City & County of Denver

Community Development Block Grant (CDBG)
Home Investment Partnerships Program (HOME)
Housing Opportunities for Persons with AIDS (HOPWA)
Hearth Emergency Solutions Grant (HESG)
Michael B. Hancock
Mayor of Denver

City Council

| District 1 | Amanda Sandoval |
| District 2 | Kevin Flynn |
| District 3 | Jamie Torres |
| District 4 | Kendra Black |
| District 5 | Amanda Sawyer |
| District 6 | Paul Kashmann |
| District 7 | Jolon Clark |
| District 8 | Christopher Herndon |
| District 9 | Candi CdeBaca |
| District 10 | Chris Hines |
| District 11 | Stacie Gilmore |
| At-Large | Robin Kniech |
| At-Large | Deborah Ortega |

Denver Economic Development & Opportunity

| Eric Hiraga, Executive Director |

Department of Housing Stability

| Britta Fisher, Executive Director |

Key Participants

| Jen Morris, Chief of Staff, DEDO |
| Matthew Karnes, Chief Operating Officer, DEDO |
| Deborah Cameron, Chief Business Officer, DEDO |
| Kat Jarvis, Acting Neighborhood Equity and Stabilization Team Director, DEDO |
| Turid Nagel-Casebolt, Director of Business Development, DEDO |
| Sylvia Smith, Assistant Director of Neighborhoods, DEDO |
| Doug Selbee, Director of Special Projects, DEDO |
| Laura Brudzynski, Deputy Director, HOST |
| Debra Busto, Deputy Director, HOST |
| Angie Nelson, Deputy Director, HOST |
| Bernard Brady, ESG Program Officer, HOST |
| Rachel King, Director Administration & Federal Compliance |
| Mariana Diaz, HUD Grants Administrator |
| Stella Madrid, Denver Housing Authority |
Respectfully submitted to the Citizens of Denver, CO and to the:
U.S. Department of Housing and Urban Development
   Denver Field Office, Region VIII
   Office of Community Planning and Development
   1670 Broadway
   Denver, CO 80202

Submitted by:
City and County of Denver
Denver Economic Development & Opportunity
   101 West Colfax Ave
   Denver, CO 80202

Prepared by:
Rachel King
Director of Administration & Federal Compliance
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**Additional Appendices**

Citizen Participation

- *Citizen Participation Plan* ........................................................................................................ Appendix A
- *Citizen Participation Q&A and Comments* .................................................................................... Appendix B

Standards for CoC-and ESG-Funded Rapid Re-Housing Programs ........................................... Appendix C

- *Propel Denver* ............................................................................................................................. Appendix D
- *Housing an Inclusive Denver* ......................................................................................................... Appendix E
Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

This section provides a brief summary of the topics covered in the City and County of Denver 2021 Annual Action Plan.

Please note: Community needs have greatly shifted to those related to the COVID-19 pandemic. While the goals identified in Denver’s 2019-2023 Consolidated Plan are still applicable, the activities carried out under each will be adjusted as necessary through the proposed activities under this Action Plan, to ensure Denver is continuing to prioritize funding towards a coordinated COVID-19 response to support residents, neighborhoods, and businesses in need.

Denver expects to receive the following entitlement grants during the program period of 2021:

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Emergency Solutions Grant (ESG)

The 2021 Annual Action plan reports on the status of needs and outcomes the City expects to achieve in the coming year. All the activities mentioned in this Action Plan are based on current priorities and quantified by level of need. By addressing these priorities, the City hopes to meet local objectives stated in the 2019-2023 HUD Consolidated Plan. All the proposed projects and activities are intended to principally benefit residents of Denver who have extremely low, low and moderate-incomes, and populations that have special needs, such as elderly, disabled and HIV/AIDS families and individuals.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City has identified the following goals for the planning period:

- Create and preserve housing affordability, accessibility, and quality
- Support business and workforce development
- Foster equitable access to city and neighborhood amenities and services
- Assist people who are homeless and at-risk of homelessness
- Assist populations with special needs Consolidated Plan
- Assist persons living with HIV/AIDS
- Affirmatively further fair housing choice

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

In response to COVID-19, the City and County of Denver, along with its many community partners, was forced to greatly adjust its goals and projects originally identified for the 2020 program year. The resulting amended 2020 Action Plan more accurately reflected the response required to respond to and recover from COVID-19 in the community. Denver received several additional grants under the CARES Act in 2020, and is still providing services with those funds. However many of Denver’s partners were also able to quickly pivot into a virtual or distanced setting to continue providing critical services like employment training, housing counseling, small business assistance, and homelessness response. Additionally, Denver continued to invest in neighborhood and housing projects and small business development to help foster recovery efforts moving forward. The 2021 program year will focus on the continuation of these relief and recovery efforts for the community as initiated in 2020.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Denver released this draft 2021 Action Plan for public comment on April 4, 2021 on its website at Denvergov.org/economicdevelopment and Denvergov.org/housing. A 30-day public comment period is open until May 5, 2021. Additionally, in alignment with guidance issued by HUD on January 25, 2021 relative to public safety measures, a virtual public meeting will be held on April 14, 2021 to review the draft Action Plan and answer questions. Details for the public meeting are available on Denvergov.org/economicdevelopment.

Questions and comments on the draft Action Plan can also be submitted in writing to Mariana.Diaz@denvergov.org. A list of questions and comments received, and any answers as
applicable, will be included as an appendix in the final Action Plan draft submitted to HUD for review. Once approved by HUD, the final Action Plan will be posted on the above-mentioned websites.

Information about the availability of the draft Action Plan and the public comment period was advertised via a public notification listed in the Denver Post on March 22, 2021. Additionally, this information was issued as a press release on March 30, 2021 and distributed to community partners via email and social media.

5. **Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Will provide after public comment period.

6. **Summary of comments or views not accepted and the reasons for not accepting them**

Will provide after public comment period.

7. **Summary**

n/a
PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

<table>
<thead>
<tr>
<th>Agency Role</th>
<th>Name</th>
<th>Department/Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Agency</td>
<td>DENVER</td>
<td></td>
</tr>
<tr>
<td>CDBG Administrator</td>
<td>DENVER</td>
<td>Denver Economic Development &amp; Opportunity</td>
</tr>
<tr>
<td>HOPWA Administrator</td>
<td>DENVER</td>
<td>Department of Housing Stability</td>
</tr>
<tr>
<td>HOME Administrator</td>
<td>DENVER</td>
<td>Department of Housing Stability</td>
</tr>
<tr>
<td>ESG Administrator</td>
<td>DENVER</td>
<td>Department of Housing Stability</td>
</tr>
<tr>
<td>HOPWA-C Administrator</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan Public Contact Information

Rachel King

Director of Administration & Federal Compliance

Denver Economic Development & Opportunity

City & County of Denver

101 W. Colfax Ave.
1. Introduction

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

In 2020, the City created a new advisory body to provide input on strategic priorities and investment of resources along housing continuum. The new body, the Housing Stability Strategic Advisors, is made of 11 members that represent a range of perspectives that include professional and lived expertise in housing and homelessness. A primary focus of the body in 2021 is to create a new strategic plan that aligns with HOST work across the housing continuum. The plan will build upon previous city plans on housing and homelessness, including Housing an Inclusive Denver and the Three-Year Shelter Strategy. These plans continue to guide work until the new strategic plan is updated.

Housing an Inclusive Denver plan is located at: https://www.denvergov.org/content/dam/denvergov/Portals/690/Housing/HousingInclusiveDenver_FINAL_020918.pdf.

The Three-Year Shelter Strategy is located at: https://www.denvergov.org/content/dam/denvergov/Portals/housing-resources/documents/drh-three-year-shelter-strategy_web.pdf

Further, the priorities of these plans align with Denver’s latest HUD Consolidated Plan for 2019-2023, located here: https://www.denvergov.org/content/dam/denvergov/Portals/690/Housing/Denver%202019-2023%20Con%20Plan_HUD%20FINAL.pdf

The Department of Housing Stability (HOST) is engaging a wide variety of stakeholders to provide input on this new strategic plan, as city leaders did in developing historic plans. Stakeholders include developers, service providers, other program partners, policymakers, those who are in need of or utilize current services, and general members of the public. In 2017 the City entered into an intergovernmental agreement with the Housing Authority of the City and County of Denver, City of Aurora, Aurora Housing Authority, and the Boulder/Broomfield HOME Consortium, which includes the City of Longmont, Boulder County, the City and County of Broomfield, Boulder Housing Partners, City of Boulder, Boulder County Housing Authority and Longmont Housing Authority, to submit an Assessment of Fair Housing (AFH) for 2019-2023. As the submission of the AFH was originally due by April 6, 2018, the City initiated public meetings and other outreach efforts in late 2017 to hear from citizens about issues affecting their community and identify areas of concern regarding fair housing and housing
barriers. HUD published a notice on January 5, 2018, announcing that the AFH requirement was postponed until October 2020. Therefore, the statutory requirement defaults back to the previous Analysis of Impediments (AI). Denver utilized the analysis conducted under the AFH to update its AI as part of the planning process in the 2019-2023 Consolidated Plan.

The City also committed to be a co-applicant and Neighborhood lead agency for the Denver Housing Authority Choice Neighborhood grant, the Sun Valley Transformation Plan. DHA was awarded $30 million dollars under Choice Neighborhoods, and 2018 was the beginning of the five-year grant process. The SVTP has a goal of transforming Sun Valley with a focus on housing, neighborhood access, business/employment opportunity, and for the people living in the existing public housing as well as those within the greater neighborhood.

The Denver Affordable Housing Bond Program--also known as DHA Delivers for Denver (D3) Bond Initiative -- is a collaboration between the City of Denver and DHA to increase affordable housing and enhance the provision of supportive housing. Under an Intergovernmental Agreement (IGA) Denver will annually appropriate property tax revenue from the Affordable Housing Fund (AFH), approximately $7.5 million per year, for the next 20 years to increase affordable and supportive housing (SH) options. The D3 Bond Initiative enables DHA to accelerate production or renovation of public housing units through redevelopment. The accelerated development of 1,294 affordable units by DHA in multiple catalytic redevelopments including Sun Valley, Westridge Homes, and multiple scattered site developments. Additionally, the D3 Bond Initiative will also facilitate the acquisition of land and property to produce approximately 1,200 additional supportive housing and deeply affordable units over the next 10 years.

Under Denver’s economic development program, Denver works closely with private organizations and borrowers to better understand the lenders’ priorities and guidelines, and the potential borrowers’ feedback from seeking private financing. The private financing partners range from local community banks to national multi-market banks, from early stage Angel funders to venture capital investors. Additionally, Denver annually updates and publishes a Denver Capital Matrix, which serves as a resource for emerging and small businesses seeking to grow and expand. This capital matrix was developed based on feedback from businesses seeking capital and our regular conversations with lenders and investors focused on Denver.

Denver has several quasi-public and non-profit RLF and community lending programs, and each has a focused lending approach. Specifically related to small business lending, the organizations include Rocky Mountain Micro Finance, DreamSpring, Colorado Enterprise Fund, Colorado Lending Source, Colorado Housing and Financing Authority, Community Enterprise Development Services, Preferred Lending Partners, and the CGR Community Impact Fund. Denver has a strong relationship with each, through providing lending capital, funding administrative costs, partnering on business projects, referring potential customers, and serving in decision influencing roles.

Denver actively seeks input from and partners with a number of public and private lenders. These partnerships are incorporated in the foundations of our community economic development strategies. At the same, Denver leadership and staff meet regularly with the leadership of our local private and

Annual Action Plan 2021
non-profit partners. Beyond the formation of strategies and programs, Denver and its partners work together directly toward shared outcomes to grow the local economy and job creation through our collaborative work in lending to businesses.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

The City and County of Denver is an active partner with Metro Denver Homeless Initiative (MDHI) /CoC; participates in stakeholder meetings and committees; works with homeless service providers to assess the ongoing needs of the homeless population; responds with new or expanded services to meet the growing need of individuals and families experiencing homelessness; provides outreach to people experiencing homelessness; partners with other City organizations to work on a singular mission of reducing homelessness and create programs to meet the diverse needs of our homeless population. Denver staff works closely with MDHI to coordinate and deliver Rapid Re-Housing (RRH) programs within the CoC region, and have assisted MDHI in the development of written standards for these ESG-funded RRH programs. Further, for supportive housing resources, Denver requires that at least 50% of supportive housing units be sourced from MDHI’s coordinated entry system, OneHome.

