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# Department of Housing Stability Prioritization Policy Bill 22-0970

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# What is HOST?



## Healthy, housed, and connected

The Department of Housing Stability (HOST) created by Executive Order in Fall, 2019 to bring housing and homelessness together



We invest resources, create policy, and partner to provide housing stability, resolve episodes of homelessness, and create housing opportunities

# What are HOST's 2022 Priorities?

Invest recovery funding to expand housing, stability programs, and in shelter and shelter alternatives

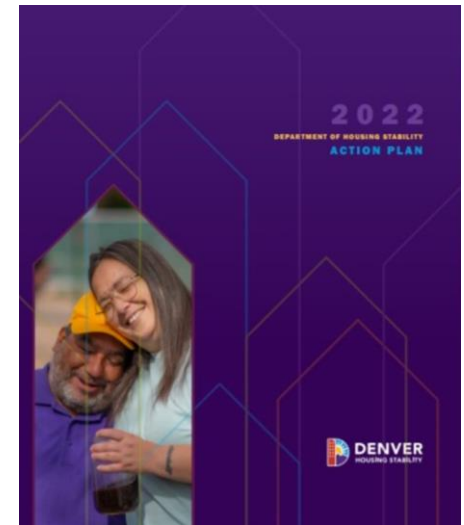
Create and preserve 1,400+ affordable homes

Serve 6,000+ households in stability programs

House at least 1,400 households experiencing homelessness

Expand efforts to address unsheltered homelessness

➔ Advance critical policies that increase affordable housing supply and address involuntary displacement



