpayment assistance will be the key for many of these households to reach this goal given their current income.

**Table 50: Lakewood Community Housing Survey Desire for Homeownership**

If you currently rent, do you want to become a homeowner?		
	N	%
Yes	228	64%
No	131	36%
<b>Total</b>	<b>359</b>	<b>100%</b>

Source: Community Strategies Institute

## Housing Type and Condition

Survey respondents were almost as likely to live in an apartment as a single family home. However, owners were far more likely (79 percent) to live in a single family dwelling, while renters were more likely to live in an apartment (97 percent).

**Table 51: Lakewood Community Housing Survey Residence Type**

Residence Type	
Single-Family Unattached Home	36%
Townhouse/Other Attached Unit	25%
Apartment	34%
Manufactured Home Community	1%
Other	5%

Source: Community Strategies Institute

**Table 52: Lakewood Community Housing Survey Residence Type by Tenure**

	Single-Family Unattached Home	Townhouse or Other Attached Unit	Apartment	Manufactured Home Community	Other
Renters	21%	66%	97%	75%	96%
Owners	79%	34%	3%	25%	4%

Source: Community Strategies Institute

**Table 53: Lakewood Community Housing Survey Ranking of Housing Condition**

	Total #	Excellent		Good		Fair		Poor	
		%	N	%	N	%	N	%	N
Renters	309	36%	112	47%	145	14%	43	3%	9
Owners	203	30%	60	47%	95	23%	46	1%	2
Totals	512		172		240		89		11

Source: Community Strategies Institute

Overall both renters and owners are satisfied with their current housing situation. Eighty-three percent of renters ranked their housing as “good,” or “excellent.” Seventy-six percent of owners ranked their homes as being “good,” or “excellent.” Since the survey includes a large number of low income renters, this result is a positive reflection on the condition of affordable housing within the community.

**Table 54: Lakewood Community Housing Survey Housing Satisfaction**

Are you satisfied with you current housing situation?				
	Yes		No	
	%	N	%	N
Renters	73%	229	27%	86
Owners	84%	169	16%	33

Source: Community Strategies Institute

Satisfaction extends beyond individual housing to that of the community. When asked if they were concerned about the condition of existing housing in Lakewood, 65 percent of respondents answered, “No.”

**Table 55: Lakewood Community Housing Survey Condition of Units**

Are you concerned about the condition of existing housing units your community?		
	N	%
Yes	192	35%
No	356	65%
<b>Total</b>	<b>548</b>	<b>100%</b>

Source: Community Strategies Institute

A significant majority (85 percent of respondents) believes the availability and affordability of housing is an important community goal. This finding reinforces the results of the 2006 Lakewood Citizen Survey and the data collected in the demographic section detailing the need for more affordable housing for low-income persons.

**Table 56: Lakewood Community Housing Survey Availability and Affordability**

Do you think the availability and affordability of housing in your community is an important issue?		
	N	%
Yes	469	85%
No	81	15%
<b>Total</b>	<b>550</b>	<b>100%</b>

Source: Community Strategies Institute

## Special Housing Needs

The survey asked a set of questions concerning housing for special needs populations. Sixty-five percent of respondents believe there is an inadequate supply of accessible or service-enriched housing within the community.

**Table 57: Lakewood Community Housing Survey Special Needs**

If you live with someone who is disabled or has special housing needs, do enough accessible or service-enriched housing units exist in the City of Lakewood?		
	N	%
Yes	97	35%
No	179	65%
<b>Total</b>	<b>276</b>	<b>100%</b>

Source: Community Strategies Institute

This question was followed by one asking respondents to identify the types of modifications needed. Respondents were allowed to mark as many categories as they

wanted. The range of answers reflects the diverse housing needs of the target community.

**Table 58: Lakewood Community Housing Survey Special Needs Housing Modifications**

What unique housing modifications or living arrangements are desired by the special needs individuals you know?		
	N	%
Assistance with Daily Living Activities	58	29%
Assistance with Medication or Health Care	61	30%
Wheel-chair Accessibility Inside or Outside Existing Home	72	35%
Interior Remodeling	47	23%
Addition to Existing Home	15	7%
Other	44	22%

