

# “VESTED” NEIGHBORHOOD HOUSING

## SAFE, SOUND, AFFORDABLE LIVING FOR VETERANS IN BROOMFIELD (AND BEYOND)

*What if there were a way to end veteran homelessness in our community?*

*What if there were a way to introduce dozens of new low-cost housing units, near a transportation hub, within a two-year period?*

*What if those homes and their neighborhood were designed for safety, permanent affordability, growth and comfort, all without ongoing subsidy or assistance?*

*What if those who move into those homes had a reasonable, attainable opportunity to co-own their residence and the utilities and infrastructure that support them?*

### **The Need**

While traditional models of single-family rentals, multi-family apartment complexes and corporate mobile home/RV park management profit owners, they often do so by financially exploiting tenants and residents.

And while traditional models of land development and housing construction tailored for high-priced homes can be effectively adapted for individual “affordable housing” projects, the time frame and monetary investment needed to complete these projects will always fail to offset let alone catch up with our real-time shortage in Broomfield of 1,400 affordable units. The shortage of units is even higher in other North Metro Denver communities.

### **The Plan**

- Procure mobile home/RV structures,
- Store them in a safe workspace where they will be stripped to their chassis and rebuilt to green standards,
- Locate homes on land owned by local fraternal orders, in particular those with existing RV storage lots,
- Establish neighborhood infrastructure partnerships with local governments, utilities and area non-profits,
- Offer these truly affordable homes, as well as ownership shares in neighborhood utilities, to local veterans and their families via a rigorous application process, and,
- Partner with or establish a local, non-profit management agency to oversee the day-to-day maintenance and operations of this new truly affordable neighborhood.

### **The Means**

1. Reclaim living structures and building materials and utilize green, low-maintenance design.
2. Use sweat equity from community volunteers and prospective residents for tear-down and re-construction.
3. Use sweat investment in neighborhood administration and operations.
4. Install, connect and run efficient shared utilities to reduce the overall cost of neighborhood operations.
5. Establish partnerships between and cooperation among landowners, local government and prospective residents for reduced-fee infrastructure (water, sewer, electricity, etc.).
6. Achieve a fair-profit margin of 10-15%, some of which will be reinvested in neighborhood improvement.
7. Adapt neighborhood details based on location, population, type of base housing unit availability, etc.

### Standard Single-Family Housing Cost in Broomfield (\$200-400/sq ft)

- Labor = 60-65% (of overall costs)
- Materials = 20-25%
- Permitting/surveying = 8-10%
- Average rent = \$1,900/month
- Industry profits to developers and owners = \$3.5 billion/year
- Affordability varies
- Value typically appreciates

### Standard Mobile Housing Cost in Broomfield (\$65-150/sq ft)

- Labor = 50-60% (of overall costs)
- Materials (typically poor, bulk purchasing)= 10-15%
- Permitting/moving = 8-10%
- Average rent + lot fees = \$1,300/month
- Industry profits to owners = \$23 billion/year
- Affordability varies
- Value typically depreciates

### Vested Neighborhood Housing Cost in Broomfield (estimated @ \$25-35/sq ft)

- Labor = 0-5% (of overall costs b/c of community volunteer and resident sweat equity)
- Materials = 0-5% (recycled/reclaimed/donated structures and supplies)
- Permitting/utilities = 0-5% (permits and tap fees forgiven)
- Design = 0-5% (net-zero emissions, low-maintenance, energy-efficient)
- Above and remaining costs and fees grant-eligible
- Affordability permanent for all units
- Value marginally appreciates

### The “Welcome to the Neighborhood” Vested Housing Process

- Pre-Vetting --- Applicants qualify based on veteran status/family connection, income, willingness to contribute sweat equity (or, if disabled, find a volunteer substitute)
- Deposit --- Accepted applicants will reserve their spot by paying a small deposit from their own funds or by applying for and receiving a deposit grant.
- Sweat Equity --- Through their own work, or the work of a substitute, along with the work of community volunteers, an applicants home is obtained, stripped and re-constructed.
- Rent/Fees --- Average rent and lot fees targeted at 30% of household income.
- Maintenance/Repairs --- Shared neighborhood equipment and volunteers available to help residents complete routine maintenance or make necessary repairs.
- “Vesting” = Volunteer hours, overhead and profits to be shared among residents, property manager, landowner, local institutions, and local government, with a portion directed toward reinvestment.

If you know of a potential location for a “Vested Housing” neighborhood, or if you would otherwise like to join the “Vested Housing” effort in Broomfield, please contact Billy Bear Jarrett, [billybearjarrett@gmail.com](mailto:billybearjarrett@gmail.com) or Marrton Dormish, [marrton@everydaypics.com](mailto:marrton@everydaypics.com).