

Economic Impact of Affordable Housing in TODs in Metro Denver

OVERVIEW

This project assessed the economic impact of affordable housing located in transit oriented developments (TODs) on the metro Denver economy in 2017. Similar to other studies, this approach looked only at the impact of the construction and rehabilitation of affordable units. In the future, this study has the potential to extend its analysis to include the economic activity related to the management of the region's affordable units, and the impact of voucher and down payment assistance programs active in TODs.

Transit TODs*

In 2017, total spending on the construction and rehabilitation of affordable housing in transit TODs was:

\$97,096,549

which created:

2,587

FULL-AND PART-TIME JOBS

\$78.5M

EARNINGS FOR COLORADANS

Additionally, affordable housing development in transit TODs contributed

\$113.6M

IN ECONOMIC ACTIVITY IN METRO DENVER

*"Transit TODs"

Properties located within 1/2 mile of rail transit, including bus rapid transit (BRT) along US 36.

Transit-Plus TODs**

In 2017, total spending on the construction and rehabilitation of affordable housing in transit TODs was:

\$200,310,066

which created:

5,336

FULL-AND PART-TIME JOBS

\$125.9M

EARNINGS FOR COLORADANS

Additionally, affordable housing development in transit TODs contributed

\$219.6M

IN ECONOMIC ACTIVITY IN METRO DENVER

**"Transit-Plus TODs"

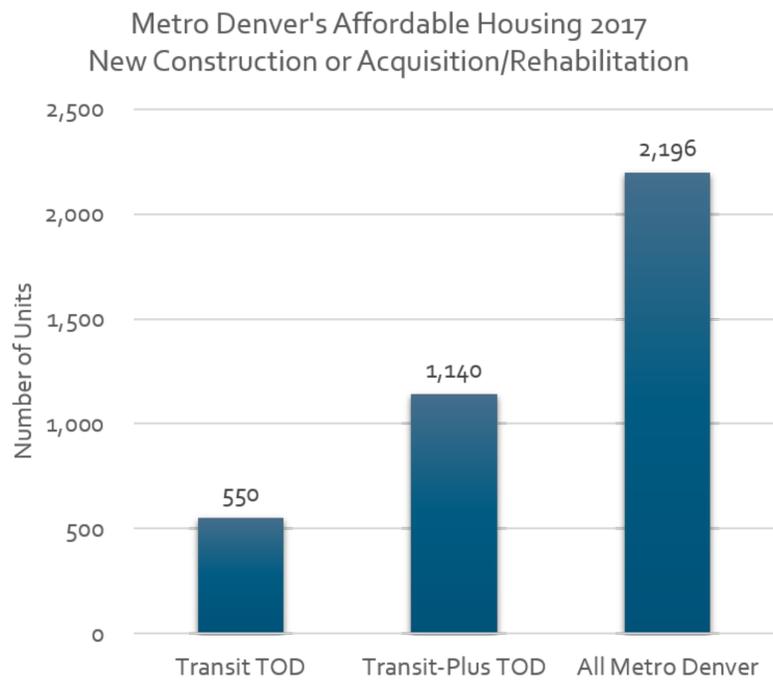
Properties located within "Transit TODs," plus those within 1/4 mile of high-frequency bus stations.

APPROACH

To assess the economic impact of the affordable housing development we applied RIMS multipliers for the construction sector and for the metro Denver region to the spending outlined above. RIMS multipliers quantify the relationship between the program spending and the full impact on the economy with respect to employment, earnings, and total regional economic activity (regional GDP).

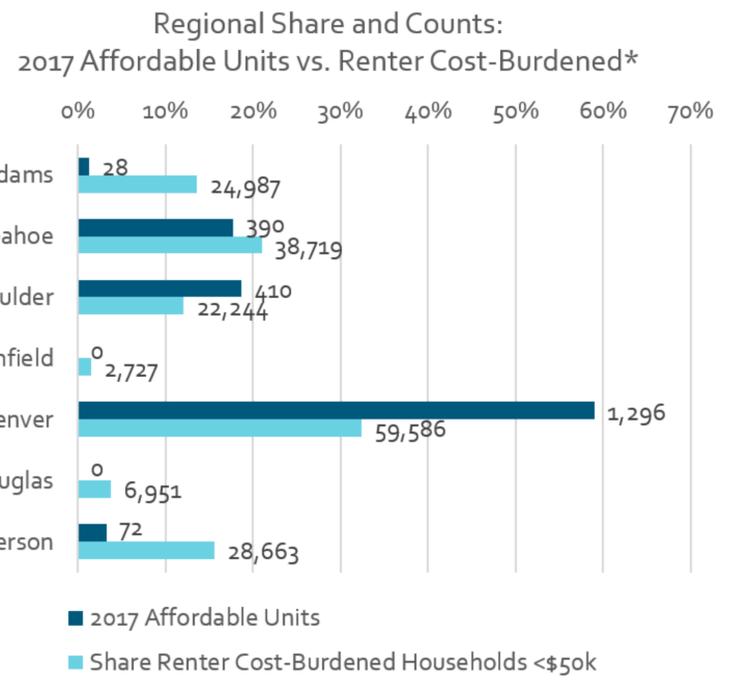
In this analysis, we applied the multiplier for the construction sector to the spending related to building and rehabilitating affordable units. The construction multiplier quantifies the employment, earnings and regional output impact of not only the direct activity in the construction sector but also of the spending by building suppliers and other industries involved in construction, as well as the respending that occurs when construction sector workers spend their earnings on household needs such as food, clothing, furnishings, etc. In this way, the analysis and therefore the findings account for all of the 2017 economic activity in metro Denver as a result of the affordable housing development in TODs, not simply the activity from the directly affected sector.