In addition to ESG-funded programs such as Rapid Re-Housing, Prevention, Shelter Operations, and Homeless Outreach programs, the City is using additional resources to fund similar complementary programs. Volunteers of America will serve single adults, Salvation Army will serve families as well as singles and Jewish Family Service will serve all homeless populations that come through the coordinated entry system.

Denver is also supporting a transitional housing program for homeless youth in partnership with Urban Peak and supportive housing of veterans at the 4th Quarter in partnership with Denver Housing Authority and VA.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

Denver is a key stakeholder with our regional Continuum of Care, Metro Denver Homeless Initiative (MDHI), and consults with MDHI to prioritize ESG objectives. Current priorities are Rapid Re-Housing, Homeless Prevention, Essential Services/Operations, Street Outreach, and Administration. These priorities are evaluated annually and taken in consideration for standardized performance measures and outcomes. Denver, MDHI /CoC and homeless service providers are participating in OneHome, a coordinated entry and housing placement program that enables the Denver community to access and identify the housing and support needs of persons experiencing homelessness. OneHome helps target
mobile outreach and housing navigation for people with the greatest needs. Through use of the Vulnerability Index – Service Prioritization Decision Assistance Tool (VI-SPDAT), OneHome matches the right level of service and housing intervention as quickly and efficiently as possible, while being respectful of client choice and local providers.

Further, Denver staff have assisted MDHI in the development of written standards for ESG-funded RRH programs in the CoC area. The goal of the written standards is to merge key elements of the HUD regulations with the processes and priorities of MDHI and guarantee that RRH funding is administered consistently, transparently, and as effectively as possible. These standards were adopted by the MDHI Board of Directors in 2018 and apply to all CoC and ESG-funded Rapid Re-Housing programs in the Metro Denver CoC. The standards are located online at:

https://d3n8a8pro7vhmx.cloudfront.net/mdhi/pages/234/attachments/original/1533321359/RRH_Standards_Denver_FINAL.pdf?1533321359.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

To be completed after public participation process.
Table 2 – Agencies, groups, organizations who participated

<table>
<thead>
<tr>
<th>1</th>
<th>Agency/Group/Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Agency/Group/Organization Type</td>
</tr>
<tr>
<td>3</td>
<td>What section of the Plan was addressed by Consultation?</td>
</tr>
<tr>
<td>4</td>
<td>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</td>
</tr>
</tbody>
</table>

Table will be updated after public comment period.

Identify any Agency Types not consulted and provide rationale for not consulting

The City and County of Denver contacted a variety of agency types and partnering organizations in preparing the 2019-2023 Consolidated Plan and 2021 Annual Action Plan. No agencies were intentionally excluded from consultation.

Other local/regional/state/federal planning efforts considered when preparing the Plan

<table>
<thead>
<tr>
<th>Name of Plan</th>
<th>Lead Organization</th>
<th>How do the goals of your Strategic Plan overlap with the goals of each plan?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continuum of Care</td>
<td>City and County of Denver</td>
<td>Help to inform current conditions of persons experiencing homelessness and guide Strategic Plan.</td>
</tr>
<tr>
<td>Regional Analysis of Impediments to Fair Housing Choice</td>
<td>City and County of Denver</td>
<td>Strategic Plan goals include affirmatively furthering fair housing and reference the goals matrix of the Regional AI.</td>
</tr>
</tbody>
</table>

Annual Action Plan
2021
<table>
<thead>
<tr>
<th>Name of Plan</th>
<th>Lead Organization</th>
<th>How do the goals of your Strategic Plan overlap with the goals of each plan?</th>
</tr>
</thead>
<tbody>
<tr>
<td>City and County of Denver 2019-2023 HUD Consolidated Plan</td>
<td>City and County of Denver</td>
<td>Strategic Plan goals build on the previous Consolidated Plan goals but adapt and refine them to the current needs of the community.</td>
</tr>
<tr>
<td>Denveright - Comprehensive Plan 2040</td>
<td>City and County of Denver</td>
<td>Long term planning goals in Denveright were considered and incorporated into Strategic Plan goal setting.</td>
</tr>
<tr>
<td>Neighborhood Planning Initiative Strategic Plan</td>
<td>City and County of Denver</td>
<td>Long term planning goals in the Neighborhood Planning Initiative Strategic Plan were considered and incorporated into Strategic Plan goal setting.</td>
</tr>
<tr>
<td>Blueprint Denver</td>
<td>City and County of Denver</td>
<td>Long term planning goals in Blueprint Denver were considered and incorporated into Strategic Plan goal setting.</td>
</tr>
<tr>
<td>Housing an Inclusive Denver - AAP 2021</td>
<td>City and County of Denver</td>
<td>Goals from Housing an Inclusive Denver are incorporated in the housing-related goals of the Strategic Plan.</td>
</tr>
<tr>
<td>Propel Denver (DEDO Strategic Plan) 2019</td>
<td>City and County of Denver</td>
<td>Propel Denver Goals for Housing, Business Development, and Neighborhoods are included in the Strategic Plan goals.</td>
</tr>
<tr>
<td>City and County of Denver Climate Action and Adapt</td>
<td>City and County of Denver</td>
<td>Goals consider Denver’s natural hazard risk and resiliency efforts</td>
</tr>
<tr>
<td>Report: Positioning Denver for Shared and Inclusive Economy</td>
<td>City and County of Denver</td>
<td>Goals focus on strategic initiatives for inclusive prosperity in Denver</td>
</tr>
</tbody>
</table>

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)
1. **Summary of citizen participation process/Efforts made to broaden citizen participation**

Summarize citizen participation process and how it impacted goal-setting

This draft Action Plan is currently published for a 30-day comment and questions period from April 4, 2021 through May 5, 2021. Public notice and announcement of the draft and comment periods was made via newspaper advertisement on March 22, 2021 and subsequent press release on March 30, 2021. The announcement was also distributed to community partners via email and social media.

A virtual public meeting to review this draft plan and elicit public feedback is scheduled for April 14, 2021. This virtual public meeting, as opposed to in-person meetings, follows public safety guidance issued by HUD on January 25, 2021. Details for the public meeting are available on Denvergov.org/economicdevelopment and were distributed on March 30, 2021.

Citizen participation efforts include multiple efforts to reach minority populations, non-English speaking populations, target neighborhoods, and the broader community. Prior to the public participation process for this draft Action Plan, in January 2021 Denver conducted an annual virtual public meeting to review 2020 activities and outcomes, answer questions about HUD programs, and review upcoming HUD planning activities in 2021. Alongside this public meeting, Denver also conducted a community pulse survey to elicit feedback on priority needs for support services, investment projects, and business support. These survey responses informed the preparation of this draft 2021 Action Plan.

Further, Denver regularly consults with other city partners, community stakeholders, local businesses, and residents to inform and shape investment decisions. Such consultations typically include: technical assistance meetings with annual service contract providers; participation in the Anti-displacement Policy Network, comprised of city council members, community partners, and developers working on housing strategies; and participation in meetings comprised of consultants and community partners.
### Citizen Participation Outreach

<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Mode of Outreach</th>
<th>Target of Outreach</th>
<th>Summary of response/attendance</th>
<th>Summary of comments received</th>
<th>Summary of comments not accepted and reasons</th>
<th>URL (If applicable)</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Newspaper Ad</td>
<td>Non-targeted/broad community</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
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<tr>
<td>2</td>
<td>Public Meeting</td>
<td>Minorities</td>
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<td>TBD</td>
<td>TBD</td>
<td>Denvergov.org/economicdevelopment</td>
</tr>
<tr>
<td>Sort Order</td>
<td>Mode of Outreach</td>
<td>Target of Outreach</td>
<td>Summary of response/attendance</td>
<td>Summary of comments received</td>
<td>Summary of comments not accepted and reasons</td>
<td>URL (If applicable)</td>
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</tr>
<tr>
<td>3</td>
<td>Internet Outreach</td>
<td>Non-targeted/broad community</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>Denvergov.org/economicdevelopment</td>
</tr>
<tr>
<td>4</td>
<td>Press release</td>
<td>Non-targeted/broad community</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
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<td>Sort Order</td>
<td>Mode of Outreach</td>
<td>Target of Outreach</td>
<td>Summary of response/attendance</td>
<td>Summary of comments received</td>
<td>Summary of comments not accepted and reasons</td>
<td>URL (If applicable)</td>
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<td>---------------------------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>5</td>
<td>Email distribution, flyers</td>
<td>Minorities&lt;br&gt;Non-English Speaking - Specify other language: Spanish&lt;br&gt;Persons with disabilities&lt;br&gt;Non-targeted/broad community&lt;br&gt;Residents of Public and Assisted Housing&lt;br&gt;Target Neighborhoods</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Sort Order</td>
<td>Mode of Outreach</td>
<td>Target of Outreach</td>
<td>Summary of response/attendance</td>
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</tr>
<tr>
<td>6</td>
<td>Public Meeting</td>
<td>Non-targeted/broad community Residents of Public and Assisted Housing community partners</td>
<td>Community stakeholders, residents, city partners (January 27)</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
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</tbody>
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Table 4 – Citizen Participation Outreach
# Expected Resources

## AP-15 Expected Resources – 91.220(c)(1,2)

### Introduction

## Anticipated Resources

<table>
<thead>
<tr>
<th>Program</th>
<th>Source of Funds</th>
<th>Uses of Funds</th>
<th>Expected Amount Available Year 1</th>
<th>Expected Amount Available Remainder of ConPlan</th>
<th>Narrative Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
<td>Prior Year Resources: $</td>
</tr>
<tr>
<td>CDBG</td>
<td>public - federal</td>
<td>Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services</td>
<td>6,642,370</td>
<td>1,570,876</td>
<td>2,680,915</td>
</tr>
<tr>
<td>Program</td>
<td>Source of Funds</td>
<td>Uses of Funds</td>
<td>Expected Amount Available Year 1</td>
<td>Narrative Description</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Annual Allocation: $</td>
<td>Program Income: $</td>
<td>Prior Year Resources: $</td>
</tr>
<tr>
<td>HOME</td>
<td>public - federal</td>
<td>Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA</td>
<td>2,985,485</td>
<td>660,000</td>
<td>0</td>
</tr>
<tr>
<td>HOPWA</td>
<td>public - federal</td>
<td>Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA</td>
<td>2,882,065</td>
<td>0</td>
<td>473,847</td>
</tr>
<tr>
<td>Program</td>
<td>Source of Funds</td>
<td>Uses of Funds</td>
<td>Expected Amount Available Year 1</td>
<td>Narrative Description</td>
<td></td>
</tr>
<tr>
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</tr>
<tr>
<td>ESG</td>
<td>public - federal</td>
<td>Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing</td>
<td>Expected Amount Available Year 1: $581,685; Program Income: $0; Prior Year Resources: $0; Total: $0</td>
<td>$1,163,370</td>
<td></td>
</tr>
</tbody>
</table>

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

These funds (specifically CDBG and HOME) will be leveraged by funds from several sources, including local government, philanthropy, private investments, and other programs. Historically, Denver has been able to leverage HUD-funds at a rate of 10:1 (minimum) within housing development and preservation projects and 4:1 for non-profit/neighborhood projects and business loans. These funds come to the developments and programs in several ways, through grants, low interest loans, and other investments/program support.

