



# Middle Income Housing Strategy

*With creativity, determination and partnership, we can accomplish our goal*

## Boulder, Colorado 2016 to 2030

October 2016





## Acknowledgements

Many individuals informed and contributed to this document.

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Boulder's residents and workers, especially those who, in various public meetings and surveys shared information and thoughts that informed this strategy.

Background information and data was used from previous work provided to the city by BBC Research & Consulting, Heidi Aggeler, Managing Director and Mollie Fitzpatrick, Director.



## Executive Summary

Since 1989, Boulder's share of middle class households has decreased six percent, with a corresponding increase in high income households. Though complex local, national and international economic factors may underlie some of this shift, ultimately housing is the infrastructure of socioeconomic diversity. The city's sustainability framework recognizes this, calling for *housing options to accommodate a diverse community*. The [2014 Housing Choice Survey](#) and [2016 Middle Income Housing Study](#), provide strong evidence that middle income households, in particular would-be homeowners, are met with diminishing choices when they seek to buy a home in Boulder. Boulder's median single-family home price is now well out of reach for even the top earning middle income households.

As home prices continue to increase, it is clear that the current goal of 450 permanently affordable middle income homes is no longer adequate. Furthermore, with annexation as the only existing vehicle for permanently affordable middle income housing, there are just 107 homes permanently deed restricted to middle income households. In order to expand opportunities for middle income households in Boulder, a bolder goal and more extensive suite of tools is needed.

Moving forward, it will be challenging to create middle income housing opportunities without changing our approach. With little undeveloped land left in Boulder, we must program it correctly. The Middle Income Housing Study found that attached housing in Boulder remains affordable longer, therefore new homes should be attached, and while relatively small, designed to serve a variety of middle income households, including individuals, families with children, and seniors. To the extent feasible, permanently affordable deed restrictions must be used to secure the affordability of new and existing homes for middle income households well into the future.

This draft *Middle Income Housing Strategy* defines a comprehensive approach to create and preserve housing choice for middle income households and puts forth a new aggressive, but obtainable goal that will increase housing options for middle income households.

**Middle Income Housing Goal:**  
Build or preserve 3,500 middle income homes by 2030  
2,500 market-rate middle income  
1,000 deed restricted permanently affordable

There is no single mechanism to arrive at this goal, but instead a suite of primary and secondary tools that, together, can achieve it. All of the tools in this strategy will need to be effectively implemented in order to secure this expanded goal.



## 4 KEY MIDDLE INCOME HOUSING TOOLS

1. **Land Use & Policy:** Provide recommendations for Boulder Valley Comprehensive Plan (middle income housing types and barriers to moderately sized units, including both the plan's policies and land use designations).
2. **Middle Income Community Benefit Zoning:** Adopt community benefit policies and outline regulations to establish incentive-based community benefit re-zoning to encourage additional housing opportunities that may be affordable to middle income households. Proposed land use changes should require additional affordable housing benefit specific to middle income affordability.
3. **Inclusionary Housing (IH):** Amend the current Inclusionary Housing (IH) regulations to include a middle income tier.
4. **Annexation:** Adopt policies requiring a higher level of middle income community benefit for annexations.

While these four key tools hold the greatest promise to unlock opportunity for middle income households, other tools that can be pursued include:

## SECONDARY MIDDLE INCOME HOUSING TOOLS

- Preservation of existing homes through deed restrictions
- Neighborhood Pilot Innovation Programs
- Amend the ADU/OAU ordinance, with the inclusion of deed restrictions



*"New multi-unit housing in Boulder needs to be kid-friendly, not just dog-friendly."*

- 2014 Housing Choice Survey response



## A. The Process to Create a Middle Income Housing Strategy

The City Council identified the loss of middle income households in Boulder as a pressing community concern during the Housing Boulder process. On May 3, 2016 the City Council voted to create a Middle Income Housing working group comprising of members of the City Council and the Planning Board for the purpose of working with staff to develop a draft Middle Income Housing Strategy. From May to August 2016, five members of the City Council, including Matt Appelbaum, Jan Burton, Lisa Morzel, Andrew Shoemaker and Mary Young, along with two members of the Planning Board, Bryan Bowen and Leonard May, convened on five occasions to work with staff to develop a proposal for a Middle Income Housing Strategy, a new component to a broader Comprehensive Housing Strategy, building on the community's existing affordable housing efforts.

Although the loss of middle income housing has been a concern since the 1999 Comprehensive Housing Strategy, the community and City Council recently coalesced around middle income as a common theme in the Housing Boulder public process. The city expects to achieve its goal of 10 percent of all homes in Boulder affordable to low and moderate income households through continued application of existing programs and refinements, such as the update to the linkage fee for nonresidential development. However, the city is losing ground with middle income households and the current middle income goal and tools are not adequate to address the challenge. The following strategy reflects the collaborative efforts of this working group on a path forward to providing more middle income housing.