### Conclusions

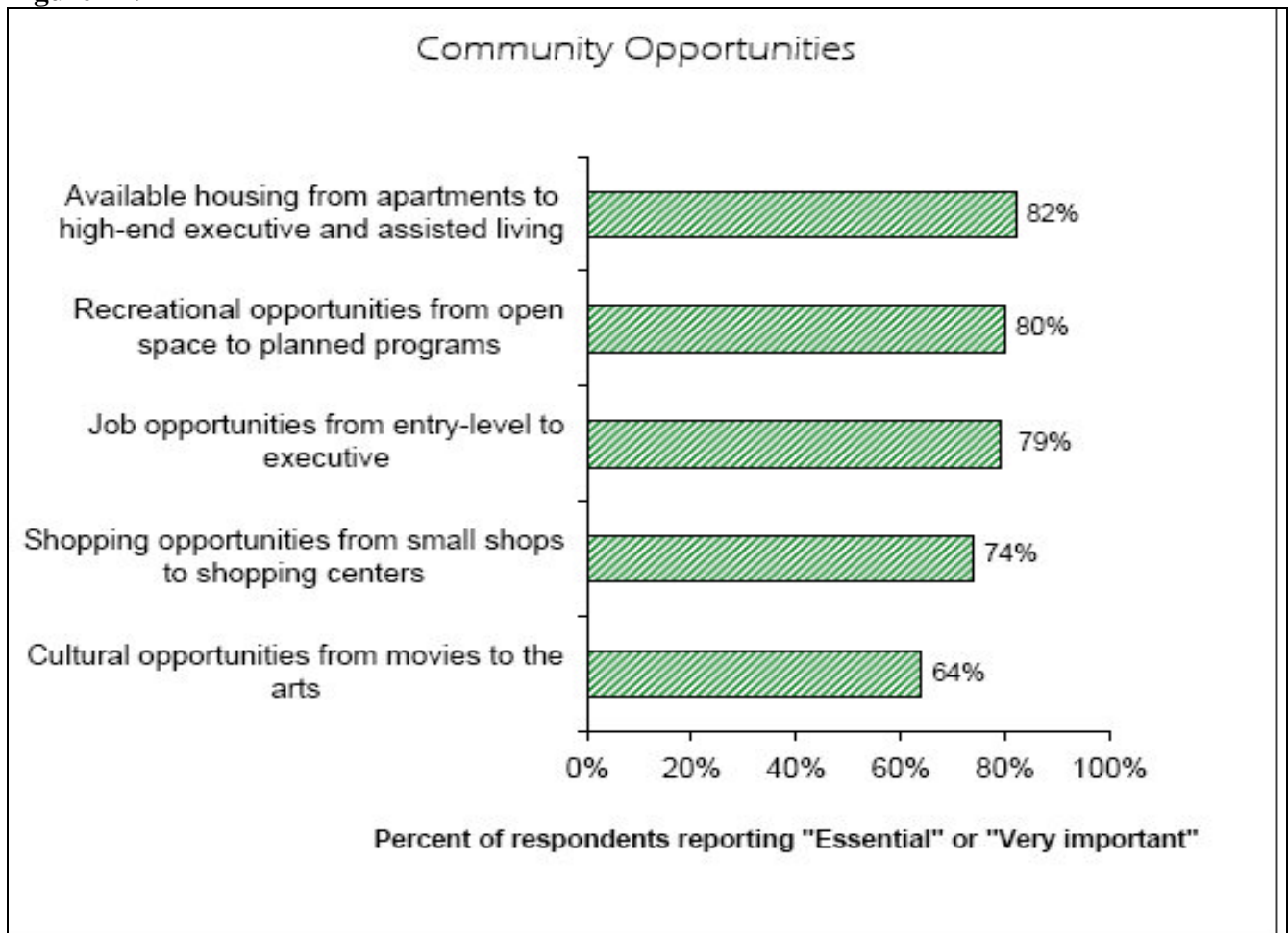
While the survey reflected a greater number of low income household respondents than the community overall, the findings did reinforce other statistical data within the document. Furthermore, the results did offer people a sounding board to reflect on the necessity of affordable housing within the community. Overwhelmingly, people expressed satisfaction with their housing situation and the housing stock in Lakewood. Many people work and live in the City and have both a professional and residential perspective to offer. Areas for housing improvement do exist -- especially those designed to serve rent burdened households and special needs households.

## RECOMMENDATIONS

The previous section of this housing needs assessment provides detail about the nature of present and future housing demand. That quantitative data has been analyzed along with a variety of qualitative information gained from in-depth interviews with key community informants and through a widely distributed community housing opinion survey. In this section of the report, CSI will offer findings and insights and suggest possible strategies for increasing the number of housing opportunities within the City.

The 2006 Lakewood Citizen Survey identified the availability and affordability of appropriate housing types as one of the top concerns of city residents. Housing was listed as an essential/important community opportunity by 82 percent of respondents. The top community opportunities are listed in the following chart which first appeared in the Community Survey Report.

**Figure 12:**



Based on the 2006 Citizen Survey and the over 800 responses to the CSI Community Housing opinion survey which was conducted as part of the research for this housing

needs assessment report, it is clear that Lakewood residents want to see an adequate supply of housing in various price ranges provided in the community.

The 2007 Land Use Report identifies the following trends regarding land use within the city limits: Of over 22,600 acres of developable land within the Lakewood city limits, under four percent (3.64%), or 811 acres, is currently vacant or underutilized. Each vacant parcel has been identified in the 2007 Vacant Land Use Inventory conducted by the City's Planning Department. Using current zoning, there are 52 vacant parcels with purely residential zoning -- comprising 427.64 acres of land. In addition, there are 14 parcels totaling nearly 311 acres zoned for Planned Development (PD) which carry very specific development plans. It is possible that some of these parcels could also include housing as well as commercial uses.

While the community places a high value on having a range of housing choices in the market, the dwindling supply of land suitable for development will place a strain on housing producers' ability to provide housing choices. Except for the high-end, detached, for-sale development planned for the Rooney Valley, there are no large scale residential projects on the drawing board.

