

Housing Needs Assessment Guide for Colorado Communities

December 2024

Legislative Requirements per SB24-174



Table of Contents

Acknowledgments	iii
How to Use This Guide	iv
Chapter 1: Introduction to Housing Needs Assessments	1
What is a Housing Needs Assessment (HNA)	1
How to Use an HNA	1
What an HNA is Not	3
Steps to Develop an HNA	4
Chapter 2: Understanding HNA Requirements	5
State Requirements: Senate Bill 24-174	5
Other HNA Planning Requirements	8
Chapter 3: Defining the Scope of Your HNA	9
Identify the Purpose of Your Study	9
Define Your Study Area (Regional or Local)	10
Engage the Community	12
Chapter 4: Housing Needs Assessment Framework	13
A. Demographic Trends	15
B. Economic Trends	20
C. Housing Inventory	25
D. Housing Market Trends	29
E. Housing Problems	33
F. Housing Resources	36
G. Housing Development Challenges and Opportunities	39
H. Current and Projected Housing Needs	41
I. Policy Programs and Recommendations	57
Chapter 5: Definitions and Terminology	60
Chapter 6: Data Sources	65
Appendix A: HNA Requirements – Quick Reference Guide	A-1

Acknowledgments

State of Colorado

Department of Local Affairs

KC McFerson, Senior Planner, Community Development Office
Scott Williamson, Land Use & Water Planner, Community Development Office
Robyn DiFalco, Local Planning Capacity Grant Program Manager (Prop 123), Community Development Office
Andy Hill, Director, Community Development Office
Mitch Hendrick, Senior Housing and Land Use Planner, Community Development Office

State Demography Office

Elizabeth Garner, State Demographer, State Demography Office
Caitlin McKennie, Economist, State Demography Office
Adam Bickford, Data Analyst, State Demography Office
Greg Totten, Economist, State Demography Office
Nancy Gedeon, Demographer, State Demography Office
Todd Bleess, GIS Developer, State Demography Office
Cindy DeGroen, Demographer, State Demography Office
Kate Watkins, State Demography Office

Colorado Energy Office

Kelly Blynn, Senior Policy Advisor, Colorado Energy Office

Colorado Department of Transportation

Nathan Lindquist, Land Use Planning

Governor's Office

Eleni Angelides, Legislative Director
Jonathan Moore, Senior Policy Advisor

Outreach Participants - specialists in the following fields:

Affordable Housing
Homelessness
Disability Rights
Housing Needs Assessment experts
Tenants' Rights
Metropolitan Planning Organizations
Local Governments - Rural Mountain, Urban, Suburban, Rural Plains, Resort

Technical Content

Wendy Sullivan, President, WSW Consulting, Inc.
Sarah McClain, President, Western Spaces, LLC
Rachel Shindman, Vice President, Economic & Planning Systems (EPS)
Avilia Bueno, Director, Root Policy Research
Heidi Aggeler, Managing Director, Root Policy Research
Mollie Fitzpatrick, Managing Director, Root Policy Research
Andrew Coburn, President, Urban Rural Continuum, LLC

How to Use This Guide

This document provides guidance on how to conduct a housing needs assessment (HNA), with a focus on state HNA requirements established by Senate Bill 24-174. It is organized into the following primary chapters:

- Chapter 1: Introduction to Housing Needs Assessments. Defines the purpose and recommended use of HNAs and general steps for designing a study.
- Chapter 2: Understanding HNA Requirements. An overview of HNA requirements under Senate Bill 24-174, as well as other state and federal programs to consider.
- Chapter 3: Defining the Scope of Your HNA. Includes considerations for identifying the purpose of your study, data sources and research that will be needed, the geographic scope of your study, and extent of community engagement to achieve desired results.
- Chapter 4: Housing Needs Assessment Framework. A recommended (but not required) framework for organizing an HNA, incorporating state requirements and recommended best practices to tailor analyses for your community and effectively analyze housing needs.
- Chapter 5: Definitions and Terminology. Defines common housing terms that are not specifically defined in the state legislation, but that are necessary to understand when developing an HNA pursuant to this guidance.
- Chapter 6: Data Sources. A list of data sources referenced within this document and commonly used for HNA research, including a table identifying the geographies for which each data source is available and considerations when applying the data.
- Appendix A: HNA Requirements – Quick Reference Guide. A short reference guide highlighting only the required outputs pursuant to Senate Bill 24-174. This can be used as a checklist reference to review HNAs for submission to DOLA.

This guide caters to a diverse audience, ranging from first-time HNA drafters through skilled specialists, including:

- Local and regional government staff and officials;
- Housing agencies and authorities;
- Consultants specializing in housing needs assessments;
- Community organizations and non-profits invested in housing issues; and
- Residents interested in understanding and supporting local housing initiatives.

Chapter 1: Introduction to Housing Needs Assessments

What is a Housing Needs Assessment (HNA)

A Housing Needs Assessment (HNA) identifies the type and amount of housing needed in a community or region to ensure current and future resident and employee households at all income levels have access to quality housing that they can afford. As a result, an HNA does more than estimate the number of housing units needed to accommodate projected population or job growth. An HNA evaluates demographic trends, economic characteristics, housing unit inventory, housing market conditions, development opportunities and constraints, and existing housing programs and services, combined with input from stakeholders and residents, to identify where the market is providing suitable housing and where it is not. The HNA uses this information to estimate how much additional housing is needed to address current housing shortfalls and keep up with future growth. The objective is to estimate the housing needed to ensure quality housing is available and affordable for resident and employee households at all income levels and at different life stages to sustain community and economic health and vibrancy.

It is important to understand that an HNA is an informational tool. While the state of Colorado requires each local government to complete an HNA, the state does not require jurisdictions to build a certain number of housing units or produce a certain type of affordable housing. Rather, completed HNAs are to be used for state agency planning, select grant programs, and regions and local governments to develop housing action plans tailored to the unique constraints, resources, and capacity of a community or region. Senate Bill 24-174 requirements are further described in Chapter 2.

How to Use an HNA

By identifying the current housing challenges and future housing needs in a community, an HNA serves many purposes, such as:

- **Informing Housing Policy and Programs:** An HNA guides local governments, housing service organizations, and other partners in crafting policies, programs, and partnerships to address housing shortages and affordability challenges.

- **Planning for Change:** HNAs help communities plan for evolving demographic and economic conditions by estimating how many housing units will be needed as households, housing markets, and employment levels change.
- **Accessing Funding:** HNAs can be used to inform applications for state or federal housing grants and financing. This includes Colorado's State Affordable Housing Fund (or Proposition 123), which requires detailed data on the demonstrated average housing needs for [rural resort jurisdictions filing a petition](#).
- **Increasing Affordability and Housing Stability:** By identifying the housing needs of households at different income levels, local governments can create programs to improve the availability of housing that is secure and affordable for residents.
- **Sustaining Community and Economic Vibrancy:** HNAs identify the housing needs of resident and employee households at all life stages, helping jurisdictions develop housing strategies that support local businesses, economic development, and a generally diverse and thriving community.
- **Educating and Building Support:** HNAs can be used to educate community members and leaders on housing problems, telling the data-driven "housing story" and providing robust information for decision-making, which is necessary to build program support within communities and address housing needs.



Informing Housing Policy

Help craft policies that align with housing needs



Increasing Affordability & Stability

For households at all income levels and life stages



Planning for Change

Housing needs evolve with the community



Community & Economic Vibrancy

Support community and economic health and diversity



Accessing Funding

Inform state & federal housing funding applications



Education and Support

Build support for housing programs through data storytelling

What an HNA is Not

In addition to the benefits of an HNA, it is also important to understand its limitations. For example:

- **An HNA is Not a Market Study:** An HNA provides a high-level view of housing needs for various income levels to aid in broad-scale planning. Specific details, such as the type of unit, bedroom mix, and types of households served will be affected by the location of a development, neighborhood characteristics, other housing construction, and market conditions at the time of development, among other factors. While an HNA may be the catalyst for a project to be proposed, a market study is best suited to define the specifics of who the project should serve (e.g., families or singles), bedroom mix, unit sizes, and amenities based on market dynamics at the time of development.
- **An HNA Will Not Build Housing by Itself:** The assessment provides data to inform housing strategies. An HNA will not build housing by itself, but will provide information to educate the community and leaders, grow support for addressing local housing needs, and help communities plan for needed housing programs and development.
- **An HNA is Not for Specialized Needs:** Targeting the housing needs of households with unique needs, such as seniors, people with disabilities, and the chronically homeless, requires tailored studies beyond the scope of a general housing needs assessment. Housing products, such as assisted living facilities, senior-only developments, and supportive housing, have unique characteristics, requiring more in-depth study to pinpoint needs.



NOT a Market Study

Project-specific details come from market studies.



WON'T Build Housing

Provides data but doesn't construct housing.



NOT for Specialized Needs

Unique populations require tailored studies.

Steps to Develop an HNA

This guide provides a comprehensive overview of the HNA process, incorporating the requirements of Colorado Senate Bill 24-174. It presents a structured framework, guidance on data sources and methodologies, and best practices for conducting an effective HNA.

The HNA process involves a systematic approach with the following key steps:

1. **Understand HNA Requirements:** Review Chapter 2 to understand and align your HNA with the legislative requirements and definitions in Senate Bill 24-174, as well as considerations for other programs that may use the HNA.
2. **Define Your Study:** Determine the scope of your assessment, whether it's regional or local, how you want to use the study, and what questions you want to answer, as described in Chapter 3. Consider factors such as housing market dynamics, regional relationships, community sentiment and concerns, and data availability.
3. **Understand the HNA Framework:** Familiarize yourself with the HNA framework in Chapter 4, which includes key analysis topics such as demographic trends, economic conditions, housing market and inventory, and housing problems.
4. **Collect and Analyze Data:** Utilize the data sources and methodologies detailed in Chapter 4 and Chapter 6 to gather and analyze relevant data for your study area. Primary research, such as stakeholder interviews, community surveys, or other outreach, is recommended to supplement information from secondary data sources.
5. **Engage the Community:** Involve residents, employers, and stakeholders throughout the HNA process to ensure a comprehensive and inclusive assessment. Actively incorporate diverse perspectives and local knowledge to supplement and help interpret data trends, refine strategies, and build support for outcomes.
6. **Develop Recommendations:** Based on your HNA analysis, formulate custom recommendations for addressing housing needs and gaps in the study area.

Chapter 2: Understanding HNA Requirements

State Requirements: Senate Bill 24-174

Senate Bill 24-174 requires each local government, with some exceptions, to conduct and publish an HNA no later than December 31, 2026, and to update the HNA **at least every six years** thereafter. The bill's objective is to promote comprehensive planning for housing needs throughout Colorado, by providing accurate data for statewide, regional, and local government planning, while minimizing the fiscal impact on jurisdictions completing HNAs. Therefore, jurisdictions are not required to build a certain number of housing units or produce a certain type of affordable housing. Rather, completed HNAs are to be used as an informational tool to develop housing action plans that are tailored to the unique constraints, resources, and capacity of a community or region (see Section 24-32-3705).

Each local government must conduct and publish an HNA that adheres to the requirements established by SB 24-174, unless exempt under Section 24-32-3703(4). HNAs submitted to the Department for approval must include information outlined in Section 24-32-3702(1)(c)(I) through (VI) for a regional assessment and Section 24-32-3702(1)(d)(I) through (VI) for a local assessment. In producing these outputs, HNAs must demonstrate consideration of the baseline data specified in Section 24-32-3702(2). Requirements and timelines for completing, publishing, and submitting HNAs for review by the Department of Local Affairs ("Department") are detailed in Section 24-32-3703 for local HNAs and Section 24-32-3704 for regional HNAs.

The full bill text may be accessed at:

https://leg.colorado.gov/sites/default/files/2024a_174_signed.pdf

Required HNA Content

The state requires that HNAs submitted to the Department for approval produce certain common outputs, while allowing flexibility in how those outputs are derived. Required outputs and baseline data components that should be considered, as specified by SB 24-174, are listed below.

Required Outputs. At a minimum, housing needs assessments must include the information specified below for regional and local studies (see Sections 24-32-3702(1)(c)&(d)). Local and regional study requirements are the same for each item, except as noted in parts (II) and (V), below:

- I. **Housing Stock**
Estimate existing housing stock in the region and in each local jurisdiction that forms the region.
- II. **Estimate Housing Needs**
Estimate housing needs in the region and each local government's jurisdiction, sorted by income level and dwelling type, including accessible units, visitable units (local HNAs only), supportive units, for-sale units, and rental units.
- III. **Number of Households**
Estimate the number of households in the region and each local government's jurisdiction that forms the region.
- IV. **Jobs by Salary**
Estimate the number of jobs in the region and each local government's jurisdiction that forms the region, sorted by annual salary and wage.
- V. **Allocate Housing Needs**
Distribute housing needs across jurisdictions based on job availability and local economic dependencies, among other factors. For regional HNAs, this includes promoting a balance of jobs and housing options that accommodate all income levels. Local HNAs must report the relevant portion of housing needs identified in any applicable state or regional HNA for the local government within its HNA.
- VI. **Displacement Risk**
Identify areas with elevated risks of displacement in the region and each local government jurisdiction.

Housing needs assessments must also include “recommended policy and programmatic responses to the findings of the housing needs assessment, including the assessment of displacement risk.” (Section 24-32-3702(1)(e)(I)). Recommendations will help guide housing action plan discussions. Pursuant to Section 24-32-3705, housing action plans must be created prior to January 1, 2028, and no less than every 6 years thereafter. Please reference the Housing Action Plan guidance for more information.

Recommended Outputs. While the following HNA outputs are not explicitly required under Sections 24-32-3703 and 3704, including them in local and regional HNAs is highly recommended (see Sections 24-32-3702(1)(c)&(d)):

VII. Water Supply Needs

Estimate water supply needs for existing dwelling units and estimated housing needs (reported in I and II, above), using per capita usage rates identified in consultation with the Department of Natural Resources.

VIII. Market Limitations

Assess market limitations on the development of for-sale multifamily housing (regional HNAs) or all types of housing (local HNAs).

Baseline Data Components (Must Consider). Section 24-32-3702(2) defines baseline data components that must be considered when estimating the required HNA outputs for each local and regional study:

- (a) Existing and projected housing shortages and surpluses for different household types and income levels, including extremely low-, very low-, low, moderate-, and middle-income households as designated by the United States Department of Housing and Urban Development (HUD).
- (b) Existing housing diversity and stock, capturing the range and types of available housing.
- (c) Current jobs by income level to understand economic conditions and employee housing needs.
- (d) Median income, providing a basis for housing affordability analysis.
- (e) Population change projections, job growth projections, and demographic trends forecasted by the State Demography Office.
- (f) Population and demographics, understanding age, household characteristics, and income, which affect housing needs and affordability.
- (g) Measures of local resources dedicated to affordable housing development.
- (h) Vacancy rates to assess housing availability and utilization.
- (i) Homelessness and housing instability, indicating areas of critical need.
- (j) Job-housing balance, including the availability of housing for low-income workers.

Chapter 4 provides guidance on meeting these requirements, including how the baseline data can be used to produce required outputs, recommended data sources, questions the analysis should answer, and additional information and research that may be necessary to ensure results reflect the housing needs of households and employees in the study area.

Other HNA Planning Requirements

Depending upon your community, requirements of other housing planning and financing programs should be considered when designing your HNA. Two programs are noted below: Colorado's State Affordable Housing Fund (Proposition 123) and HUD Consolidated Plans.

Colorado's State Affordable Housing Fund (Proposition 123). Communities that anticipate submitting an HNA to support a rural resort petition under Proposition 123 should reference the requirements of that program. Colorado recognizes that rural resort communities face unique housing needs. Under Proposition 123, rural resort communities may petition for funding to assist projects at higher area median income (AMI) levels if supported by the demonstrated average needs within the community identified in an HNA, taking into consideration regional workforce commuting trends.

Specifically, rural resort petitions may be required to show more AMI income categories than required by SB24-174, the weighted average of housing needs by AMI should be shown, and detailed commuting information (potentially requiring primary research to fill gaps in available secondary data) may be needed. Proposition 123 also requires housing needs to be identified pursuant to jurisdictional boundaries for submitting jurisdictions.

HUD Consolidated Plans. Several funding programs are available to support affordable housing through HUD, such as the HOME Investment Partnership, Community Development Block Grants, Housing Opportunities for Persons with AIDS, among others. Local governments that adopt a Consolidated Plan are eligible for these funds. Consolidated Plans are required to cover specific topics, many of which, but not all, will overlap with state-accepted HNAs. Consolidated Plans may need to use data provided by HUD for some information, which is often several years out of date and may not be the best source of information for many HNAs. HNAs can, however, be used to satisfy many elements of the Consolidated Plan, including the Market Analysis (MA) and portions of the Needs Assessment (NA) sections and community engagement. It may be efficient to conduct an HNA in advance of a Consolidated Plan.

Chapter 3: Defining the Scope of Your HNA

At its core, an HNA provides a holistic view of the community, economy, and housing market to determine local resident and employee housing needs across the entire income spectrum. The depth and scope of this analysis, however, varies widely across regions and jurisdictions. Knowing your community, the questions that need to be answered, and how the HNA will be used and by whom will impact the type of information needed, how the information should be presented, what geography should be included, and the scope of data sources and public involvement that will be needed.

Identify the Purpose of Your Study

Identifying the purpose of your study and what you need to understand is the first step to figuring out the scope of analysis, data collection, and appropriate geography for your study. For example:

- Is your community new to addressing housing needs and just wants to know where to start, or do you have a robust housing program that needs specific information to expand its reach? Secondary data sources may suffice to help get communities going; more expensive studies utilizing primary research may be needed to explore how well current programs are serving residents and where more can be done.
- Will you be using the information to apply for funding, or do you have funding and want to know how it should be allocated, or are you hoping to build support for local funding initiatives (e.g., sales tax, etc.)? Answers will affect the data presentation, information to include, partners to involve, and scope of public outreach.
- Are there unique characteristics of your community that will affect analysis needs and outcomes? Communities with a prevalence of second homes, seasonal or migrant workers, a large retiree community, a high rate of commuting, a concentration of jobs in one or two sectors, or other factors may require careful analysis of secondary data, plus supplemental data collection, to understand housing impacts and needs.
- Does your community support local programs and government involvement in helping to address housing concerns, or is more education needed to increase support and grow coalitions? Use the study to collect information that will resonate with the community, show how housing concerns impact the community and economy, and engage the public to help craft outcomes.
- Are there opportunities to build partnerships to help address housing needs either within the jurisdiction or between jurisdictions that an HNA could help facilitate? Involving interested and necessary partners and jurisdictions in the

HNA process helps build ownership and support of study results, as well as collaboration upon taking action.