Additional resources include:

- Local funds dedicated to Denver’s COVID-19 response, such as small business assistance, housing assistance, and food assistance programs.
- Local funds derived from property taxes, ($7.5 million), Affordable Housing Linkage Fees ($1.5 million), General Fund/Denver Human Service Fund transfer ($13.8 million), and Recreational Marijuana Sales Tax ($8 million).
• Intergovernmental Agreement Bonds supporting “DHA Delivers for Denver” (D3) Program for affordable housing investment ($129.8 million).
• Small business assistance funds, i.e. $250,000 for the BIO (Business Impact Opportunity) Fund and $400,000 for the Denver Micro-loan Program.
• Skyline urban renewal funds which have established a revolving loan fund focused on community redevelopment.
• Private Activity Bonds received from the State of Colorado.
• Other federal funds, including: Low Income Housing Tax Credits (LIHTC), New Market Tax Credits (NMTC), Community Services Block Grant funds (CSBG), Federal Emergency Management Agency (FEMA) funds; Community Foods and Nutrition Program (CFN); McKinney-Vento Homeless Assistance funds and Shelter Plus Care; Temporary Assistance for Needy Families (TANF). These also include federal funds obtained by Denver in response to the COVID-19 pandemic, such as the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funds.
• Private resources will largely be generated through private public partnerships and foundations.
• The use of HOME and ESG funds carry match requirements from non-federal sources. The required match contribution for HOME is 25%, however the HUD memorandum dated April 10, 2020 for HOME Program Requirements allows Denver to reduce the match requirement to 0% for fiscal years 2020 and 2021 if so requested. ESG will be matched 100%. To secure the match for both HOME and ESG grants as required, the city will utilize a local appropriation for affordable housing, nonprofits’ ability to secure funding from private foundations, fees earned from bond financing and the value, minus all encumbrances, of land or other real property not acquired from federal resources, and other allowable contributions.

In response to the COVID-19 pandemic, Denver expects to receive additional federal funds in the form of increased FEMA funds, other CARES Act allocations, and other future allocations as determined by Congress. Businesses and residents within the City and County of Denver may also receive funding opportunities from these sources. The CDBG, HOPWA, and ESG funds allocated to Denver will be used to fill gaps in services and activities from additional federal funding. Further, these funds will be used to provide support to businesses and residents who may not have qualified for additional stimulus package funding, such as the Small Business Administration (SBA) assistance or the Paycheck Protection Program. Duplication of Benefits guidelines and standards will be used to determine and finalize all HUD investments for COVID-19 activities.
If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Denver consistently evaluates the publicly owned land that could be used to address housing and community development needs in the city. As such land becomes available and is determined to be a viable option for addressing such needs, the City will issue appropriate Request for Qualifications for development/redevelopment.

In 2020, Denver acquired a property in the Valverde neighborhood with the intention to lease the space for community use as a youth and small business incubator facility. The RFP for a provider is anticipated to be released in the summer of 2021.

Denver acquired a parcel near the catalytic redevelopment area of the nationally recognized National Western Stock Show Complex, a 95-acre site that is scheduled to become operational in 2022. The area is also experiencing significant change due to the realignment of a portion of Interstate 70 which has displaced approximately fifty low-income families and numerous businesses. The neighborhood is experiencing gentrification. The City-owned parcel, known as 4995 Washington, is targeted for affordable housing development to meet a high demand. Outreach efforts are currently underway to solicit community input about potential development plans for this site. Denver intends to open a Request for Proposals (RFP) in 2021 to select a developer partner to acquire the parcel and develop it for affordable housing. This RFP may be delayed due to prioritization of COVID-19 response and assistance programs.

Discussion
Annual Goals and Objectives

AP-20 Annual Goals and Objectives
<table>
<thead>
<tr>
<th>Sort Order</th>
<th>Goal Name</th>
<th>Start Year</th>
<th>End Year</th>
<th>Category</th>
<th>Geographic Area</th>
<th>Needs Addressed</th>
<th>Funding</th>
<th>Goal Outcome Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Create/preserve affordable &amp; accessible housing</td>
<td>2019</td>
<td>2023</td>
<td>Affordable Housing</td>
<td>CITY</td>
<td>Affordable Housing and Services for People who are Homeless</td>
<td>CDBG: $1,521,790</td>
<td>Public service activities other than Low/Moderate Income Housing Benefit: 1300 Persons Assisted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>Transportation and Mobility</td>
<td>HOPWA: $14,410</td>
<td>Public service activities for Low/Moderate Income Housing Benefit: 2976 Households Assisted</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>Equity/Affirmatively further fair housing</td>
<td>HOME: $2,948,267</td>
<td>Rental units constructed: 15 Household Housing Unit</td>
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<td></td>
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<td></td>
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<td></td>
<td>Homeowner Housing Added: 4 Household Housing Unit</td>
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<td></td>
<td></td>
<td></td>
<td>Homeowner Housing Rehabilitated: 200 Household Housing Unit</td>
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<td></td>
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<td>Direct Financial Assistance to Homebuyers: 40 Households Assisted</td>
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<td></td>
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<td></td>
<td>Tenant-based rental assistance / Rapid Rehousing: 54 Households Assisted</td>
</tr>
<tr>
<td>Sort Order</td>
<td>Goal Name</td>
<td>Start Year</td>
<td>End Year</td>
<td>Category</td>
<td>Geographic Area</td>
<td>Needs Addressed</td>
<td>Funding</td>
<td>Goal Outcome Indicator</td>
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</tr>
<tr>
<td>2</td>
<td>Support business and workforce development</td>
<td>2019</td>
<td>2023</td>
<td>Non-Housing Community Development</td>
<td>CITY</td>
<td>Transportation and Mobility&lt;br&gt;Etauity/Affirmatively further fair housing&lt;br&gt;Business and workforce support&lt;br&gt;Services for populations with special needs&lt;br&gt;Services for low and moderate income populations</td>
<td>CDBG: $1,501,790&lt;br&gt;HOME: $89,686</td>
<td>Jobs created/retained: 18 Jobs&lt;br&gt;Businesses assisted: 176 Businesses Assisted</td>
</tr>
<tr>
<td>3</td>
<td>Foster equitable access to amenities and services</td>
<td>2019</td>
<td>2023</td>
<td>Affordable Housing Community Development</td>
<td>CITY</td>
<td>Affordable Housing Transportation and Mobility&lt;br&gt;Etauity/Affirmatively further fair housing&lt;br&gt;Public Facility and Infrastructure Improvements&lt;br&gt;Neighborhood Support Services</td>
<td>CDBG: $6,430,212&lt;br&gt;HOPWA: $14,410&lt;br&gt;HOME: $139,444</td>
<td>Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 90,000 Persons Assisted&lt;br&gt;Public service activities other than Low/Moderate Income Housing Benefit: 512 Persons Assisted</td>
</tr>
<tr>
<td>Sort Order</td>
<td>Goal Name</td>
<td>Start Year</td>
<td>End Year</td>
<td>Category</td>
<td>Geographic Area</td>
<td>Needs Addressed</td>
<td>Funding</td>
<td>Goal Outcome Indicator</td>
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</tr>
<tr>
<td>4</td>
<td>Assist people who are homeless and at-risk</td>
<td>2019</td>
<td>2023</td>
<td>Affordable Housing</td>
<td>CITY</td>
<td>Affordable Housing and Services for People who are Homeless Equity/Affirmatively further fair housing</td>
<td>CDBG: $371,790 HOPWA: $14,410 HOME: $139,444 ESG: $581,685</td>
<td>Tenant-based rental assistance / Rapid Rehousing: Homeless Person Overnight Shelter: 10,000 Persons Assisted</td>
</tr>
<tr>
<td>5</td>
<td>Assist populations with special needs</td>
<td>2019</td>
<td>2023</td>
<td>Affordable Housing</td>
<td>CITY</td>
<td>Affordable Housing Transportation and Mobility Equity/Affirmatively further fair housing Services for populations with special needs Services for low and moderate income populations</td>
<td>CDBG: $696,790 HOPWA: $14,410 HOME: $139,444</td>
<td>Homeowner Housing Rehabilitated: 30 Household Housing Unit</td>
</tr>
<tr>
<td>Sort Order</td>
<td>Goal Name</td>
<td>Start Year</td>
<td>End Year</td>
<td>Category</td>
<td>Geographic Area</td>
<td>Needs Addressed</td>
<td>Funding</td>
<td>Goal Outcome Indicator</td>
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</tr>
<tr>
<td>6</td>
<td>Assist persons living with HIV/AIDS</td>
<td>2019</td>
<td>2023</td>
<td>Affordable Housing</td>
<td>CITY</td>
<td>Affordable Housing Equity/Affirmatively further fair housing</td>
<td>CDBG: $371,790</td>
<td>Public service activities other than Low/Moderate Income Housing Benefit: 1360 Persons Assisted</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Non-Homeless Special Needs</td>
<td></td>
<td>Services for populations with special needs</td>
<td>HOPWA: $3,283,861</td>
<td>Public service activities for Low/Moderate Income Housing Benefit: 857</td>
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<td></td>
<td></td>
<td>Services for low and moderate income populations</td>
<td>HOME: $139,444</td>
<td>Households Assisted</td>
</tr>
<tr>
<td>Sort Order</td>
<td>Goal Name</td>
<td>Start Year</td>
<td>End Year</td>
<td>Category</td>
<td>Geographic Area</td>
<td>Needs Addressed</td>
<td>Funding</td>
<td>Goal Outcome Indicator</td>
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</tr>
<tr>
<td>7</td>
<td>Affirmatively further fair housing choice</td>
<td>2019</td>
<td>2023</td>
<td>Affordable Housing</td>
<td>CITY</td>
<td>Affordable Housing and Services for People who are Homeless</td>
<td>CDBG: $529,391</td>
<td>Included in other goals.</td>
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<tr>
<td></td>
<td></td>
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<td></td>
<td>Non-Homeless</td>
<td></td>
<td>Housing and Services for Homeless</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Special Needs</td>
<td></td>
<td>Transportation and Mobility</td>
<td>HOPWA: $479,416</td>
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<td></td>
<td>Non-Housing Community</td>
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<td>Equity/Affirmatively further fair housing</td>
<td>HOME: $520,784</td>
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<tr>
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<td></td>
<td></td>
<td>Development</td>
<td></td>
<td>Public Facility and Infrastructure</td>
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<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Improvements</td>
<td>ESG: $83,098</td>
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</tr>
<tr>
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<td></td>
<td></td>
<td></td>
<td>Neighborhood Support Services</td>
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<td></td>
<td></td>
<td></td>
<td>Business and workforce support</td>
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<td></td>
<td></td>
<td>Services for populations with special needs</td>
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<td></td>
<td></td>
<td></td>
<td>Services for low and moderate income populations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 6 – Goals Summary**

**Goal Descriptions**

Annual Action Plan  
2021
<table>
<thead>
<tr>
<th></th>
<th><strong>Goal Name</strong></th>
<th><strong>Goal Description</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Create/preserve affordable &amp; accessible housing</td>
<td>This goal includes activities that invest in the creation of affordable housing in vulnerable and opportunity areas, preserve affordability of housing, and stabilize residents at risk of involuntary displacement and promote equitable access to housing options.</td>
</tr>
<tr>
<td>2</td>
<td>Support business and workforce development</td>
<td>This goal supports businesses and workforce development through collaboration between public, private and the nonprofit sectors. Efforts will focus on improving access to capital and technical resources (e.g., accounting, marketing and mentorship) to start and operate small companies. It also supports workforce development through job training, and job supports (e.g., childcare, transportation, etc.).</td>
</tr>
<tr>
<td>3</td>
<td>Foster equitable access to amenities and services</td>
<td>This goal includes activities that create equitable choices for residents and business to choose to prosper in place, anticipate and prevent involuntary displacement and disruptive neighborhood changes, foster equitable access to city and neighborhood amenities and services.</td>
</tr>
<tr>
<td>4</td>
<td>Assist people who are homeless and at-risk</td>
<td>This goal includes activities targeted to persons and families experiencing and at-risk of homelessness.</td>
</tr>
<tr>
<td>5</td>
<td>Assist populations with special needs</td>
<td>This goal consists of activities to help persons with special needs access needed supportive services and facilities, as well as to provide affordable and accessible housing.</td>
</tr>
<tr>
<td>6</td>
<td>Assist persons living with HIV/AIDS</td>
<td>This goal consists of activities to help persons living with HIV/AIDS and their families achieve and maintain a high standard of living and satisfactory health status.</td>
</tr>
<tr>
<td></td>
<td>Goal Name</td>
<td>Description</td>
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<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>7</td>
<td>Affirmatively further fair housing choice</td>
<td>This goal includes activities that support implementation of the Regional Analysis of Impediments.</td>
</tr>
</tbody>
</table>
Projects

AP-35 Projects – 91.220(d)

Introduction

In 2021, community needs in Denver are still greatly tied to response, relief, and recovery from the COVID-19 pandemic. Many activities that were initiated in 2020 are still ongoing, and the projects identified in this 2021 draft Action Plan are part of this community response.