The group's charge was to:

1. **Modify the Current Goal** for Middle Income Housing
2. **Identify Funding Options** for Middle Income Housing
3. **Define Community Benefit Policies and Tools** to Preserve and Create Middle Income Housing

Foundational to their work was the [Middle Income Housing Study](#), prepared by BBC Research and Consulting, as well as ongoing research and community input informing the Boulder Valley Comprehensive Plan update process, input from the Maintain the Middle Working Group, feedback collected through Housing Boulder sub-community meetings and other outreach activities, the [Housing Choice Survey](#), and the contributions and ideas of various members of the public.

## B. An Overview of the Middle Income Context

Housing that is affordable to middle income households is a concern for many residents and community leaders in Boulder. There is concern that Boulder's character is changing as its economic middle shrinks and rising home prices undermine efforts around community diversity, resilience and sustainability. In 2013, City Council set in motion a policy initiative to define Boulder's "next generation" housing strategy that would

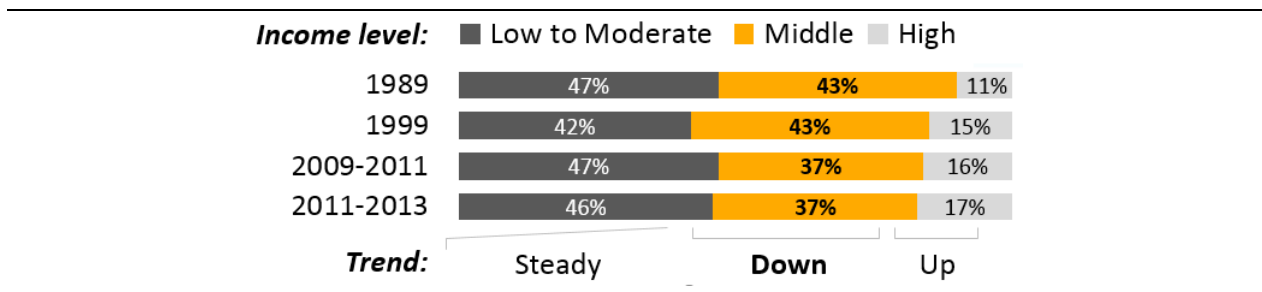


build upon and continue the successes of the past while expanding the city’s toolkit to respond more effectively to new and emerging challenges. In September 2014, City Council adopted the goal to **Maintain the Middle** as one of six goals to help guide the development of a larger comprehensive housing strategy.

**Housing Boulder Goal: Maintain the Middle**  
 Provide a greater variety of housing choices for middle-income families and Boulder’s workforce.

In early work prepared during the community outreach phase of Housing Boulder, it was found that...

**The share of Boulder’s middle income households has declined 6% since 1989, offset by an increase in high income households**



Boulder is a university community and the graph above presents our entire community, including student households. The relative share of income categories – low to moderate, middle and high – would be different if student households, which largely fall in the low to moderate income category, were excluded. However, more importantly it shows a trend of an equivalent gain in upper income households for the loss of middle income households in Boulder.



## C. Who is the Middle and What Can They Afford?

In the fall of 2015, the city commissioned a Middle Income Housing Study and in January 2016 BBC Research and Consulting provided an in-depth analysis of middle income housing options and trends in Boulder. For the study and future policy discussion, middle income was defined as ranging between 80 and 150 percent of the Area Median Income (AMI).

**Middle Income:**  
80% to 150% of Boulder's Area Median Income



**Middle income jobs include:**  
accountants, architects, librarians, veterinarians, and web developers

**Housing Affordable to Middle Income Households:**

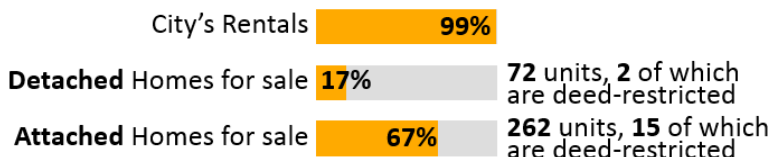




## D. Key Finding from the 2016 Middle Income Housing Study

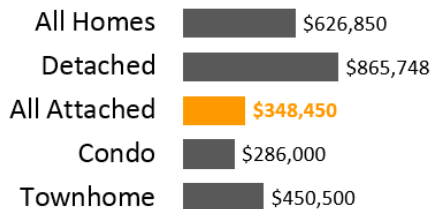
- It is increasingly difficult for middle income families to find housing in Boulder. Housing prices have risen 31% in the past two years alone.
- Middle income households can afford 99% of city’s rentals, but only 67% of attached homes and 17% of detached homes for sale (including 2 middle income deed restricted homes); therefore, the main gap in middle income housing products is for-sale.