The scope of work should also ensure that the HNA will provide the information necessary to develop a housing action plan (see Section 24-32-3705 and related Housing Action Plan guidance).

Define Your Study Area (Regional or Local)

While Senate Bill 24-174 permits HNAs to be developed either at the regional or local level, the bill also recognizes that housing and job markets do not start and stop at jurisdictional boundaries. A goal of the bill is to promote a balance of jobs and housing available for employees filling those jobs at all income levels across integrated jobs-housing market areas. As a result, regional housing needs studies are encouraged over studies that evaluate only single jurisdictions. The bill also recognizes, however, that housing needs are shaped by unique characteristics in each area, meaning that local HNAs may produce better results for some jurisdictions.

When defining the study area, multiple factors should be considered. These may include, but are not limited to:

- Market factors, such as where people live, where jobs are located, commuting patterns, transit connections, public services, and where housing is available;
- Existing regional entities, such as Council of Governments, regional planning commissions, or entities formed by inter-jurisdictional agreements;
- Relational factors, such as current housing partnerships, available resources, and beneficial coordinating partners; and
- Data availability and aligning study area boundaries with the primary data sources that will be needed to meet study goals.

This chapter provides guidance on some of the typical differences between local and regional studies as related to project scope, data sources, and data presentation, which should be considered before selecting a study area.

Regional Study Areas

Regional HNAs are generally intended to offer a broad, comprehensive view, addressing housing needs and trends across multiple jurisdictions. Regional studies typically highlight regional relationships, potential partnerships, and cross-jurisdictional planning opportunities.

- **Scope:** Regional studies may encompass multiple counties or broader Council of Government (COG) areas. Identifying trends that affect the entire region, such as migration patterns, inter-jurisdictional commuting, and housing pressures from neighboring areas are important. In some communities, this may encompass a “valley” area or other regions that are different from governmental boundaries.
- **Data Sources:** Due to the high-level scope, regional HNAs may utilize datasets that capture broad economic and demographic trends, such as data from the State Demography Office (SDO), Public Use Microdata Sample (PUMS), and other resources available to larger population areas. Local data sources and primary research may also be used, but can be very expensive for large study areas.
- **Data Presentation:** To meet state HNA requirements, regional studies must show data at the region-wide level and for every governmental jurisdiction in the region. Any assumptions needed or data source limitations, especially for smaller jurisdictions, should be noted.

Local Study Areas

Local HNAs are designed to address housing needs within individual jurisdictions, such as a single city, town, or county. These studies emphasize the specific housing, demographic, and economic characteristics of the area under analysis, taking into consideration regional influences on housing and job markets.

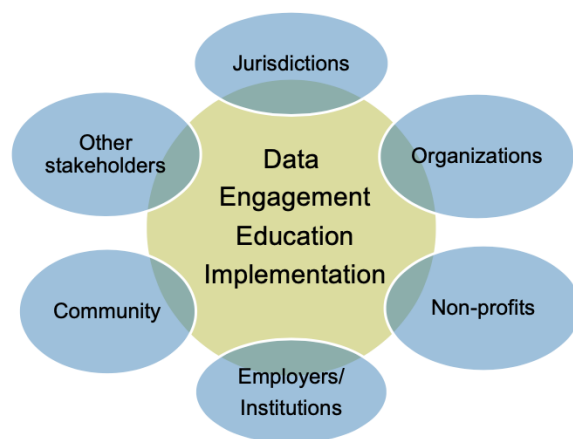
- **Scope:** Local HNAs should identify trends within a single jurisdiction, such as a city or county, and relate those to the larger region, such as the county, neighboring jurisdictions, or a job-housing market area. These assessments are typically more targeted for local planning purposes, aiming to understand the specific housing needs of the community.
- **Data Sources:** Local studies should prioritize datasets that provide reliable information for the scale of the community. For many jurisdictions, state and federal data sources will need to be supplemented with local data, such as county assessor data, building permit records, current rental rates, and property sales data. For small jurisdictions, primary research (e.g., surveys, stakeholder interviews) may be necessary to supplement secondary data sources and help interpret data trends from secondary sources.

- **Data Presentation:** To meet state HNA requirements, local studies must show the housing needs reported in a regional study that included the jurisdiction, along with any estimate of housing needs from the local study. Any differences in the results, and reasons why, should be noted.

Engage the Community

Senate Bill 24-174 requires completed HNAs to be presented at a public meeting for input prior to submitting the study to the Department. For a regional study, each local jurisdiction must receive the study and review the study at a public meeting. The regional or local HNA, along with any comments received, shall then be submitted to the Department for acceptance.

It is also recommended to involve residents, employers, and community stakeholders in the HNA process prior to completion, especially if a goal of the study is to increase community support for housing programs. For smaller jurisdictions, such involvement may be necessary to collect the information needed to effectively understand housing needs. Involving community stakeholders and residents in the process helps define and explain the housing problem and refine recommendations to be more responsive to the community. Broad public participation also increases the likelihood that involved community members will support new housing strategies or developments to address housing needs.



Chapter 4: Housing Needs Assessment Framework

This section provides a framework for organizing state required outputs and recommended information into a cohesive HNA. While the legislation does not require that this exact structure be followed, using this framework will simplify the review process by the Department.

The purpose of the framework is to help regional entities, local governments, and other agencies responsible for developing HNAs understand how to organize and use data to analyze housing needs for different household types, various income levels, and households with unique needs. It also offers guidance on best practices for conducting HNAs that reflect the unique characteristics of each jurisdiction and region. This includes how data sources and analyses may differ based on local conditions and market factors, and how the information can be used to inform housing planning and policies.

The recommended framework includes the following report sections, which are commonly found in HNAs. The data and analysis from each section feeds into the next, helping to develop the data-driven housing story of the study area. This includes:

- **Demographic Trends**, which establishes the foundation for understanding changes in population, household characteristics, and income, which drive housing demand and needs.
- **Economic Trends**, which analyzes the interplay between jobs, wages, and housing to understand if the current housing supply meets the needs of employees.
- **Housing Inventory**, which evaluates the condition, diversity, and supply of housing units to identify where there may be gaps based on demographic and economic needs.
- **Housing Market Trends and Availability**, which assesses how housing market factors like rental rates, sales trends, and available supply impact housing affordability and availability for different income groups and household types.
- **Housing Problems**, which evaluates challenges such as cost burden, overcrowding, homelessness, and housing instability, providing insight into the need for targeted housing programs and unique needs.
- **Housing Resources**, which identifies available financial, institutional, and community resources that can support housing programs and the development, maintenance, and preservation of affordable housing opportunities.

- **Housing Development Challenges and Opportunities**, which examines obstacles to the development of housing, such as regulatory, cost, and community factors, as well as land and partnership opportunities to produce housing.
- **Current and Projected Housing Needs**, which ties together data from all other sections to estimate current and future housing needs across all income levels.
- **Policy and Program Recommendations**, which provides initial strategies to address identified housing needs to improve housing affordability, accessibility, and stability, and guide the development of a future housing action plan.

Each section is defined in more detail below, including their purpose, key questions to consider, and their relationship to meeting state requirements. The analyses presented in each section are more comprehensive than state requirements and are meant to help guide the production of thorough assessments that reflect each community's unique needs. When working through these sections, the following considerations should be kept in mind:

- **Data Availability.** Recommended data sources and analyses focus on the use of publicly-available data in response to the bill's objective that the use of accurate data be balanced with minimizing the fiscal impact on communities completing HNAs. Primary research in the form of surveys, focus groups, and individual interviews is expensive. Local data collection from jurisdictions or community organizations, while valuable, can also be difficult and add significant expense to larger regional studies.
Where secondary data sources are incomplete, options for data assumptions using publicly available data are suggested within the framework. If no data is available on a topic, jurisdictions should note that in the study. HNA recommendations should recognize data gaps and encourage communities or regions to track the information for use in future HNA updates. Communities may decide to pay more for primary research to fill data gaps as part of the HNA, but this is not required by the state.
- **Alternative Data Sources.** HNA analysts are not required to use the data sources presented in the framework. Where research indicates that secondary sources of current or projected data do not represent local conditions, substitute data sources and calculations may be used. Clearly identify data sources, assumptions, and calculation methods used in the HNA. Document any data limitations to ensure proper interpretation and use of results.

- **Importance of Tenure (own/rent).** When analyzing demographic trends, housing unit trends, housing problems, and housing needs, information on tenure (rental or ownership) should be included where available. The nature of housing problems vary by tenure, as does the availability of programs or resources to address them. This will be particularly valuable when shaping housing action plans.
- **Recommended Community Comparisons.** For local analyses, comparisons to surrounding jurisdictions and areas within the same job-housing market area are beneficial; for regional assessments, intra-jurisdictional and state-level comparisons help highlight unique needs within the area. Commute patterns within and between communities are also telling and an important component of housing demand in many communities. Best practices include such comparisons to illustrate the study area's place within the region and highlight where and for whom local housing markets may be performing comparatively well or falling behind.

A. Demographic Trends

Purpose. Demographic Trends sets the foundation for understanding the study area's population and household characteristics, household income, and changes over time. These factors directly influence the demand for housing and the types and prices of housing needed in a community. Comparisons to countywide or regional totals and to surrounding jurisdictions are recommended to understand relative differences in some of the drivers behind housing needs.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 requires the following outputs and consideration of the following baseline data when analyzing Demographic Trends. Required outputs are marked with an asterisk (*).

Required Outputs*	Baseline Data (Must Consider)
(III) Estimate the number of households in the region and each local government's jurisdiction that forms the region	(d) Current median income
	(e) Population change projections and demographic trends forecasted by the State Demography Office
	(f) Population and demographic trends

Unique Community Dynamics to Consider

Population and household dynamics may point to different challenges based on community characteristics. For example:

- The aging population may be the dominant driver of housing needs in some areas. Impacts on housing may include the need for additional smaller, lower maintenance homes to accommodate empty-nester households, programs providing technical assistance and resources to remodel homes to accommodate decreased mobility, and housing with increased care options, such as assisted living and nursing facilities. An increase in retirees can also result in lower median incomes, meaning that it is important to differentiate senior household incomes from the incomes of employed households, especially among lower income groups.
- A high proportion of renters may signal barriers to homeownership; a low proportion of renters may signal that few rental options exist in the community.
- Different household types and sizes require various housing solutions, such as affordable homes for first-time homebuyers to purchase, single-occupancy units for one-person households, or larger ownership or rental units for families.
- In high-cost communities, low population growth or declines may be related to a lack of housing supply that is affordable for residents. For example, workers may be forced to live elsewhere due to a lack of housing options near their jobs or young families may be leaving the community to find housing that they can afford to purchase.

Analysis Structure

This section provides guidance on analyzing Demographic Trends, suggesting data sources and questions to answer for each topic. State-required outputs are marked with an asterisk (*). Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. *Population (Baseline Data (e) and (f))*

- Population Size
 - What is the current population, how fast is it growing, and how does it vary in the region and across jurisdictions?
 - **Source:**
 - Population and past trend (past 10 years at least) - SDO County and Municipal timeseries.
- Age
 - What is the age distribution of the population?

- How has the age distribution been changing over time? How does this vary within the region or among jurisdictions?
- **Source:**
 - Age groups and past trends (past 10 years at least) - SDO (county only), ACS.
- Population Forecast
 - How is the population and age distribution expected to change over time?
 - What impact do projected changes have on potential housing needs?
 - **Source:**
 - 10-year forecast of total population and by age group at the county level (SDO).

2. *Households (Required Output (III) and Baseline Data (f))*

- **Households*** (Legislative Method (III) required)
 - What is the current total number of households in the region and its jurisdictions?
 - How has the number of households changed over at least the past 10 years?
 - **Source:**
 - Number of households and past trend (past 10 years or more recommended) - SDO (county only), ACS.
 - **Output 1* (required):** Provide the number of households in the below format:

Total Households		
	Region Total (for Regional HNA) or Local total (for a Local HNA)	Total for each government's jurisdiction in the region
Total Households		

- Tenure of Households (Owner and Renter)
 - What is the mix of units occupied by owners and renters?
 - Is the proportion of renters rising or declining?
 - Is there variation among jurisdictions in the region?
 - **Source:**
 - Tenure and past trends (past 10 years at least) - ACS
 - Local surveys for current estimate
- Household Size
 - What is the average household size? How has household size changed over time?
 - What is the size of owner and renter households and how does this impact housing needs? For example: Are more small rental units needed for one- or two-person households or are larger rental units needed? Are homeowners more likely than renters to be larger households, needing homes with multiple bedrooms?
 - **Source:**
 - Household Size by Tenure - ACS, local surveys.
- Household Types
 - What types of households are present (e.g., families with children, single-person households), and how does this vary across the region?
 - Have some household types been growing or declining more than others over time?
 - **Source:**
 - Households by type and past trends (past 10 years at least) - ACS, SDO (county only), local surveys (current only).
- Household Forecast
 - What is the expected number of households in the next 10 years?
 - How is the composition of households projected to change?
 - **Source:**
 - 10-year Household Forecast total and by type by county - State Demography Office (SDO).

3. Household Income Distribution (Baseline Data (d))

- Income Levels
 - What percentage of households are low-, middle-, or higher income?
 - How does income vary by tenure?

- **Source:**
 - HUD Income Limit Table (most current fiscal year) – HUD or CHFA (income limits by household size at various AMI levels).
 - Household Income Distribution by Tenure and AMI - HUD AMI combined with ACS data, published by DOLA; or CHAS.
 - Median Household and Family Income by Tenure - ACS, local surveys.
- **Output 2 (recommended):** Provide the household distribution by Area Median Income (AMI) in the below format:

Households by AMI

AMI Category (see Area Median Income in Definitions)	Total Households	Owner Households	Renter Households
Extremely Low Income ($\leq 30\%$ AMI)			
Very Low Income (31-50% AMI)			
Low Income (51-80% AMI)			
Moderate Income (81-120% AMI)			
Middle Income (120% AMI to locally-defined market rate)			
Upper Income (above “Middle Income,” if needed)			
Total Households			

NOTE: This table is not required, but will be useful for creating required outputs in other sections of the HNA

Options for a Deeper Dive

The following variables are optional but can be helpful for communities as they draft housing action plans.

Income:

- Median income by household size or other demographics. Sources: ACS, Local surveys.
- Average income. Sources: ACS, Local surveys.
- Income distribution by tenure (current and trends). Sources: ACS, HUD CHAS.
- Income levels for working compared to retired households. Sources: Local surveys.
- Personal and employment income by major component. Source: Bureau of Economic Analysis (BEA)

Population and Demographic Trends:

- Population distribution by race/ethnicity. Sources: ACS. SDO (county)

- Poverty rates and by race/ethnicity and age. Sources: ACS.
- Households headed by a person age 65+. Sources: ACS, SDO (county), local surveys.
- Components of change—natural change (births minus deaths) and net migration. Sources: SDO (county only).

B. Economic Trends

Purpose: Current and projected economic conditions are essential drivers of housing needs. Jobs, employees, housing, and businesses are tied together. Businesses need employees to fill jobs and employees need housing in which to live.

This HNA section includes information on the current and projected total number of jobs, jobs and wages by sector, seasonal changes in employment, unemployment, and commuting patterns. The purpose is to illustrate the relationship between the local economy and housing needs, including whether the housing supply is keeping pace with the housing needs of employees filling jobs, whether housing affordability for employees is improving or worsening, and how future economic changes might influence housing needs.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 requires the following outputs and consideration of the following baseline data when analyzing Economic Trends. Required outputs are marked with an asterisk (*).

Required Outputs*	Baseline Data (Must Consider)
<i>(IV) Estimate the number of jobs in the region and each local government's jurisdiction that forms the region, sorted by annual salary and wage</i>	<i>(c) Current jobs by income level</i>
	<i>(e) Job growth projections forecasted by the State Demography Office</i>

Unique Community Dynamics to Consider

Economic trends may point to different challenges based on community characteristics. For example:

- The mix of jobs available in an area impacts the types of housing needed and may point to unique housing needs. Lower-wage employees may need affordable rentals; higher-wage jobs may attract employees seeking homeownership. Tourism-heavy areas may need housing for seasonal workers; agricultural regions may need migrant farmworker housing. In areas where university jobs predominate, students and employees need housing.

- Whether jobs are growing or declining will impact housing needs and potential solutions. Areas where job growth has been faster than the growth in housing units may lead to a housing shortage; during recessionary periods, low employment may affect foreclosures or evictions or the need for more rental assistance programs.
- Wage trends influence housing affordability. In areas where housing prices are increasing at faster rates than wages and household incomes, housing will become more unaffordable, leading to rising problems with housing cost-burden, overcrowding, and displacement.
- Areas in which a large share of jobs are filled by employees commuting in from homes outside the area may indicate a need for more housing near job centers that employees can afford. Communities in which many residents commute out for work may struggle to house their own employees due to the competition for housing. Employers located in jurisdictions with expensive housing may pay higher wages for the same type of job than in lower-cost jurisdictions.

Analysis Structure

This section provides guidance on analyzing Economic Trends, suggesting data sources and questions to answer for each topic. State-required outputs are marked with an asterisk (*). Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. Job Trends and Projections (Required Output (IV) and Baseline Data (c), (e))

- **Jobs and Wages by Sector*** (Required Output (IV))
 - What are the primary industries/dominant employers in the region? Are seasonal employees in demand?
 - How do the number and type of jobs vary in the region and across jurisdictions?
 - How many average annual wages does it take to afford average rents? To purchase the average priced home?
 - **Source:**
 - Jobs by sector (some sectors may be missing due to data suppression rules) and average annual wage at the county level – SDO and CDLE
 - Jobs by sector by quarter/month (for seasonality analysis) at the county level - CDLE
 - Wage and salary jobs estimates below county level - LEHD
 - **Output 1* (required):** Provide jobs by average annual wage in the following table format.