The prospect for development of raw land is quite limited. However, opportunities exist, that if managed successfully, will offer the chance for even greater choice in the housing market. These opportunities will become available because of significant events fostering redevelopment. These events include the privatization of the land holdings owned by the Federal Government on the Federal Center site and the construction of several light rail stations that will form the transit nodes for the West Corridor Light Rail Line. Both of these opportunities will provide adequate lead time for the city government to formulate strategies to maximize the benefits to Lakewood citizens. In addition to these major redevelopment opportunities, the Land Use Report identifies several parcels that could provide excellent infill development opportunities.

The City of Lakewood has done an excellent job of focusing planning efforts to encourage housing choice in the marketplace. The Community Planning and Development Office (CPD) is responsible for originating and maintaining the City's Comprehensive Land Use Plan. The current Comprehensive Plan, adopted in 1993, specifically addresses housing opportunity in the Residential section of the Plan. One of three policy tenets in this section states that the City will adopt policies and implement actions which, "Strive to meet the housing needs of all segments of the community."

The CPD works with the Department of Housing and Family Services to author the Consolidated Plan. The Consolidated Plan is a document required by the U.S. Department of Housing and Urban Development. The Consolidated Plan is an investment plan detailing how the entitlement City of Lakewood will spend the Federal Funds it receives on low-income housing, supportive services, community development and employment development needs. Lakewood has goals and actions listed within both the Comprehensive Plan and the Consolidated Plan. These goals are complimentary but provide a slightly different focus as the two documents have different purposes. In order

to provide a consistent framework for the narrative and suggested actions contained in this section, the language from the two documents will be combined in a set of goals that encompass existing goals and actions contained in the two plans. The action items in this report will not directly duplicate existing actions, programs or efforts. In some cases, the inclusion of a duplicate action in this report will indicate that CSI is recommending an expansion or a modification to an existing action item.

## Housing Choices

- I. Provide a full range of housing choices in Lakewood. Special efforts should be directed to the housing needs of groups not easily served by the private market. Those groups include moderate and lower income families of various sizes, elderly households on fixed incomes, and those with special challenges including the homeless.**

### **Related Goals:**

*Encourage a variety of housing types offering attractive and affordable choices to all income levels. (Comprehensive Plan)*

*Promote the integration of affordable housing into new and existing neighborhoods. (Comprehensive Plan)*

*Support Public and Private Efforts to develop accessible and affordable housing. (Comprehensive Plan)*

*Support public and private home ownership programs. (Comprehensive Plan)*

### **Related Actions/Objectives:**

*To provide opportunities for affordable housing that is healthy, decent and safe. (Consolidated Plan)*

*To provide and encourage services and activities that benefit low-income families and individuals. (Consolidated Plan)*

*To provide resources to preserve and improve target area neighborhoods and transportation corridors. (Consolidated Plan)*

This goal speaks to the number and quality of housing choices available in Lakewood. This goal encompasses both rental housing demand and homeownership needs. These items represent production through physical construction as well as opportunities provided through various financing programs.

The City of Lakewood has a significant proportion of the multi-family housing in the county, and the data identify a demand for rental dwellings among several income groups. More rental units are needed for those with incomes at or below 30 percent of the median. More of these units should be handicap accessible. It is difficult to provide affordable rental units to this income group without deep subsidies either for development costs or in direct payments for rent.

The federally funded Section 8 Rental Assistance program is designed to provide payments to landlords on behalf of eligible tenants. The tenant is required to pay 30 percent of the household income for rent and utilities and the landlord receives a payment for the balance of the contracted rent. Unfortunately, federal budget shortfalls have capped new Section 8 assisted units for the past five years. It is doubtful there will be any new units of assistance under this program for many years.

Because the federal budget has failed to keep up with the shelter needs of the poorest citizens, local communities are left with the challenge of housing those not fortunate enough to receive Section 8 rental assistance. In Lakewood, CSI analysis reveals the need for 3,860 more units for households earning less than 30 percent of the AMI. Rents on these units need to be in the \$200 to \$451 range.

To provide more affordable housing opportunities for the poorest households in the community, it will be necessary to form partnerships with government, investors and private development groups. To create affordable rents, such units will need substantial subsidies to reduce debt service. Based on CSI research, to reduce rents to a level affordable to a households in the middle of the below 30 percent AMI category, it is necessary to find equity sources for 87 percent of the total development cost of each restricted unit. For example, if the City were to build a 100-unit rental complex with one-quarter of the units affordable to households at the 15 percent of AMI, and three-quarters of the units affordable to households below 50 percent of AMI, the total development costs would be \$16,100,000 and the subsidy needed would be \$14,210,000 leaving a mortgage amount of \$1,970,000. Economically and socially, it makes sense to mix units for very-low income renters with units not needing such significant levels of subsidy. It is very challenging to secure enough equity from sources such as grants, tax credits, land donations, etc. to build many units affordable to those with the most dire shelter needs.