### *What is available to middle income households now?*



- Although the vast majority of rentals are affordable to middle-income households, the types of rentals may not match peoples’ needs and preferences (particularly families and seniors).
- The inventory of homes affordable to middle income households decreased over the previous fifteen years, with just 72 single-family detached homes affordable to middle income buyers in 2015 compared to 239 in 2000, and 262 attached homes affordable to middle income buyers in 2015, compared to 515 in 2000.
- Attached homes maintain affordability better than detached homes.

### *Median attached home prices remain lower*



- Attached homes are lower priced even in high-demand areas in Boulder and are less likely to expand.
- The 2014 Housing Choice Survey revealed that 53% of in-commuters surveyed would consider moving to Boulder in the future. To live in Boulder:
  - Half would be willing to live in a townhome;
  - One-third would live in a duplex/triplex/fourplex.





## E. How Will the Middle Income Strategy Be Used?

The Middle Income Housing Strategy provides a concrete goal for middle income housing in Boulder as well as a framework of policies and tools to reach that goal. It will help to...

- **Inform policy decisions** related to the Boulder Valley Comprehensive Plan update;
- **Advance work items** on the Planning Housing + Sustainability annual work plan, that will produce the programmatic and regulatory infrastructure to reach the goal; and
- **Inform funding** decisions.



Multiplexes at Northfield Commons

*"We have ordinary middle class jobs, two incomes, but with three kids we don't expect to be able to move back into the city until their teen years or so, if ever. We hate the carbon footprint of commuting, but we see it as an either-or choice between having a family and living in Boulder."*

- 2014 Housing Choice Survey Response



## F. A New Goal

### Middle Income Housing Goal:

**Build or preserve 3,500 middle income homes by 2030**

2,500 market-rate middle income

1,000 permanently affordable middle income

### The Current Middle Income Goal is Insufficient

Since adoption of Boulder’s 1999 Housing Strategy, there has been significant progress toward achieving the city’s adopted housing goals, including, notably, the goal to have 10 percent of the city housing stock be deed restricted as permanently affordable for low and moderate income households. In the third quarter of 2016, there were 3,354 deed restricted affordable homes for low and moderate income households, representing 7.5 percent of the city’s housing stock. It is projected that the 10 Percent Goal could be reached within five years. In contrast, the city’s much more modest middle income goal, **450 deed restricted permanently affordable homes affordable to middle income households**, is progressing far slower. Currently annexations are the only tool to create or acquire deed restricted permanently affordable homes for middle income households. As of the third quarter 2016, there were just 107 deed restricted middle income affordable homes in Boulder.

In a time when the median home price in Boulder is well beyond reach of even the highest earning middle income household, and a six percent loss of middle income households has been documented (and is now likely greater), the current middle income goal is no longer sufficient.

*“Shared garden space or shared yard a must, if townhome/condo.”*

**-2014 Housing Choice Survey response**



Silver Sage, Holiday Neighborhood



## Philosophy for a New Middle Income Goal

A middle income goal was set based on our values and recent growth trends and growth projections, while being bold.

### Our Values: Be Diverse

Any middle income housing goal should be based on the community values and not a calculation of unmet demand or demands specific to a particular category of households such as workforce households or in-commuters. These calculations can lead to numbers that are either too vast to be attainable or too narrow to address our values as a community.

**BVCP Housing Choice Policy 7.06 Mixture of Housing Types** (2016 staff-proposed edits in orange) The city and county, through their land use regulations and housing policies will encourage the private sector to provide and maintain a mixture of housing types (e.g., single family, multiplexes, courtyard housing, townhomes, micro-units, and accessory dwelling units) with varied prices, sizes and densities, to meet the housing needs of the full range of the Boulder Valley population. The city will encourage developers to provide a mix of housing types within each development.

### Be Realistic

To set a middle income goal, we believe it's important to consider factors such as the remaining capacity for residential development, the existing Residential Growth Management System (one percent annual growth rate), the potential of key policies and tools to produce housing within reach of the middle income households, development trends, and lending practices.

### Be Bold

Because of the tremendous need for middle income housing in Boulder, a middle income housing goal should be ambitious and inspire the innovation, creativity, and focus to do as much as possible.

## Calculating the New Middle Income Housing Goal



See **Appendix. Calculating the Middle Income Housing Goal** for details on assumptions and methods used to calculate the middle income goal.



## G. Monitoring Success

### Implementation and Progress

Successful implementation of the Middle Income Housing Strategy can be measured both by the degree to which the recommended policies are implemented and by our progress toward the middle income housing goal.

