

CITY COUNCIL
City and County of Denver

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**Update to Denver City Council on City Policies & Initiatives
to Combat Displacement**

Disclaimer: This report was based on information tracked as Chair of the Denver City Council Housing and Homelessness Work Group (H&H), as Council Representative on the Housing Advisory Committee (HAC), and as a participant in Denver's All in Cities Anti-Displacement Policy Network (ADPN) Team. ADPN is a 10-city shared learning network hosted by Policy Link. Any questions about work being led by city agencies should be directed to the agency. Sources for the best practices shared below include the ADPN and my national work with Local Progress and the Housingsolutions.org Community of Practice.

Major Accomplishments/Almost Accomplished late 2017-2018:

- Source of income non-discrimination in housing passed August 2018, effective January 1, 2019 (residents with housing vouchers report displacement at a higher rate than other renters, and those with disabilities and renters of color are disproportionately impacted by source of income discrimination).
- In August 2018, City Council approved the doubling of the housing fund resulting in a record \$50 million investment for 2019. Denver's Office of Economic Development (OED) anticipates 765 new homes will be financed, with an additional 200 units estimated to be created through a partnership with Denver Housing Authority (DHA). In 2019, OED plans to preserve 125 units, promote access to 4,400 households and stabilize residents in 3,700 households. This investment will be across the income spectrum, including about 48% for residents exiting homelessness or earning less than 30% of Area Median Income (AM) (\$18,900 for 1 resident, \$24,300 for a family of 3).
- The length of affordability for new/preserved rental homes was extended to a 60-year minimum, while housing built on the \$50 million in land generated through the partnership with DHA will be affordable in perpetuity.
- Launched eviction defense pilot in June 2018 that has seen 323 cases (see below for additional details).
- Property tax rebate expanded to reach more vulnerable homeowners by increasing the income limit for senior and disabled owners and adding families with children for the first time (budget allocation passed November 2018, ordinance revision anticipated by early 2019).

- Targeted outreach and apprenticeship training goals will be established on major city construction jobs to create access to construction careers for Denver residents in vulnerable neighborhoods, or those exiting foster care or the justice system, receiving public assistance, experiencing homelessness, or veterans citywide.
- OED hired a Director of the Mayor's Neighborhood Equity and Stabilization Team (NEST) who will be focusing on preserving the culture and character of Denver's neighborhoods experiencing significant change by helping our longtime businesses and residents remain in place.

Comprehensive Summary of Denver's Efforts to Prevent Evictions:

We went from a single small, federally funded emergency rental assistance program in early 2017 to a set of four complementary strategies to help intervene and prevent evictions where we can. Where evictions cannot be avoided, these strategies can minimize the impacts on families. Because most of non-public housing evictions in Denver are due to non-payment of rent or fees/penalties, and landlords have no obligation to accept rent after a short notice period dictated by state law, a successful approach requires both a legal/negotiations approach to advise tenants and negotiate with landlords, as well as financial assistance to meet the shortfall.

- In 2017 Council catalyzed the first new intervention in the form of a Denver Human Services (DHS) Case worker who provides advice, referral and financial assistance from existing DHS sources. This position is now permanent and has served 347 residents so far in 2018.
- In late 2017 the Mayor added free mediation services to help landlords and tenants negotiate agreements that might avoid eviction filings.
- In November 2017 the Temporary Rental and Utility Assistance (TRUA) program launched, with local dollars from the permanent housing fund adopted in 2016. TRUA has helped over 800 households to date, including many who were facing eviction.
- In June 2018 an Eviction Defense Pilot launched to provide legal assistance to those earning less than 200% of poverty (\$41,560 for a family of 3). The program has served 323 people. Eighty-five cases have been closed so far, with 22 clients retaining housing and 32 clients avoiding a judgement or winning a path to have the judgement vacated upon the completion of agreed upon terms. (2019 funding pending).

Underway or Planned for 2019 (City-led work plans):

Some of the below items very concrete and could result in policy adoption or impacts in 2019, others are "intentions to explore" that are unlikely to be completed in 2019, but could see significant progress if adequately resourced.

- OED's decision on funding one or more Community Land Trusts (CLTs) is hopefully forthcoming soon. CLTs are a national best practice, with many cities starting their own CLTs (Austin, Salt Lake), donating land, or funding capacity building and acquisition for this long-term strategy.