Jobs by Sector by Average Annual Wage*

Job Sector (Report at least the top 10 job sectors in your study area, plus total jobs)	Number of jobs (show region total and total for each county in the region)	Average annual wage (show for each county in the region)	Number of jobs for each city/town jurisdiction
Agriculture, Forestry, Fishing, and Hunting			
Mining			
Construction			
Manufacturing			
Wholesale Trade			
Retail Trade			
Transportation and Warehousing			
Utilities			
Information			
Finance and Insurance			
Real Estate and Rental and Leasing			
Professional, Scientific and Technical Services			
Management of Companies and Enterprises			
Administrative and Waste Services			
Educational Services			
Health Care and Social Assistance			
Arts, Entertainment, and recreation			
Accommodation and Food Services			
Other Services (Except Public Administration)			
Public Administration			
Total			

Jurisdictional breakouts below county level (suggested options)

For local government jurisdictions below the county level, public data options are limited. To create this output, (1) assumptions utilizing public sources will be needed or (2) data may be purchased and/or primary research may be conducted.

1. **Example assumption:** Use LEHD data to estimate the proportion of county jobs that are in each jurisdiction. Use CDLE county-level wages by sector to represent jurisdictional wages. Other assumptions, based on community dynamics, may also be appropriate.
2. **Purchase data options:** ESRI, QCEW micro data, JobsEQ

Primary research: Employer interviews/surveys

Note: Given the limitations of QCEW, LEHD, and other data sources, jurisdictions should validate the data for reasonability. For example, compare estimates with local insights, such as input from local employers, economic development agencies, or chamber of commerce reports and identify sectors or areas where data mismatches are likely.

- **Job and Wage Trends**

- Is the area experiencing growth, stagnation, or decline in jobs? Do changes vary by sector?
- Are wages keeping pace with the cost of housing, or is there a growing affordability gap?
- **Source:**
 - Jobs by sector and average annual wage at the county level – SDO and CDLE

- **Job Projections**

- How will projected job growth or declines in key sectors affect future housing needs?
- Are there anticipated developments (e.g., new businesses, transportation improvements) that will affect the type and location of housing needed?
- **Source:**
 - 10-year jobs forecast (total jobs) by county – SDO.
 - 10-year jobs forecast by sector – SDO (some counties, see Data Sources section (data table)).
 - Pending/approved development, business relocation – local planning/building departments, business organizations (primary research).

2. *Commuting Patterns*

- **Questions to Consider:**

- What are regional commute patterns – where are job centers and where are employees living?
- How do home prices or availability relate to commute patterns or access to labor?
- How do jobs and housing locations interact, and what is the impact on housing markets?

- **Source:**

- Where workers live and where residents work (commute patterns) – LEHD, local employer and household surveys.
- It is recommended to cross-check LEHD commute patterns with local research, particularly in communities with seasonal employment.

Options for a Deeper Dive

The following analyses are optional but can be helpful for some communities as they draft housing action plans.

- Seasonal employee estimates. Source: Bureau of Labor Statistics Local Area Unemployment Statistics (BLS LAUS), Industry data, local surveys.
- Unfilled jobs and offered wages on such jobs at the local level. Source: interviews, local surveys.
- Average multiple job holding rate, defined as the number of jobs divided by the number of employees holding jobs. Sources: SDO (county level), ACS, local surveys.
- Average number of workers per household, defined as the number of employed adults in a household. Sources: ACS, local surveys.
- Labor force and unemployment (adjusted for seasonality if appropriate). Sources: BLS, CDLE.
- Unfilled jobs. Sources: BLS (statewide), employer surveys, local research
- Employer surveys. Can explore challenges employers face in filling jobs through interviews or surveys. Can highlight how housing availability impacts business operations, including hiring and retaining employees. Surveys may help answer: Do employers struggle to fill jobs, and which ones – low-paying entry-level positions, higher-paying professional jobs or seasonal positions? Is employee turnover or understaffing affecting business operations? Are filling positions from retiring employees a concern? How many and what type of jobs are unfilled? To what extent does a lack of available and affordable housing opportunities near jobs contribute to these problems?

C. Housing Inventory

This analysis provides insight into the existing housing supply, including the diversity of available housing unit types, age and condition of homes, and past and planned rates of production. This section helps answer key questions about the diversity and quality of housing available to meet the needs of residents in a community. Comparing the housing inventory across regions or jurisdictions highlights important differences in the diversity and quality of the housing stock, indicating how programs and new development might be tailored to improve housing opportunities throughout the region.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 requires the following outputs and consideration of the following baseline data when analyzing the Housing Inventory. Required outputs are marked with an asterisk (*).

Required Outputs*	Baseline Data (Must Consider)
<i>(l) Estimate existing housing stock in the region and in each local jurisdiction that forms the region</i>	<i>(b) Existing housing diversity and stock</i>
	<i>(h) Vacancy rates</i>

Unique Community Dynamics to Consider

The unique characteristics of a community's housing inventory and development patterns influence community demographics and potential housing needs and challenges. For example:

- Communities with a variety of housing types (e.g., single-family homes, apartments, townhomes, mobile homes, and condominiums) provide a wider range of housing opportunities for households, supporting residents and employees at different life stages. Communities with mostly single family homes may benefit from more multi-family units that provide rentals for employees filling jobs and affordable homebuyer opportunities for young families. Communities with few families may benefit from increasing their supply of larger homes.
- The age of the housing stock provides insight into the potential quality of housing available. Older housing may require rehabilitation or redevelopment to ensure that it remains safe, habitable, and energy-efficient. Poor housing conditions might indicate a need for programs to help households with necessary repairs.
- A large share of housing used as second homes or vacation rentals means less housing inventory is available for permanent residents. Resident households

must compete with higher-income second homeowners and cash buyers for existing inventory; demand for vacation rentals from visitors may affect the availability of long-term rentals.

- Monitoring development helps track whether current housing strategies are meeting a community's needs and where adjustments may be necessary. For example, if recent developments are all high-priced or second-home properties, more effort may be needed to help increase the production of housing affordable for resident and employee households.

Analysis Structure

This section provides guidance on analyzing Housing Inventory, suggesting data sources and questions to answer for each topic. State-required outputs are marked with an asterisk (*). Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. Housing Units (Required Output (I) and Baseline Data (b))

- **Total Housing Units*** (Required Output (I))
 - How many housing units are in the community or region?
 - At what rate has the number of units been changing over time?
 - **Source:**
 - Total housing units* and housing unit trends (10 years or more recommended) - SDO, can substitute/complement with CoStar data for multifamily rentals (available for purchase) and assessor data.
 - **Output 1* (required):** Provide the number of housing units in the below format:

Total Housing Units*		
	Region Total (for Regional HNA) or Local total (for a Local HNA)	Total for each government's jurisdiction in the region
Total Housing Units		

- **Housing Types**
 - What types of housing units exist, and do they provide options for a diversity of households (e.g., singles, couples, families, etc.)?
 - How has the mix of housing types changed over time?
 - **Source:**

- Count and distribution of units by units in structure (e.g. one unit detached, one unit attached, multi-unit, mobile home units) - ACS, CoStar data for multifamily rentals (available for purchase), assessor data, Comprehensive Plan maps (if available).
 - Mobile home stock in mobile home parks (where relevant) - ACS data (units in structure, mobile homes), Colorado state database of mobile home parks.
- **Housing Condition and Age**
 - What is the age and overall condition of the housing stock?
 - How much of the housing requires significant repairs or upgrades? Are there substandard housing units that may pose health or safety risks?
 - **Sources:**
 - Housing units by year built; housing condition - ACS, local surveys, local building inspection records.
- **Regulated Affordable Housing Inventory (if applicable)**
 - How many regulated affordable housing units are available, such as Housing Choice Vouchers (formerly Section 8), LIHTC properties, deed-restricted units, and units provided by employers for employees?
 - Do they span a range of needs, including for various AMI levels, ownership and rental, larger family units, or accessible units for seniors and residents with disabilities?
 - Do units have waitlists?
 - **Sources:**
 - Local housing authority/organizations, assessor, employer interviews/surveys, CHFA, National Housing Preservation Database.

2. *Housing Vacancy and Occupancy (Baseline Data (h))*

- **Vacancy**
 - How do housing vacancies vary within the region?
 - Are high vacancies related to second home/vacation use or other uses?
Has the share of units that are vacant for second home/vacation use been changing over time?
 - **Source:**
 - Vacant units by type of vacancy and trends – ACS Vacancy by Use, SDO, Decennial Census.
 - Note that data reflects date of collection and not current vacancy rates.
- **Occupancy**
 - How much of the housing stock is currently occupied by residents, and how does this vary by housing type and area?
 - Have the share or number of occupied units for rent or ownership been changing over time?
 - **Source:**
 - Occupancy status - ACS, local property data, SDO.

3. *Development and Building Trends (Baseline Data (h))*

- **Historical building permits**
 - What patterns of development have been occurring over time?
 - What types of housing developments have been built, and do they align with resident and employee housing needs?
 - **Source:**
 - Trends in building permits by unit type over at least the past 10 years. Census Building Permit Survey (can be accessed on SDO's website), local planning department records.
- **Development in the pipeline**
 - What types of housing are permitted for development in the community?
 - What development is proposed, approved, permitted, and under construction?
 - Will pending commercial projects increase the need for more housing?
 - Will new developments help address housing needs identified in the HNA? Do proposed regulated affordable developments involve properties that are contingent upon changes to income limits?

- **Source:**
 - Proposed and approved housing developments, permits, construction trends - planning department records, ACS.

Options for a Deeper Dive

The following variables are optional but can be helpful for communities as they draft housing action plans.

Housing Diversity and Stock:

- Housing units by number of bedrooms. Sources: ACS, local surveys, local planning departments, and industry data.

Housing Vacancy Rates:

- Short-term rentals inventory and trends. Sources: Local surveys, local governments, industry data.

D. Housing Market Trends

Purpose. Analyzing housing market trends provides insights into how well the housing market is meeting the needs of residents and area workers by examining factors like home values, rental rates, and sales trends. This information helps to assess how well housing supply is meeting demand, identify affordability challenges, and understand the impact of market conditions on different income groups. For local studies, comparing housing costs to neighboring areas highlights comparative affordability, while for regional studies, comparisons with state or national trends offer broader context.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 requires the following outputs and consideration of the following baseline data when analyzing Housing Market Trends. Required outputs are marked with an asterisk (*). In this case, Housing Market data is needed to calculate estimated housing needs pursuant to the required output (II), but the calculation itself is performed and presented in the Current and Projected Housing Needs section.

Required Outputs*	Baseline Data (Must Consider)
(II) Estimate housing needs sorted by income level and dwelling type, including accessible units, supportive units, visitable units (local HNA only), for-sale units, and rental units	(h) Vacancy rates: Understand how vacancy rates reflect current market demand or availability issues.
	(j) Job-housing balance: Assess the relationship between local employment and housing options to ensure alignment.

Unique Community Dynamics to Consider

- Rental vacancy rates and for-sale inventory may vary across different price points. For example, restricted affordable rentals may have waitlists, market rentals affordable to employees may have 1% vacancy, and high-priced rentals may have 7% vacancy. These differences are important to understand - a high overall vacancy rate may not mean that units are available for resident and employee households at all income levels.
- Areas with high demand from out-of-area buyers and investors have unique challenges. Resident and employee households making their living locally must compete with higher-income buyers; investors may convert properties into short-term rentals, reducing both the for-sale and long-term rental supply; and strong demand for a limited housing supply inflates prices. Seasonal fluctuations in availability may occur in resort areas, where many units are listed as vacation rentals.
- Comparing changes in rental rates and home prices to changes in local wages and incomes over time are important indicators of relative housing affordability. When housing costs outpace changes in wages and incomes, communities become less affordable for residents and employees making their living locally.
- Understanding how development activity aligns with market trends and housing conditions can provide key insights. For example, in communities with limited new rental development, the quality of existing rental units may be poor, but rents can still be high since there is no competition to incentivize landlords/property owners to invest in the units.

Analysis Structure

This section provides guidance on analyzing Housing Market Trends, suggesting data sources and questions to answer for each topic. State-required outputs are marked with an asterisk (*). Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. *Ownership Market (Baseline Data (j))*

- **Housing Prices**
 - What is the median home sale price? How does that vary by home type, size, location, or other factors?
 - How have home prices changed over time?
 - Are housing prices increasing faster than wages? To what extent are rising prices related to supply or demand issues (e.g., strong outside-buyer interest from investors and second homeowners (demand), stagnant development (supply))?
 - What AMI level does a household need to earn to afford to purchase the median priced single family or multi-family home?

- **Source:**
 - Zillow, Redfin, American Community Survey (ACS), County Assessor, Multiple Listing Service (MLS).
- **Inventory of For-Sale Housing**
 - What is the available inventory of for-sale housing, and is it adequate for full-time residents, first-time buyers, and middle-income households?
 - How does availability vary by housing type or price point?
 - How much of the available inventory is affordable to residents and employees making their living in the region or community?
 - **Source:**
 - Multiple Listing Service (MLS), Zillow, Redfin.

2. *Rental Market (Baseline Data (h))*

- **Rental Rates and Market Trends**
 - How are rental rates changing across different housing types?
 - Are rents increasing faster than wages?
 - How many average or median wages are needed to afford a rental unit? What AMI level does a household need to earn to afford the average or median rent?
 - **Sources:**
 - ACS (rents at time of data collection, does not represent current market rents), Zillow, Local rental market surveys/interviews, Statewide Apartment Survey (Colorado Housing and Finance Authority), CoStar (for purchase).
 - Current market rents can be collected through local property managers, searching rental listings, or online searches for rent information, which may be necessary in some areas.
- **Rental Vacancy Rates**
 - What are the current rental vacancy rates, and how have they changed over time? How do they vary by rent rate/affordability level?
 - In seasonal and rural communities in particular: are vacancies influenced by seasonal factors or due to conversion to short-term rentals? Are vacancies related to housing conditions (e.g., uninhabitable units) or usage (e.g., non-local ownership)?
 - **Sources:**
 - ACS (reports vacancies at time of data collection, does not represent current vacancy rates), Statewide Multifamily Survey (Colorado Housing and Finance Authority), local data, State Demography Office (SDO), CoStar, Local surveys.
 - Gathering current and comprehensive vacancy data is challenging, particularly in smaller or rural communities, where accurate data is

lacking. A combination of existing public data, purchased private data, and local primary research may be necessary.

- Vacancy rates may be best estimated by speaking with local property managers, searching rental listings, or online searches for rent information in many areas.

Options for a Deeper Dive

The following variables are optional but can be helpful for communities as they draft housing action plans:

Housing Vacancy Rates:

- Rental Turnover Rate. Sources: Local surveys.
- Months of Inventory. Sources: MLS, Local surveys, industry data.
- Short-Term Rentals. Sources: Local surveys, local governments, industry data.

Ownership Market Additional Considerations:

- Home Buyer Trends
 - What trends exist among homebuyers, including residents, local workers, investors, and second-home buyers? Is homeownership becoming less accessible, particularly for first-time buyers or lower-income households? Are investor activity and second homeownership contributing to reduced inventory for local buyers? What are the barriers to homeownership, such as high prices, limited financing, or lack of inventory?
 - **Sources:**
 - MLS, ACS, local surveys.
- Sale of Regulated Affordable Housing
 - How many regulated affordable housing units have been sold in recent years, and what are the trends? Are resale prices aligned with affordability guidelines at each AMI level? What methods are used for selecting buyers, and how transparent are these processes? Who manages the resales, and are affordability covenants enforced? What are the buyer demographics, and are these units reaching the intended populations?
 - **Sources:**
 - Local housing authorities, deed registries, MLS.

Rental Market Additional Considerations:

- Regulated Rental Units
 - How many regulated affordable rental units are available in the community, and what are the trends in occupancy? Are there waitlists for these units, and how long are they? Are the rental rates aligned with affordability standards at each Area Median Income (AMI) level? How effective are the managing organizations in maintaining affordability and

ensuring compliance with regulations? Are units reaching the intended populations?

- **Sources:**
 - Local housing authorities, property management companies, subsidized housing databases (e.g., HUD, LIHTC), ACS.

E. Housing Problems

Purpose. An analysis of housing problems—including cost burden, overcrowding, housing instability, and homelessness—provides a deeper understanding of the challenges that households face in accessing safe, stable, and affordable housing. This analysis helps to identify where housing programs are needed to improve outcomes for low- and moderate-income residents, particularly vulnerable populations. For local studies, this section can highlight immediate needs for assistance programs, while regional studies provide a broader view of challenges across multiple jurisdictions.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 requires the following outputs and consideration of the following baseline data when analyzing Housing Problems. Required outputs are marked with an asterisk (*).

Required Outputs*	Baseline Data (Must Consider)
<i>(II) Estimate housing needs in the region and each local government's jurisdiction that forms the region... including accessible units, visitable units (local HNA only), supportive units...</i>	<i>(i) Measures of homelessness and housing instability</i>
<i>(VI) Identify areas at elevated risk of displacement in the region and each local government's jurisdiction that forms the region</i>	

Unique Community Dynamics to Consider

Housing problems manifest differently based on unique community characteristics. For example:

- Cost-burden is an important indicator of the relative affordability of housing in a community for its residents. Understanding the reasons behind cost-burden provides valuable context. Higher-income households may be cost-burdened by choice, opting for larger homes or more desirable neighborhoods, whereas a lack of affordable housing options for lower-income households forces them to be cost-burdened by their housing payment. Cost-burdened lower-income households must often forego other necessary expenditures (e.g. food, medical, etc.) to pay for housing.
- Overcrowding may result from limited housing availability and high housing costs, be related to changes in employment conditions, or other factors. Overcrowding may disproportionately affect certain demographics and may be a precursor to homelessness for some.
- Homelessness can take many forms, and can impact individuals or families, employed or not, who are unable to find or afford available housing. This may include, for example, those unsheltered, experiencing chronic or temporary instability due to unemployment or mental health issues, and those living in unstable or makeshift conditions, couch surfing, or camping.
- Home quality issues may present different problems among communities. In very cold climates, the quality of the home significantly affects heating costs, making insulation and adequate heating systems essential to household affordability, stability, and health. In rural or remote areas, limited access to resources may make it challenging to address substandard housing conditions.

Analysis Structure

This section provides guidance on analyzing Housing Problems, suggesting data sources and questions to answer for each topic. State-required outputs are marked with an asterisk (*). Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. Cost Burden by Tenure (own/rent) (Baseline Data (i))

- What percentage of households are spending more than 30% or 50% of their income on housing?
- Does cost burden affect some households more than others based on income level, household type, tenure, or other demographic?
- **Sources:**

- Housing cost burden by tenure and trends (including severe cost burden) – ACS, CHAS, local surveys.