This housing assessment shows that rental housing needs are greatest for households earning less than 30 percent of AMI and for households in the 60 to 100 percent AMI range. Identifying solutions and defining the City's role in addressing the needs will be different for various income groups. However, even though a greater financial contribution will be needed for the lower income units, the City can facilitate and encourage the construction of higher income rental units and work through various partnership arrangements to build complexes for a mix of resident incomes.

Many households in the lowest band (less than 30 percent of the AMI) have a disability or lack the ability to earn a higher income due to their age. Mental and physical handicaps and the frailty of age also demand more units adaptable for households with

various physical challenges. Senior housing is an emerging issue. Based on the CSI analysis of the number of renter households with mobility or self-care limitations (3,335 in 2007) a substantial portion of the demand for very-low income units come from the elderly and disabled.

Future construction of very low income rental units should focus on accessible units. The Lakewood Housing Authority has acquired, constructed or partnered with other developers to create 1,036 affordable housing units since 2003. Approximately 36 percent of those units have rents affordable to households below 50 percent AMI. Given the shortage of very-low income rental units, the housing authority should consider increasing the percentage of very-low income units to at least 50 percent of newly created units. Such a goal would translate to a target of approximately 110 very-low income units annually. This calculation is based on previous annual unit production of approximately 225 units.

LHA could have a substantial impact on this sector of the rental demand if it formed partnerships with service providers to develop more accessible rental units and group homes. Periodically HUD makes special allocations of Section 8 rental assistance available to special needs populations. It may be worthwhile for LHA to partner with an existing Metro Area Independent Living Center Organization to formulate an application for Section 8 Assistance. The LHA could administer housing assistance and the Independent Living Center could work with consumers on case management needs. Similar partnerships may be productive for the creation of more group homes for developmentally disabled, low-income residents. The LHA could lead a development team to build or convert residences into small group homes (eight residents or less). Depending on the circumstances and need, larger facilities could be constructed.

At the other end of the spectrum, more rental units with amenities are needed for households with incomes above 60 percent of the median. These units are commonly referred to as workforce housing units. They would be occupied by households with two wage earners as well as single workers who may be employed across the Denver metro area. A contributing factor to the low apartment vacancy rate is the number of single individuals employed in the Lakewood market area. Many of these individuals are currently renting cheaper housing units that could be occupied by larger, lower income households, if smaller units were available.

The master plan process currently underway regarding the Denver Federal Center property is one of two important opportunities for developing more rental housing. The General Service Administration (GSA), acting as the manager of the 640 acre parcel, has proposed two interesting visions. The first, less ambitious, option calls for a Federal Quad to include a variety of commercial, research and office buildings as well as 290 residential units. The Federal Quad configuration would abut the area to be occupied by the St. Anthony's West Hospital campus and the Federal Center light rail station.

The second, more ambitious, alternative is labeled the Federal Mall. This plan would include more square footage for business, offices and retail uses. The Federal Mall

typology would include up to 1,400 dwellings. This option, because of greater openness to residential development, should be viewed favorably by those in Lakewood desiring greater choice in housing. The master planning process is rapidly drawing to a close and the final comment period will end in November of 2007. Public review and comment will commence in October. The Lakewood City Council, Lakewood Housing Authority and City Planning agencies could consider preparing comments supporting the Federal Mall alternative for up to 1,400 residential units. The Federal Mall plan will offer Lakewood housing developers a better opportunity to provide more rental and homeownership opportunities.

The importance of the Federal Center Master Plan cannot be overemphasized within the context of future build-out scenarios in the City of Lakewood. Eight older neighborhoods have neighborhood plans. All of those plans call for new development to be compatible with current densities in those neighborhoods. In order to make development costs affordable to poor and working households, higher density development will be necessary. The Federal Center property offers the City an opportunity to gain density without going through the adversarial process of rezoning single family lots in existing neighborhoods. The estimates below reflect various possibilities. The Federal Center numbers reflect the higher density Federal Mall plan. These build-out scenarios represent a range of possibilities, and will vary considerably based on the degree of future rezoning. The range is as follows:

Current (2007) housing units	65,141
Build-out with current zoning	68,980
Build-out with current zoning & Federal Center	70,671
Build-out with current zoning & Federal Center & Light Rail intensification	80,000

The expansion of land uses on the Federal Center site includes a parcel the GSA sold to the City of Lakewood for relocation of St. Anthony Hospital and construction of a light rail station. As part of this assessment CSI has examined the impacts of the hospital relocation on the housing market in Lakewood. The new hospital facility will eventually occupy 65 acres of Federal Center land. The main frontage for the hospital will be on Alameda Parkway. The hospital administration estimates that 1,150 employees will be working at the hospital.

In conducting relocation discussions within the community, the hospital has outlined the potential benefits to the Lakewood market area. The economic activity will generate jobs beyond those directly employed at the hospital. Based on a study by the Lewin Group, the total number of jobs attributable to the economic activity of the hospital will be 2,415 or (1,150 hospital jobs with a multiplier of 2.1).

Because the distance between the present hospital site and the new location is not substantial, it is difficult to determine how many employees will choose to move closer to their new place of work. The new facility will be served by a nearby light rail line and many employees may choose to remain in the same dwelling and rely on light rail for

transportation. With the cooperation of St. Anthony administrators, CSI conducted a survey of St. Anthony employees to determine how many planned to move closer to the new hospital location.