Two categories of middle income homes will be used to track the goal:

1. **For-sale homes with middle income deed restricting covenants**
2. **Market-rate middle income-oriented homes, affordable to middle income families (e.g., attached, “missing middle”, potential for future homeownership, tenure)**

**Missing Middle Housing** = A range of multi-unit or clustered housing types compatible with single-family homes, common in pre-1940s neighborhoods. In Boulder the market currently produces larger multi-unit apartments as well as single-family homes, but few mid-sized buildings, which middle income households indicated in the 2014 *Housing Choice Survey*, they would choose. Missing middle housing also provides a good transition between established single-family neighborhoods and nearby commercial corridors.



Source: *Opticos Design, Inc., [www.missingmiddlehousing.com](http://www.missingmiddlehousing.com) accessed August 22, 2016*

### Tracking the Goal

City staff currently tracks all deed-restricted affordable homes in the city, therefore deed-restricted middle income homes (#1) can be monitored with ease. Market-rate, middle income-oriented homes (#2) will be monitored through periodic review of residential new construction permit data and market activity. The primary factors that will influence relative affordability over time that serve a diversity of middle income households include:

Size (< 2,000sf)	Type (attached, missing middle)	Cost	Tenure
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## Size and Type **Housing Choice and Diversity**

Housing is the community infrastructure that informs who gets to live there. Diverse housing options, therefore, should support greater community diversity. Staff will monitor the production of various missing middle housing types (e.g., townhomes, live/work patio homes and condos), as well as their location, size, tenure and price points.

## Cost **Monitoring Middle Income Rental Housing Affordability**

Recent trends in housing overall, including increased rents, low vacancy rates, and limited future development opportunity, point to a need to develop a methodology to track rental housing affordability in order to know if and when interventions are needed. This will include the tracking of rent or sales price at the time of completion of new middle-income market homes.

## Tenure **Focus on Middle Income Homeownership**

Homeownership opportunities for middle income households are eroding, therefore the city's focus is on facilitating housing outcomes that serve middle income homeowners. In contrast, 99 percent of rental housing in Boulder was affordable to middle income households at the time of the Middle Income Housing Study last year. It is most appropriate then that all 1,000 deed restricted middle income homes serve homeowner households. For the homes that are not deed restricted, the city has limited ability to prescribe tenure (rental vs. homeowner). Therefore, the city will monitor housing production, regardless of whether a home enters the housing stock as rental or for sale. However, the city will track homes types that are likely or possible to shift to homeownership in the future. Those homes that match the criteria to serve middle income households will be counted as middle income market-rate homes.

