



## GENTRIFICATION STUDY

# Balancing revitalization, reducing displacement

### We face a challenge.

Denver's thriving economy, strong job growth, and desirability mean that for many people, this is a beautiful and enriching place to live and work. But there are still too many of Denver's lower-income residents who are not in a position to enjoy today's economic opportunities. As Denver continues to boom and prosper, its neighborhoods are changing, and for some residents, it is a change that can exclude them. Facing higher rents and housing costs, residents can be priced out of neighborhoods they have lived in, some for many years. And when their neighborhood customers go, locally owned businesses can lose out as well, forced to relocate or close. Some owners can sell their homes or businesses for a profit, but for others, the decision to leave is involuntary.

### Best ideas, best practices.

Considering that a complex mix of both market-driven forces and public investment can cause gentrification, the Denver Office of Economic Development (OED) has conducted a review of what strategies and tools can be employed to reduce displacement. Denver's issues are not entirely unique, so OED also looked at other cities around the U.S. as well to see how communities are balancing the benefits of thoughtful development in a way that helps protect the most vulnerable residents and promotes economic mobility for all. *OED's study highlights these ideas for Denver:*

**AFFORDABLE HOUSING.** Dramatic increases in housing prices, both rental and for-sale, has outpaced income growth in many households, making public investment critical to increase Denver's supply of affordable housing across a wide spectrum of income levels. Our progress to date is substantial but much more work remains to be done in the decades ahead.

**MIDDLE-SKILL JOBS.** Displacement is less likely if household income grows along with the neighborhood's rising values. Manufacturing, tech, and health care industries, among others, can offer stronger wages for workers having less than a four-year degree. Career-directed workforce training is key to helping people get the credentials they need to meet employers' needs. *(Continued inside)*

### A commitment to communities.

**This study is just the beginning.** Denver is mobilizing its best resources in planning, investment and economic development, including recruiting and growing good-paying jobs and improving our workforce development delivery systems. *But government can't solve this challenge alone.* Big and small employers, nonprofit organizations, schools, neighborhood groups, even individual households—everyone has a role to play in making sure that Denver is truly the **World-Class City Where Everyone Matters** that Mayor Hancock envisions.

*The involuntary displacement of residents is not simply an inevitable fact of the marketplace—it is a political, economic, and social/cultural trend that together, we can resist and take critical steps to reduce.*

**To view the full study, go to** [denvergov.org/oed](http://denvergov.org/oed) and click on "Reports and Studies," or click [here](#).

(Continued from front)

**SUPPORT SMALL BUSINESS.** Entrepreneurs create opportunity and can rapidly grow jobs, so nurturing aspiring and existing small business owners is a powerful economic tool for sustaining healthy, diverse urban neighborhoods. This toolbox includes tax credits, loans, private investment and technical assistance. Businesses thrive where their customers—and their employees—are nearby.

**FOCUS ON VULNERABLE NEIGHBORHOODS.** Detailed analyses of such neighborhood factors as

housing price trends, levels of education, and ratios of homeowners to renters are essential to predicting where displacement threatens in the near future. (See *map*.)

Armed with this knowledge, both public and private investment can drive future decisions to preserve and protect unique neighborhoods while fueling the development they need to build opportunity, income and jobs.

## Study findings and recommendations

OED's study offers the following specific recommendations, which together form a powerful platform for action.

### **Finding A. There is no single solution.**

Gentrification is most often the result of complex market forces, and there is no quick fix for a city to benefit from neighborhood revitalization while completely avoiding the involuntary displacement that gentrification can bring.

OED has a broad set of tools, ranging from affordable housing development to small business support to employment and training, that can help mitigate the negative impacts of gentrification and increase economic and community opportunity; however, a successful strategy to address involuntary displacement must include other city agencies as well as community partners.

**Collaborate** across agencies on strategies to mitigate displacement.

**Address** the potential for involuntary displacement in all neighborhood plans.

### **Finding B. Investment in affordable housing continues to be a critical need.**

**Create** a robust permanent funding source for affordable housing.

**Preserve** existing affordable housing.

**Bank** land in neighborhoods at risk of involuntary displacement.

**Explore** both fiscal policy and assistance grants to protect existing homeowners.

**Apply** the study's neighborhood typology to evaluate future public investments.

### **Finding C. Access to broader economic opportunity needs to be considered within every public investment.**

**Provide** technical support to neighborhood businesses to anticipate and accommodate changes in their customer base.

**Tie** business incentives to targeted community engagement, including corporate philanthropy, that directly benefits low-income residents.

**Expand** awareness and exposure to career-path options, and ensure that training for middle-income jobs is available to neighborhood residents.