Three hundred ninety-two of 1,150 employees completed the survey for a response rate of 34 percent. This is a high rate for any type of survey. Thirteen percent of respondents indicated they currently live in Lakewood. Fifteen percent of the employees not presently living in Lakewood indicated they plan to move to Lakewood. After subtracting the employees already living in Lakewood, CSI estimates that potentially another 165 employees will seek a dwelling in Lakewood neighborhoods. St. Anthony survey respondents reflect a high percentage of homeowners. Seventy-nine percent own their own home and 21 percent rent. Household sizes are fairly comparable to those within Lakewood. Seventy-five percent of the surveyed households have three or less persons in the household. The household incomes of St. Anthony employees are adequate to afford housing available in the market. Only 11 percent of respondents listed a household income below \$35,000. Based on the survey data gathered for this assessment, the St. Anthony relocation should not cause significant changes in the Lakewood housing market. The hospital employees could form a good base for housing development at the Federal Center if the timing of the new use plan implementation coincides with the hospital opening.

The construction of the West Corridor Light Rail Line will offer several opportunities for Lakewood to make progress on its housing goals. Transit station area plans have been completed for four stations serving Lakewood: Sheridan, Wadsworth, Union and Oak Streets. The Lakewood City Council adopted new zoning designations on the basis of the adopted station plans in 2007. The physical appearance of the station sites and surrounding land will change when the stations are completed and the pedestrian, auto and bus transit linkages are constructed. All of the station area plans call for a mix of residential, commercial and office uses. A variety of light industrial and manufacturing uses are not permitted in the Transit Mixed Use (TMU) zones.

In order to build new, affordable units with necessary densities to make the developments financially feasible, the City of Lakewood should examine options for various development incentives. The illustration used above demonstrates the significant equity needed to buy rents down to a level affordable to households with the least amount of income. Transit station development costs will be more expensive than other types of new residential development because of pressure on land costs combined with the expense of retrofitting or installing infrastructure to serve the new development. For buildings close to the transit stations, it may be necessary for developers to supply structural parking to minimize a building's foot print.

Currently the Lakewood zoning code allows a 15 percent density bonus under certain conditions for parcels with a 5R classification. This density bonus should be allowed in the TMU zones as well. By allowing higher densities on a given project, the capital costs of land and infrastructure can be distributed over a larger number of units. The density bonus should be coupled with an inclusionary housing policy applied to the TMU zones.

As an example, the City of Lakewood could require 10 percent of the units in a new transit oriented development be affordable to a certain income level, perhaps 50 percent of the AMI. The developer would receive an increased density allotment in order to offset some of the costs of complying with the requirement.

It is important that a significant amount of the new housing built around the transit stations be affordable to lower income renters. However, because of a Colorado Supreme Court decision regarding rent control, the case is commonly referred to as the Telluride decision, local governments cannot compel private property owners to charge a specific rent for a unit. Even though such agreements are voluntary, the Supreme Court viewed the restrictions on rents as rent control which is illegal under Colorado Statute. To establish a policy to comply with this court decision, it would be necessary for the City of Lakewood to create an inclusionary housing policy requiring the developer to sell the stipulated number of units at a discount to an entity such as the Lakewood Housing Authority or a designated non-profit housing provider. The developer offers the discount because the City has provided valuable consideration in the form of increased density allocations and, perhaps, publicly guaranteed infrastructure financing.

The City of Boulder has implemented such a policy as a way of increasing the number of affordable rental units in the City core. The City, as part of the zoning approval process, negotiates with the developer to agree on a discounted sale price for the affordable units. The City, in combination with the Boulder Housing Authority (Boulder Housing Partners), and other finance partners, purchases and manages the units as part of their affordable housing rental stock.

There are a variety of other tools which need to be authorized or utilized in order to make the residential development around the transit stations affordable. By modifying its policies, RTD could help facilitate the purchase of more land than is strictly needed for the transit stations. Some transit authorities around the nation have defined their mission in a slightly broader context allowing them to assist residential development. In the long term, the transit authority is protecting the values of its investment by ensuring adequate ridership originating at individual stations. By creating transit station-based Metropolitan Districts, long-term, tax-exempt public financing could be used to spread the infrastructure cost needed for residential and commercial development. By financing the infrastructure improvements through tax exempt bonds the monthly assessment is relatively small over a thirty year amortization period. As the Lakewood City Council collaborates with other metro area jurisdictions on mass-transit issues, the RTD role in transit station development should be expanded.

Much of the analysis to this point has focused on expanding housing choice for renters. However, the overall community is served by increasing the number of homeowners. Homeownership usually signifies a higher commitment to the community compared to households renting a dwelling. In the case of public assistance to homeowners, once the downpayment loan is repaid or the restriction period ends the unit can be sold to anyone.