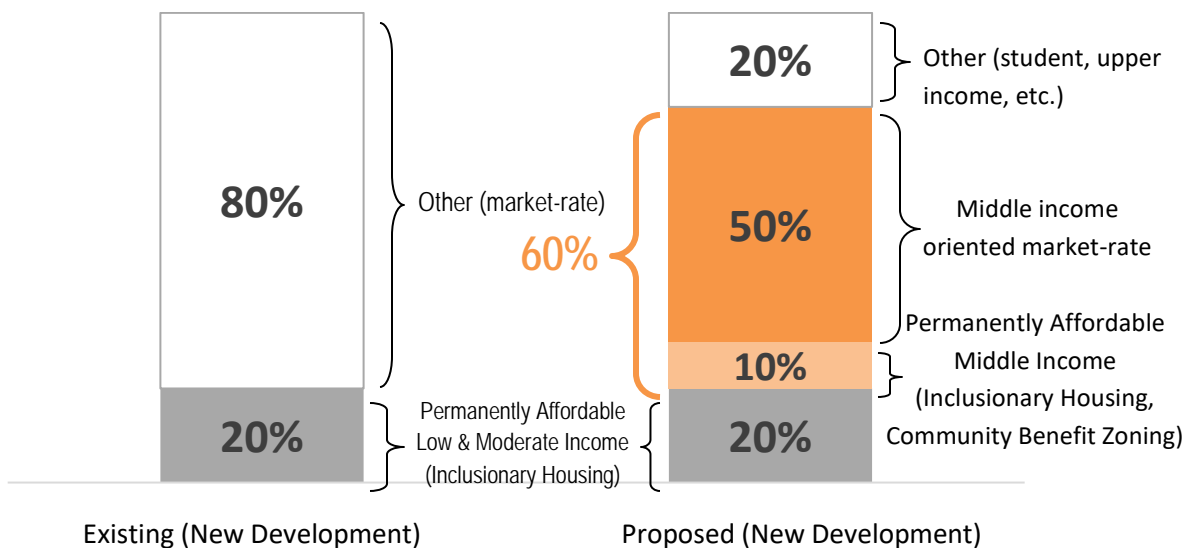


Habitat for Humanity Duplexes at Harmony Haven



## New Construction and the City’s Housing Goals: 20/60/20

Since 2000, the Inclusionary Housing program has ensured that 20 percent of new residential construction in Boulder, is income targeted to low- and moderate-income households. The new Middle Income Housing Goal would guide 60 percent of new housing development to serve middle income households; therefore, the city’s approach for new development would aspire to develop a 20/60/20 mix: 20 percent of new homes would continue to serve low and moderate-income households as permanently affordable, 60 percent would be targeted to serve middle income households (of which 10% would be permanently affordable to middle income households), and 20 percent would serve the balance of the market.

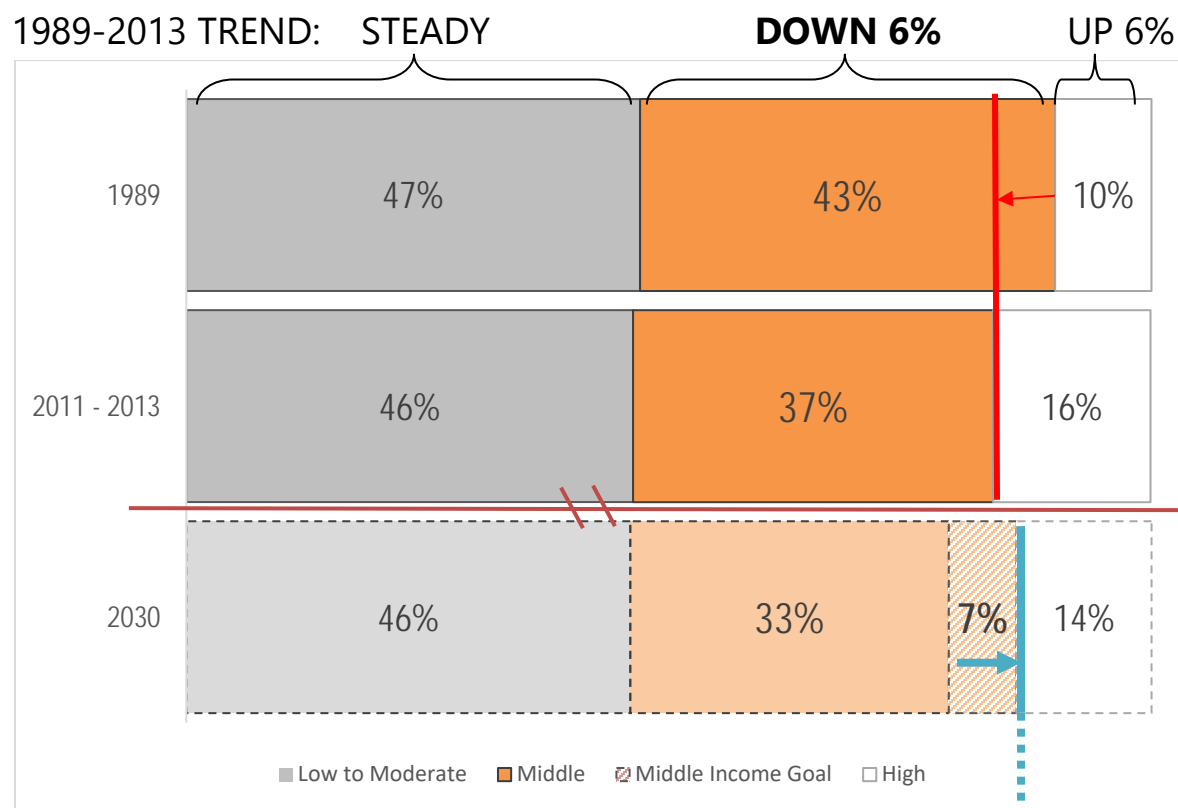


1707 Walnut in Central Boulder; 1, 2 and 3-bedroom apartments



## A 7% Goal

Assuming adequate zoning capacity and an average annual growth rate of 0.8 percent per year (see Goal Calculation in Appendix), by 2030 the middle income housing goal of 3,500 homes will represent seven percent of the city’s housing stock. Between 1989 and 2013, a fourteen-year time period, Boulder’s economic middle shrank by six percent. If over the next fourteen years (2016 to 2030) the goal of 3,500 homes affordable to middle income households is achieved, Boulder’s economic middle will have been effectively maintained. This goal then – preservation and creation of 3,500 middle income homes – would achieve the Housing Boulder goal to Maintain the Middle.



**Housing Boulder Goal:  
Maintain the Middle**



## H. Four Key Middle Income Housing Tools

The four key tools to create adequate opportunity to expand the supply of middle income housing in Boulder, include the following.