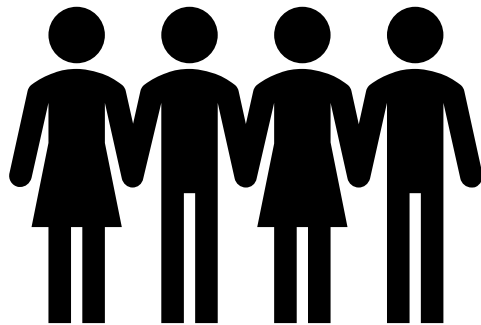
# Housing Cost Burden

Rents and mortgages are increasing dramatically, and incomes are not keeping up

115,000+ Denver households spend more than 1/3 of their income on housing costs



# Involuntary Displacement in Denver



Growth and gentrification  
→ involuntary displacement

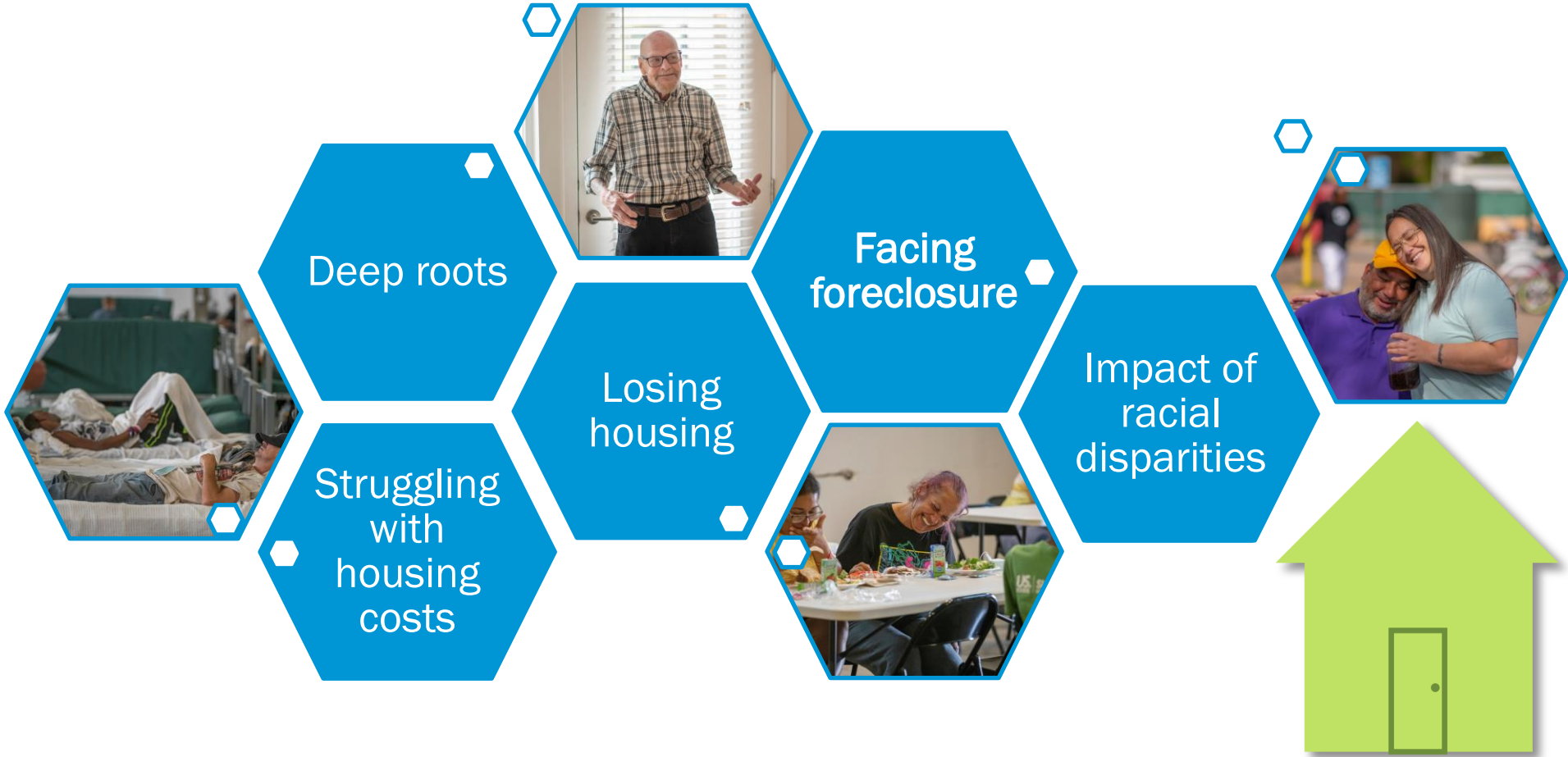
Involuntary displacement is when businesses or residents are forced out of their neighborhood of choice because of increasing property values



## What can we do about it?

A **Prioritization Policy** will provide households at risk of or who have been displaced from their neighborhood with **priority access** to newly developed or preserved income-restricted affordable housing.

# Who Will Benefit?



# How Will It Work?





# Approach to Codifying Policy Details

## Proposed Ordinance

- Definition of applicable projects
- Definition of displacement or vulnerability to displacement
- Definition of eligible households
- Percentage of units to be prioritized
- Requirement that prioritized units be proportionate to the overall project
- Length of the marketing period
- Required annual reporting metrics

## Rules & Regulations

- Scoring system
- Compliance and remedies in the event of non-compliance, including compliance for newly preserved units
- Eligibility application and dispute processes
- Further definitions (e.g., costly code repair supportive housing, direct family member, household)

# Affordable Rental Units (In Proposed Ordinance)

- New and newly preserved affordable housing units, including city-regulated affordable units
- Mandatory Housing: buildings 100+ units or in areas vulnerable to displacement
- Would apply to initial and subsequent lease-ups of vacant units

# Affordable Homeownership Units (In Proposed Ordinance)

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- Newly built homeownership units, including city-regulated affordable units
- Only when development is 10+ units
- Would apply at first sale, not subsequent sales

# Percentage of Units Prioritized (in proposed ordinance)

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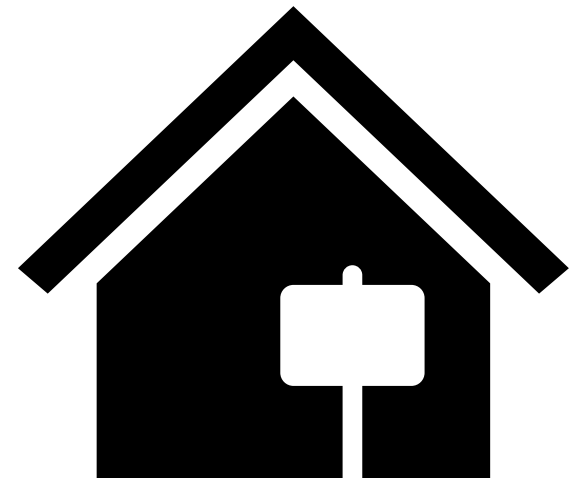
30% of affordable units in qualifying developments set aside for the prioritized applicants



# Policy Details

Marketing period for prioritized units (in proposed ordinance):

- The prioritization policy would apply for the first 14 days in which applications are taken
- Property managers/sales teams must review applicants who apply under the prioritization policy first to identify eligible applicant(s)
- After 14 days, if no prioritized applicants are eligible, units could be leased or sold to income-qualified residents without prioritization status.







