Yarmouth Way is a mixed-income residential development with 25 single-family units on 1.82 acres in Boulder, Colorado—a city with one of the highest housing costs per capita in the United States. Located at the southern end of the Holiday Neighborhood, the project was developed by 4655 Yarmouth, LLC, a partnership between Thistle Communities, a nonprofit developer, and Allison Management, a for-profit developer.

Yarmouth Way offers three- and four-bedroom family-oriented workforce units in a city where most permanently affordable units are only one- or two-bedroom units. Boulder's housing costs are among the highest in the nation, with a median home price of $353,000 (US median is $186,000; Denver median is $246,200). Lower-cost for-sale units are rare and in demand for teachers, municipal workers, and even professors and employees at University of Colorado.

Boulder’s Inclusionary Housing Ordinance requires 20 percent of all new developments over four homes be permanently affordable to families at 80 percent AMI. Yet, many of the affordable housing units built to comply with this requirement are small. Only six percent of the permanently affordable homes in the city are single-family. At Yarmouth Way, part of the strategic plan was to offer townhomes and homes with three bedrooms to accommodate working families.
Yarmouth Way was built on an infill site in a master-planned community where a commercial tenant had opted not to build on the space. Nonprofit affordable housing developer, Thistle Communities, saw an opportunity to convert the commercial site to a residential use and to create workforce housing in a mixed-income development. Thistle, a NeighborWorks America partner and operator of a community land trust, had unique sources of capital to accomplish its mission to build owner-occupied workforce housing without public subsidy.

Partnering with market developer Allison Management for project execution, Thistle was able to apply its NeighborWorks low-cost revolving predevelopment fund and debt from nonprofit lender Community Housing Capital/Mile High Community Loan Fund, a Community Development Financial Institution (CDFI). Four of the 10 workforce units at Yarmouth were funded when another site in Boulder met its affordable housing requirements through the city's "payment in lieu" program.

The 10 permanently affordable workforce units are targeted to buyers in the 69-109 percent of Area Median Income ($58,500-$92,300 for family of three). The long-term affordability of the units is managed by deed restriction via a recorded covenant. The units include seven three-bedroom row homes of 1,391-1,503 square feet; one four-bedroom duplex unit of 2,048 square feet; and two three-bedroom single-family detached homes of 1,500 square feet. The 15 market-rate units are a comparable array of housing types, but with detached homes that are 2,303-2,440 square feet. All 25 units—whether deed-restricted or not—were produced to sell at affordable price points for the Boulder market.

All of the units in the development comply with the Green Points Program, Boulder’s rigorous green building code. In addition, all units in this development exceed the 2006 IECC mandated energy efficiency standards by at least 30 percent.

Developing Yarmouth Way was not without challenges. The permitting cost in Boulder is very expensive: approximately $28,000 per unit, or almost 15 percent of the affordable sales price. The 10 Yarmouth Way workforce units cost on average $253,000 to build, but the average sales cost was $213,000—resulting in a net loss of nearly $400,000. However, using a roughly 2:3 ratio of affordable to market-rate units, the development team planned the project so that the market homes could cover the loss of building the affordable units.

“This is a small community with not a lot of land to develop. Although the most important piece, the developer is really just one piece of the puzzle – there is a tremendous amount of input and influence from the city and the neighbors. A lot of outreach in the community is essential. It takes a lot of work and dedication to get a workforce housing project through. But it is so needed in this community.”

Andy Allison
Partner, 4655 Yarmouth, LLC
Principal, Allison Management
As part of the project’s re-use of a small, unusually configured infill site, the City of Boulder Planning and Development staff worked with the development team to craft a creative solution to site challenges. Within very constrictive boundaries, site planning and architecture firm, Coburn Design, sited the majority of the homes along an internal woonerf, an arbored lane, where pedestrians and cyclists have priority over motorists. Without lengthening the review process, the resulting collaborative effort maximized the site plan’s density, reduced paved surfaces, and produced a design that promotes neighborly interaction.

Yarmouth Way demonstrates what can be accomplished when resourceful public/private partnerships cooperate to meet civic goals. This project offers a model of how to implement effective workforce housing solutions on a smaller scale with effectively leveraged financial resources. The project team successfully navigated a challenging development environment with high costs for permitting and many detailed building requirements, conducting targeted public outreach to gain community support. The result of these dedicated efforts is an outstanding project with 40 percent permanent affordable housing on-site.