AFFORDABLE HOMES CREATING ECONOMIC IMPACT



Source: Colorado Affordable Housing Preservation Database [May 2018]

Almost 2,200 new or acquired/rehabilitated affordable rental housing units were realized in 2017. "Transit TODs" accounted for approximately 25% of the activity, while just over 50% were in "Transit-Plus TODs."



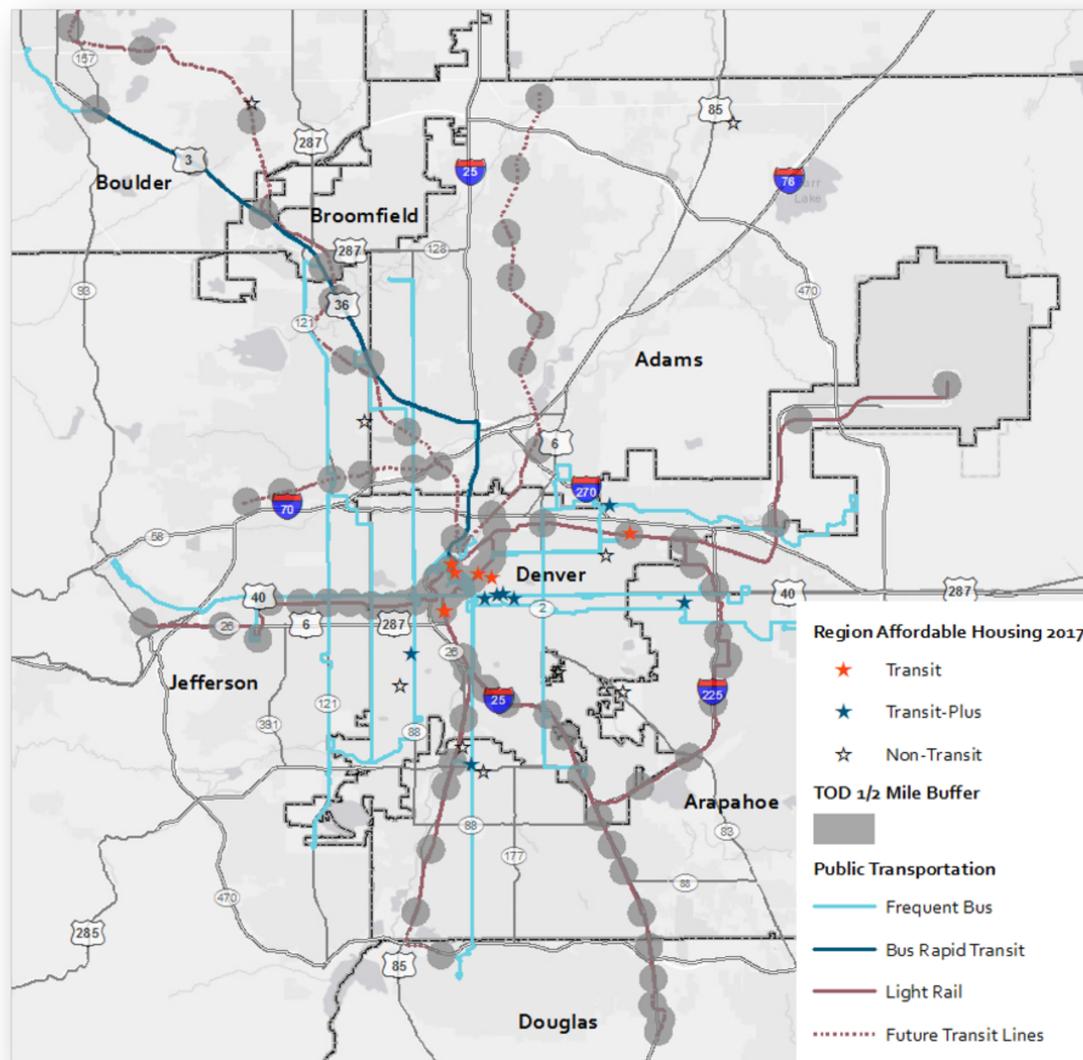
Source: Colorado Affordable Housing Preservation Database [May 2018], American Community Survey 2016

*Renter Cost-Burdened

Renter households earning less than \$50k and spending more than 30% of their income on housing.

DEVELOPMENT LOCATIONS

Denver Leads the Way in Total Project and Unit Activity



Note: Two additional properties are located in Longmont, but for clarity purposes were excluded from the map.

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