## Policy Details

- Policy compliance for rental & homeownership units (planned for Rules & Regulations)

# Eligibility Requirements (in Proposed Ordinance)

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To be eligible for the program, applicants must have been displaced or at risk of displacement between 2000 and today and/or an applicant's family member was displaced from Denver between 1939-2000.

Applicants must also meet the AMI requirements for the income-restricted units.





## Displacement Qualification (in proposed ordinance)

### Causes of displacement/vulnerability:

- Rent or mortgage is more than 40 percent of household income
- Renter must move because property owner selling or has sold their rental unit
- Renter must move because property owner is moving into the rental unit
- No cause eviction
- Eviction for nonpayment of rent
- Foreclosure
- Costly code violations
- Eminent Domain
- Redlined Neighborhoods

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# Scoring Criteria

## (Planned for Rules & Regulations)

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1. The applicant is or was a Denver resident for 5-9 continuous years – 10 points.
2. The applicant is or was a Denver resident for 10-14 continuous years – additional 5 points.
3. The applicant is or was a Denver resident for 15+ continuous years – additional 5 points.
4. The applicant was displaced or at risk of displacement from a neighborhood where they have lived for at least 5 years where an affordable housing development is being built – additional 5 points.
5. The applicant has generational ties to a neighborhood where their parent, grandparent, or primary guardian was displaced – additional 5 points
6. The applicant is currently doubled up in housing or is experiencing homelessness – additional 3 points
7. The applicant or member of the household has a disability –additional 2 points.
8. The applicant has children in their household eligible to be in Denver Public Schools—additional 2 points.

# Scoring Examples



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# Timeline

Proposed City Council action on ordinance (current) and contract for data system (late 2022)

Build out website, system

Anticipated implementation

2022

2023

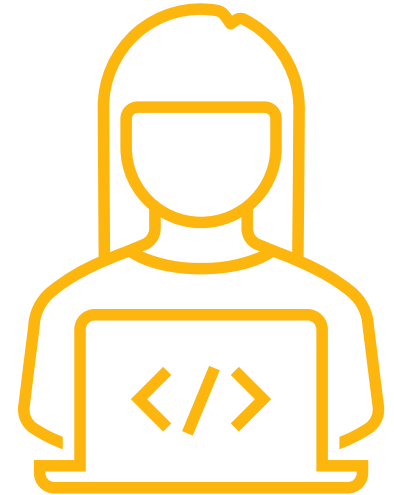
2024

# Community Engagement

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- Elevation Land Trust
- Habitat for Humanity
- Urban Land Conservancy
- NDC
- Blue Line
- Mercy Housing
- Gorman
- MGL Partners
- Denver Housing Authority
- GES Coalition
- Atlantis
- Anti-Displacement Policy Network
- HRCP Advisory Board Meeting
- Colorado Gerontological Society
- Enterprise Community Partners
- Urban Ventures
- Palisade Partners
- Westside Investment Partners
- East Colfax Community Collective
- The Fax Partnership
- Bucu West
- West Denver Renaissance Collaborative
- East West Partners
- The Denver Foundation
- Healthier Colorado
- COVID Eviction Defense Project
- Urban Ventures
- NOAAH

# Community Engagement





## Feedback Received

- Marketing Period for prioritized units
- Removing upper limit on eligibility requirements
- Inclusion of Denver Housing Authority in the policy
- Addition of eminent domain and redlined neighborhoods to factors for displacement
- Applies to all neighborhoods in Denver
- Additional points for individuals experiencing homelessness
- Include any member of a household with a disability
- Children eligible to be in DPS schools
- Additional points for generational displacement

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# Requested Council Action

- Vote to approve Bill 22-0970
  - Amends Chapter 27 of the Denver Revised Municipal Code to establish prioritization requirements for income-qualified households in certain income-restricted affordable housing.

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# Questions? Comments?