Because Lakewood has a relatively high ratio of homeowners to renters it is important to continue to provide ownership opportunities for families. Transit-oriented development offers the opportunity for renter households to become homeowners. For many households, purchasing a home close to a transit node reduces automobile expenses by eliminating one car. National mortgage purchasers are willing to modify underwriting criteria for mortgage applicants with lower transportation expenses.

Lakewood sponsors and funds a homeownership program operated by the Colorado Housing Assistance Corporation. The successful program has been used by households to obtain mortgage counseling and down payment assistance for their first home. This program could benefit from increased financial support. As transit-oriented development and other redevelopment opportunities arise, demand will exceed the availability of resources. The City of Lakewood and the Lakewood Housing Authority should request funding from the State Division of Housing and the Federal Home Loan Bank Board (FHLBB) to expand the number of residents who could obtain down payment assistance. There are other potential sources of funding for homeownership programs such as the Colorado Association of Realtors Housing Opportunity Fund.

There is a lack of housing and supportive services for homeless families in the western quadrant of the Metro area. The most recent MDHI point in time survey counted 684 homeless individuals in Lakewood on the survey date. Of those homeless individuals who answered the survey questions, 153 of them stated they had children. Currently, the Lakewood inventory of shelter beds is 37. There are 58 reported transitional housing units within Lakewood. Several homeless and transitional housing providers have expressed a desire to create a Continuum of Care for the West Metro Area. On the surface this appears to be a good idea. This group will need the political support and financial backing of the governmental entities in the west Metro area. With a Continuum of Care system in the western sector of the Metro area, the member jurisdictions could apply for HUD Supportive Housing and other homeless funds to expand the present supply of both emergency and transitional housing.

The City and County of Denver has successfully implemented its housing first model. To expand housing opportunities for homeless families in Lakewood, focus must be placed on providing more emergency shelter beds and transitional housing units for households exiting the shelter. Within the next two to five years, Lakewood should seek to double the number of shelter beds and transitional housing available in the community. The Lakewood Housing Authority and the City's housing development office are in position to lead a development team to provide more emergency and transitional housing within the City. The State Division of Housing and the City of Denver may both be potential partners on new shelter and transitional housing projects in Lakewood. Denver Human Services Department staff have indicated a willingness to fund homeless facilities outside Denver city limits if such investment would lesson the pressure on Denver facilities.

## Housing Preservation

### **II. Promote the preservation and affordability of existing housing stock and older neighborhoods by improving the housing and upgrading neighborhood infrastructure and conditions.**

#### **Related Goals:**

*Encourage the preservation and maintenance of the existing affordable housing stock. (Comprehensive Plan)*

*Promote the integration of affordable housing into new and existing neighborhoods. (Comprehensive Plan)*

*To provide opportunities for affordable housing that is healthy, decent and safe. (Consolidated Plan)*

*To provide resources to preserve and improve target area neighborhoods and transportation corridors. (Consolidated Plan)*

The existing housing stock represents a critical piece of the housing supply. As commodity prices continue to escalate and shortages occur because of rebuilding efforts in the Gulf of Mexico and demand in other countries, the price of new construction will increase. It is important to preserve existing homes because the replacement cost of those homes would be equal to new construction prices.

Lakewood began focusing on its older neighborhoods some years ago. This resulted in eight neighborhood plans for older communities in the eastern half of the city. All of these plans call for improved maintenance and appearance of both residential and commercial buildings within the designated neighborhood area. The Jefferson County Housing Authority and the City of Lakewood have jointly provided a housing rehabilitation program for homeowners wishing to repair various health and safety items. The program operates with a limited amount of funding. The City housing agencies should work with the Jefferson County Housing Authority to increase funding for the program. Increased funding would allow the City to more aggressively promote the program.

Typically, if good maintenance is not the rule, as homes come up for sale, home values become depressed as more homes are purchased by speculators for short-term rental and eventual redevelopment. If too many homes in a neighborhood become rentals with little or no outside upkeep, the neighborhood eventually suffers from depressed values. This downward trend can be accelerated in neighborhoods with higher foreclosure rates. It appears that many of the present foreclosure filings are occurring in older neighborhoods based on the ZIP code distribution.

The City should consider examining both the rehabilitation program and the homeownership program by creating a blended approach to allow a program operator to acquire, rehabilitate and resell foreclosed properties to qualified households. This approach has been utilized in a number of communities -- both rural and urban. It is possible to use the City's Private Activity Bond allocation as a source of long-term mortgages on the improved properties. Interim funds could be obtained from the State Division of Housing to carry acquisition and improvement costs until the closing of the permanent mortgage.

The neighborhood plans and the Consolidated Plan also cover other strategies for infrastructure improvements including items such as sidewalks, playgrounds and drainage improvements. Those items are all critical to maintaining the living quality and economic viability of the older neighborhoods. The scope of this assessment is limited to the housing needs in older neighborhoods.

## Partnerships

### **III. Create innovative partnerships between government and the private sector by creating ordinances, plans and policies to expand housing opportunities and support economic stability and diversity.**

Housing is the most highly regulated commercial activity in our modern economy. Federal monetary policy dictates mortgage rates. Federal laws and regulations govern who lives in the housing, where the timber is harvested, whether there is a secondary market for the mortgage, etc. Local and state laws control where the housing gets built, what it looks like, how many houses or units go on a particular site and who is allowed to build. The decisions made at various levels of government influence the price and availability of housing.