2. *Overcrowding by Tenure (own/rent) (Baseline Data (i))*

- How many households are living in overcrowded conditions?
- Which populations are most affected by overcrowding?
- **Sources:**
 - Overcrowded by tenure - ACS, CHAS, local surveys (see overcrowded in the Definitions for more information).

3. *Homelessness and Unstable Households* (Required Output (II) and Baseline Data (i))*

- How many individuals and families are experiencing homelessness
- What are the main causes (e.g., lack of affordable housing, unemployment, mental health issues, substance abuse)?
- **Sources:**
 - Homeless count and trends (if available) - PIT counts, HMIS data, local service organizations.
 - Homeless student count and trends (if available) - Colorado Department of Education McKinney Vento counts.
- **If data is not available:** Public data may not be available for many counties and jurisdictions. If no data is available:
 - Note the lack of information in the HNA and add a recommendation for the study area to start tracking this information.
 - **Optional:** Conduct primary research as part of the HNA: Local service organizations (if any), surveys, interviews, community outreach.

4. *Accessible and Visitable Unit Estimates* (Required Output (II))*

- Data on existing visitable and accessible units does not exist, unless governments specifically track this information.
- **Example Estimate.** Utilize data from the Census ACS or HUD's CHAS data on households occupied by person(s) with disabilities for the geography, county or region to estimate the percentage of future housing needs that should be visitable/accessible.
- **Optional.** Local surveys of households can be used to estimate visitable/accessible unit needs, as well as the percentage of existing residents that could use assistance renovating current homes to be visitable/accessible.

5. Displacement Risk* (Required Output (VI))

- Which populations are most vulnerable to severe housing challenges, such as cost burden, overcrowding, or instability? Are racial and ethnic disparities present?
- Are displacement risks, such as those presented in the displacement risk guidance (Section 24-32-3702(3)), affecting some populations more than others? What interventions may be needed to support vulnerable populations?
- **Source:**
 - See Displacement Risk Guidance per Section 24-32-3702(3)

Options for a Deeper Dive

The following variables are optional but can be helpful for communities as they draft housing action plans.

- Cost burden by income and other household characteristics. Sources: ACS, CHAS, Local surveys.
- Foreclosures and evictions. Sources: Colorado Judicial Branch, local sources.
- Condition of home. Sources: ACS, Local Surveys.

F. Housing Resources

Purpose. This section identifies and evaluates resources available to support the development, maintenance, and accessibility of housing that is affordable for resident and employee households. Assessing housing resources includes understanding the financial, institutional, and community assets that can help address the housing needs identified in the HNA. This information will help inform housing action planning and strategy development.

Legislative Requirements. Colorado Revised Statutes Section 24-32-3702 recommends the following outputs and consideration of the following baseline data when analyzing Housing Resources. Outputs from this section are recommended, but not required.

Recommended Outputs	Baseline Data (Must Consider)
<i>Section 24-32-3702(1)(e)(I) A requirement that housing needs assessments include recommended policy and programmatic responses to the findings of the housing needs assessment, including the assessment of displacement risk</i>	<i>(g) Measures of local resources dedicated to the development of affordable housing</i>

Unique Community Dynamics to Consider

Understanding community dynamics is essential for evaluating current programs and identifying gaps to address unmet needs effectively. For example:

- In communities nearing buildout, where developable land is scarce and expensive, publicly-owned land may provide opportunities for expanding affordable housing. Infill, redevelopment, and repurposing existing structures, among other options, should also be explored.
- Partnerships with school districts, hospitals, and other institutional landowners may provide housing development options. Engaging these institutions in housing solutions can benefit both the organization and the broader community.
- Housing assistance should align with the income distribution of households and needs of each community. By understanding the scope of available resources, local governments and housing organizations can identify gaps in services, allocate funding more effectively, and develop targeted policies to ensure that all residents have access to safe and affordable housing.

Analysis Structure

This section provides guidance on analyzing Housing Resources, suggesting data sources and questions to answer for each topic. State-required outputs are marked with an asterisk (*). Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. Housing Assistance Programs (Baseline Data (g))

- What types of rental assistance, homebuyer support, and homeowner assistance programs are available?
- How many households benefit from these programs, and are funding sources (federal, state, or local) sufficient to meet demand?
- Are there enough income-restricted or subsidized units (e.g., vouchers, public housing) to serve low- and moderate-income residents?
- How effective are these programs in serving and reaching households?
- **Sources:**
 - Local and regional housing authorities, HUD LIHTC database, CHFA, local planning and housing departments.

2. Affordable Housing Management, Development, and Service Organizations (Baseline Data (g))

- Which organizations are involved in managing, developing, and servicing affordable housing in the community (e.g., housing authorities, CHDOs, homeless service organizations, land trusts)?

- What roles do these organizations play in developing new units, managing existing affordable housing, or providing support services like housing counseling or homeless outreach?
- Are there gaps in organizational capacity, collaboration, or resources?
- **Sources:**
 - Local planning departments, housing service organizations, housing authorities, CHDOs, community land trusts.

3. Local Funding Resources (Baseline Data (g))

- What local funds are available to help produce, purchase, or assist with affordable housing development and programs?
- How have local funds been used and how much has been spent? Have they effectively leveraged additional housing investments (e.g., local matching for grants, financing, programs, etc.)?
- **Sources:**
 - Local government, housing service organizations.

4. Resources for Homelessness Prevention (Baseline Data (g))

- Are there enough emergency shelters, transitional housing, and permanent supportive housing units to serve homeless individuals and families?
- How effective are current homeless prevention programs (e.g., rapid rehousing, outreach programs) and what gaps exist in helping individuals transition to stable housing?
- Are there specialized resources available for chronically homeless individuals, families with children, and those dealing with mental health or substance abuse issues?
- **Sources:**
 - Local service organizations, Continuum of Care programs, PIT counts, HMIS data, Colorado Department of Human Services.

5. Public and Institutionally Owned Land (for Development) (Baseline Data (g))

- What public or institutionally owned land is available for housing development, and which entities own these parcels (e.g., local governments, universities, hospitals)?
- How suitable are these parcels for residential use, considering zoning, location, and infrastructure access?
- Are there opportunities for partnerships to leverage this land?
- **Sources:**
 - Local planning and building departments, County assessor records, state land records, institutional landowners (e.g., school districts, universities, hospitals, etc.), zoning and infrastructure maps.

Options for a Deeper Dive

The following variables are optional but can be helpful for communities as they draft housing action plans.

- Employer-assisted housing. Sources: Local sources.

G. Housing Development Challenges and Opportunities

Purpose. Understanding market limitations on housing development helps identify challenges and opportunities for expanding housing options within a community. In addition to a review of local zoning and subdivision regulations, planning processes, and infrastructure limitations, this section may also include information on the cost of development, construction labor and materials supply challenges, and other factors affecting affordable housing production. Due to data limitations and the expertise required for a detailed analysis of this topic, this component of an HNA is typically qualitative in nature.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 recommends the following outputs and consideration of the following baseline data when analyzing Housing Development Challenges and Opportunities. While the information in this section will be useful for housing action planning, the state does not require information from this section to be included in HNAs.

Recommended Outputs	Baseline Data (Must Consider)
<i>(VIII) Assess market limitations on the development of for-sale multifamily residential housing (regional HNA) or the development of housing (local HNA)</i>	<i>(None specified)</i>

Unique Community Dynamics to Consider

- In communities where there is resistance to higher-density housing or affordable units, successful engagement and education efforts can help address concerns and build support for diverse housing options.
- In regions with harsh climates or short building seasons, the feasibility of housing development can be constrained. Short construction windows due to extreme temperatures or weather events may require additional measures, such as prefabrication of structures or other approaches to reduce on-site building time.
- Access to skilled labor may be a significant barrier to development. Addressing this challenge may involve partnerships with local training programs or incentives to attract construction workers to the area.
- Limited transportation infrastructure may affect development feasibility or practicality in some areas.
- Access to water and sewer taps can be a significant barrier to housing development, particularly in areas where existing infrastructure is limited or nearing capacity.

Analysis Structure

This section provides guidance on analyzing Housing Development Challenges and Opportunities, suggesting data sources and questions to answer for each topic. State-recommended outputs are identified, but are not required. Other topics should be considered in the analysis, but how and what information is reported may vary depending upon study area dynamics.

1. *Development Costs*

- How much does it cost to develop housing, including materials, labor, infrastructure, and land prices?
- What is the gap between the cost to build and what residents can afford to pay to rent or buy homes?
- Are incentives, land, or subsidies available to help build affordable housing?
- **Sources:**
 - Construction industry reports, local developers, planning and building departments, economic development departments.

2. *Regulatory Environment*

- How do zoning regulations, subdivision rules, or permitting processes impact housing development?
- Are there opportunities to streamline the development process?

- Do statewide requirements affect housing construction (e.g., construction defects requirements, etc.)?
- **Sources:**
 - Zoning and planning departments, state and municipal regulations, comprehensive plans, building permit records.

3. Infrastructure

- How do the availability and condition of infrastructure such as roads, water, and sewer systems impact housing construction?
- Are investments in infrastructure planned or needed to support housing?
- **Sources:**
 - Utility providers, municipal infrastructure reports, local planning departments.

4. Community Sentiment

- Does the community support or resist new affordable housing development and programs?
- What opportunities exist to engage and educate the community to increase support?
- **Sources:**
 - Community feedback, public meeting records, surveys.

H. Current and Projected Housing Needs

Purpose. This section utilizes information from the other sections of the HNA to estimate what types of housing (e.g., rental vs. ownership, affordable vs. market-rate) are most needed to address housing deficiencies for current residents and support future economic and community vibrancy. Estimates illustrate the relative need across the full spectrum of housing for various household types, ranging from extremely low-income and vulnerable populations through middle- and upper-income households. Estimates will be utilized during housing action plan formation to help regions and jurisdictions understand priority needs that are not being met by the current housing market, communicate those needs to the public, and better plan for appropriate resources, programs, and policies to address identified needs.

It is important to note that communities typically do not address 100% of identified needs. By understanding the different components of need, however, each region and jurisdiction can set informed goals and priorities and target available resources. How much housing is addressed within the region and each jurisdiction ultimately depends upon regional and local capacity, resources, partnerships, and policy.

Legislative requirements. Colorado Revised Statutes Section 24-32-3702 requires the following outputs and consideration of the following baseline data when analyzing Housing Needs. Required outputs are marked with an asterisk (*).

Requirements related to rural resort petitions and funding requests through Colorado’s Proposition 123 should also be considered when crafting this section. Specifically, additional AMI categories, assessing “average AMI” of need, and detailed commuting information (potentially requiring local research to fill gaps in available public data) may be needed. Proposition 123 also requires housing needs to be identified pursuant to jurisdictional boundaries for submitting jurisdictions.

Required Outputs*	Baseline Data (Must Consider)
<i>(II) Estimate housing needs in the region and each local government's jurisdiction that forms the region, sorted by income level and dwelling type, including accessible units, visitable units (local HNA only), supportive units, for-sale units, and rental units</i>	<i>(a) Existing and projected housing shortages and surpluses for different household types and income levels, including extremely low-, very low-, low, moderate-, and middle-income households as designated by the United States Department of Housing and Urban Development</i>
<i>(V) Estimate an allocation of housing needs to each local government in the region or contributing to housing needs in the region based on the number of jobs and each local government's dependence on jobs in the region, among other factors, to promote a balance of jobs at all salary levels and homes affordable to persons in the region holding jobs at all income levels in the region</i>	<i>(e) Population change projections, job growth projections, and demographic trends forecasted by the State Demography Office</i> <i>(i) Measures of homelessness and housing instability</i>
Recommended Output	
<i>(VII) Estimate water supply needs for the dwelling units identified in subsections (1)(c)(I) and (1)(c)(II) of this section using per capita water use rates identified in consultation with the department of natural resources</i>	<i>(j) Job-housing balance, including the availability of housing for low-income workers</i>

Analysis Structure

This section provides guidance on how to use data from other sections of the HNA to estimate current and future housing needs for residents and employees, pursuant to state requirements. This includes guidance to:

- Estimate existing housing shortages by tenure and AMI categories;
- Estimate projected housing needs by tenure and AMI categories;
- Allocate estimated needs within regions in relation to where jobs are located;

- Estimate at which AMI levels the market will help fill needs, and at which levels subsidies or programs are necessary;
- Estimate supportive, accessible, and visitable unit needs; and
- Estimate water supply needs for dwelling units.

1. Existing Housing Shortage* (“catch up” housing needs)

Existing housing shortages estimates the number of new dwelling units, by tenure and income level, that are needed to improve housing availability, stability, and affordability for existing households. The housing shortage calculation includes variables for which new units are needed to address current deficiencies (e.g. overcrowding, low vacancy rates), as opposed to measures that generally reflect the magnitude of the housing problem and/or those that can be mitigated through housing programs or assistance (e.g. cost burden).

At a minimum, existing housing shortages should include alleviating overcrowding, plus ensuring a functional vacancy rate, as specified below. Other considerations may also be included and may replace the measures below if they adequately cover needs defined by overcrowding and vacancy rate adjustments.

- Overcrowded units (Housing Problems section). This includes estimates of dwelling units needed to alleviate current overcrowding of units. Overcrowded units are indicators of unhealthy housing conditions and high housing costs relative to incomes, and may be a precursor to homelessness for some households.

Calculation: Additional housing units are needed to help alleviate overcrowding at a rate of one (1) new housing unit for every two (2) overcrowded units.

- Vacancy rate adjustments (Housing Market section). A healthy vacancy rate ensures that housing choices are available for existing and new households and helps retain affordability. Adjustments are needed in localities where long-term rental vacancy rates (i.e., excluding short-term and vacation rentals) are below 5% and the owner vacancy rate for units affordable for resident households (e.g., excluding second homes, vacation homes, investment homes, etc.) is below 2% or, alternatively, the for-sale inventory at prices affordable for resident households is below 6-months.

Calculation: Where relevant:

- Add more rental units to increase current long-term rental vacancy rates to 5%.

- Add more ownership units to increase current vacancy rates to 2% (exclusive of homes for vacant/seasonal use), or for-sale availability to 6-months.
- Other adjustments (Various sections – optional). Where information is available, and as necessitated by the study area, additional housing needs for current resident and employee households may be identified. If overcrowding and vacancy rate adjustments are also applied, care should be taken to ensure additional needs estimates are not duplicative. Examples may include, but are not limited to:
 - Recent loss of units due to natural disasters (e.g., fire, flood) or other reasons, if units have not yet been replaced (Housing Inventory section, requires local research);
 - Households with employees who commute in for jobs, but would prefer to live in the jurisdiction in which they work, particularly in communities seeking to reduce commuting (Employment Trends or Housing Problems section, requires local research);
 - Additional housing that is needed to help address high rates of unfilled jobs in jurisdictions with severe housing shortages (Employment Trends section, requires local research);
 - Populations in temporary living arrangements, like couch-surfing (Housing Inventory section or Housing Problems section, requires local research); and
 - Other considerations, as relevant to the community.
- **Allocating catch-up needs by tenure.**
 - Allocate overcrowded units based on the proportion of overcrowded households that consist of homeowners and renters, as reported by the ACS or CHAS.
 - Allocate vacancy rate adjustments based on the relevant rental and ownership vacancy adjustments calculated above.
 - **Allocating catch-up needs by AMI.** Allocating needs by AMI requires assumption(s) about that need. These may include:
 - **Example assumption.** New housing units needed based on overcrowding and vacancy rate adjustments may be allocated within the region (or jurisdiction for a Local HNA) based on the existing distribution of resident households by AMI. Source: Demographic Trends section.
 - Alternative assumptions may be used as applicable and relevant to the jurisdiction and available data. For example:
 - Allocate units needed to address overcrowding by AMI based on the percentage of households within each AMI category that is experiencing overcrowding. Source: CHAS, local surveys.

- Allocate units needed to address ownership and rental vacancy rate adjustments among below-market AMI categories only based on the distribution of current households within below-market AMI categories.
- **Output 1* (required).** Provide the sum of existing housing needs estimates in the below format.

Existing Housing Needs*

AMI Category (see Area Median Income in Definitions)	Total Units Needed¹	Owner Units Needed	Renter Units Needed
Extremely Low Income ($\leq$ 30% AMI)			
Very Low Income (31-50% AMI)			
Low Income (51-80% AMI)			
Moderate Income (81-120% AMI)			
Middle Income (120% AMI to locally defined market rate)			
Upper Income (above "Middle Income," if needed)			
Total Catch-Up Units Needed			

¹Total units needed should be reported for the regional study area (for a regional study) or the local study area (for a local study).

2. Projected Housing Need* ("keep up" housing needs)

Projected housing needs estimates the number of dwelling units by income level that are needed to ensure housing availability, stability, and affordability for future resident and employee households. Projections must be reported for a 10-year timeframe. HNA reports may also include projections on shorter (e.g., 5-year) or longer (e.g., 20-year or more) timeframes, depending upon the needs of the study area.

At a minimum, projected housing needs should include the number of new units needed to meet projected household growth or to house employees filling projected jobs, plus a vacancy allowance to permit movement within the housing market.

- 10-year projected new households (Demographic or Economic Trends). Typically derived from SDO job projections converted to households or SDO household projections. Where research indicates future household changes may differ from SDO projections (e.g., new large employer moving into the area, etc.), comparisons to SDO projections should be shown and deviations should be documented.
- Vacancy allowance. Estimated future resident and employee housing needs are adjusted upward by 5% for rentals and 2% for ownership to ensure a

healthy vacancy rate, support price stability, and promote household mobility and choice.