Projects

<table>
<thead>
<tr>
<th>#</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Administration-CDBG, HOME, HOPWA, Section 108</td>
</tr>
<tr>
<td>2</td>
<td>Single Family/Emergency Rehabilitation</td>
</tr>
<tr>
<td>3</td>
<td>Land Acquisition and Rehabilitation</td>
</tr>
<tr>
<td>4</td>
<td>Homeowner Assistance Programs</td>
</tr>
<tr>
<td>5</td>
<td>Housing Support</td>
</tr>
<tr>
<td>6</td>
<td>For-Sale Development and Preservation</td>
</tr>
<tr>
<td>7</td>
<td>Rental Housing Development and Preservation</td>
</tr>
<tr>
<td>8</td>
<td>Community Housing Development Organization-Set Aside</td>
</tr>
<tr>
<td>9</td>
<td>Community Housing Development Organization-Core Operation</td>
</tr>
<tr>
<td>10</td>
<td>Tenant Based Rental Assistance</td>
</tr>
<tr>
<td>11</td>
<td>Housing Access and Modification</td>
</tr>
<tr>
<td>12</td>
<td>Neighborhood Business Revitalization</td>
</tr>
<tr>
<td>13</td>
<td>Revolving Loan Fund</td>
</tr>
<tr>
<td>14</td>
<td>Economic Development Initiative</td>
</tr>
<tr>
<td>15</td>
<td>Reserved for New Projects</td>
</tr>
<tr>
<td>16</td>
<td>Neighborhood Improvements</td>
</tr>
<tr>
<td>17</td>
<td>Neighborhood Facilities &amp; Improvements</td>
</tr>
<tr>
<td>18</td>
<td>Neighborhood Support</td>
</tr>
<tr>
<td>19</td>
<td>ESG20 - Denver</td>
</tr>
<tr>
<td>20</td>
<td>2021-2023 City of Denver COH21F001 (Colorado Health Network) 2021 Contract</td>
</tr>
<tr>
<td>21</td>
<td>2021-2023 City of Denver COH21F001 (The Empowerment Program) 2021 Contract</td>
</tr>
<tr>
<td>22</td>
<td>2021-2023 City of Denver COH21F001 (Vivent) 2021 Contract</td>
</tr>
<tr>
<td>23</td>
<td>Reserved for Sec. 108 Lending pool</td>
</tr>
</tbody>
</table>

Table 7 - Project Information
Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

In preparation for the City's annual budgeting process, as well as through the public process for federal funds, we identify the key issues facing Denver's neighborhoods and low/moderate income residents. During the past three years, we have also extended our public outreach to understand the specific needs and issues facing our residents with regard to access to safe, affordable housing.

This outreach has indicated a strong need for affordable and very affordable housing, along with the persistent need for homeless and housing with supportive services. Additionally, we have identified continuing stress on Denver's non-profits ability to consistently serve residents in need.

In 2021, the City also employed a new tool to gather community feedback through a short community pulse survey. The survey was available to the community from January 25 to February 15. Twenty – six businesses and nonprofits, and fifty residents completed the survey in its entirety. Of the fifty residents about a third identified as belonging to low – moderate income brackets. Similar to the results of other community engagement strategies the City employs the survey results identified housing assistance as a top priority for the community along with homeless services.
### AP-38 Project Summary

#### Project Summary Information

The following table has been reformatted from the HUD version for simplicity and readability.

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Project Description</th>
<th>Funding Estimate by Program</th>
<th>Estimated Beneficiaries</th>
<th>Planned Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration-CDBG, HOME, HOPWA, Section 108</td>
<td>To provide administration cost to carry out CDBG, HOME, and HOPWA eligible activities.</td>
<td>CDBG: $1,328,474; HOPWA: $86,461; HOME: $298,548</td>
<td>n/a</td>
<td>2020 CDBG Administration &amp; Program delivery 2020 HOME Administration 2018 - 2021 Grantee Admin COH18F001 (City of Denver) 2020 Admin</td>
</tr>
<tr>
<td>2 Single Family/Emergency Rehabilitation</td>
<td>To provide low to moderate income homeowners with funds to rehabilitate their homes with needed repairs.</td>
<td>CDBG: $325,000; HOME: $55,000</td>
<td>200 housing units; 200 housing units</td>
<td>DURA- Emergency Home Rehab (14A; LMH) DURA - Single Family Rehabilitation (HOME)</td>
</tr>
<tr>
<td>3 Land Acquisition and Rehabilitation</td>
<td>Acquisition and Rehab for affordable housing and catalytic investment</td>
<td>CDBG: $2,985,000</td>
<td>30,000 Individuals; 3 facilities</td>
<td>01; LMA (public facility or other real property acquisitions or acquisition/rehab)</td>
</tr>
<tr>
<td>4 Homeowner Assistance Programs</td>
<td>Provide down payment assistance to low - moderate income residents in Denver.</td>
<td>CDBG: $450,000</td>
<td>40 households</td>
<td>Colorado Housing Assistance Corp-DPA (13; LMH)</td>
</tr>
<tr>
<td>5 Housing Support</td>
<td>To provide housing counseling services to low-to-moderate income residents of Denver. Services are for home ownership and rental housing counseling, and tenant landlord counseling services.</td>
<td>CDBG: $375,000</td>
<td>2,976 households; 1300 individuals</td>
<td>Brothers Redevelopment, Colorado Housing Assistance Corp, NEWSED, DHA, Northeast Denver Housing Center: HC (05U; LMC) Brothers Redevelopment, Colorado Affordable Legal Srvs: T/LL-HC (05K; LMC); and others as determined during program year.</td>
</tr>
<tr>
<td></td>
<td>Project Category</td>
<td>Description</td>
<td>CDBG</td>
<td>HOME</td>
</tr>
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</tr>
<tr>
<td>6</td>
<td>Reserved for For-Sale Development and Preservation</td>
<td>This project is reserved for the development or preservation of affordable housing in Denver.</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>7</td>
<td>Rental Housing Development and Preservation</td>
<td>To provide funds for the development of new affordable rental housing for low to moderate income residents.</td>
<td>HOME</td>
<td>$1,690,000</td>
</tr>
<tr>
<td>8</td>
<td>Community Housing Development Organization-Set Aside</td>
<td>To provide funding to certified CHDO organizations for the development of affordable housing.</td>
<td>HOME</td>
<td>$447,823</td>
</tr>
<tr>
<td>9</td>
<td>Community Housing Development Organization- Core Operation</td>
<td>To provide certified CHDO's with administration funds to carry out development projects.</td>
<td>HOME</td>
<td>$50,000</td>
</tr>
<tr>
<td>10</td>
<td>Tenant Based Rental Assistance</td>
<td>To provide TBRA vouchers to low income residents of Denver.</td>
<td>HOME</td>
<td>$566,000</td>
</tr>
<tr>
<td>11</td>
<td>Housing Access and Modification</td>
<td>To provide low to moderate income disabled and elderly residents to modify their homes for accessibility.</td>
<td>CDBG</td>
<td>$325,000</td>
</tr>
</tbody>
</table>
| 12| Neighborhood Business Revitalization                | To provide businesses with loans for expansion or start-up. Jobs will be either created or retained.                                | CDBG    | $300,000 | 9 jobs | 18A; LMJ  
Target Neighborhoods                |
| 13| Revolving Loan Fund                                 | To provide businesses with funds for startup or expansion that will result in the creation or retention of jobs.                   | CDBG    | $300,000 | 9 jobs | 18A; LMJ                |
| 14| Economic Development Initiative                     | To provide Business Support Offices and Business Improvement Districts with funds to assist local businesses with technical assistance. | CDBG    | $530,000 | 176 Businesses | West Community Economic Development Corp (BuCu West), Mi Casa Resource Center, NEWSED, Foundation for Black Entrepreneurship, Rocky Mountain Employee Ownership Center: BSO (18B; LMA) Additional BSO/Business T/A (18B; LMA) |

Annual Action Plan  
2021
<table>
<thead>
<tr>
<th>Project Title</th>
<th>Description</th>
<th>CDBG</th>
<th>HOME</th>
<th>People (TBD) Units (TBD)</th>
<th>CDBG 01, 03, 05, 18; LMA, LMC, or LMJ activities.</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Reserved for New Projects</td>
<td>This additional CDBG and HOME funding will be evaluated for use as program support or development initiatives.</td>
<td>CDBG</td>
<td>$902,265</td>
<td>People (TBD) Housing Units (TBD)</td>
<td>HOME activities: Acq/rehab of rental housing units or for-sale units</td>
</tr>
<tr>
<td>16 Reserved for Neighborhood Improvement Projects</td>
<td>This project is reserved to provide funds for neighborhood improvement projects.</td>
<td>CDBG</td>
<td>$0</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>17 Neighborhood Facilities &amp; Improvements</td>
<td>To provide Denver non-profit/neighborhood facilities with funds for the rehabilitation of their facility.</td>
<td>CDBG</td>
<td>$2,590,000</td>
<td>60,000 individuals; 4 public facilities</td>
<td>03 assorted; LMA</td>
</tr>
<tr>
<td>18 Neighborhood Support</td>
<td>To provide non-profit organizations with funds to administer public service contracts that support low to moderate income residents of Denver.</td>
<td>CDBG</td>
<td>$595,000</td>
<td>512 individuals</td>
<td>05H - LMC: Mile High Ministries, Lutheran Social Services, Servicios de La Raza, Florence Crittenton, Center for African American Health, Environmental Learning for Kids, Girls, Inc. of Metro Denver, Groundwork Denver Additional Public Services (05; LMC)</td>
</tr>
<tr>
<td>19 HESG21 – Denver (HESG Homeless Prevention)</td>
<td>To provide funds for homelessness prevention, rapid re-housing, street outreach, and shelter operations/improvements</td>
<td>HESG</td>
<td>$597,226</td>
<td>10,000 people</td>
<td>Admin; Prevention; Rapid-rehousing; Street Outreach; Emergency Shelter</td>
</tr>
<tr>
<td></td>
<td>Project Name</td>
<td>Description</td>
<td>Funding Source</td>
<td>Amount</td>
<td>Number</td>
</tr>
<tr>
<td>----</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>----------------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>20</td>
<td>2021 - 2023 City of Denver COH21F001 (Denver Colorado Health Network) 2021 Contract</td>
<td>To provide CHN with funds to administer programs for persons with HIV/AIDS</td>
<td>HOPWA</td>
<td>$2,774,621</td>
<td>375/1360</td>
</tr>
<tr>
<td>21</td>
<td>2021 - 2023 City of Denver COH21F001 (The Empowerment Program) 2021 Contract</td>
<td>To provide funds for supportive services for persons living with HIV/AIDS</td>
<td>HOPWA</td>
<td>$143,374</td>
<td>100</td>
</tr>
<tr>
<td>22</td>
<td>2021 - 2023 City of Denver COH21F001 (Vivent Health) 2021 Contract</td>
<td>To provide funds for supportive services for persons with HIV/AIDS</td>
<td>HOPWA</td>
<td>$351,456</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>Reserved for Sec. 108 Lending pool</td>
<td>This is a placeholder if the City funds a new project under a Sec. 108 loan pool.</td>
<td></td>
<td>$0</td>
<td>n/a</td>
</tr>
</tbody>
</table>
AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Denver, and the metro region, has invested significantly in increasing transportation mobility and community access. While this accessibility serves persons and households of all income levels, low and moderate-income households can still experience limited access to a variety of services and amenities in their neighborhood and community. Further, existing areas where safe, affordable market-provided housing is concentrated in a few neighborhoods. Denver is seeking to expand the locations of safe, affordable housing throughout the city, but specific service needs and gaps are still concentrated.

Priority neighborhoods identified for 2021 activities are: West Colfax, Villa Park, Westwood, Valverde, Sun Valley, Globeville, Elyria-Swansea, Northeast Park Hill, East Colfax, and Montbello.