### 1. Land Use & Policy

- Provide recommendations for the Boulder Valley Comprehensive Plan update
- **Policy:** Middle income policies
- **Land use designations:** enable more middle income housing options on land currently zoned industrial and residential

### 2. Middle Income Community Benefit Zoning:

- Adopt community benefit policies and outline regulations to establish incentive based rezoning/community benefit zoning to encourage additional housing opportunities that may be affordable to middle income households. Proposed land use changes should require additional affordable housing benefit specific to middle income affordability. (Note that the BVCP is considering a broader range of community benefits beyond just housing.)

### 3. Inclusionary Housing (IH)

- Amend Inclusionary Housing (IH) regulations to include a middle income tier.

### 4. Annexations

- Adopt policies requiring a **higher level of middle income community benefit for annexations.**





## Policy & Implementation

### Land Use and Policy

**Policy:** Provide policy direction to the current BVCP update that would be consistent with the Middle Income Strategy to land use designation changes for middle income housing opportunities.

**Implementation:** Rezone appropriate areas to enable housing types that serve middle income households and retain middle income affordability for a longer period of time. Revisit the zoning code to reduce regulatory barriers to moderately-sized units.

### Middle Income Community Benefit Zoning

**Policy:** In appropriate zone districts, and in cases where density or intensity is increased for a project, require an increased level of middle income housing units.

**Implementation:** Require and incentivize deed restriction, “missing middle” unit types, units that serve specific middle income households such as seniors or families, and potentially homeownership.

### Inclusionary Housing

**Policy:** For new developments, require residential developers to provide a certain percentage of housing on-site units as permanently affordable to middle income households.

**Implementation:** Find a balanced approach to achieving middle income housing goals in addition to the current 20 percent requirement for low and moderate income housing. Financial analysis will be required to determine an appropriate percentage (e.g., 5, 10, 15%).

### Annexations

**Policy:** Specify housing types for both market and deed restricted affordable units appropriate for specific middle income demographics (e.g., seniors, families, etc.)

**Implementation:**

1. Explicitly require housing types that serve target middle income demographics.
  - a. “Missing middle” small to medium sized attached (e.g., duplex to 8-plex, townhomes)
  - b. Seniors (e.g., patio homes, accessible, 1-2 bedrooms)
  - c. Families (e.g., 2-4 bedrooms, some yard/outdoor play area)
2. Limit house size throughout a development project (e.g., maximum of 2,500 square feet)



## I. Secondary Middle Income Housing Tools

Additional tools/strategies were identified as promising to allow the development and preservation of 3,500 middle income housing homes in Boulder by 2030:

### Secondary Middle Income Housing Tools

- = Prioritized on 2016-17 Housing Boulder Work Plan
- = In cue on 2016-17 Housing Boulder Work Plan; will need to be prioritized
- = Would need to be added to and prioritized on Housing Boulder Work Plan

#### Preservation (deed-restricting existing homes)

1. ● **Targeted funding:** Limited funding sources exist for deed restricted affordable middle income housing. When strategic opportunities present themselves, the city will make such an investment.
2. ● **Homebuyer and homeowner assistance:** Explore establishing homebuyer and homeowner assistance programs that could result in permanently affordable middle income deed restrictions.
3. ● **Additional funding for deed restricting existing housing:** Explore the establishment of a significant funding source (e.g., city issued bond), to fund large-scale deed restriction of existing housing.
4. ● **Include some middle income homeownership opportunities in affordable acquisition/rehab projects:** When feasible require affordable acquisition rehab projects, which are typically rental, to also include some share of deed restricted ownership homes that serve middle income households.
5. ● **Explore providing a rehab/redevelopment path for non-conforming properties** that currently have more units than what is allowed by zoning in order to retain the additional units in exchange for deed restriction. Identify properties that have non-conforming density (additional units) due to zoning that occurred after the property was constructed. Establish an ordinance that would allow the property to be substantially rehabilitated or rebuilt with the same number of units if some share of units is deed restricted permanently affordable to middle income households.
6. ● **Home donation program:** Through estate planning, Boulder homeowners can donate homes or proceeds of the sale of homes to the city's housing program.

#### ● Neighborhood Innovation Pilot Program

Institute a Neighborhood Innovation Pilot Program to provide a bottom up path for willing neighborhoods to re-imagine their built environment. Proposals brought to the Middle Income Housing Working Group include, infill within existing neighborhoods and re-envisioning large single-family lots within the 'residential estate' zone district.