- **Other adjustments.** Additional adjustments may be included as necessitated by region or study specifics. Care should be taken to ensure additional needs estimates are not duplicative of units required to meet projected growth. Examples may include, but are not limited to:
 - Replacing units anticipated to be lost due their age, condition, expiring affordability covenants, or redevelopment (Housing Inventory section). Sources: HUD national estimates, assessor data, planning and building departments, modeling.
 - Replacing units anticipated to be lost due to conversion to vacation or second home use in areas with high second homeowner and visitor demand (Housing Inventory section). Sources: assessor data, local government vacation rental permitting/data records, AirDNA, modeling.
 - Housing units needed to accommodate employees filling jobs that are vacated by retirees. Employers filling existing jobs that are vacated by retirees do not result in net job growth. If retirees stay in their homes, or their homes are sold at prices higher than what local employee households can afford, employees filling retiree jobs will need housing (Economic Trends section). Sources: estimate from SDO age projections, ACS age trends, employer surveys, household/employee surveys.
 - Adjusting housing units needed to accommodate job growth by region and jurisdiction based on commuting patterns and housing preferences. Because not every employee working in a community will want to reside within that community and, conversely, not every commuter wants to live outside the community in which they work, adjustments that reflect housing location preferences may be incorporated. Sources: LEHD (commuting patterns), employer surveys, household surveys.
 - Other considerations, as relevant.
- **Allocating projected needs by tenure.** There is no firm formula or definitive data for determining how projected units should be allocated by tenure; assumptions are required.
- **Example assumption.** Distribute projected needs based on the existing ratio of owner and rental units in the region or jurisdiction (Demographic Trends section).
- Alternative assumptions may be used. When determining the appropriate mix for a region or jurisdiction, current housing conditions, drivers of projected needs, current housing opportunities, and local policies are important considerations. For example:

- Rentals are needed to help recruit new workers and residents to the region. Jurisdictions in which projected needs are mostly driven by local job growth and communities that currently have a small supply of multi-family rental housing opportunities would benefit from increasing the share of rental housing.
- Ownership housing is needed to retain year-round residents and support community stability. Jurisdictions in which families are leaving to purchase homes elsewhere, renters are unable to find homes to purchase, or seniors need smaller, lower maintenance homes, for example, would benefit from providing affordable units for ownership.
- **Allocating projected needs by AMI.**
- **Example assumption.** Projected housing needs may be allocated based on the existing distribution of resident households by AMI within the study region (or jurisdiction for a local study). Source: Demographic Trends section.

NOTE: This assumption recognizes that the mix of households by AMI in the study area resulted from the interaction of demographic characteristics; housing market prices, availability, and choices; economic conditions, including the mix of jobs and wages; infrastructure and services availability; climate and topography; among other factors. Using the current mix of households by AMI assumes that, absent a significant (and typically unpredictable) change in area housing markets, job conditions, demographics or other factors (e.g., recession, etc.), these relationships, and the relative AMI distribution, will show little change over the projection period.

- Alternative assumptions may be used, and should be considered, where indicated by market and demographic trends in the jurisdiction and available data. For example:
 - Allocate projected housing needs based on the existing distribution of resident households by AMI within the primary commute shed for the region or jurisdiction. For a jurisdiction as part of a local HNA, this may mean having to calculate the distribution of households by AMI within a multi-county region, for example, to apply to projected needs.
 - Allocate projected housing needs based on the existing income distribution of employee households by AMI that are filling local jobs. Assumptions from public data sources are required, which may also need to be supplemented with local research. Example sources: PUMS data (PUMA boundaries for population areas >100,000, PUMS data allow users to create custom tables not available through the ACS); local surveys.
- **Output 2* (required).** Provide projected housing needs estimates in the below format.

10-Year Projected Housing Needs*

AMI Category (see Area Median Income in Definitions)	Total Units Needed ¹	Owner Units Needed	Renter Units Needed
Extremely Low Income ($\leq$ 30% AMI)			
Very Low Income (31-50% AMI)			
Low Income (51-80% AMI)			
Moderate Income (81-120% AMI)			
Middle Income (120% AMI to locally defined market rate)			
Upper Income (above "Middle Income," if needed)			
Total Keep-Up Units Needed (10 years)			

¹Total units needed should be reported for the regional study area (for a regional study) or the local study area (for a local study).

3. Allocating Needs Within Regions*

Regional and Local HNAs are required to allocate estimated future housing needs in relation to the number of jobs in each government jurisdiction (see Sections 24-32-3702 (1)(c)(V) & (d)(V)). While the required allocation method illustrates the relative extent to which jobs within each jurisdiction contribute to future housing needs within a region, the method does not necessarily represent where new housing development to meet future needs can practically or feasibly occur.

Alternative calculations of need distributions may also be provided within the report that better reflect where development addressing projected housing needs can practically and feasibly occur, taking into consideration, for example, land and development capacity, available infrastructure and resources, existing and potential partnerships, regional relationships, and housing market dynamics.

Having comparative calculations will be useful for Housing Action Planning. The required distribution based on job locations will illustrate how much each job center contributes to future housing needs in the region. Secondary distributions that consider on-the-ground and functional job and housing market realities will help facilitate regional shared resource and partnership discussions centered on practical outcomes.

- Required Method to Allocate Needs by Jurisdiction*

Pursuant to Sections 24-32-3702 (1)(c)(V) & (d)(V), allocations of need should be estimated for jurisdictions within regions to promote a balance of jobs and housing affordable to persons holding jobs at all income levels.

- **Allocating existing housing shortages (catch up).** Distribute existing housing shortages calculated in Output Table 1 based on the needs identified for each government's jurisdiction as indicated by the data sources utilized (e.g. share of overcrowding, vacancy adjustment).
- **Allocating projected housing needs (keep up).** Distribute projected housing needs calculated in Output Table 2 based on the share of regional study jobs that are estimated to be in each government's jurisdiction, as applicable to the study scope, or identified primary job market area within the study region. Because most housing and job markets do not start and end at jurisdictional boundaries, defining broader job market areas often better reflect the job and housing pressures felt within jurisdictional boundaries. Source: Economic Trends section.
- **Output 3* (required).** Show the allocation of housing needs estimates identified in the Output 1 and Output 2 tables, above, by region and applicable jurisdiction in the following format.

Allocation of Existing and 10-Year Projected Housing Needs*

	Regional Study Total¹			Regional HNA: Repeat for each County and each government jurisdiction in the region, as applicable. Local HNA: Show estimated needs for the local study area.		
AMI Category (see Area Median Income in Definitions)	Existing housing needs	Projected housing needs	Total Units Needed	Existing housing needs	Projected housing needs	Total Units Needed
Rentals						
Extremely Low Income ($\leq 30\%$ AMI)						
Very Low Income (31-50% AMI)						
Low Income (51-80% AMI)						
Moderate Income (81-120% AMI)						
Middle Income (120% AMI to locally defined market rate)						
Upper Income (above "Middle Income," if needed)						
Total Rental Units needed						
Ownership						
Extremely Low Income ($\leq 30\%$ AMI)						
Very Low Income (31-50% AMI)						
Low Income (51-80% AMI)						
Moderate Income (81-120% AMI)						
Middle Income (120% AMI to locally defined market rate)						
Upper Income (above "Middle Income," if needed)						
Total Ownership Units needed						

¹Regional study total refers to the estimated housing needs for the regional study area that is applicable to the current regional study being conducted, or, for a Local HNA, the estimated housing needs that was allocated to the jurisdiction in a completed Regional HNA that included the Local HNA study area (see Section 24-32-3702(1)(d)(V)).

- **Secondary Allocation of Needs (optional).** Allocate projected housing needs among governmental jurisdictions or primary job market areas that consider multiple local and regional factors.
 - **Allocating existing housing shortages.** Distribute existing housing needs calculated in Output Table 1 based on the needs identified for each government’s jurisdiction as indicated by the data sources utilized.
 - **Allocating projected housing needs.** Distribute projected housing needs calculated in Output Table 2 among governmental jurisdictions or identified job market areas, considering a broad range of factors. Factors in addition to job location may include, but are not limited to:
 - Land and development capacity
 - Available or pending infrastructure and resources
 - Existing and potential partnerships
 - Current housing programs, organizations and regional relationships
 - Housing market dynamics, including employee housing location preferences (e.g., not all employees want to live in the community in which they work)
 - Other factors

4. Estimating Market and Below-Market Needs*

The purpose of this step is to identify the AMI levels for which the private market is supplying units for rent and for purchase and the below-market price points at which financial subsidies, land, incentives or other actions are necessary to produce units. This step will help identify how and where the housing market will help meet identified housing needs and, therefore, where housing resources should be prioritized to address below-market needs.

This step is also required for jurisdictions submitting rural resort petitions and funding requests through Colorado’s Proposition 123.

- **Analysis approach.** Compare the AMI distribution of ownership units and rental units needed in Output Table 3 by region and applicable jurisdiction or job market area to relevant data from the Housing Market analysis and Development Challenges and Opportunities, including:
 - The AMI level needed to afford the median market-rate multi-family and single-family home sold in the past year (Housing Market – ownership).
 - The AMI level needed to afford the median market-rate multi-family and single-family home currently listed on the MLS (Housing Market – ownership).
 - The distribution of homes sold by type or homes listed for sale by type by AMI affordability to illustrate the relative availability or scarcity of homes on the market to each AMI affordability category (Housing Market – ownership).

- The AMI level needed to afford the average or median market-rate long-term rental (Housing Market – rental).
- The distribution of rentals available by AMI affordability to illustrate the relative availability or scarcity of rentals on the market to each AMI affordability category (Housing Market – rental).
- The cost to build attached for-sale and rental units compared to affordable purchase prices and rents at various AMI levels (as data allows) (Development Challenges and Opportunities).

5. Estimate Supportive, Accessible and Visitable Unit Needs*

Sections 24-32-3702 (1)(c)(II) & (d)(II) additionally require that housing needs be sorted by income level and dwelling type, including accessible, visitable, and supportive units.

Supportive units (Housing Problems section). The existing shortage of supportive units can be roughly estimated from data on persons and families experiencing homelessness. This data is not available in sufficient detail for many counties and jurisdictions.

Supportive unit estimates should be calculated and provided separately from the existing and total housing need calculated above, given the uniqueness of this type of housing product and funding sources. Given the broad scope of most HNAs, supportive housing needs will be ballpark estimates – a specialized study is recommended to target specific needs.

Visitable and accessible units (Housing Problems section). Data on existing visitable and accessible units does not exist, unless local governments specifically track this information.

- **Example assumption.** Apply the percentage of households with persons with disabilities for the geography as reported by ACS or CHAS data to the projected housing needs reported in Output Table 2 (see Housing Problems section).
- More specific data that is collected through local resources (governments, non-profits, etc.) or local surveys, may be used to estimate future visitable and accessible unit needs. Local research may also provide insight on existing resident households that could use assistance renovating current homes to be visitable and accessible.

- **Output 4* (required).** Show the allocation of supportive, accessible and visitable unit needs in the following format.

Estimated Current Supportive Housing Needs*

	Supportive Units
Total Estimated Units Needed ¹	

¹Supportive units are in addition to current needs presented in Output 3

Estimated Accessible and Visitable Housing Needs*

	Accessible and Visitable Units
Total Estimated Units Needed ¹	

¹Accessible and visitable units are a subset of housing needs presented in Output 3

6. Estimate Water Supply Needs for Dwelling Units

- **Option 1: Calculation.** For the purposes of HNAs, local and regional governments may use a simple formula for calculating residential water supply needs: gallons per capita per day (GPCD) multiplied by population. This method is only a first step, however, in assessing the magnitude and range of potential water supply needs related to housing.

$$\text{Residential Water Demand} = (\text{residential population}) \times (\text{residential GPCD})$$

It is recommended that local governments and regional entities use this calculation to estimate housing water supply needs but also acknowledge that local governments and regional entities will need to consider a range of water supply needs to fully evaluate their total water needs/demands (e.g. commercial, industrial, and institutional water demands). To understand a range of future needs, local governments and regional entities need to consider their baseline conditions, what they expect to change, and expected success rate of water conservation efforts in reducing demands. Additionally:

- **This initial HNA calculation should not be relied on for determining the feasibility of providing water for housing.** Nor should it be the sole basis for considering water supply options, nor the rationale for determining the adequacy of water supply for a given development. Such analysis should be done in the context of a comprehensive plan, water supply master plan, and a local water supply adequacy policy, respectively. These plans, in addition to information from local water provider metering/billing data and applicable water efficiency plan(s), are resources and data sources to consider related to water supply needs of existing and needed dwelling units.

Following the generalized analysis in the HNA, we strongly recommend a more rigorous analysis as part of the comprehensive plan's water supply element that takes into account the "range of water supplies and facilities needed to support the potential public and private development described in the master plan" and the impact of including "water conservation policies" as required in C.R.S. 30-28-106(3)(a.5)(II) and 31-23-206(1.5)(c). In addition, comprehensive planning allows the community to analyze the relative share of household water use in comparison to other municipal and industrial (M&I) water demands, as well as the water use from services that support people who live in the community (e.g., schools, parks, etc.).

Furthermore, there may be factors that would lead to water stress and contribute to water supply challenges in specific local communities or regions that need to be considered via comprehensive planning. By considering the Colorado Water Plan scenarios, local governments and regional entities can also incorporate drivers such as economic growth/non-growth and climate change considerations that get to a system wide approach versus a sole focus on residential housing when considering overall water demand.

While many documents exist that can guide development of a robust water supply element in a comprehensive plan, DOLA will provide a new guidance document designed to support the new requirements in C.R.S. 30-28-106(3)(a.5) and 31-23-206(1.5). Local and regional governments may also contact DOLA's Land Use and Water Planner for direct technical assistance.

- **Impacts of Water Conservation.** To estimate the impacts of water conservation on reducing overall water demand from new and existing housing, consider the following steps:
 - 1) Define a baseline, understand average outdoor irrigation, average parcel size and average indoor use.
 - 2) Then make estimates based on efficiencies your community can achieve from either reduced lot size/increased density, outdoor efficiencies or indoor efficiencies. To do so, consider:
 - As of 2016, new housing will have higher indoor water efficiency due to requirements to include EPA WaterSense plumbing fixtures (SB14-103).
 - Efficiencies tied to landscape/irrigation standards, building codes and plumbing codes.
 - Whether adoption of more stringent standards might improve water conservation outcomes compared to existing standards
 - 3) Vary scenarios based on 25%, 50%, 100% success in implementing these efficiencies

- When determining potential success rates, consider whether or not the local government a) incentivizes or b) mandates these efficiencies in new housing and whether these incentives are monitored and mandates enforced.
- **Option 2: Alternative Local or Regional Methodology.** As an alternative to the Standard HNA Water Supply Needs Methodology above, a local or regional entity may provide its own community-specific water supply needs calculations. Alternative methodologies must include a range of water supply needs that consider impacts of water conservation. The State of Colorado may request additional information from the local or regional entity to evaluate the results of the alternative local or regional water supply needs methodology.
- **Option 3: Alternative to a Calculation.** Local governments can cite their water efficiency plan (within the last 7 years, per C.R.S 37-60-126(4)(d)) and/or their water supply plan (within the last 10 years, per C.R.S. 29-20-304(3)) in lieu of the formula provided above.

Suggested Data Sources:

- **Comprehensive and Water Supply Master Plans:** Provide context for determining water supply adequacy and planning for future housing growth.
- **Polaris Tool.** The One Water Solutions Institute (OWSI) at Colorado State University develops and supports the Polaris tool which characterizes the relationship between land use and water consumption to enable water demand management and supply scenario planning. This tool can help communities with water smart land use planning. OWSI provides technical support services including training workshops for using Polaris in communities across Colorado.
- **DOLA.** [Water and Land Use Integration for Local Governments.](#) [Land Use and Water Planning Primer.](#)
- **Colorado Water Conservation Board.** [CWCB](#) supports the following tools that may be helpful in determining water supply needs related to a housing action plan:
 - Water Efficiency Plan
 - Drought Plans
 - 1051 Reporting for larger municipal retail water providers
 - Colorado Water Loss Initiative
 - Growing Water Smart
 - Water Plan Grants

CDPHE Resources

- CDPHE grants, including small communities water and wastewater grants

- Water reuse rules/regulations, including reclaimed water (reuse), direct potable reuse and graywater
- **Additional Water Supply Resource Considerations.** [AWWA](#), EPA [WaterSense](#), [Water Research Foundation](#), Other Trade Organizations like [IAPMO](#); [Irrigation Association](#), etc.), [IAPMO Water Demand Calculator](#), Other Green Building Codes & Organizations (e.g. LEED; WELL, etc.)

Options for a Deeper Dive

The following analyses are optional, but can be helpful for some communities as they draft housing action plans. The below assumes that the HNA has provided the necessary analysis and data in other sections of the report to permit more in depth analysis on the following topics.

Seasonal housing unit estimates. HNA Sections: Economic Trends, Housing Inventory.

- Seasonal employment (e.g., migratory farmworkers, resort/tourism industries, etc.) comes with unique housing challenges. The private housing market cannot afford to provide seasonal housing that is occupied only part of the year; often employers of seasonal workers need to help provide this product. In resort destinations, visitor housing demand for vacation rentals competes with seasonal and year-round employee housing needs.

Senior housing estimates, insights, or projected changes. HNA Sections: Demographic Trends, Housing Inventory, Housing Resources.

- Seniors and related housing needs are a growing segment in most jurisdictions. Specialized housing studies are recommended to thoroughly analyze the existing and future housing needs of seniors, ranging from smaller, lower maintenance homes to rent or purchase through full-service assisted living and skilled nursing care. The HNA can, however, provide general observations regarding the status and unmet needs of seniors that are important to consider during Housing Action Planning.

Households with unique needs and vulnerable populations insights, unmet needs, or projected changes. HNA Sections: Demographic Trends, Housing Inventory, Housing Resources.

- While specialized housing studies may be needed to understand the depth of needs from vulnerable populations, the HNA can provide general observations regarding the status and unmet needs of vulnerable populations given the dynamics of the study area. This may include the comparative housing health of Hispanic/Latino headed households, migrant workers, single parent households, low-income families, homeless/near homeless, and others that are important to consider as the region develops housing action plans.

Housing program needs. HNA Sections: Demographic Trends, Housing Market, Housing Problems.

- Many housing problems experienced by households may be best addressed through housing programs and assistance rather than building new units. For example, many cost-burdened households reside in satisfactory housing, but rent assistance programs to lower housing costs could improve their housing stability. Seniors living in homes that do not meet their accessibility needs may benefit from renovation programs. First-time homebuyer programs can help renters move into more stable housing through homeownership, freeing up their current rental for another household that needs it. This will benefit the housing action plan process by calling attention to housing programs that could help address some housing issues within the region and its jurisdictions.

I. Policy Programs and Recommendations

Policy and program recommendations responding to the findings of the housing needs assessment, including the assessment of displacement risk, are a recommended outcome of the HNA. This section provides a foundation for shaping a housing action plan for the region or jurisdiction to address identified housing needs. While recommendations will not be as detailed as those that come out of the housing action plan process, this section can highlight potential strategies for each regional entity and local government to consider as they work to improve housing affordability, accessibility, and stability within the community or region.