Geographic Distribution

<table>
<thead>
<tr>
<th>Target Area</th>
<th>Percentage of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>CITY</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

In 2018 and 2019, Denver completed a needs assessment and market analysis as part of its planning efforts for the HUD Consolidated Plan for 2019-2023. Further, Denver’s Neighborhood Equity Stabilization Team (NEST), which is housed in Denver Economic Development & Opportunity (DEDO), completed an analysis of various metrics to identify neighborhoods that will have an investment priority in 2021. NEST looked at key equity data and economic distress manifested in the percentage of cost-burdened households, access to opportunity, and housing and job diversity. Ten specific neighborhoods/areas, listed above as “priority neighborhoods”, were identified as areas with economic adjustment challenges and, thus, are areas of focus for DEDO’s targeted community economic development initiatives. However, it is important to distinguish that not all investments will be made in these areas, nor will a specific amount of funds be given to activities and programs that serve these neighborhoods. Rather, priority consideration will be given to those projects and activities that are applying for funding for these areas. Additionally, these neighborhoods may be adjusted during the
program year as necessary to respond to updated data on service needs and impacts of COVID-19.

Discussion

Please see map below for identified target neighborhoods:
Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Affordable housing is critical to Denver’s success. Today over 100,000 more people live here than in 2000, with as many as 100,000 more people anticipated to move here over the next decade. Denver continues to aggressively invest in projects and initiatives to increase the availability, affordability, and preservation of housing resources for this growing population. Mayor Hancock’s 2013 challenge to create, rehab or preserve at least 3,000 affordable units in five years was met in four years by the work of the City with strategic collaboration with cross-sector partnerships. Therefore, in 2018, Mayor Hancock doubled the affordable housing fund prospective allocation and increased his commitment with a new target of 6,000 affordable housing units over the next five years. Yet additional housing needs continue to exist and the City continues to work on this priority.

The Denver 2019-2023 Consolidated Plan identifies priorities that are intended to address affordable housing needs in Denver. The priority needs and objectives were developed based on the findings from both quantitative research (Housing Market Analysis) and qualitative research (public meetings, citizen survey and stakeholder meetings). The priority housing needs were determined based on the rental market gap, the number of households who were cost-burdened, living in substandard and overcrowded conditions, and/or who could not afford homeownership.

In 2021, Denver will continue investing resources, both federal and substantial non-federal funds, to address a wide range of housing needs identified in the Consolidated Plan including: affordable rental and for-sale housing development; public housing; homelessness; special needs housing, particularly for seniors and those with Severe and Persistent Mental Illness (SPMI); housing needs of those with AIDS/HIV; and neighborhood stabilization efforts including foreclosure prevention, intervention, and stabilization.

<table>
<thead>
<tr>
<th>One Year Goals for the Number of Households to be Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeless</td>
</tr>
<tr>
<td>Non-Homeless</td>
</tr>
<tr>
<td>Special-Needs</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Table 9 - One Year Goals for Affordable Housing by Support Requirement

<table>
<thead>
<tr>
<th>One Year Goals for the Number of Households Supported Through</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Assistance</td>
</tr>
</tbody>
</table>

Annual Action Plan
2021

OMB Control No: 2506-0117 (exp. 09/30/2021)
<table>
<thead>
<tr>
<th>Support Type</th>
<th>Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Production of New Units</td>
<td>11</td>
</tr>
<tr>
<td>Rehab of Existing Units</td>
<td>230</td>
</tr>
<tr>
<td>Acquisition of Existing Units</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>885</strong></td>
</tr>
</tbody>
</table>

Table 10 - One Year Goals for Affordable Housing by Support Type

**Discussion**

The one-year goals are based on completion of activities using federal funding. New funding with current year entitlement is less likely to produce units during the year due to complex pre- and post-development schedules.

The Homeless category is a representation of our HOME TBRA program (54). The Non-Homeless category is a representation of our HOME Single Family Rehab program (100), and the CDBG Emergency Housing Rehab (100) and Down-payment assistance (40) programs. This category also includes 1 previously funded housing development project that will lease-up 11 HOME-funded units in 2021. The Special-Needs category is a representation of our HOPWA TBRA and STRMU programs (550) and our CDBG Rental Housing and Access Modification Program (30).

The Rental Assistance category is a representation of our HOME TBRA (54), HOPWA TBRA (230), and HOPWA STRMU (320) programs. The Production of New Units includes 1 previously funded housing development project that will lease-up 11 HOME-funded units in 2021. The Rehab of Existing Units includes our HOME Single Family Rehab program (100), the CDBG Emergency Housing Rehab program (100), and the Rental Housing and Access Modification Program (30). The Acquisition of Existing Units category is a representation of our CDBG Down-payment assistance program (40) and other acquisition projects (0).
AP-60 Public Housing – 91.220(h)

Introduction

Actions planned during the next year to address the needs to public housing

DHA focuses on two strategic approaches to address the needs in public housing which are preservation and new development/production.

Preservation:

DHA manages a portfolio of 3,797 public housing units. The public housing units are a mix of row-type, high-rise, single family, duplex, triplex, four-plex, and multi-plex units located throughout the City and County of Denver’s boundaries, including its’ 1,123 dispersed housing units or scatter site housing. In 2020, DHA applied to HUD and obtained an allocation of tenant protection vouchers (“TPVs”) to assist with project-basing for the identified dispersed units to be repositioned under Section 8 of the U.S Housing Act of 1937 (“Section 8”). DHA intends no displacement of residents as a result of this transition to Section 8 rental assistance. DHA also expects that current residents will not have to move or lose their housing benefits, and that residents’ rent calculation will remain at thirty percent (30%) of their adjusted income. The transition of the Dispersed Portfolio from public housing to Section 8 will allow DHA to protect the units’ long-term sustainability and will also help stabilize DHA’s broader affordable housing portfolio.

New Development/Production:

Under the HUD Choice Neighborhoods Initiatives- DHA is revitalizing Sun Valley Homes and Sun Valley Annex as a transit-oriented development (TOD) site and planned community revitalization. The HUD Sun Valley Choice Neighborhoods Implementation Transformation Plan calls for increasing density from 333 to 700+ mixed income housing, sustainable housing, improvement to the street grid, open space with a river park, a hub to provide essential community services including education, employment and training activities and sustainability.

The first phase (Phase I) of Sun Valley redeveloped mixed-income housing was completed in January of 2021 with Gateway South a six story mixed use building of 92 mixed income units and 2,727 square feet of ground floor commercial space. Of which, the new Decatur Fresh (formerly known as Grow Market) will occupy 1,600 square feet for a community driven, culturally sensitive healthy marketplace in collaboration with the Grow Garden which will provide fresh produce and cultural herbs. Construction continues on Gateway North with 95 units and 2,597 square feet of ground floor commercial space, Gateway Home Ownership Townhomes consisting of 6 townhome units (3bedroom/2 bath), and site preparation is underway for Sun Valley Phase II- GreenHaus with 129 mixed income units and Thrive with 135 construction units. Design of Phase III is underway for Joli and Sol mixed use/mixed income housing.
Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Denver Housing Authority’s Resident and Community Services Department (RCS) offers programs to housing authority residents that encourage and promote self-sufficiency and upward mobility. The programs, Family Self Sufficiency Program (FSS), Homeownership Program, ROSS Service Coordinator Programs, and employment programming, strive to provide resources to residents to empower them to become self-sufficient. These efforts culminate, in many situations, with home ownership. As a HUD Approved Counseling Agency, DHA provides homeownership counseling, foreclosure prevention, and financial fitness and homeownership education to the public.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

na

Discussion

The Denver Affordable Housing Bond Program—also known as DHA Delivers for Denver (D3) Bond Initiative is a collaboration between the City of Denver and DHA to increase affordable housing and enhance the provision of supportive housing. Under an Intergovernmental Agreement (IGA) Denver will annually appropriate property tax revenue from the Affordable Housing Fund (AFH), approximately $7.5 million per year, for the next 20 years to increase affordable and supportive housing options. The D3 Bond Initiative enables DHA to accelerate production or renovation of public housing units through redevelopment. The accelerated development of 1,294 affordable units by DHA in multiple catalytic redevelopments including Sun Valley, Westridge Homes, and multiple scatter site development. Additionally, D3 will facilitate the acquisition of land and property to produce approximately 1,200 additional supportive housing and deeply affordable units in the next 10 years.

The DHA Delivers for Denver (D3) Bond Program is collaboration between Denver and DHA to enhance the permanent supportive housing pipeline. Including, Acquisition of buildings and land by DHA to create a pipeline of new affordable housing to serve residents experiencing or at risk of homelessness through permanent supportive housing (PSH). Through partnerships with selected PSH Development Partners, an additional 1,200 affordable units will be added to the PSH Land Acquisition pipeline, 600 of which will be PSH or <30% of AMI.

DHA real estate investment staff are currently developing the infrastructure of the D3 PSH Land Acquisition program, with a goal of being able to receive and underwrite applications for funding upon
issuance of the D3 Bond in October 2019. Below are highlights of progress to date:

- PSH Advisory Group created in Q1 of 2019 to guide implementation of D3 Bond.
- DHA Staff currently working with on-call broker to develop site scoring/selection tool and identify prospective acquisitions.
- DHA Staff currently establishing process for underwriting and selecting a) DHA direct acquisitions and b) sponsor-sourced projects.
- DHA staff brought first acquisition in September 2019 and first sponsor-sourced project in October 2019.
AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Emergency Solutions Grant funds will be one of the sources used to address the needs of homeless persons and persons with special needs. Nonprofit agencies were selected in 2020 through a competitive solicitation and will be funded for providing services in 5 primary categories: Emergency Shelter and Operations, Homeless Prevention Activities, Rapid Re-housing and Stabilization, Outreach, and Administration and HMIS data collection and reporting. In addition, Denver is still receiving ESG funds allocated to Denver under the CARES Act and they will be used to respond to the needs of Denver’s homelessness population related to the COVID-19 pandemic. Funds under this specific grant also went through a Request for Proposals process.

The needs are continually changing for the vulnerable populations in Denver, and with the impacts of COVID-19 on the homeless population in Denver, we will be utilizing ESG funds to alleviate the impact COVID has had on the City of Denver and its residents in terms of Emergency Shelters, Rapid ReHousing, and Homeless Prevention. In addition to ESG funds, CDBG funds will be used to provide support services to the homeless and other persons with special needs. HOME funds will also be used for Tenant Based Rental Assistance and new housing development will include units for formerly homeless households where possible.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Denver, through the Department of Housing Stability (HOST) and ESG funds received, contracts with a small group of homeless service providers to fund the Denver Street Outreach Collaborative (DSOC). This team of street outreach workers is comprised of staff from Colorado Coalition for the Homeless (chronic, veterans, families), Urban Peak (youth), St Francis Center (chronic), and Salvation Army (Chronic, veterans). In addition, members from the Denver Police Homeless Outreach Team and the Veterans Affairs outreach team participate as members of the DSOC. All members of the DSOC are trained in administering the VI- SDPAT assessment tool to help assess for vulnerability and match to appropriate housing interventions. In addition, the DSOC brings collective decades of work & expertise to the task of reaching people where they are at and engaging them in services with no precondition to come inside. These services have grown to include mobile medication management & services, search & rescue, and behavioral health services.

The Department of Human Services, through its CORE Division, also provides a team of outreach workers to work within shelters & day centers – so that families and individuals experiencing...
homelessness can be encouraged to apply for mainstream benefits, such as TANF, food stamps, Medicaid, Old Age Pension, Aid to Needy and Disabled, as well as child care assistance – without needing to arrive to a DHS building.

**Addressing the emergency shelter and transitional housing needs of homeless persons**

The City of Denver invests into the emergency and transitional needs of people experiencing homelessness, primarily through the Department of Housing Stability. HOST has been engaged with OneHome, the regional Coordinated Entry to Housing system for several years to help provide exits from shelter into permanent housing, and a more coordinated path to appropriate housing for people experiencing homelessness. HOST has provided leadership for a new shelter strategy in Denver – whereby shelter providers are shifting from a paradigm of providing crisis services, to a paradigm of providing shelter services that facilitate a tailored, sustainable path out of homelessness for each shelter guest.