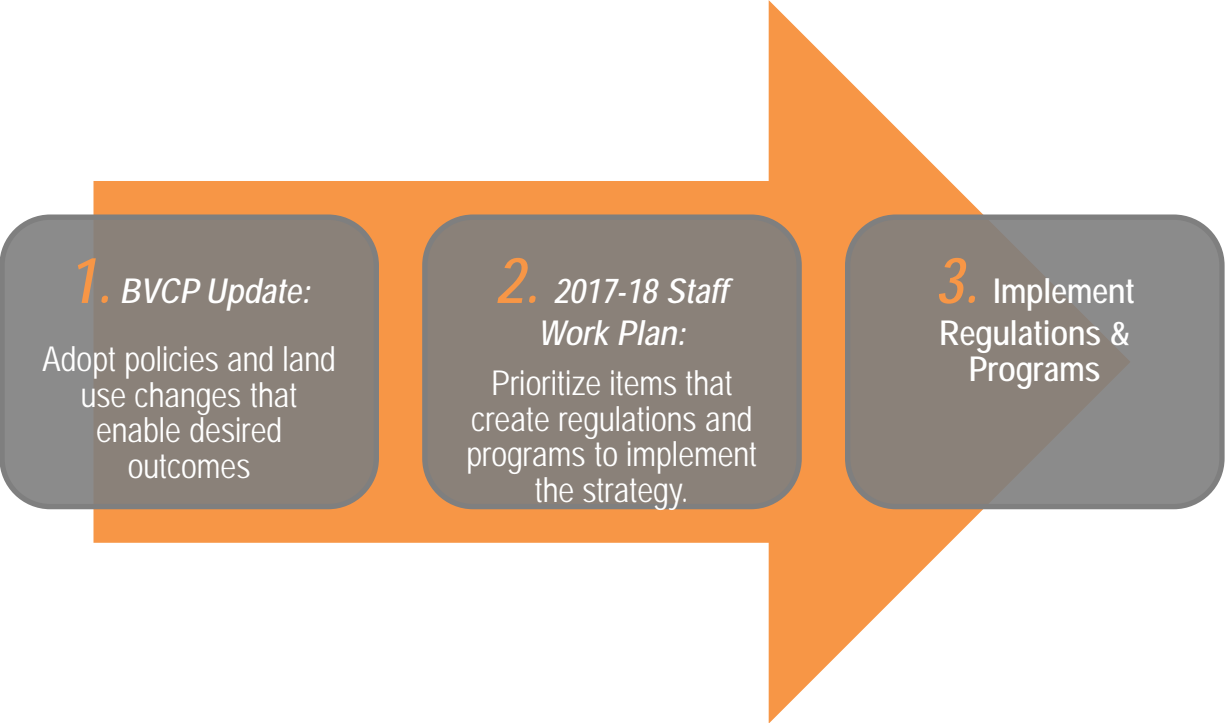
#### ● Amend the ADU/OAU Ordinance

Amend some or all requirements in the ADU/OAU ordinance (e.g., no more than 10% ADUs in a specific area, parking requirement, neighborhood notice, size limits) to allow more ADUs and OAUs within the city. Ensure that the ADU/OAU ordinance results in deed-restricted units.



## J. Implementation Steps

**A goal of 3,500 middle income homes in Boulder by 2030 is highly ambitious.** This strategy maps out key and secondary tools that will get us there. Housing production and preservation of existing middle income housing affordability is very unlikely to be adequate to meet this goal if the policies and tools are not put in place.





## K. Conclusion

The Middle Income Housing Working Group has engaged in a diverse and thought provoking dialogue to address an important community concern. The group wrestled with and largely addressed their original scope of three items: 1) a new middle income goal, 2) identification of tools and impacted polices and 3) funding mechanisms. The goal presented in this strategy of creating 3,500 middle income housing units by 2030 is clearly aspirational and will require the commitment and dedication of the city to fully implement all four strategies: **1) Land Use and Policies** that will create more moderate-sized homes on land currently zoned industrial and residential; **2) Middle Income Community Benefit Zoning** to establish incentive-based re-zoning that encourages additional housing opportunities; **3) Inclusionary Housing** policies to include a middle income tier; and **4) Annexations** that require a higher level of middle income community benefit. The output of these tools and strategies will develop an additional seven percent of affordable housing stock in the city to significantly address the losses to middle income housing that we have experienced as a community over the last fifteen years. With affordable housing being the top concern to the community through various surveys, continual engagement with the community will be a key next step in sharpening the focus of these interventions.