Recommended Outputs	Baseline Data (Must Consider)
<i>Section 24-32-3702(1)(e)(I)</i> <i>A requirement that housing needs assessments include recommended policy and programmatic responses to the findings of the housing needs assessment, including the assessment of displacement risk</i>	<i>(None specified)</i>

Unique Community Dynamics to Consider

- The availability of local funds can significantly influence which housing strategies are feasible. Communities with limited funding may need to prioritize lower cost options, such as policy reforms or partnerships, while others may leverage local resources for direct program assistance and development incentives.
- Land availability, particularly in communities with severely constrained developable land, may drive the need to focus on creative approaches, such as adaptive reuse of buildings to create more affordable housing opportunities within their community, and regional partnerships to more broadly address needs.
- The success of policies and programs often depends upon political will and community support. In areas with strong resistance to change, efforts should include education, community engagement, and the alignment of policy recommendations with local values and goals to build support.

Analysis Structure

1. *Financing and Incentives*

- Are financing options (e.g., local subsidies, tax credits) needed to support affordable housing development?
- Are feasible incentives needed to encourage the development of regulated affordable housing, such as density bonuses, fee waivers, or expedited permitting?

2. *Preservation and Management*

- Are programs to preserve existing affordable housing needed, such as purchasing deed restrictions or rehabilitation assistance?
- Are rental assistance or foreclosure prevention programs needed to support at-risk households?
- How will regulated affordable housing that is produced be managed, including qualifying occupants, regulating rentals and sales, and maintaining units?

3. *Land Use and Zoning Incentives, Mandates, Reforms*

- Does zoning support a variety of housing and mixed use developments or are changes needed?
- Are there opportunities to use public land for regulated affordable housing development or increase opportunities through rezoning land?
- Would mandates or incentives help diversify housing development?

4. Partnerships and Collaboration

- What opportunities exist for fostering public, private, and non-profit partnerships to develop workforce and affordable housing?
- How can local employers be encouraged to participate in employer-assisted housing initiatives?

5. Housing Programs

- Should supportive housing programs for homeless and other vulnerable populations be expanded or improved?
- Are displacement protection programs needed, such as tenant rights education or legal assistance?
- Would housing programs (e.g., rehabilitation/renovation, first-time homebuyer assistance, rental assistance) benefit the community?

Suggested Data Sources

All recommendations are derived directly from the data and findings presented in the housing needs assessment. No additional data sources are required.

Chapter 5: Definitions and Terminology

Section 24-32-3701 of Senate Bill 24-174 contains several definitions applicable to terms used in this guidance document. The following section defines additional common housing terms that are not specifically defined in the legislation, but that are necessary to understand when developing an HNA pursuant to this guidance. The definitions are consistent with those utilized by the US Department of Housing and Urban Development (HUD), US Census, and other state or national sources, as referenced.

Affordable Housing

Affordable housing is generally defined by the US Department of Housing and Urban Development (HUD) as housing for which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

Area Median Income Limits (AMIs)

A term that generally refers to the median income limits published annually for counties by the US Department of Housing and Urban Development (HUD). HUD calculates median family income, adjusted for inflation, for annual updates. AMI varies by household size and is used to set income and rent limits for affordable housing programs statutorily linked to HUD income limits (e.g. low-income housing tax credit rentals). Section 24-32-3702(2)(a) requires that housing shortages and surpluses be identified by extremely low-, very low-, low-, moderate- and middle-income households as designated by HUD. HUD definitions used for moderate- and middle-income may vary and sometimes may be used interchangeably. For purposes of SB24-174, income levels are defined based on AMI limits, as follows:

- Extremely low income: $\leq 30\%$ AMI
- Very low income: 31-50% AMI
- Low income: 51-80% AMI
- Moderate Income: 81-120% AMI (HUD varies)
- Middle Income: 121% to the lower of market rate or 200% AMI (see below).
- Upper Income: All incomes above the “Middle Income” range (if applicable).

HUD does not clearly define Middle Income. High-cost jurisdictions may have housing needs up to 150-200% AMI or more. Middle income should, therefore, range above 120% to the lower of 200% AMI or the income level at which housing units are undersupplied and where the market needs help to provide units. For example:

- For jurisdictions in which the market is sufficiently providing housing for households earning over 120% AMI, Middle Income may be “ $>120\%$ AMI.” In this case, “Upper Income” will not be needed.

- For jurisdictions in which the market is not producing sufficient housing for households earning up to 150% AMI, Middle Income should be “121% - 150% AMI.” Upper Income will then be “>150% AMI.”
- For jurisdictions in which the market is not producing sufficient housing for households earning up to 250% AMI, Middle Income will be “121% - 200% AMI” and Upper Income will be “>200% AMI.”

Chapter 4, part H (4) (pp. 51-52) provides additional information for understanding the AMI level at which the market is and is not sufficiently supplying housing.

Cost Burden

Households are considered cost-burdened when they spend more than 30% of their income on rent, mortgage payments, and other housing costs, according to HUD. Households spending more than 50% of their income on housing costs are considered severely cost-burdened.

Disability

Disability data from the American Community Survey (ACS), the Survey of Income and Program Participation (SIPP), and the Current Population Survey (CPS) ask about six disability types: hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. Respondents who report anyone of the six disability types are considered to have a disability. Persons with any disability may need to make modifications or special adjustments to their home to accommodate their disability.

Dwelling Type

Pursuant to SB 24-174, Sections 24-32-3702(1)(c)(2) and (d)(2), dwelling type refers to accessible units, supportive units, visitable units, for-sale units and rental units. See the legislation for definitions of these specific dwelling types.

Dwelling Unit

See definition in SB 24-174, Section 24-32-3701(6).

Household

A household consists of all the people who occupy a housing unit (US Census Bureau). A household is equivalent to an occupied housing unit.

Household Type

Household type refers to the differentiation of households on whether they are a family household or non-family household, as defined by the US Census. The Colorado State Demography Office (SDO) provides projections at the county

level for the following household types broken into four age cohorts: one adult with no children, one adult with children, more than one adult with no children, more than one adult with children. SDO household type projections are part of the demographic and housing needs analysis in the HNA methodology.

Housing Instability

Housing instability is variably defined as having difficulty paying rent, living in poor or overcrowded conditions, moving frequently, or spending the majority of household income on housing costs.

Housing Market Study

A housing market study reviews the feasibility and design of a specific housing project on a specific site. It assesses the demand for a certain type of housing product at a specified price and location, and helps target project design. An HNA may be the catalyst for a project to be proposed, but the market study determines the specifics of who the project should serve (e.g., families or singles; ownership or rental) on the specified location, bedroom mix, unit sizes, and amenities.

Housing Needs Assessment

A study that identifies how much and generally what type (ownership or rental) of housing is needed in a region or community to ensure current and future households at all income levels have access to quality housing that they can afford. An HNA provides a comprehensive view of housing needs and conditions in a community. An HNA is less specific than a housing market study (defined above).

While an HNA is required to be conducted by the state of Colorado for each local government, the state does not require that jurisdictions build a certain number of housing units or produce a certain type of affordable housing as a result of conducting an HNA.

Housing Unit

A housing unit, as defined by the US Census, is a house, an apartment, a mobile home or trailer, a group of rooms, or a single room that is occupied, or, if vacant, is intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.

A housing unit as represented in US Census data sources is defined more broadly than a dwelling unit in SB 24-174. Identifying the inventory of existing housing units that may not be suitable as a dwelling unit pursuant to SB 24-174 is part of the HNA analysis.

Income

All earnings received by an individual or household, including wages, salaries, bonuses, rental income, investment income, and other sources. Household income is the combined gross income before taxes of all related and unrelated members of a household.

Job-Housing Balance

A ratio that is used to understand the relative distribution of households to jobs in a region. The objective is to understand areas where the number of housing opportunities for employees match the job opportunities, where housing opportunities far exceed job opportunities, and where housing opportunities are in short supply compared to the number of jobs.

Job-housing balance is calculated as a ratio between the total job count in an area and the total household count (i.e., occupied housing units) in the same area. See Baseline Component (j) for more information.

Occupied Housing Unit

A housing unit is occupied if a person or group of persons is living in it at the time of the Census or if the occupants are only temporarily absent (for example, on vacation). The persons living in the unit must consider it their usual place of residence or have no usual place of residence elsewhere.

The number of occupied housing units is the same as the number of households. Occupied housing units/household estimates are used to represent the number of households that are full-time residents of the study area.

Overcrowded Unit

The U.S. Census defines an overcrowded unit as one that is occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered severely overcrowded. Occupants per room by tenure can be found in ACS table “B25014 Tenure by Occupants per Room.”

Salary (or Wage)

Compensation received by an employee for their labor, usually calculated on an hourly basis or as a fixed salary.

Supportive Units

This type of housing combines housing and services in a cost-effective way to help people live more stable and productive lives. Typically, it pairs affordable

housing with intensive, coordinated services to assist people in maintaining stable housing and receiving appropriate health care.

This means that supportive units are specifically designed to provide both housing and the services required by individuals who may need assistance in staying stably housed, including support for health or other personal needs.

Units in Structure

Data are available through the US Census and American Community Survey. Refers to the number of housing units (occupied + vacant) in the various structures by type and size. A structure is a separate building which either has open space on all four sides or is separated from other structures by dividing walls that extend from ground to roof. The data set presents data for structures that range from single family units (1-unit, detached) through multi-family buildings with 50-or-more units, mobile homes, and boat, RV, van, etc. (if used as a residence).

Vacant Housing Unit

The US Census defines a vacant housing unit as one that no one was living in at time of the Census. The Census classifies vacant units as vacant for rent, vacant for sale, vacant units rented or sold by not yet occupied, new units not yet occupied, and units for occasional use and occupied by persons with a usual residence elsewhere (e.g., second home).

NOTE: in communities with high second homeownership rates, vacant housing counts (regardless of how the Census classifies them) are functionally second home counts and need to be interpreted differently than in other communities.

Vacancy Rate (Rental)

The percentage of rental housing that is vacant for rent. This is a standard measure used to understand whether rentals are over- or under-supplied in a study area. Rental vacancy rates should focus on the vacancy rate for rentals that are available for residents to occupy and exclude properties that are rented for seasonal, recreational or occasional use (e.g., short-term/vacation rentals).

Vacancy Rate (Owner)

The percentage of for sale, owner-occupied housing that is vacant (for-sale only).

Wage (or Salary)

Compensation received by an employee for their labor, usually calculated on an hourly basis or as a fixed salary.

Chapter 6: Data Sources

American Water Works Association — Provides resources on water industry standards. <https://www.awwa.org/>

Assessor — Managed at the county level. The county assessors are responsible for managing and operating the assessor's office. Their goal is to produce a tax warrant with fair and equalized property values. An assessor's major duties can be discovering, listing, classifying, and valuing all taxable real and personal property and all property granted exemption by the Division of Property Taxation located within the county on the assessment date.

Colorado Department of Education — The McKinney-Vento Homeless Assistance Act is the primary piece of legislation related to the education of children and youth experiencing homelessness. Every school district has a designated McKinney-Vento Homeless Education Liaison responsible for identifying MKV students and providing resources to help these students. https://www.cde.state.co.us/student-support/homeless_index

Colorado Department of Labor and Employment, Labor Market Information — The Office of Labor Market Information (LMI) collects and analyzes information about labor market trends throughout Colorado. <https://cdle.colorado.gov/dlss/labor-market-information-lmi>

Colorado Department of Local Affairs (water resources) — Water and Land Use Integration for Local Governments provides resources and tools to assist local governments in aligning water planning with land use decisions, including fact sheets, self-assessment guides, and best practice examples. <https://dlg.colorado.gov/water-and-land-use-integration>

Land Use and Water Primer provides resources designed to assist local governments in integrating water and land use. planning <https://dlg.colorado.gov/land-use-and-water-primer>

Colorado Department of Public Health and Environment — Provides information on water reuse rules/regulations, including reclaimed water (reuse), direct potable reuse and graywater. <https://cdphe.colorado.gov/>

Colorado Homeless Management Information System (HMIS) — The Colorado Homeless Management Information System (COHMIS) is a statewide database used to collect client-level data related to the provision of housing and services to persons experiencing homelessness and persons at risk of experiencing homelessness. <https://www.cohmis.org/>

Colorado Housing and Finance Authority — Provides information on programs and resources on investments in affordable housing and community

development. CHFA also provides AMI income limits but these may differ slightly from HUD, as well as the Colorado Statewide Apartment Survey.

Colorado Judicial Branch — Each fiscal year, the Colorado Judicial Branch Annual Statistical Report is issued to provide information about Colorado state courts. The reports contain statistics of foreclosures and evictions by court county location. <https://www.coloradojudicial.gov/court-services/research-and-data>

Colorado State Database of mobile home parks — The Division of Housing's Mobile Home Oversight Program conducts outreach and education on mobile home park laws and provides an annual park registration system. The program also receives and investigates complaints, facilitates dispute resolution, and takes enforcement actions. <https://doh.colorado.gov/mobile-home-parks>

Colorado State Demography Office (SDO) — The State Demography Office provides population, household, and job estimates and forecasts for Colorado's regions and counties; and population estimates and guidelines for municipal forecasts developed by the State Demography Office. <https://demography.dola.colorado.gov/>

Colorado Water Conservation Board — Provides comprehensive information on the state's water management initiatives, including the Colorado Water Plan, funding opportunities, and resources for water supply planning, ecosystem health, and hazard mitigation. <https://cwcb.colorado.gov/>

Comprehensive and Water Supply Master Plans — Local plans that outline long-term plans for managing a community's water resources.

Home Mortgage Disclosure Act Data (HMDA) — Mortgage lending data reported in accordance with the Home Mortgage Disclosure Act (HMDA), commonly called "HMDA data," is the largest source of publicly available data on mortgage lending in the United States, available from the Consumer Financial Protection Bureau. <https://ffiec.cfpb.gov/>

International Association of Plumbing and Mechanical Officials (IAPMO) — Provides information on their development of plumbing and mechanical codes, product testing and certification services, training programs, and industry research aimed at ensuring public health and safety. <https://www.iapmo.org/>

Water demand calculation tool provided by IAPMO that estimates peak water demand in residential buildings, aiding in the accurate sizing of plumbing systems to enhance efficiency and safety. <https://www.iapmo.org/we-stand/water-demand-calculator/>

Irrigation Association — Provides resources on efficient irrigation technologies, certification programs, educational materials, industry events, and advocacy

initiatives aimed at promoting effective water management practices.

<https://www.irrigation.org/>

Polaris Tool —The One Water Solutions Institute (OWSI) at Colorado State University develops and supports the Polaris tool which characterizes the relationship between land use and water consumption to enable water demand management and water supply scenario planning. This tool can help communities across the state with water smart land use planning. OWSI provides technical support services including training workshops for using Polaris in communities across Colorado. <https://erams.com/catena/tools/urban-planning/polaris/>

U.S. Bureau of Labor Statistics Local Area Unemployment Statistics (BLS LAUS)

— The Local Area Unemployment Statistics (LAUS) program produces monthly and annual employment, unemployment, and labor force data for Census regions and divisions, States, counties, metropolitan areas, and many cities, by place of residence. <https://www.bls.gov/lau/>

U.S. Census Bureau American Community Survey (ACS) —The American Community Survey (ACS) releases new data every year on detailed population and housing estimates. ACS 1-year estimates are data that have been collected over a 12-month period and are available for geographic areas with at least 65,000 people. The Census Bureau combines 5 consecutive years of ACS data to produce multiyear estimates for geographic areas with fewer than 65,000 residents. These 5-year estimates represent data collected over a period of 60 months. <https://www.census.gov/programs-surveys/acs/data.html>

U.S. Census Bureau Census Building Permit Survey (BPS) —The Building Permits Survey (BPS) provides national, state, and local statistics on new privately-owned residential construction. <https://www.census.gov/construction/bps/index.html>

U.S. Census Bureau Decennial Census — Includes basic demographic information. <https://data.census.gov/>

U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD) — LEHD Origin-Destination Employment Statistics (LODES) provides annual employment statistics linking home and work locations at the census block level. <https://lehd.ces.census.gov/>

U.S. Department of Housing and Urban Development Area Median Income (HUD AMI) —The Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs including the Public Housing, Section 8 project-based, Section 8 Housing Choice Voucher, Section 202 housing for the elderly, and Section 811 housing for persons with disabilities programs. HUD develops income limits based on Median Family Income estimates and Fair Market Rent area definitions for each metropolitan

area, parts of some metropolitan areas, and each non-metropolitan county.

<https://www.huduser.gov/portal/datasets/il.html>

U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Data (HUD CHAS) — The U.S. Department of Housing and Urban Development (HUD) receives custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau. These data, known as the "CHAS" data (Comprehensive Housing Affordability Strategy), demonstrate the extent of housing problems and housing needs, particularly for low-income households. Local governments use the CHAS data to plan how to spend HUD funds, and may also be used by HUD to distribute grant funds.

<https://www.huduser.gov/portal/datasets/cp.html>

U.S. Department of Housing and Urban Development Point in Time Homeless Counts — The Point-in-Time (PIT) Count is a count of sheltered and unsheltered people experiencing homelessness on a single night in January. HUD requires that Continuum of Cares (CoCs) conduct an annual count of people experiencing homelessness who are sheltered in emergency shelter, transitional housing, and Safe Havens on a single night. <https://www.hudexchange.info/programs/coc/>

U.S. Environmental Protection Agency Water Sense — Provides information on water-saving products, homes, and services, and offers resources to help consumers and businesses conserve water. <https://www.epa.gov/watersense>

Water Research Foundation — Provides comprehensive resources on water research. <https://www.waterrf.org/>

Industry data, local surveys, and primary research can be used to supplement or substitute the previous public data sources when coverage and/or reliability are insufficient to produce a useful metric.

AirDNA — Tracks the performance data of Airbnb & VRBO vacation rentals. This data source is available for purchase. <https://www.airdna.co/>

ATTOM — Real estate data provider. Data include property tax, deed, mortgage, foreclosure. <https://www.attomdata.com/>

CHMURA (JobsEQ) — Chmura's JobsEQ labor market research software platform provides data for standard and custom regions (including sub-county level data), industry groups, occupation groups, and forecasts. <https://www.chmura.com/>

CoreLogic — Platform providing property data insights, reports, and more. <https://www.corelogic.com/>

CoStar — Platform of commercial real estate information, analytics and data-driven news across office, industrial, retail, multifamily, hospitality and land sectors. This data source is available for purchase. <https://www.costar.com/>

Esri — Geographic information system (GIS) software, location intelligence, and mapping. This data source is available for purchase. <https://www.esri.com/en-us/>

Multiple Listing Service (MLS) — Databases that real estate agents and brokers use to share information about properties for sale.