Often government regulations are perceived as arbitrary barriers to the production of more affordable housing types. However, the thoughtful observer quickly determines that government agencies are placed in the role of regulator because their constituents, the local voters, desire government to provide a variety of protections. As the west becomes more populated and land use patterns become more dense, those who invest in property want government to take a firm hand in protecting them from surrounding uses which might devalue property or adversely affect health and quality of life.

A combination of targeted incentives and set-aside requirements should be used to ensure new development accommodates all sectors of housing demand -- not just those with substantial equity. Those incentives can include cash or density bonuses. In existing neighborhoods, denser land use may be achieved by encouraging construction of accessory units attached to existing dwellings. When there is public investment, subsidies or incentives to lower housing costs, enforcement mechanisms should be in place to insure that public purposes are met.

Adequate public funding to bridge the gap between development costs and affordable consumer payments must be in place. In addition to state and federal equity sources, county and municipal governments often provide cash and non-cash seed money to jump start a project. Utility and impact fees can easily add \$10,000 to \$20,000 to the cost of every dwelling. If utility authorities can defer up-front fees and allow them to be paid from project cash flows, greater affordability can be achieved. Beyond the “vision” contained in a community comprehensive plan, a careful analysis of the zoning, subdivision, infrastructure, environmental and development standards can yield efficiencies and reforms which streamline the housing production process while at the same time preserve the integrity of the public process designed to protect public health and well-being.

The challenge Lakewood faces with its affordable housing needs are typical for Metro area communities. The City is well positioned from a planning and implementation perspective to significantly increase housing choice. Between various City departments and planning documents, the desired end results are clear. The Federal Center redevelopment and the West Metro Light Rail Corridor represent significant opportunities for the community. However, as development begins, if the City fails to set a target for affordable housing units in new developments, they will not be included.

Unless a variety of tools are created and the City partners with the private development sector, it will be difficult to achieve the needed results. Inclusionary housing regulations will need to be adopted by City Council -- at the same time the City will need to offer tools and incentives to the for-profit and non-profit developers to make lower-priced units economically feasible. By partnering with developers, the City can reduce some developer risk. If transaction and carrying costs for a given project are lowered, the final costs can be reduced for the builder.

Some tools and incentives the City should consider include:

- Higher densities for a specific number of affordable units.
- Tax exempt financing products provided by the government.
- Local cash and fee waivers/deferrals.
- Coordination with other governmental entities such as the General Services Administration, the Regional Transportation District, state housing agencies, local housing agencies and others.
- City-sponsored funding applications to obtain the needed equity from private and public funding agencies.

There are several non-profit agencies managing homeless housing programs and services in the City. They are presently discussing the formation of a west metro area Continuum of Care organization. HUD has adopted a policy of only funding homeless assistance requests as part of a larger regional alliance. The continuum of care approach seeks to provide a holistic approach to homeless needs including emergency shelter, transitional housing, supportive services and permanent affordable housing. The City of Lakewood could be an important partner in creating the structure of a West Metro Continuum of Care. The City could contribute funding and staff time to develop a Ten-Year Plan to

End Homelessness. This plan is considered the foundation for operating a Continuum of Care system.

In researching community efforts for this report, there are very few non-profit housing development groups working within the City besides the Housing Authority and City housing development office. Some years ago there were partnerships with the Uptown Partnership and Brothers Redevelopment for housing construction and home repair efforts. The City could benefit from establishing new partnerships with non-profits working in other communities. Under the HOME program, local housing development groups are eligible to receive special benefits. Within the metro area there exist several certified Community Housing Development Organizations that could become development partners on various affordable rental projects. These organizations have capacity and resources which could be applied to Lakewood needs.

While the City of Lakewood has a central role to play in the quest for more housing choice, the private sector must be the implementing partner. Based on findings of this housing assessment, CSI believes the essential pieces are in place to meet whatever goals the Lakewood community chooses to prioritize in the next five years.

## ACTION STEPS

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### COST ESTIMATE AND PRIORITY SCALE

\$	Little or no dollar outlay
\$\$	\$1,000 to \$100,000
\$\$\$	\$100,000 to \$200,000
\$\$\$\$	\$200,000 to \$1,000,000
\$\$\$\$\$	More than \$1 million

Priority Scale	
H	High
M	Medium
L	Low

### GUIDE TO ABBREVIATIONS

CARHOF	Colorado Association of Realtors Housing Opportunity Foundation
CHFA	Colorado Housing and Finance Authority
CHAC	Colorado Housing Assistance Corporation
CHDOS	Community Housing Development Organizations
CPD	Lakewood Dept. of Community Planning and Development
DOH	Colorado Division of Housing
FHLBB	Federal Home Loan Bank Board
GSA	General Services Administration
HBA	Home Builders Association
HC	Housing Colorado, affordable housing advocacy group
HFS	Lakewood Dept. of Housing and Family Services
HUD	U.S. Department of Housing and Urban Development
LHA	Lakewood Housing Authority
MAOA	Metro Apartment Owners Association
RTD	Regional Transportation District

## Housing Goal 1, Action Steps for Housing Choices

Provide a full range of housing choices in the City of Lakewood. Special efforts should be directed to the housing needs of groups not easily served by the private market. Those groups include moderate and lower income families of various sizes, elderly households on fixed incomes, and those with special challenges including the homeless.