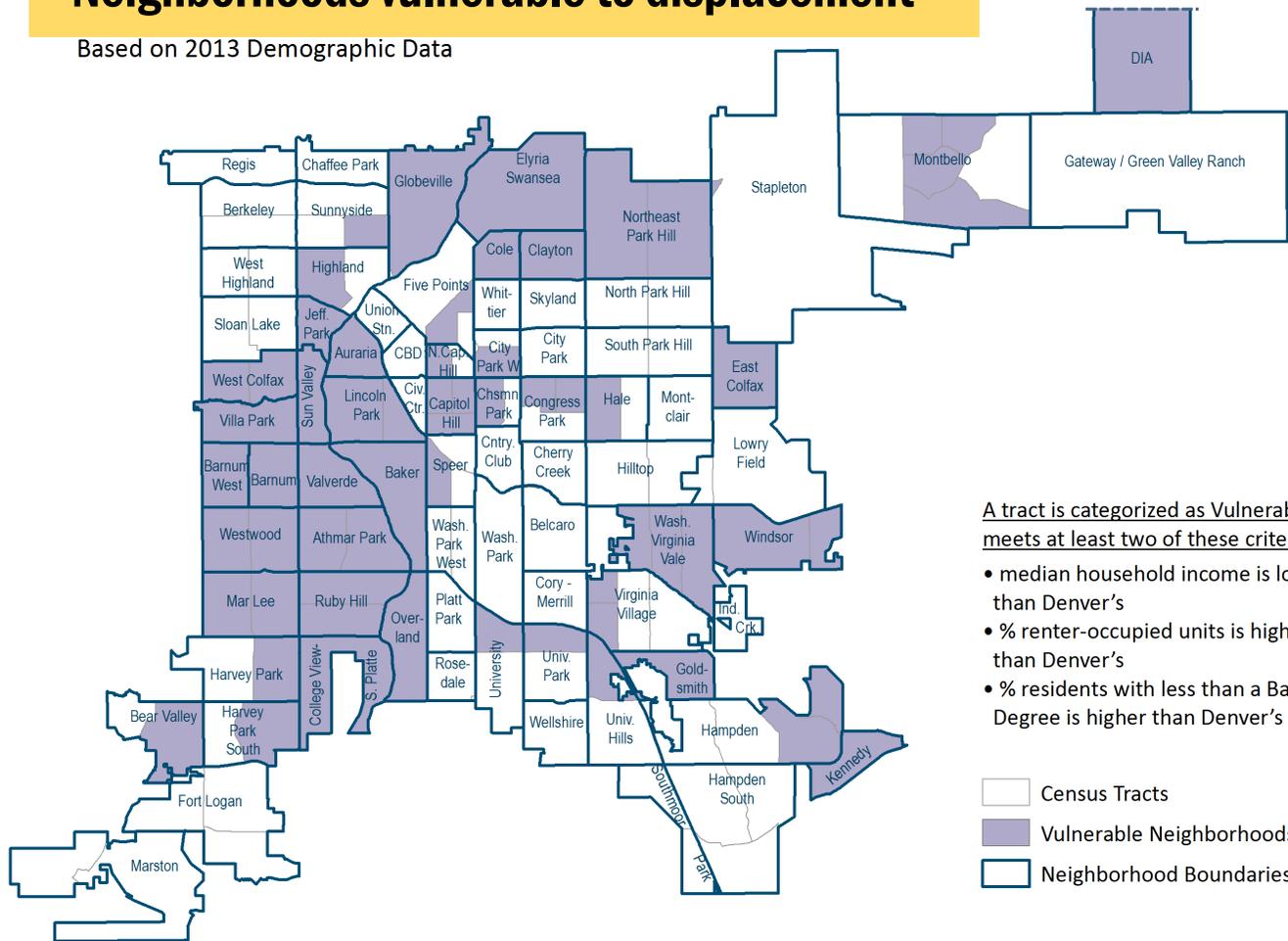
**Support** entrepreneurship in gentrifying neighborhoods, with special focus to empower minority-owned and disadvantaged firms.

**Preserve** industrial space for targeted uses with the potential to create middle-skill jobs.



# Neighborhoods vulnerable to displacement

Based on 2013 Demographic Data



A tract is categorized as Vulnerable if it meets at least two of these criteria:

- median household income is lower than Denver's
- % renter-occupied units is higher than Denver's
- % residents with less than a Bachelor's Degree is higher than Denver's

Census Tracts  
 Vulnerable Neighborhoods  
 Neighborhood Boundaries

From OED's 2016 study, "Gentrification: Mitigating Involuntary Displacement."  
 Full report available online at [denvergov.org/oed](http://denvergov.org/oed)—click on "Reports & Studies" or click [here](#).

## Help for Renters

**2-1-1** A collaborative of eight organizations, hosting six call centers across the state to provide food, shelter and rent assistance to those who qualify. Simply dial 211.

Colorado Homeless Families focuses on transitional housing and provides a road to self-sufficiency. 303-420-6634.

Colorado Homeless Prevention Activities provides emergency rental assistance to low-income and/or struggling households who are at risk of facing eviction or who are at risk of losing their homes without community or government assistance. 303-866-4921.

Colorado Housing Assistance Corporation helps make housing and successful home ownership affordable to low-income people. 303-572-9445.

**Denver Housing Authority** provides decent and safe rental housing, including subsidized housing and affordable units. 720-932-3000.

**Mercy Housing** seeks to create stable, vibrant and healthy communities by developing, financing and operating affordable, program-enriched housing. 303-830-3300.

**Salvation Army** provides short-term rental assistance and financial assistance for security deposits, and connects people to emergency lodging and shelter. 303-295-3366.

**Senior Housing Options** provides and promotes quality affordable housing and services in a caring environment for older adults. 303-595-4464.

**Supportive Housing Programs (SHP) Rental Assistance** provides an effective and efficient approach to offering funds for paying rent, providing low-income housing and supportive services. 303-864-7852.

**Urban Peak** serves youth experiencing homelessness. 303-974-2900.

*These referrals are from the Colorado Apartment Association's Housing Financial Assistance Guide. View the complete guide at [denvergov.org/housing](http://denvergov.org/housing), click on "Help for Renters."*