National Housing Preservation Database (NHPD) — Compiles data on the publicly supported housing property inventory. The database is available for purchase; the NHPD mapping tool can be used to display publicly supported properties without payment. <https://preservationdatabase.org/>

Redfin — Housing market data from Redfin includes home prices, sales, inventory, new listings, and days on market. This data source is available for free. Inconsistent quality and availability for smaller geographies. <https://www.redfin.com/news/data-center/>

Ribbon Demographics, LLC — Data and market analysis for housing development, including HISTATM data (households by income, size, tenure, and age). <https://www.ribbondata.com/>

Zillow — The Zillow Economic Research team publishes a variety of real estate metrics, including median home values and rents, inventory, sale prices, and volumes. This data source is available for free. Not available for some geographies and inconsistent quality for smaller geographies. <https://www.zillow.com/research/data/>

Local Surveys and Primary Research are critical when conducting housing needs assessments in small communities. While secondary data sources (e.g., census data) offer valuable information, they usually do not capture the specific nuances of small communities.

Data Sources and Availability by Geography (County and Municipality)

Source	Web Link	Data Variable	County	Municipality	Considerations
Publicly Available					
Assessor	County-specific URL	Detailed Property Information	Address specific	Address specific	Assessor recording practices and code structures can vary by county. Working cooperatively with Assessor offices is advised to ensure data analysis accuracy.
Colorado Association of Realtors	https://coloradorealtors.com/market-trends/	Housing Market Trends Reports by Month (single family and townhome/condo markets)	x	x	Make sure to understand how the boundaries are defined and what MLS you are getting data from. There is some overlap. Use cautiously for small areas or time periods with few sales.
Colorado Department of Education	https://www.cde.state.co.us/student-support/homeless_index	McKinney-Vento Homeless Students	School District-specific	School District-specific	Identifying the number of homeless students in a region or local government jurisdiction may not be possible due to differing geographies.

Source	Web Link	Data Variable	County	Municipality	Considerations
Colorado Department of Labor and Employment (CDLE), Local Area Unemployment Statistics (LAUS)	https://cdle.colorado.gov/dlss/labor-market-information-lmi	Labor force; employed/unemployed; unemployment rate	x		Monthly data with seasonal adjustments for larger areas only; excludes underemployment; subject to revisions; limited to county/metropolitan statistical areas; using a six month moving average or annual data is recommended due to the small sample, unless data are used to analyze seasonal variations.
Colorado Department of Labor and Employment (CDLE), Occupational Employment and Wage Statistics (OEWS))	https://cdle.colorado.gov/dlss/labor-market-information-lmi	Employment and Wages by Occupation	x		These are estimates of the number of people employed in certain occupations, and estimates of the wages paid to them. Self-employed persons are not included in the estimates.
Colorado Department of Labor and Employment (CDLE), Quarterly Census of Employment and Wages (QCEW)	https://cdle.colorado.gov/dlss/labor-market-information-lmi	Employment and Annual Average Pay (Overall and by sector)	x		Very useful for sector-level data. This data excludes proprietors, certain national security agencies, the unincorporated self-employed, unpaid family members, certain farm and domestic workers, and railroad workers covered by the railroad unemployment insurance system; data may be suppressed to protect the identity, or identifiable information, of cooperating employers; data is subject to revisions.

Source	Web Link	Data Variable	County	Municipality	Considerations
Colorado Department of Local Affairs, Division of Housing (DOH)	https://doh.colorado.gov/mobile-home-parks	Mobile Home Parks	Address specific	Address specific	This information assists with mobile home park location identification. This housing type is often part of an area's naturally occurring affordable housing stock.
Colorado Homeless Management Information System	https://www.cohmis.org/	People Experiencing Homelessness or at Risk			Covers four Continuum of Care regions. Data at the CoC regional level is too coarse for most of Colorado's counties. Obtaining in-depth data usually requires a data sharing and confidentiality agreement.
Colorado Housing and Finance Authority (CHFA)	https://www.chfainfo.com/rental-housing/asset-management/rent-income-limits	Income limits	x		May differ slightly from HUD Income Limits
Colorado Judicial Branch	https://www.coloradojudicial.gov/court-services/research-and-data	Foreclosures, evictions	Judicial District	Judicial District	Data is available by judicial district rather than by county or municipality, which may require districts to be mapped to local jurisdictions; frequency of updates can vary; coverage and data granularity depend on court reporting practices; includes historical data on foreclosure and eviction trends, but may not provide real-time insights.

Source	Web Link	Data Variable	County	Municipality	Considerations
Consumer Financial Protection Bureau, Home Mortgage Disclosure Act (HMDA)	https://www.consumerfinance.gov/data-research/hmda/	Mortgage Data	x	Census Tracts	Provides detailed mortgage data, including applicant demographics, loan terms, and approval rates; valuable for assessing lending trends and identifying disparities but does not capture private cash transactions or certain small lenders.
Jurisdiction Planning / Building Departments	Jurisdiction-specific URL	Residential Building Permits and Certificates of Occupancy	x	x	Many building departments do not post permits or Certificates of Occupancy online so outreach may be required; it is important to identify whether permits are recorded as “permits” or “number of units” (e.g., one permit could be for a 50-unit apartment building); multifamily permits are often recorded as “commercial”
Redfin	https://www.redfin.com/news/data-center/?msockid=1d39f1132a856a050630fdf32b3b6b4d	Housing Data (e.g., homes sold, median sale price, pending sales, new listings)	x	x	Redfin pulls data directly from the Multiple Listing Service (MLS). Their direct MLS integration provides more accurate, up-to-date listings, as MLS feeds are frequently updated in real time. This also allows Redfin to display information like “days on market” or “price reductions” with a higher level of reliability. Data available from the Redfin Data Center differs by geography.

Source	Web Link	Data Variable	County	Municipality	Considerations
State Demography Office	https://demography.dola.colorado.gov/	Household Estimates and Projections (total and by four household types and four age cohorts)	x		Reflect July 1 estimates and projections; updated annually, but current estimates lag real time.
State Demography Office	https://demography.dola.colorado.gov/	Total Job Estimates (includes proprietors) and Forecasts ; Jobs by Sector; Jobs by Base Industries; Labor Force Participation and Forecasts by County, Age Group, and Sex	x		County-level jobs forecasts are unavailable for the seven counties comprising the Denver Metro Region, which is forecast as a single entity FIPS 500 Denver-Boulder Metro. Sector categorization may differ from QCEW; for example, public-sector employment, including public school district jobs, are categorized as “Government” jobs, which differs from QCEW categorization of such jobs by the type of goods or services provided (school district jobs are categorized under Educational Services).
State Demography Office	https://demography.dola.colorado.gov/	Total Population; Households (occupied housing units); Household Size; Housing Units; Vacant Housing Units; Vacancy Rate	x	x	Estimates as of July 1 annually, but the most current year lags real time; vacancy rate is a modeled output and may not reflect the actual on-the-ground vacancy rate.

Source	Web Link	Data Variable	County	Municipality	Considerations
State Demography Office	https://demography.dola.colorado.gov/	Total Population and Projections by Age; Components of Change (Births, Deaths, Net Migration); Census Building Permits; Households (occupied housing units); Household Size; Total Housing Units; Vacant Housing Units; Vacancy Rate	x		Estimates are as of July 1 annually, but the most current year lags real time; vacancy rate is a modeled output and may not reflect the actual on-the-ground vacancy rate.
United States Bureau of Economic Analysis	https://www.bea.gov/data/by-place-county-metro-local	Income by source (wage and salary; dividends, interest, rent; transfers)	x		Useful in understanding the distribution of income by source.
United States Bureau of Labor Statistics (BLS), Job Openings and Labor Turnover Survey (JOLTS)	https://www.bls.gov/it/	Job openings, hires, separations	Statewide only	Statewide only	JOLTS does not produce county or city level data.
United States Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS)	https://www.bls.gov/la/	Labor force; employed/unemployed; unemployment rate	x	x (Denver and Colorado Springs only)	Monthly data with seasonal adjustments; limited to counties and very large cities; undercounts some subgroups; revised estimates possible over time; using a six-month moving average or annual data is recommended due to the small sample.
United States Bureau of Labor Statistics (BLS), Quarterly Census of Employment and Wages (QCEW)	https://www.bls.gov/cew/	Employment; Number of Establishments; and Annual Average Pay (Overall and by sector)	x		Helpful for identifying total employment (jobs) and average annual wage for counties. Excludes proprietors, certain national security agencies, the unincorporated self-employed, unpaid family members, certain farm and domestic workers,

Source	Web Link	Data Variable	County	Municipality	Considerations
					and railroad workers covered by the railroad unemployment insurance system; data may be suppressed to protect the identity, or identifiable information, of cooperating employers; data is subject to revisions.
United States Census Bureau, American Community Survey (ACS) 1-year	https://www.census.gov/programs-surveys/acs/data.html	ACS Tables/Variables	Geographies with 65,000 people or more	Geographies with 65,000 people or more	Best used when current data is more important than precision; data is collected over a calendar year; ACS data include a margin of error to represent the range of responses, given the limitations of the sampling size; geographic boundaries can change over time.
United States Census Bureau, American Community Survey (ACS) 5-year	https://www.census.gov/programs-surveys/acs/data.html	ACS Tables/Variables	x	x	Useful for analyzing trends, not designed for counts; data is collected over a five-year period which is then pooled together to provide a snapshot of average demographic characteristics across that timeframe; ACS 5-year estimates are not comparable to ACS 1-year estimates; ACS data include a margin of error, given the limitations of the sampling size, which may be large for small or low population areas; consider margins of error when analyzing trends; special considerations apply for rural communities with large seasonal populations--in particular, college towns and resort areas; geographic boundaries can change over time.

Source	Web Link	Data Variable	County	Municipality	Considerations
United States Census Bureau, Building Permit Survey (BPS)	https://www.census.gov/construction/bps/index.html	Building Permits (new housing units authorized by valuation and structure type)	x	x	Most useful when data cannot be obtained directly from local jurisdictions; may include imputed data; note that building permit valuation and property value may not be the same.
United States Census Bureau, Decennial Census	https://www.census.gov/programs-surveys/decennial-census/data.html	All Decennial Census Tables/Variables	x	x	Includes basic demographic information. More detailed information available from the ACS. Geographic boundaries may differ between decennial Census years.
United States Census Bureau, Longitudinal Employer-Household Dynamics (LEHD), LEHD Origin Destination Employment Statistics (LODES)	https://lehd.ces.census.gov/data/	Annual employment statistics linking home and work locations at the census block-level (demographic characteristics and commute patterns)	x	x	Excludes some employees and workers, including self-employed individuals; less reliable in locations with a sizeable seasonal workforce, such as resort communities; unpublished margin of error; data lags real time; may not capture large employers with satellite locations (e.g., school district).
United States Census Bureau, Public Use Microdata Sample (PUMS)	https://www.census.gov/programs-surveys/acs/microdata.html	Based on ACS data; allows for creation of custom estimates and tables.	NA (only Public Use Microdata Areas (PUMA) with 100,000 people or more)	NA (only Public Use Microdata Areas (PUMA) with 100,000 people or more)	Data is only provided for PUMA boundaries, not county or municipal boundaries. PUMS data can be used at the larger regional or state level to create data tabulations not provided by the ACS.

Source	Web Link	Data Variable	County	Municipality	Considerations
United States Department of Housing and Urban Development (HUD)	https://www.huduser.gov/portal/datasets/cp.html	Comprehensive Housing Affordability Strategy (CHAS) data (Income Distribution by AMI and housing problems, including cost burden)	x	x	Data lags real time.
United States Department of Housing and Urban Development (HUD)	https://www.hudexchange.info/homelessness-assistance/data/	Homelessness Point-In-Time Survey	x		Areas with large or hidden homeless populations are susceptible to undercounts.
United States Department of Housing and Urban Development (HUD)	https://www.huduser.gov/portal/datasets/il.html	Income limits	x		Updated annually; used to determine eligibility for various housing assistance programs
United States Department of Housing and Urban Development (HUD)	https://lihtc.huduser.gov/	Low Income Housing Tax Credit (LIHTC) properties	Address-specific	Address-specific	Property data may lag due to annual updates; includes property location and funding details but may lack real-time unit availability or recent affordability status; useful for identifying long-term affordable housing stock but limited in dynamic market contexts.

Source	Web Link	Data Variable	County	Municipality	Considerations
Zillow, Inc.	https://www.zillow.com/research/data/?msckid=1d39f1132a856a050630fdf32b3b6b4d	Home Value Index, Observed Rent Index	x	x (some)	Use cautiously for smaller geographies where data may be limited, particularly for rent information. Zillow only has data on listings they house, and many smaller communities use different methods/sources. Zillow uses a combination of data scraping, public records, and MLS syndication where available.
Sample of Fee-For-Service Providers *					
AirDNA	https://www.airdna.co/	Short-term rental data	Address-specific	Address-specific	Primarily targeted to short-term rental investors and operators, but may assist with understanding short-term rental market attributes (e.g., counts, occupancy, pricing). Limited data is provided free of charge with fee-for-service options. Some variables are available by ZIP code.
ATTOM	https://www.attomdata.com/	Foreclosure data, property analytics, and market trends	x	x	Offers comprehensive foreclosure and property data with analytics; subscription-based; valuable for trend analysis and current market conditions but may not cover all smaller municipalities consistently.

Source	Web Link	Data Variable	County	Municipality	Considerations
CHMURA	https://www.chmura.com/	Fee-for-service company that provides detailed labor market data and forecasts, including sub-county data.	x	x	Provides highly-detailed labor market and economic data, including regional employment trends, industry breakdowns, proprietor estimates, wage data, and job forecasts; useful for in-depth economic and workforce studies, but may not include hyper-local data in smaller or rural areas. Subscription required.
Corelogic	https://www.corelogic.com/	Fee-for-service company that provides detailed market data and comparable sites based on real estate transaction data and landlord surveys	x	x	Offers extensive property transaction data and rental market insights; useful for property valuations, market trends, and comparable analysis; highly detailed but may be limited in areas with fewer transactions or where data collection is restricted. Subscription required.
CoStar	https://www.costar.com/	Fee-for-service company that provides detailed market data and comparable sites based on real estate transaction data and landlord surveys	x	x	Best for larger metropolitan areas and commercial hubs. Rental market data may be limited or unavailable in smaller housing markets.
Esri	https://www.esri.com/en-us/home	A provider of both software and data with multiple platforms, including Community Analyst and Business Analyst products with built-in market analysis tools.	x	x	Provides extensive GIS-based tools and demographic data through Community Analyst and Business Analyst platforms; valuable for spatial and market analysis, allowing customized geographic insights; subscription-based with specialized training needed for advanced features; very limited historical data.

Source	Web Link	Data Variable	County	Municipality	Considerations
Multiple Listing Service (MLS)	Location-specific URL	Past home sales	Address-specific	Address-specific	Detailed property sales data; may be available without a fee from a cooperating Realtor/Realtors Association
National Housing Preservation Database (NHPD)	https://preservationdatabase.org/	Affordable housing properties (location, funding stream, subsidy end date). Fee-for-service access to the database; the NHPD mapping tool can be used to display publicly supported properties without payment.	Address-specific	Address-specific	Provides location, funding type, and subsidy timelines for affordable housing properties; essential for tracking at-risk affordable units as subsidies expire but may have limited real-time updates on property status or occupancy.
Ribbon Demographics, LLC	https://ribbondata.com/index.html	Fee-for-service housing market analysis and data services. Data includes HISTA™ reports (households by income, size, tenure, and age)	x	x	Provides detailed household demographic and housing data, including income segmentation and tenure; useful for targeted housing studies, especially in assessing affordability and demographic trends; data may have limited geographic granularity in very small areas.
Other Sources					
Employer Survey	Jurisdiction-specific	Jurisdiction-specific	x	x	Developing clear questions to achieve desired objectives is important, along with gathering an appropriate and representative sample, among other considerations.

Source	Web Link	Data Variable	County	Municipality	Considerations
Housing Professionals (e.g., realtors, appraisers, landlords, developers/builders)	Entity-specific	Entity-specific	x	x	Speaking with housing professionals about the local housing market, including home prices (for sale and for rent), availability, cost to develop/build, and changes over time provides market context unavailable from public and private data sources.
Public Housing Authority / Housing Agency	Authority or agency-specific	Authority or agency-specific	x (if applicable)	x (if applicable)	Many local jurisdictions are served by public housing authorities or housing agencies that help provide affordable housing and administer housing programs and services. Understanding their services (e.g., housing choice vouchers) and the existing and planned housing in their portfolio helps to develop a complete picture of the housing market and identify where gaps may exist.
Resident Survey	Jurisdiction-specific	Jurisdiction-specific	x	x	Developing clear questions to achieve desired objectives is important, along with gathering an appropriate and representative sample, among other considerations.
Note: this table does not represent all data sources or all available data provided by identified sources. * the included fee-for-service/private data providers list is not exhaustive					

Appendix A: HNA Requirements – Quick Reference Guide

HNA Framework

Using this framework will facilitate a smoother review process by the Department of Local Affairs (DOLA).

2. Economic Trends

Analyzes the interplay between jobs, wages, and housing to understand if the current housing supply meets the needs of employees.

4. Housing Market Trends

Assesses how housing market factors like rental rates, sales trends, and available supply impact housing affordability and availability for different income groups and household types.

6. Housing Resources

Identifies available financial, institutional, and community resources that can support housing programs and the development, maintenance, and preservation of affordable housing opportunities.

8. Current & Projected Housing Needs

Ties together data from all other sections to estimate current and future housing needs across all income levels.

1. Demographic Trends

Establishes the foundation for understanding changes in population, household characteristics, and income, which drive housing demand and needs.

3. Housing Inventory

Evaluates the condition, diversity, and supply of housing units to identify where there may be gaps based on demographic and economic needs.

5. Housing Problems

Evaluates challenges such as cost burden, overcrowding, homelessness, and housing instability, providing insight into the need for targeted housing programs and unique needs.

7. Housing Development Challenges and Opportunities

Examines obstacles to the development of housing, such as regulatory, cost, and community factors, as well as land and partnership opportunities to produce housing.