	<b>Actions</b>	<b>Priority</b>	<b>Time Frame</b>	<b>Players/Resources</b>	<b>Cost</b>
a.	LHA, working with the City should develop/direct 110 affordable units to 50% AMI rental housing units annually.	H	2008	LHA, City offices, GSA, Private developers, RTD, CHFA, DOH, Banks	\$\$\$\$\$
b.	City Council, working with the LHA, CPD, HFS and GSA should advocate for the Federal Mall Master Plan for the Federal Center. The Federal Mall Plan calls for up to 1,400 housing units.	H	2007	City Council, GSA, LHA, Private developers, St. Anthony Hospital, Neighborhood groups	\$
c.	City Council, working with LHA, CPD, and HFS should initiate discussions with RTD to modify RTD operating procedures to allow expansion of RTD land acquisition approaches to include residential development.	H	2007	City Council, LHA, CPD, HFS, HC, Private developers, Citizens, Neighborhood groups, RTD	\$
d.	City Council, in consultation with Lakewood community groups, should adopt necessary regulations, policies, and incentives to ensure that at least 10 % of all housing built under the transit station area plans is affordable to households under the 50% AMI level for renters and 80% of AMI for homebuyers.	H	2008	City Council, LHA, CPD, HFS, Neighborhood organizations	\$\$\$\$
e.	HFS and CPD should expand the down payment assistance program administered by CHAC by seeking other sources of funding beyond the city's CDBG and HOME allocations.	M	2008	HFS, CPD, City Council, DOH, CHFA, FHLBB, CHAC, CARHOF	\$\$\$
f.	LHA and the City Development Office should lead a development team to double the number of homeless shelter beds and transitional rental units in five years.	H	2007-2012	HFS, LHA, City, Homeless providers, DOH, HUD, Neighborhood groups, City of Denver	\$\$\$
g.	City agencies should work with developer trade organizations such as HBA and MAOA to provide information on demand for higher priced rental units with amenities.	L	2008	City Development Office, Economic Development agency, Jeffco Board of Realtors	\$

## Housing Goal 2, Action Steps for Housing Preservation

Promote the preservation and affordability of existing housing stock and older neighborhoods by improving the housing and upgrading neighborhood infrastructure and conditions.

	<b>Actions</b>	<b>Priority</b>	<b>Time Frame</b>	<b>Players/Resources</b>	<b>Cost</b>
a.	Expand owner occupied home rehabilitation loan program in Lakewood	M	2007-2012	HFS, CPD, Jeffco Housing Authority, DOH, FHLBB, Private sector Lenders, Builders, Neighborhood groups	\$\$\$\$
b.	Institute a program to acquire and rehab foreclosed residential properties for resale to qualified households.	M	2007-2009	HFS,CPD, Jeffco Housing Authority, DOH, FHLBB, Private sector Lenders, Builders, Neighborhood groups	\$\$\$\$

### Housing Goal 3, Action Steps for Partnerships

Create innovative partnerships between government and the private sector by adopting ordinances, plans and policies to expand housing opportunities and support economic stability and diversity.

	<b>Actions</b>	<b>Priority</b>	<b>Time Frame</b>	<b>Players</b>	<b>Cost</b>
a.	Review City of Lakewood ordinances and regulations to identify changes that could facilitate the realization of stated production goals. The review will cover the following areas:  (1) Goals for affordable housing production.  (2) Land use policies and development regulations to encourage lower-priced housing by providing incentives for the construction of affordable, multi-family rental and affordable homeownership.  (3) Use of the annual Land Use Report to assess the availability of land zoned properly to meet present and future demand.  (4) A balanced mix of incentives and regulations to meet the vision expressed in the Comprehensive Plan.	H	2007-2012	City agencies, CPD, Planning Commission, City Council, Neighborhood groups, Builders, Developers	\$
b.	Create partnerships to ensure the Federal Center Master Plan and Transit Station Plans are used to supply present and future housing for both affordable and market rate apartments and homes.	H	2007-2012.	City agencies, City Council, Private sector, neighborhood groups	\$
c.	Utilize City resources to increase affordable housing development capacity by forming new partnerships with existing Metro area Community Housing Development Organizations.	H	2007-2012	HFS, CPD, DOH, City Council, CHDOs, LHA	\$\$
d.	Utilize City resources to create a development plan and development team to double the supply of homeless shelter beds and transitional housing units.	H	2007-2012	HFS, CPD, City development office, LHA, Homeless providers, CHDOS, DOH, HUD	\$\$
e.	Utilize City resources to participate in the formation of a West Metro Continuum of Care system.	H	2007-2009	HFS, CPD, City development office, LHA, Homeless providers, CHDOS, DOH, HUD	\$\$