For single men, women and transgender guests – emergency shelter needs are met through a network of non-profit partners, with a capacity of serving nearly 1780 guests per night. The City and ESG helps provide funding to these programs, as well as assistance with costs to transport guests to shelter each night. For families, in addition to a network of family shelter providers, HOST provides funding for emergency motel vouchers – with a capacity of serving approx. 26 families per night.

Transitional Housing is provided by several non-profit partners – many of which do not receive government funding for their services.

In addition to the transitional housing model, several community partners (including HOST) are adopting transition in place models and increasing investments into rapid re-housing to stabilize families as quickly as possible.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

City of Denver and HOST staff consistently meet with Metro Denver Homeless Initiative/CoC and homeless service providers to assess the demands for service and whether the current housing resources are meeting them. For example, planning for severe weather, especially in winter, may require the community to negotiate with shelters and the faith community to explore expansion of emergency shelter capacity. Prioritizing Rapid Re-Housing and prevention programs will help ensure
focused resources—including case management—are available for homeless families and individuals. In recent years, The City has more than doubled investments into Rapid Rehousing, both through ESG programs, and through tax-funded programs via HOST.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

Denver has programs that are focused on homeless prevention. These include the HOST Temporary Rental and Utility Assistance Program (TRUA) and the HOST Homeless Prevention Programs, as well as number of ESG funded prevention programs whereby HOST contracts with non-profit programs to administer prevention dollars & services. The homeless prevention activities funded by the ESG program, specifically, the rental and mortgage payment assistance to prevent eviction and foreclosure will help to preserve affordable housing for those at risk of homelessness. Additionally, DHS has piloted a program to ensure that residents facing eviction are represented in court – and provided eviction prevention resources on the spot.

**Discussion**

In light of the recent advancement of the COVID-19 pandemic, Denver will continue to prioritize the above actions with an added analysis of the public health and safety needs in Denver’s homelessness community and the broader Denver community as a whole.
### AP-70 HOPWA Goals—91.220 (l)(3)

<table>
<thead>
<tr>
<th>One year goals for the number of households to be provided housing through the use of HOPWA for:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family</td>
<td>320</td>
</tr>
<tr>
<td>Tenant-based rental assistance</td>
<td>230</td>
</tr>
<tr>
<td>Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds</td>
<td>0</td>
</tr>
<tr>
<td>Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>550</td>
</tr>
</tbody>
</table>
AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

Sections MA-40 and SP-55 in Denver’s 2019-2023 Consolidated Plan discussed the impact of public policies on affordable housing and residential investment in detail. The greatest challenge to affordable and residential development continues to be neighborhood resistance. Some of the initial updates to the city’s code were softened based on neighborhood feedback, particularly placement of ADUs and missing middle products. Many neighborhoods have used growth—and perceived or real increases in traffic congestion—to effectively fight rezoning requests that would add density to the city. Through expansion of the city’s Neighborhood Planning Initiative (NPI) process, the city hopes to better balance neighborhood concerns with growth demands in the future.

Market conditions also create significant barriers to affordable housing throughout the city. Though there has been consistent residential development over the past five years, this development has largely responded to the influx of higher income renters into the city and, other than through developments with density bonuses or public subsidies, has not added to the inventory of affordable housing. Additionally, the product type caters to individuals and disregards the housing needs of families, which in turn has also caused a negative impact to number of students registering into the Denver school system. This development also negatively impacts low-income neighborhoods resulting in displacement of low-income households from communities they have occupied for generations, and alters the demographic composition of historic neighborhoods. Affordable land opportunities are also limited and are usually located in difficult to develop areas often resulting in environmental challenges and increased development costs.

Continued in-migration of young workers to the city has exacerbated rising rents and home values while development struggles to keep pace and to accommodate low- and moderate-income residents.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

Housing an Inclusive Denver establishes four core goals to guide the City’s affordable housing strategies over the next five years, which also aim to reduce the barriers to affordable housing. The long-term goals to reduce barriers are described in SP-55 in Denver’s 2019-2023 Consolidated Plan. Specific actions
for the 2020 program year include the following:

- Development and preservation of affordable housing;
- Tenant based rental assistance;
- Single family/emergency rehabilitation;
- Down payment assistance;
- Tenant landlord counseling;
- Implementation of Regional AI goals including analysis of existing accessible rental units and creation of accessible housing database, exploration of a rental registry, exploration of preference policies for residents at risk of displacement, and implementation of Denver's new policy to prevent discrimination on the basis of source of income.

Further, to address societal problems connected to racial injustice and historic inequity, Denver created the Office of Equity and Social Innovation (OESI), which operates the city’s Race & Social Justice Initiative (RSJI). OESI provides development opportunities and tools for every city employee to design equitable city policies, initiatives, budgets, and programs. The RSJI will serve as a catalytic force for city employees to become social justice change agents by preparing them with an understanding of how implicit and explicit bias, systemic racism, and how historical discriminatory policies have influenced present inequity for communities of color, First Nations people, and historically marginalized groups.

Discussion:
Introduction:

The City and County of Denver along with other partnership agencies will continue to develop programs and initiatives, designed to improve existing programs, and identify additional sources of funding to better serve those in need of affordable housing and related services.

In light of the COVID-19 pandemic, Denver will continue to prioritize its activities with an added analysis of the public health and safety needs of Denver’s residents, businesses, and neighborhoods. Many of the projects identified in this 2021 draft Action Plan will continue to address the community’s recovery from COVID-19.

Actions planned to address obstacles to meeting underserved needs

The 2018-2022 Denver Housing Plan, *Housing an Inclusive Denver*, is appended to this Action Plan. Among the Housing Plan recommendations are to create affordable housing in vulnerable areas, preserve affordability and housing quality, promote accessible housing options, and stabilize residents at risk of involuntary displacement. As discussed in further detail below, in 2020 Denver created a new stand-alone Department of Housing Stability (HOST). Thus, in early 2020, HOST launched a community-led Strategic Planning process that will produce a new plan to replace *Housing an Inclusive Denver*. It is expected to be finalized in 2021, and will guide housing stability programs and initiatives for the next 5 years. The City also completed its required Analysis of Impediments (AI) in 2019 that further addresses barriers specifically to Denver residents.

In 2018, Denver also created the Neighborhood Equity and Stabilization Team (NEST) to preserve the culture and character of neighborhoods experiencing significant change by helping provide longtime businesses and residents opportunities to remain in place. In many of Denver’s historic, fastest changing neighborhoods, residents are faced with a rising cost of living while locally owned businesses struggle with increased rent costs and the need to diversify their businesses to attract new customers from the evolving community. NEST ensures that all residents and businesses benefit from the prosperity and success that Denver is experiencing -- to not only protect the vulnerable from involuntary displacement, but to improve the shared quality of life for all Denver residents.

In close collaboration with this work, to address problems connected to racial injustice and historic inequity, Denver also created the Office of Equity and Social Innovation (OESI) in 2019, which operates the city’s Race & Social Justice Initiative (RSJI). OESI provides development opportunities and tools for every city employee to design equitable city policies, initiatives, budgets, and programs. The RSJI will serve as a catalytic force for city employees to become social justice change agents by preparing them with an understanding of how implicit and explicit bias, systemic racism, and how historical discriminatory policies have influenced present inequity for communities of color, First Nations people, and historically marginalized groups.

Additionally, several city-funded workforce and business development initiatives are focusing on addressing obstacles to meeting underserved needs. Key examples are Denver Day Works, and Denver’s...
WorkNOW and Denver Construction Careers Pilot program. Denver Day Works performs outreach, recruitment, transport, support, and other job readiness services that may lead to employment for individuals experiencing homelessness that are not currently engaged in other community programs. Denver’s Construction Careers Pilot program has received national attention as a model workforce program. This program will identify best practices for connecting Denver residents to city funded construction jobs over the next 3 years. The pilot focuses on select City projects, such as those in the Denver International Airport, the National Western Center, Elevate Denver, and the Colorado Convention Center. For these projects, contractors will be required to submit a workforce plan that include the following elements:

- Identification of a point of contact to ensure implementation of the workforce plan
- Outreach and engagement plans to target defined areas and specific populations, which include:
  - Veterans
  - Formerly incarcerated individuals
  - TANF recipients
  - Individuals with a history of homelessness, and
  - Individuals with a history of foster care placement;
- Training strategy that includes 15% of construction hours to be performed by apprentices, of which must include:
  - 25% of hours by residents in target areas or target populations, and
  - 25% by first-year apprentices
- Metrics and strategies to track and report progress in meeting the workforce plan

Another example of this work is in Denver’s Business Impact Opportunity (BIO) Fund. Initiated as a pilot in 2019, this program is aimed at supporting small local businesses that might be in financial risk due to changing neighborhood conditions. In partnership with Mile High United Way, Denver’s BIO Fund offers financial grants and technical assistance to businesses in north central and northeast neighborhoods that may be impacted by either major infrastructure construction (i.e. the I-70 project) and/or socioeconomic changes occurring within these areas. In 2020, the City extended this program and issued a Request for Proposals for its expansion. The program offers technical assistance and grants of up to $5,000 to eligible businesses in Globeville, Elyria, Swansea and Northeast Park Hill. Grant funds can be used to substitute for lost revenue, to invest in business promotion, and to add capacity to a business’s current operations. Priority is being given to businesses directly adjacent to active construction sites, and to minority/woman/veteran-owned businesses.

In its response to the COVID-19 pandemic, Denver intends to increase its funding opportunities for the small business community utilizing CDBG funds received under the CARES Act. These funds will be used to fill the gap of other funding sources like the Small Business Administration (SBA) or provide opportunities for businesses who did not qualify for any SBA or other federal funding.

**Actions planned to foster and maintain affordable housing**

As outlined in Housing an Inclusive Denver, the City will remain focused on the creation and preservation of affordable housing in Denver. Specifically, the priorities of the plan are to create affordable housing in vulnerable areas, preserve affordability and housing quality, promote accessible
housing options, and stabilize residents at risk of involuntary displacement. These priorities were also captured in the City's priorities for housing development funding in the Notice of Funding Availability (NOFA) published for the 2021 program year.

**Actions planned to reduce lead-based paint hazards**

The Denver Department of Public Health and Environment (DDPHE), the Mayor’s Office, Denver Housing Authority (DHA) and DEDO/HOST are actively collaborating on the Safe and Healthy Homes Initiative to eliminate lead-based paint hazards in ten years. Through its collaborative effort, the City is embarking on a detailed census and inventory of potential lead-based hazard areas. Additionally, in 2017 DDPHE applied for and was awarded a Lead Grant from the Office of Lead Hazard Control and Healthy Homes.

DEDODO/HOST is also a member of the Colorado Lead Coalition. The Coalition is made up of a number of agencies and represented by over 40 members from various government agencies, non-profits, and industry. The current active agencies include: Colorado Department of Public Health and Environment/CDPHE, Colorado Department of Health Care Policy and Financing/HCPF, U.S. Environmental Protection Agency/EPA, U.S. Department of Housing and Urban Development/HUD, Denver Department of Public Health & Environmental /DDPHE, Rocky Mountain Poison and Drug Center, DEDO/HOST, Colorado Division of Housing (DOH), Denver Housing Authority, Denver Health, Children’s Hospital Colorado, and Denver Water. The Coalition is a dedicated and diverse group of environmental and housing professionals from various organizations who draw on their respective backgrounds to fulfill the Coalition’s Strategic Plan. The Plan includes goals and strategies in education and outreach, blood lead testing, housing, and regulations.

**Actions planned to reduce the number of poverty-level families**

The City and County of Denver is committed to carrying out a comprehensive anti-poverty strategy in collaboration with the many community and nonprofit organizations that also serve Denver’s low-income population, including DHA, Volunteers of America, Catholic Charities, Colorado Coalition for the Homeless, and Denver Rescue Mission, among others. The City has also implemented an aggressive collaborative effort to eradicate homelessness in Denver through its Road Home program.

The City’s CDBG, HOME, ESG, HOPWA and other federal grants will continue to support programs and organizations that provide assistance and economic opportunities for low- and moderate-income persons and for populations with special needs. Funds will continue to be used to support subsidized housing, food and healthcare programs, emergency services and literacy and job training programs.