9. Policy Programs & Recommendations

Provides initial strategies to address identified housing needs to improve housing affordability, accessibility, and stability, and guide the development of a future housing action plan.

Demographic Trends

Demographic trends provide a foundation for understanding the study area's population, household characteristics, and income changes over time. These factors shape housing demand, including type and price. Comparing countywide or regional totals and nearby jurisdictions helps clarify differences in housing needs drivers.

Required Output

- (III) Estimate the number of households in the region and each local government's jurisdiction that forms the region (regional HNA), or for the local governments jurisdiction only (local HNA).

Baseline Data (must consider)

- (d) Current median income
- (e) Population change projections and demographic trends forecasted by the State Demography Office
- (f) Population and demographic trends

KEY COMPONENTS

Population (Baseline Data (e) and (f))

- ▢ Population Size: Current size, growth trends, and variation across jurisdictions.
- ▢ Age: Age distribution and changes over time.
- ▢ Population Forecast: Expected population and age distribution changes.

Households (Required Output (III) and Baseline Data (f))

- Total Households (Required)*: Current households and trends over at least 10 years.
- ▢ Tenure of Households (Owner and Renter)
- ▢ Household Size: Average size by tenure.
- ▢ Household Types: Types of households (e.g., family, couple) and regional variation.
- ▢ Household Forecast: Expected changes in household numbers and type over 10 years.

Household Income Distribution (Baseline Data (d))

- ▢ Income Levels: Percentage of households by AMI category; variations by tenure.

OPTIONS FOR A DEEPER DIVE

- Median income by household size and changes in income distribution.
- Population by race/ethnicity, poverty rates, and households headed by older adults.
- Components of change, including natural increase and net migration

■ Required Output ▢ Needed for Required Output ▢ Must Consider

Economic Trends

Current and projected economic conditions are essential drivers of housing needs. Jobs, employees, housing, and businesses are tied together. Businesses need employees to fill jobs and employees need housing in which to live.

Required Output

- (IV) Estimate the number of jobs in the region and each local government's jurisdiction that forms the region (regional HNA), or for the local governments jurisdiction only (local HNA), sorted by annual salary and wage.

Baseline Data (must consider)

- (c) Current jobs by income level
- (e) Job growth projections forecasted by the State Demography Office

KEY COMPONENTS

Job Trends and Projections (Required Output (IV) and Baseline Data (c), (e))

- **Jobs and Wages by Sector (Required)*:** Primary industries, regional variation.
- Job and Wage Trends: Job growth, stagnation, or decline; wages relative to housing costs.
- Job Projections: Impact of projected job growth or decline on future housing needs.

Labor Force and Unemployment Rate

- Labor Force Trends: Regional unemployment rates and labor force changes.

Commuting Patterns

- Commute Trends

OPTIONS FOR A DEEPER DIVE

- Seasonal employee estimates.
- Local-level unfilled job analysis.
- Multiple job-holding rates and average number of workers per household.
- Employer surveys to understand hiring challenges tied to housing availability.

Housing Inventory

This analysis examines the existing housing supply, including unit diversity, age, condition, and production rates. It addresses questions about housing quality and availability for residents. Comparing inventories across regions or jurisdictions highlights differences, guiding programs and new development to enhance housing opportunities.

Required Outputs

- (l) Estimate existing housing stock in the region and in each local jurisdiction that forms the region (regional HNA), or for the local governments jurisdiction only (local HNA).

Baseline Data (must consider)

- (b) Existing housing diversity and stock
- (h) Vacancy rates

KEY COMPONENTS

Housing Units (Baseline Data (b) and Required Output (l))

■ Total Housing Units (Required)*

- Housing Types
- Housing Condition and Age: Age and condition of housing stock; extent of repairs needed and presence of substandard units.

Regulated Affordable Housing Inventory (if applicable)

- Affordable Units: Availability of regulated affordable units, including Housing Choice Vouchers, LIHTC, deed-restricted units, and employer-provided units.

Housing Vacancy and Occupancy (Baseline Data (h))

- Vacancy: Variation in housing vacancies, causes (e.g., second home/vacation use), and trends over time.
- Occupancy: Occupancy rates by housing type and area; trends in occupancy for rent or ownership.

Development and Building Trends (Baseline Data (h))

- Historical Building Permits
- Development in the Pipeline

OPTIONS FOR A DEEPER DIVE

- Housing units by number of bedrooms.
- Short-term rental inventory and trends.

■ Required Output □ Needed for Required Output □ Must Consider

Housing Market

Analyzing housing market trends reveals how well the market meets residents' and workers' needs by examining home values, rental rates, and sales trends. This helps assess supply vs. demand, affordability challenges, and impacts on different income groups. Local comparisons show affordability relative to nearby areas, while regional studies compare to state or national trends for broader context.

Required Output

- (II) Estimate housing needs sorted by income level and dwelling type, including accessible units, supportive units, visitable units (local HNA only), for-sale units, and rental units

Baseline Data (must consider)

- (h) Vacancy rates: Understand how vacancy rates reflect current market demand or availability issues.
- (j) Job-housing balance: Assess the relationship between local employment and housing options to ensure alignment.

KEY COMPONENTS

Ownership Market (Baseline Data (j))

- □ Housing Prices: Trends in housing prices versus wages; supply and demand dynamics affecting housing prices.
- □ Inventory of For-Sale Housing: Availability for full-time residents, first-time buyers, and middle-income households; inventory type and price point variation.

Rental Market (Baseline Data (h))

- □ Rental Rates and Market Trends: Changes in rental rates, affordability compared to wages, and impact of short-term rentals on long-term availability.
- □ Rental Vacancy Rates: Current vacancy rates, trends, and implications for affordability and rental market health.

OPTIONS FOR A DEEPER DIVE

- Housing Vacancy Rates (h): Rental turnover rate, months of inventory, short-term rental trends.
- Ownership Market Additional Considerations: Homebuyer trends, sale of regulated affordable housing units.
- Rental Market Additional Considerations: Availability and trends of regulated affordable rental units.

■ Required Output □ Needed for Required Output □ □ Must Consider

Housing Problems

Analyzing housing issues—such as cost burden, overcrowding, instability, and homelessness—provides insight into challenges households face in accessing safe, stable, affordable housing. This helps identify where programs are needed to improve outcomes for low- and moderate-income residents, especially vulnerable groups. Local studies highlight immediate needs, while regional analyses show broader challenges across jurisdictions.

Required Outputs

- (II) Estimate housing needs in the region and each local government's jurisdiction that forms the region..., including accessible units, visitable units (local HNA only), supportive units...
- (VI) Identify areas at elevated risk of displacement in the region and each local government's jurisdiction that forms the region.

Baseline Data (must consider)

- (i) Measures of homelessness and housing instability

KEY COMPONENTS

- Cost Burden by Tenure (own/rent) (Baseline Data (i)): Percentage of households spending over 30% or 50% of income on housing; groups most affected by cost burden.
- Overcrowding by Tenure (own/rent) (Baseline Data (i)): Number of households in overcrowded conditions, affected populations, and implications for housing adequacy.
- Homelessness & Unstable Households (Required Output (II), Baseline Data (i)): Number of homeless individuals and families, main causes, availability of emergency and supportive housing, and effectiveness of current prevention programs.
- Accessible and Visitable Unit Estimates (Required Output (II)): Estimate of future housing needs for accessible/visitable units using ACS data; optional local surveys for more detailed needs assessment.
- Displacement Risk (Required Output (VI)): Populations at risk of severe housing challenges (e.g., cost burden, overcrowding, homelessness), racial and ethnic disparities, and targeted interventions to support at-risk groups.

OPTIONS FOR A DEEPER DIVE

- Cost burden by income and other household characteristics.
- Foreclosures and evictions.
- Condition of housing.

■ Required Output. □ Needed for Required Output □ Must Consider

Housing Resources

This section focuses on identifying and evaluating the resources available to support the development, maintenance, and accessibility of housing that is affordable for resident and employee households. Assessing housing resources includes understanding the financial, institutional, and community assets that can help address the housing needs identified in the HNA.

Recommended Output

- Section 24-32-3702(1)(e)(I)
A requirement that housing needs assessments include recommended policy and programmatic responses to the findings of the housing needs assessment, including the assessment of displacement risk.

Baseline Data (must consider)

- (g) Measures of local resources dedicated to the development of affordable housing

KEY COMPONENTS

- □ Housing Assistance Programs (Baseline Data (g)): Types of programs available, number of beneficiaries, and sufficiency of funding to meet demand.
- □ Affordable Housing Management, Development, and Service Organizations (Baseline Data (g)): Roles of housing authorities, CDHOs, land trusts, and service organizations; gaps in capacity, collaboration, or resources.
- □ Local Funding Resources (Baseline Data (g)): Local funds used to produce, purchase, or assist affordable housing development and effectiveness in addressing resident needs.
- □ Resources for Homelessness Prevention (Baseline Data (g)): Availability of shelters, transitional housing, and supportive housing; effectiveness of services like rapid rehousing and outreach programs.
- □ Public and Institutionally Owned Land (for Development) (Baseline Data (g)): Public or institutional land ownership, suitability for residential use, and opportunities for development partnerships.

OPTIONS FOR A DEEPER DIVE

- Employer-assisted housing.

■ Required Output □ Needed for Required Output □ □ Must Consider

Development Challenges & Opportunities

Understanding market limitations helps identify challenges and opportunities for expanding housing options. This includes reviewing zoning, planning, infrastructure, development costs, labor, and material supply issues. Given data limitations and the expertise needed, this analysis is typically qualitative.

Recommended Output

- (VIII) Assess market limitations on the development of for-sale multifamily residential housing (regional HNA) or the development of housing (local HNA)

Baseline Data (must consider)

None specified

KEY COMPONENTS

- ▣ Development Costs (Required Output (VIII)): Impact of materials, labor, infrastructure, and land prices; gap between development costs and what residents can afford; availability of incentives and subsidies.
- ▣ Regulatory Barriers: Zoning, subdivision, and permitting regulations that restrict housing development; opportunities to streamline regulations.
- ▣ Infrastructure Limitations: Availability and condition of infrastructure (roads, water, sewer); opportunities for investments to facilitate development.
- ▣ Community Sentiment: Impact of resistance to higher-density or affordable housing; opportunities for education and community engagement.

■ Required Output □ Needed for Required Output ▣ Must Consider

Housing Needs

This section utilizes information from the other sections of the HNA to estimate what types of housing (e.g., rental vs. ownership, affordable vs. market-rate) are most needed to address housing deficiencies for current residents and support future economic and community vibrancy.

Required and Recommended Outputs

- (II) Estimate housing needs in the region and each local government's jurisdiction that forms the region, sorted by income level and dwelling type, including accessible units, visitable units (local HNA only), supportive units, for-sale units, and rental units.
- (V) Estimate an allocation of housing needs to each local government in the region or contributing to housing needs in the region based on the number of jobs and each local government's dependence on jobs in the region, among other factors, to promote a balance of jobs at all salary levels and homes affordable to persons in the region holding jobs at all income levels in the region.
- (VII) Estimate water supply needs for the dwelling units identified in subsections (1)(c)(I) and (1)(c)(II) of this section using per capita water use rates identified in consultation with the department of natural resources.

Baseline Data (must consider)

- (a) Existing and projected housing shortages and surpluses for different household types and income levels, including extremely low-, very low-, low, moderate-, and middle-income households as designated by HUD
- (e) Population change projections, job growth projections, and demographic trends forecasted by the State Demography Office
- (i) Measures of homelessness and housing instability
- (j) Job-housing balance, including the availability of housing for low-income workers

KEY COMPONENTS

- Existing Housing Shortage ("catch up" housing needs): New units needed to improve availability, stability, & affordability for existing residents, including overcrowding alleviation and achieving healthy vacancy rates.
- Projected Housing Needs ("keep up" housing needs): Number of units needed for future resident & employee households over a 10-year period, including vacancy allowances & possible adjustments for unit losses.
- Allocate Needs Within Regions: Allocate needs based on regional job distribution, recognizing the relationship between job locations and housing requirements.
- Estimate Market and Below-Market Needs: Identify AMI levels for which private market units are feasible and where subsidies or incentives are needed to meet housing needs.
- Estimate Supportive, Accessible, and Visitable Unit Needs: Estimate housing needs for homeless populations, other supportive needs, and accessible/visitable units based on the percentage of residents with disabilities.
- Estimate Water Supply Needs for Dwelling Units: Calculate residential water supply needs using gallons per capita per day multiplied by population.

OPTIONS FOR A DEEPER DIVE

- Seasonal housing needs, senior housing insights, vulnerable populations' needs, and housing program options (e.g., rental assistance, renovation, first-time homebuyer programs).

■ Required Output. □ Needed for Required Output □ Must Consider

Policy Programs & Recommendations

Policy and program recommendations from the housing needs assessment, including displacement risk, form a foundation for a housing action plan. While not as detailed as action plan outputs, these recommendations highlight strategies for regional and local governments to address housing affordability, accessibility, and stability.

Recommended Output

- ☐ Section 24-32-3702(1)(e)(I)
A requirement that housing needs assessments include recommended policy and programmatic responses to the findings of the housing needs assessment, including the assessment of displacement risk

Baseline Data (must consider)

None specified

KEY COMPONENTS

- ☐ Financing and Incentives: Expand financing options like local subsidies and tax credits; explore incentives such as density bonuses and expedited permitting.
- ☐ Preservation and Management: Use deed restrictions, rehabilitation funding, rental assistance, and foreclosure prevention to preserve and manage affordable units.
- ☐ Land Use and Zoning Incentives, Mandates, Reforms: Support higher-density, mixed-use developments, facilitate public land use, and introduce mandates or incentives for diverse housing development.
- ☐ Partnerships and Collaboration: Encourage public, private, and non-profit collaboration, including employer-assisted housing and engagement with local nonprofits.
- ☐ Housing Programs: Increase supportive housing, displacement protections, and other initiatives like renovation, first-time homebuyer assistance, and rental assistance.

☒ Required Output ☐ Needed for Required Output ☐ Must Consider

Required Checklist

This checklist provides the minimum required outputs, intended to assist DOLA staff during the review process.

Required Outputs

- (I) Estimate existing housing stock in the region and in each local jurisdiction that forms the region;

	Region Total for Regional HNA) or Local total (for a Local HNA)	Total for each government's jurisdiction in the region
Total Housing Units		

- (III) Estimate the number of households in the region and each local government's jurisdiction that forms the region;

	Region Total for Regional HNA) or Local total (for a Local HNA)	Total for each government's jurisdiction in the region
Total households		

- (IV) Estimate the number of jobs in the region and each local government's jurisdiction that forms the region, sorted by annual salary and wage;

Job Sector (include at least the top ten sectors in the study area)	Number of jobs (show region total and total for each county in the region)	Average annual wage (show for each county in the region)	Number of jobs by city/town jurisdiction
A row for each: Agriculture, Forestry, Fishing, and Hunting; Mining; Construction; Manufacturing; Wholesale Trade; Retail Trade; Transportation and Warehousing; Utilities; Information; Finance and Insurance; Real Estate and Rental and Leasing; Professional, Scientific and Technical Services; Management of Companies and Enterprises; Administrative and Waste Services; Educational Services; Health Care and Social Assistance; Arts, Entertainment, and Recreation; Accommodation and Food Services; Other Services (Except Public Administration); Public Administration;			
Total			

Required Checklist

This checklist provides the bare minimum of legislative requirements. The intent is to help DOLA staff in the review process.

Required Outputs

- (II) Estimate housing needs in the region and each local government's jurisdiction that forms the region, sorted by income level and dwelling type, including accessible units, supportive units, for-sale units, and rental units;

Existing Housing Needs

AMI Category	Total Units Needed*	Owner Units Needed	Renter Units Needed
Extremely Low Income ($\leq 30\%$ AMI)			
Very Low Income (31-50% AMI)			
Low Income (51-80% AMI)			
Moderate Income (81-120% AMI)			
Middle Income (120% AMI to locally defined market rate)			
Upper Income (above "Middle Income," if needed)			
Total Catch-Up Units Needed			

10 yr Projected Housing Needs

AMI Category	Total Units Needed*	Owner Units Needed	Renter Units Needed
Extremely Low Income ($\leq 30\%$ AMI)			
Very Low Income (31-50% AMI)			
Low Income (51-80% AMI)			
Moderate Income (81-120% AMI)			
Middle Income (120% AMI to locally defined market rate)			
Upper Income (above "Middle Income," if needed)			
Total Keep-Up Units Needed (10 years)			

Estimated Current Supportive Housing Needs

	Supportive Units
Total Estimated Units Needed	

Accessible and Vailable Units

	Total Units
Total Estimated Units Needed	

Required Checklist

This checklist provides the bare minimum of legislative requirements. The intent is to help DOLA staff in the review process.

Required Outputs

- (V) Estimate an allocation of housing needs identified in subsection (1)(c)(II) of this section to each local government in the region or contributing to housing needs in the region based on the number of jobs and each local government's dependence on jobs in the region, among other factors, to promote a balance of jobs at all salary levels and homes affordable to persons in the region holding jobs at all income levels in the region;

Allocation of Existing and 10-Year Projected Housing Needs*	Regional Study			Regional: Repeat for each county and jurisdiction or job market area in the region, as applicable. Local: Show estimated needs for the local area.		
	<i>Total Regional study total refers to the estimated housing needs for the current regional study area, or for a Local HNA, the housing needs allocated to the jurisdiction in a prior Regional HNA covering the Local HNA area (see Section 24-32-3702(1)(d)(V)).</i>					
AMI Category	Existing Housing Needs	Projected Housing Needs	Total Units Needed	Existing Housing Needs	Projected Housing Needs	Total Units Needed
Rentals						
Extremely Low Income ($\leq 30\%$ AMI)						
Very Low Income (31-50% AMI)						
Low Income (51-80% AMI)						
Moderate Income (81-120% AMI)						
Middle Income (120% AMI to locally defined market rate)						
Upper Income (above "Middle Income," if needed)						
Total Rental Units Needed						
Ownership						
Extremely Low Income ($\leq 30\%$ AMI)						
Very Low Income (31-50% AMI)						
Low Income (51-80% AMI)						
Moderate Income (81-120% AMI)						
Middle Income (120% AMI to locally defined market rate)						
Upper Income (above "Middle Income," if needed)						
Total Ownership Units Needed						

- (VI) Identify areas at elevated risk of displacement in the region and each local government's jurisdiction that forms the region (no chart format).