## APPENDIX



### Calculating the Middle Income Housing Goal

#### Methods & Assumptions

1. **Timing:** 2030, fourteen years from 2016, provides a reasonable timeframe to put policy and programs in place and generate new or preserve existing middle income homes.
2. **Parameters for Maximum Potential New Units:** Existing land use and zoning, which is projected (2015) to produce 6,750 new homes by 2040, does not support achievement of the middle income housing goal; however, land use changes explored through the 2016 BVCP update process, could result in additional capacity of 3,750 to 6,100 homes for a total capacity of 10,500 to 12,850 homes. Only if land use changes are adopted that enable an adequate number of additional homes will the suite of tools recommended in this strategy produce enough housing to achieve the middle income goal.
3. **Annual Growth Rate:** Between 2011 and 2014, the annualized growth rate in Boulder was 0.8%. The goal was based on the assumption that the tools put forward in this strategy, including changes to land use, are implemented and that future growth of residential development in Boulder will continue at this same rate through 2030.
4. **Permanently Affordable Low-to-Moderate-Income Units:** Based on city policies (Inclusionary Housing) requiring 20 percent of new residential development serve low-to-moderate income households (*not* middle income), we assumed this share of new construction would be permanently affordable to these income categories, and therefore not serve middle income households. This estimate is conservative given that between 2000 to 2015, the average annual share of units permanently affordable to low and moderate income households was 24 percent.
5. **Middle Income Share of New Development:** 60 percent of new units *not deed restricted to serve low and moderate income households* could serve middle income households. Some redevelopment activity that serves upper income households, students, and others will continue to occur; however, with aggressive adoption of middle income policies and tools, 60 percent of new residential construction is proposed to serve middle income households (both deed restricted and market-rate affordable). In the 2016 *Middle Income Housing Study*, BBC Research found that attached housing is more affordable than detached across Boulder's sub-communities. The Boulder Valley Comprehensive Plan team and consultants are exploring housing prototypes, including reviewing the durability of affordability.



## Methods & Assumptions (Continued)

6. **Preservation:** Preservation (deed restricting existing homes) is typically both opportunistic and voluntary. Furthermore, the per unit subsidy to help a middle income homebuyer purchase a home and secure a deed restriction is quite high. Therefore, tools such as allowing existing density, a less funding intensive tool, will be pursued to preserve and deed restrict units. Assuming aggressive policies and programs (both funding and regulatory) are adopted to secure middle income affordability, 500 existing units could be preserved.
7. **Deed Restricted Units:** A total of 1,000 deed restricted units would be created through a combination of preservation (500) and new development (500). With the adoption of new community benefit policies for annexation and zoning districts, expansion of Inclusionary Housing to serve middle income households, and land use changes to increase residential potential in Opportunity Areas as part of the Boulder Valley Comprehensive Plan update, a total of 1,000 permanently affordable middle income units could be gained through preservation and new construction.

Calculation on following page.



## Calculation: Middle Income Housing Goal

Potential Middle Income Units		Number	
New Construction Units (Middle Income Only)			
1.	Total housing units in Boulder (2016)	45,422	
2.	(Assumption 3) Average Annual Growth Rate (2011 – 2014)	0.8%	
3.	Estimated total housing units in 2030 (0.8% annual growth rate)	50,782	
4.	New housing units produced, 2016 to 2030 <b>*would require land use changes*</b>	5,360	
5.	(Assumption 4) Share of new units permanently affordable to low-to-moderate-income households (does not include preservation of existing units, 2000 – 2015)	20%	
6.	New units permanently affordable to low-to-moderate-income HHs	1,072	
7.	(Assumption 5) Share of new units that will serve middle income households (market-rate and permanently affordable)	60%	
8.	New market-rate and permanently affordable middle income units, rounded	3,000	
Preservation of Existing Units (Middle Income Only)			
9.	(Assumption 6) Existing units deed restricted permanently affordable	500	Share of Housing Stock
Middle Income Housing Goal			
<b>PROPOSED NEW GOAL</b> (3,000 New Units + 500 Existing Units; Share of Housing Stock: Goal ÷ Estimated total housing units in 2030)		<b>3,500</b>	<b>7%</b>
(Assumption 7) Deed Restricted (Deed restricted share: Deed restricted goal ÷ Estimated total housing units in 2030)		1,000	2%
Market Rate (3,500 Total Units – 1,000 Deed Restricted Units; (Deed restricted share: Market-rate component of goal ÷ Estimated total housing units in 2030)		2,500	5%

If the city is successful at reaching the goal – 3,500 middle income housing units – by 2030, based on the assumptions in the goal calculation, seven percent of housing produced will be restricted or targeted to middle income households. Between 1989 and 2013, it is estimated that the share of Boulder’s middle income households decreased by six percent. Achieving this goal is expected to meet and potentially even exceed the Housing Boulder goal to maintain the middle. To reach a goal of 3,500 middle income homes by 2030, the Key Tools and Implementation Steps identified in this strategy will need to be executed. **To the degree efforts are scaled back, the likelihood of reaching this ambitious middle income housing goal lessens.**