Several other city efforts will initiate or continue in 2021. In 2019, the Denver City Council passed a resolution which raises the minimum wage in Denver gradually over the next several years, reaching $15/hour in 2022. Those raises began January 1, 2020. As part of a regional focus, the Denver Metro Chamber of Commerce is also leading an effort called Prosper Colorado. This nonpartisan research and
communications project will convene the public, private and nonprofit sectors to identify the barriers preventing Coloradans in the region from more fully accessing the economy. The effort will help regional leaders pinpoint key strategies to ensure all Coloradans benefit from its economic success.

The City and other agencies will continue to collaborate in pooling necessary resources to assist individuals and families with obtaining the tools to overcome poverty.

**Actions planned to develop institutional structure**

In 2019, Denver created its new stand-alone Department of Housing Stability (HOST) to address housing and homelessness needs together, to improve its method of program delivery and administration with respect to housing services. By serving the entire continuum of housing needs in one department, the City will provide more effective and efficient service to the residents of Denver seeking housing assistance. Neighborhood and business services will continue to be offered through Denver Economic Development & Opportunity (DEDO). Due to these changes, in 2020 the City & County of Denver adjusted its lead agencies for each entitlement grant as listed below:

<table>
<thead>
<tr>
<th>Agency Role</th>
<th>Name</th>
<th>Department/Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Agency</td>
<td>DENVER</td>
<td>Denver Economic Development &amp; Opportunity</td>
</tr>
<tr>
<td>CDBG Administrator</td>
<td>DENVER</td>
<td>Denver Economic Development &amp; Opportunity</td>
</tr>
<tr>
<td>HOPWA Administrator</td>
<td>DENVER</td>
<td>Department of Housing Stability</td>
</tr>
<tr>
<td>HOME Administrator</td>
<td>DENVER</td>
<td>Department of Housing Stability</td>
</tr>
<tr>
<td>ESG Administrator</td>
<td>DENVER</td>
<td>Department of Housing Stability</td>
</tr>
</tbody>
</table>

While the CDBG Administration will primarily rest with DEDO, HOST will continue to utilize CDBG funds for several public service activities, housing rehabilitation activities, and occasional development activities. To maintain City-wide oversight and coordination efforts, DEDO has hired a Director of Administration & Federal Compliance that will work between DEDO and HOST to help administer the entitlement grant programs across the City.

The City intends to continue making improvements to its system of program delivery as needs are identified (please see the efforts to enhance coordination below).

**Actions planned to enhance coordination between public and private housing and social service agencies**

Further efforts are being made with an evaluation of how to better align funding applications and compliance functions for housing in Denver with those of CHFA and the State Division of Housing (DOH). The City will also continue to foster positive working relationships with its many community development corporations and nonprofits that assist special needs populations and persons who are homeless. HOST will convene an advisory committee to continue the work of two previous groups: the Mayor’s Housing Advisory Committee, and the Advisory Committee for Housing People Experiencing
Homelessness. The committee will include representatives that bring a balance of professional and lived expertise in housing stability, homelessness resolution and housing opportunity.

Discussion:
Program Specific Requirements
AP-90 Program Specific Requirements – 91.220(l)(1,2,4)

Introduction:

The City of Denver adheres to all specific CDBG, HOME, and ESG requirements as specified below.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed 0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. 0
3. The amount of surplus funds from urban renewal settlements 0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan 0
5. The amount of income from float-funded activities 0

Total Program Income: 0

Other CDBG Requirements

1. The amount of urgent need activities 0

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 75.00%

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is

Annual Action Plan
2021
as follows:

The City will permit HOME funds to be invested as loans, grants, deferred payment loans, and other types of investment permitted by the regulations described in 92.205(b). The City will not permit other forms of investment without the prior approval of HUD.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

HOME will not be used for down payment assistance. The following resale requirement is based on a fair return on investment. A fair return on investment is calculated as follows:

Start with the Prior Purchase Price paid for the MPDU; For each year from the date that the selling Owner acquired the MPDU multiply the selling Owner’s Prior Purchase Price by the percentage change over the prior year in the Standard and Poor’s Case/Shiller Index up to a maximum increase for any given year of three and a half percent (3.5%). Each year’s percent increase is added to the Prior Purchase Price and is not compounded from year to year. In years where the Standard and Poor’s Case/Shiller Index decreases, there shall be no adjustment to decrease the Prior Purchase Price of the MPDU; For each year add the product of the multiplication described in (b) above to the selling Owner’s purchase price; Add the costs of Eligible Capital Improvements that have been approved by HOST up to the time of Transfer; Add the amount of the sale commission paid by the Owner; provided that such amount does not exceed the maximum allowable sales commission published by HOST on an annual basis; Add any accrued negative amortization if the MPDU was financed with a graduated payment mortgage by: an income, as published by HUD.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

HOME will not be used for down payment assistance. Resale restrictions in keeping with § 92.254 of the HOME rule are imposed upon newly constructed for-sale housing.

Fair Return on Investment Definition: If a homeowner sells the subject property at any time during the contractually obligated HOME Resale Affordability Period, the City of Denver, will establish a standard of fair return as a percentage of the change in median sales prices over the period of ownership based on comparable sales in the vicinity (neighborhood) of the subject property.

The city's policy determines that a fair return to the seller would be their initial out of pocket investment plus the cost of documented eligible upgrades, such as installation of new 90% efficiency furnace, new E-star rated windows and additions to the homes square footage, plus 50% of the
remaining net proceeds available after the City recovers the initial down payment and closing cost subsidy.

The City of Denver considers that a reasonable range of low-income eligible buyers would be in the 0-80% median income range. In order to ensure affordability for the next buyer of the HOME Resale property, the City of Denver may provide down payment or second mortgage assistance, first mortgage interest write downs or other mechanisms that enhance affordability, assuming that these programs still exist in their current form at the time of the resale activity.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Refinancing for multi-family projects is an eligible activity if it is necessary to permit or continue affordability for a targeted population under HUD HOME program Section 92.206.

Refinancing will be allowed citywide under the following guidelines:

- The minimum affordability period shall be 15 years;
- Multi-family loans made or issued by any federal program are ineligible for refinancing;
- Rehabilitation must equal at least 25 percent of the total project costs; and
- Project management practices will be reviewed to ensure that disinvestment in the property has not occurred and that the long-term needs of the project can be met.

Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

Written standards for providing ESG assistance are attached as an appendix.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Denver, in partnership with Metro Denver Homeless Initiative (MDHI), Continuum of Care (CoC), manages an established central intake and coordinated assessment system using the Vulnerability Index - Service Prioritization and Decision Assistance Tool (VI-SPDAT). The VI-SPDAT helps determine
chronically homeless and medical vulnerability and prioritizes housing and service recommendations.

VI-SPDAT helps identify the best type of support and housing intervention for an individuals or family by relying on three categories of recommendations:

- **Permanent Supportive Housing**: Individuals or families who need permanent housing with ongoing access to services and case management to remain stably housed.
- **Rapid Re-Housing**: Individuals or families with moderate health, mental health and/or behavioral health issues, but who are likely to be able to achieve housing stability over a short time period through a medium or short-term rent subsidy and access to support services.
- **Affordable Housing**: Individuals or families who do not require intensive supports but may still benefit from access to affordable housing. In these cases, the tool recommends affordable or subsidized housing but no specific intervention drawn uniquely from homeless services providers.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

Denver coordinates with Metro Denver Homeless Initiative (MDHI) Continuum of Care (CoC) to prioritize ESG objectives. Currently this includes Rapid Re-Housing, Homeless Prevention, Emergency Shelter, Essential Services/Operations, Outreach, HMIS, and Administration. These priorities are evaluated annually and take into account standardized performance standards and outcomes.

Denver issues a Request for Proposals (RFP) for the ESG program every three years with the intent of providing multi-year funding in making sub-awards. With the exception of Administration, all of the ESG sub-awards are made to community based and faith based organizations.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

Denver meets the homeless participation requirement in 24 CFR 576.405(a). Denver consults with each agency receiving ESG funds to ensure homeless participation in services.
5. Describe performance standards for evaluating ESG.

Denver continues to be committed to Homeless Management Information System (HMIS). All ESG recipients participate in HMIS and continued analysis is expected to provide real time data to evaluate the impact of programs. CoC performance standards are outlined in the attached appendix. Program and agency refunding is dependent, in part, on successfully meeting the standards.
Appendix A

Citizen Participation Plan
Citizen Participation Plan

**Citizen Participation Plan.** The City and County of Denver believes that safe and supportive neighborhoods strengthen families. The City’s Citizen Participation Plan is based on the view that residents play an important role in improving the quality of life in their neighborhoods and, therefore, encourages residents to become involved in the Consolidated Plan process. When people become involved in their neighborhood and the Consolidated Plan process, they become an important force to improving neighborhoods.

The Citizen Participation Plan is also intended to fill a requirement by the U.S. Department of Housing and Urban Development (HUD), which sets forth the City’s policies and procedures for public involvement in the Consolidated Plan process and the use of the:

- Community Development Block Grant (CDBG),
- HOME Investment Partnerships Program (HOME),
- Emergency Solutions Grant (ESG), and
- Housing Opportunities for Persons With AIDS (HOPWA).

To receive these federal grant monies, HUD requires jurisdictions to submit a Consolidated Plan every three to five years. The City's current Consolidated Plan covers a five-year time-frame from January 1, 2019 through December 31, 2023. The City’s Consolidated Plan is a comprehensive strategic plan for housing and neighborhood development activities. The purpose of programs and activities covered by the Consolidated Plan is to improve the Denver community by providing decent housing, a suitable living environment, and growing economic opportunities, especially for low- to moderate-income residents.

**Purpose of the Citizen Participation Plan.** The Citizen Participation Plan (CPP) describes the process the City uses to collect public input and involve the public in development of the Five-Year Consolidated Plan. The CPP also addresses how the City obtains public comment on its Annual Action Plan and Consolidated Annual Performance Evaluation Report (CAPER). This Citizen Participation Plan was developed in accordance with Sections 91.100 and 91.105 of HUD’s Consolidated Plan regulations.

**Coordination with Other Efforts.** The City has been laying the foundation for the new Five-Year Consolidated Plan through development of several supporting efforts. The efforts most closely related to the Consolidated Plan include the Neighborhood Revitalizations Strategy, Denver’s Road Home, Blueprint Denver, and the Denver Housing Plan.

Denver’s approach to citizen participation is focused in neighborhoods with the greatest needs and is comprehensive and inclusive. Denver agrees with the concept of building and strengthening partnerships. The City collaborates on housing and neighborhood development programs with the Housing Authority of the City and County of Denver (DHA) and numerous other city agencies. Denver works in a collaborative partnership with service providers, other federal/state government agencies and the private sector on all community development programs. The City believes that good collaboration and coordination of programs, services and budgets will result in healthier communities.
**Encouraging Citizen Participation** The City recognizes the importance of public participation in both defining and understanding current housing and neighborhood development needs and prioritizing resources to address those needs. The City’s Citizen Participation Plan is designed to encourage citizens of Denver equal access to become involved each year.

**Development of the Plans and Performance Report** This document outlines how members of the Denver community may participate in the development and review of the City’s Five-Year Consolidated Plan; each annual Action Plan; each Annual Performance Report; and any substantial amendments to a Consolidated Plan and/or Action Plan. The City of Denver’s program/fiscal year begins January 1 and ends December 31. The City is responsible for implementing and reporting on the all aspects of the Consolidated Plan process.

The annual timeline to develop the Consolidated Plan and/or Action Plan and the CAPER schedule is highly dependent upon the federal government’s budget cycle, and specifically the allocations to HUD as approved by the U.S. Congress and the President. The following schedule provides a sample timeline for development of the City's plans if Congress allocates a budget in September preceding the start of program year.