- A study is pending to establish criteria for a potential resident preference policy to ensure access to new/preserved affordable housing for communities at risk of displacement, relying heavily on data from the Impediments to Fair Housing study required by Housing and Urban Development (HUD). (OED, Research Contractor, CW Kniech and Brooks)
- Exploration of a rental registry to track/communicate with long-term rental owners and to potentially create a mechanism for basic protections like requiring written leases or posting of basic rights. In many cities registries also include a physical inspection requirement, but that component is not required. (H&H Best Practice research, next steps by CW Gilmore and/or OED)
- A conversation about how Denver should approach affordable housing discussions and other equity conversations with large scale redevelopment projects. (CPD, OED, stakeholders)
- An investment impact study is planned that will take about 1 year, with the goal to create a typology and toolkit. Portland and Minneapolis are both testing more quantitative analysis tools to evaluate/score particular redevelopments for displacement risk that could be explored as models. (OED and Community Planning and Development (CPD))
- Ongoing research on renter protections based on best practices, local insights from eviction defense program, and closely monitoring evolving state law coming from 2019 session. (H&H Work Group)
- Administration is conducting deeper analysis of city-owned land to explore making more of it available for affordable housing, and continues to try to purchase new catalytic sites for affordable housing and/or community-serving businesses that can help fulfill the visions of neighborhoods (i.e. E. Colfax, Globeville). (Finance, OED and Real Estate)
- Explore lengthening term of affordability for affordable for-sale investments. (OED)
- Interest from Councilmembers in supporting wider use of Community Benefit Agreements (CBAs). Best practices would have this led by community coalitions and supported by city leaders to explore site-specific approaches to ensuring new development is inclusive within its boundaries and mitigates displacement around it. Limited community-based organizational capacity and scarce funding for resident engagement and organizing is a significant challenge to using the best-practice model in Denver.
- Denver has interest in developing strategies for acquisition/preservation of small to mid-size market affordable properties and it is on the 2019 work plan, but no specific plans are in place yet. (Austin and Minneapolis both have funds doing some of this)
- OED will launch or expanding several initiatives to support small/locally owned business retention including:
 - A partnership with Mile High United Way and North Denver Cornerstone Collaborative for direct support to businesses in GES
 - A smaller, potentially more favorable business lending tool that could help businesses sustain and evolve through change or help minority/women owned firms compete for work
 - On-going focus of existing business lending tools in neighborhoods vulnerable to displacement

Externally-Led Initiatives and Ideas:

- West Denver Renaissance Collaborative work on Accessory Dwelling Units (ADU) as strategy to support stability of owners and expand access to residential neighborhoods
- GES (Globeville, Elyria-Swansea) Coalition work on Community Land Trust
- GES Coalition interest in access to individual tax identification number (ITIN) mortgages for immigrants without Social Security Numbers
- In November 2018 Urban Land Conservancy (ULC), FirstBank, Colorado Health Foundation, The Denver Foundations, and CHFA partnered to launch a \$50 million Metro Denver Impact Facility (MDIF). This revolving loan capital will support ULC's real estate acquisitions to create and preserve the affordability of housing, nonprofit facilities, schools, and community servicing space across Metro Denver.

Best Practice Trends Elsewhere:

The major emerging focus in national and peer city conversations is on long-term public or community land ownership/control as the best way to influence change and incorporate public/community values in urban land use over time.

- Notice, right of first refusal of sale of building (affordable or market rate). Where tenant organizing is active, the right can be an important opportunity to negotiate for better results/more time etc., but the actual right to purchase is difficult to exercise without a funding stream.
- Relocation assistance for termination of leases without cause linked to permits under certain conditions. (An emerging best practice, Seattle led, requires legal research)
- Requiring tenant protections above/beyond state law as a contract term in any city funding agreement. (Austin and others)
- Maintaining ownership of land with long-term, 99-year land leases rather than selling land when it is being used for affordable development. (Denver doing in DHA pipeline, could explore more broadly for other land acquisition/sales in the future)
- Funding for resident engagement overall on displacement (rather than expecting unorganized residents to participate without any anchor institution support/training/capacity). Specific funding for deeper tenant organizing for building-specific responses to quality of life or displacement threats. (9 to 5 is doing this in Aurora, One is doing it in Westminster, little to no funding available from private foundations and no public funding from Denver for this type of capacity building or engagement). (ADPN intends to document best practices, but examples of cities funding community directly include Minneapolis, Austin. Denver used CDBG funds many years ago to fund some housing tenant organizing).