<table>
<thead>
<tr>
<th>City and County of Denver</th>
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<tbody>
<tr>
<td>Citizen Participation Plan</td>
</tr>
<tr>
<td>Annual Schedule</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>January</td>
</tr>
<tr>
<td>Begin annual Action Plan year</td>
</tr>
<tr>
<td>Begin Consolidated Annual Performance and Evaluation Report (CAPER) process</td>
</tr>
<tr>
<td>February</td>
</tr>
<tr>
<td>At the end of month publish CAPER Public Notice of draft availability for public comment</td>
</tr>
<tr>
<td>March</td>
</tr>
<tr>
<td>Beginning to middle of month begin 15-day Public Comment period for CAPER</td>
</tr>
<tr>
<td>CAPER submitted to HUD by March 31</td>
</tr>
<tr>
<td>May-June-July</td>
</tr>
<tr>
<td>Hold public meetings for Consolidated Plan and annual Action Plan</td>
</tr>
<tr>
<td>Middle of July release Request for Funding (RFF) for annual contracts</td>
</tr>
<tr>
<td>August</td>
</tr>
<tr>
<td>Request For Funds (RFF) due, date to be determined</td>
</tr>
<tr>
<td>Review funding requests</td>
</tr>
<tr>
<td>September</td>
</tr>
<tr>
<td>Publish Public Notice informing public the draft Consolidated Plan/annual Action Plan are available for public comment</td>
</tr>
<tr>
<td>Contact all public meeting participants about the availability of the draft plan(s)</td>
</tr>
<tr>
<td>October</td>
</tr>
<tr>
<td>Begin 30-day Public Comment period for draft Consolidated Plan and draft annual Action Plan</td>
</tr>
<tr>
<td>November</td>
</tr>
<tr>
<td>Consolidated Plan and Action Plan submitted to HUD by November 15</td>
</tr>
<tr>
<td>December</td>
</tr>
<tr>
<td>End of annual Action Plan year</td>
</tr>
</tbody>
</table>
**Annual Action Plan.** Each year the City must submit an annual Action Plan to HUD, reporting on how that year’s funding allocation for the HUD entitlement grants will be used to achieve the goals outlined in the Five-Year Consolidated Plan.

Citizen/agency input. City staff holds at least two public hearing to describe the City’s proposed allocation of the program year’s funding allocation. The hearing is a detailed description of the programs, agencies, organizations and respective funding proposed by the City.

Draft Action Plan. A reasonable written notice is given to announce to the public the availability of the draft Action Plan. Availability of the draft Plan is advertised through newspaper notification in an area newspaper, on the City’s website, along with announcements throughout the City’s social media platforms.

The draft Action Plan is available for 30-days to gather public comment on the proposed spending allocation.

Final Action Plan. City staff reviews and considers all written public comments. The final Action Plan that is submitted to HUD includes a section that summarizes all citizens’ comments or views in addition to explanations of why any comments were not accepted.

**Consolidated Annual Performance and Evaluation Report (CAPER).** The City is required to submit by March 30 a CAPER to HUD that describes the City’s progress in meeting the goals in the Consolidated Plan and Annual Action Plan. Prior to submitting the CAPER to HUD, the City makes available to interested parties the proposed CAPER for a comment period of no less than 15 days. The public is notified of the CAPER's availability through newspaper notification in an area newspaper. A reasonable notification is published to announce the beginning of the CAPER public comment period.

The City reviews and considers all public comments received in writing, or orally at public hearings, if any, in preparing the CAPER. The final CAPER submitted to HUD includes a summary of these comments or views.

**Substantial Amendments to Consolidated Plan/Action Plan.** Occasionally changes occur during the year to warrant an amendment to the Consolidated Plan and/or Action Plan.

Criteria. The criteria for whether to amend is referred by HUD as “Substantial Amendment Criteria.” These Substantial Amendments apply only to changes in CDBG funding allocations. Changes in funding allocation for other HUD grant programs received by the City—HOME, ADDI, ESG, HOPWA—are not required to secure public review and comment. The City considers the following conditions to be Substantial Amendment Criteria needed to amend the Consolidated Plan and Action Plan and projected use of fund:

- A new program or project is proposed for funding that was not previously identified in the Consolidated Plan and Action Plans;

- A program that was listed in the Consolidated Plan or Action Plan is eliminated during the program year; and
- The City increases/decreases funding for a listed project or program area by more than 50 percent.

**Procedure.** In the event of a substantial amendment citizens will be notified of the substantial amendment’s availability through newspaper notification of the 30-day public comment period. The notification will appear in an area newspaper. The notice of the substantial amendment will summarize the programs involved and the nature of the substantial amendment to be implemented. The notice will identify where the complete substantial amendment(s) can be viewed and will advise the citizens that there will be a 30-day public comment period.

All comments received in writing or orally at the public hearing, if any, will be considered, and if deemed appropriate, the City shall modify the amendment(s). A summary of these, and a summary of any comments not accepted and the reason therefore, shall be attached to the substantial amendment(s) of the Consolidated Plan and/or Action Plan.

**Amendments to Citizen Participation Plan.** In the event that changes to this Citizen Participation Plan are necessary, City staff shall draft them. After reasonable notice, the amendment(s) will be available to the public for 15-days for written comment. All comments received in writing will be considered, and if deemed appropriate, City staff shall modify the amendment(s).

**General Requirements:**

**Public Hearings/Meetings.** The City’s citizen participation plan encourages the inclusion of all City residents during the Consolidated Plan and annual Action Plan development process, especially low- to moderate-income residents who are the primary clients for HUD programs. There are many opportunities for public involvement through meetings, workshops and hearings.

At least two public hearings are held each year to obtain views of citizens, public agencies, and other interested parties on housing and community development needs, development of proposed activities, and review of program performance. The public hearings are conducted at a minimum of two different stages of the program year. The City and County of Denver staff holds at least one of these hearings before the proposed Consolidated Plan is published for public comment.

In addition to the required public hearings, the City may use alternative methods to encourage citizen participation. Public meetings, surveys, stakeholder group meetings, open houses, and workshops may be used to solicit citizen input.

City staff holds special public meetings in the target neighborhoods as identified in the Consolidated Plan and Action Plans. These meetings focus on topics of special interest to the neighborhood, the general public or the agency, and are held in effort to obtain feedback about ideas prior to the publication of plans or documents. The City continues to work regularly and informally with the nonprofit
organizations, services providers, businesses and other groups, and individuals to make sure there is on-going communication. Neighborhoods in target neighborhoods are the primary beneficiary.

**Hearings/meetings require at least two weeks notification.** Public hearing/meeting notifications are placed in local neighborhood newspapers, newsletters, flyers or a combination. Notification is also provided on the City’s web page ([www.denvergov.org/economicdevelopment](http://www.denvergov.org/economicdevelopment)). As mailing lists are established, they are used to provide direct notification through the mail and email. The City also consults and coordinates with the Denver Housing Authority during the development of the Consolidated Plan and annual Action Plan.

**Notification of Participation Activities:**

**Required:** Public Notices for Community Meetings and Public Hearings shall be published on the City’s official website: [www.denvergov.org/economicdevelopment](http://www.denvergov.org/economicdevelopment) In addition, the City will send a press release. Public Notices shall be published for not less than two weeks (14 days) prior to any meeting/hearing. (Other notice periods are specified as required by the particular grant program). In addition, a press release will be sent with a distribution list of all current, previous contacts. Flyers will also be distributed to current contractors to share with the public.

**Location.** Public hearings/meetings will be conveniently timed and located so as to ensure the maximum participation by people who might or will benefit from program funds. All public hearings are held at locations accessible to people with disabilities. Translation for non-English speaking residents and/or those who are hearing impaired will be provided when requests are made at least five business days’ prior to a hearing.

**Document access.** City staff publishes the Consolidated Plan/Action Plan summary of priority programs and preliminary budget, the availability of the CAPER and announces substantial amendment(s) on the City’s website [www.denvergov.org/economicdevelopment](http://www.denvergov.org/economicdevelopment) and sends a press release to notify citizens, service providers and nonprofit organizations of the availability of documents. A reasonable notice of their availability is provided.

The notification also encourages the public to review and comment on the draft Consolidated Plan/Action Plan during the 30-day public comment period, the draft CAPER during the 15-day comment period and the substantial amendment(s) during the 30-day comment period.

Upon request, the Consolidated Plan, Action Plan, CAPER and substantial amendment(s) documents are made available at the main public library, the Denver Housing Authority Administration Building, Denver Human Services, and are always available on the City’s web page ([www.denvergov.org/economicdevelopment](http://www.denvergov.org/economicdevelopment)). Upon request, these documents are also provided in a form accessible to persons with disabilities. Citizens, groups, and other interested organizations may obtain hard copies of the plans, performance report and/or amendment(s) by calling (720) 913-1999. The copies are free of charge and limited to one per individual or business.

Denver notifies adjacent jurisdictions about priority non-housing community development needs and will continue to work with the metro area on homeless issues and HIV/AIDS issues and solutions.
**Access to information/records.** The City provides reasonable and timely access for citizens, public agencies, and other organizations to access information and records relating to the City’s Consolidated Plan, annual Action Plan, performance reports, substantial amendment(s), Citizen Participation Plan, and the City’s use of assistance under the programs covered by the plan during the preceding five years.

The City and County of Denver’s web page is [www.denvergov.org/economicdevelopment](http://www.denvergov.org/economicdevelopment) for citizens interested in obtaining more information about city services and programs or to review the plans and performance reports.

**Disaster or Declaration of Emergency.** In the event of a disaster or a declaration of emergency, public participation activities may be altered at the direction of HUD in order to expedite grantee response to affected communities.

Additionally, public participation activities will be facilitated by the most feasible means available at the time (i.e. call-in or virtual meetings in lieu of public meetings). Information to those with vision and hearing impairments, as well as non-English speakers will be provided to the extent feasible.

**In reference to COVID-19.** At the time of writing the World Health Organization has declared the coronavirus outbreak a pandemic and the United States has declared the outbreak a national emergency. Similarly, states and local jurisdictions, including the City and County of Denver, have declared local states of emergency effectively shutting down large gatherings and limiting the movement of residents.

HUD recognizes the efforts to contain COVID-19 require limiting public gatherings, such as those often used to obtain citizen participation, and that there is a need to respond quickly to the growing spread and effects of COVID-19. Therefore, HUD has waived 24 CFR 91.105(c)(2) and (k) and 24 CFR 91.401 to allow Denver to determine what constitutes reasonable notice and opportunity to comment given the circumstances related to COVID-19. Denver may use alternative methods for public participation and will allow for reasonable notification and access for citizens.

Therefore, for the 2020 Action Plan, amended 2019-2023 Consolidated Plan, 2019 CAPER, and the Citizen Participation Plan, the minimum required public comment periods are waived, provided that no less than 5 days are provided for public comments. These comment periods may run concurrently with each other. Reasonable notice of the comment periods will be provided, and Denver will replace the public meetings with a public presentation available online at [www.denvergov.org/economicdevelopment](http://www.denvergov.org/economicdevelopment); the presentation is available in English and Spanish, and the slides and transcript are available separately in English and Spanish as well.

**Optional City communications.** Notification on the City’s Cable Television station’s “Bulletin Board” and/or “Cable Television” (Channel 8) which reaches approximately 25,000 households (62% of the Westminster households).

The City reserves the right to adjust optional methods of notification depending upon which methods have proven to be the most cost effective in reaching the widest number of citizens, particularly low to moderate income residents.
**Comments/complaints.** The public may provide comments and complaints related to any HUD program. Written public comments and complaints can be mailed to 101 West Colfax Avenue, Denver, Colorado, 80202 or by email to rachel.king@denvergov.org, or sent by fax at (720) 913-1800.

Written complaints must clearly state the complainant’s name, address, and zip code. A daytime phone number or email should also be included in the event further information or clarification is needed. City staff will provide a timely, substantive written response to every written complaint, within 15 days of receipt.

**Technical assistance.** The City can provide technical assistance to groups representative of the target neighborhoods or other low-income areas that request such assistance for the preparation of funding proposals to the greatest extent possible. Technical assistance may consist of workshops, one-on-one assistance, or information and referral. When the City initiates a request for proposals, it provides a pre-application or bidders workshop to ensure all organizations are aware of the opportunities and limits of the funding source. The City’s provision of technical assistance does not include the preparation of grant applications for individuals or organizations. The City’s provision of technical assistance can be limited by funds and staff availability.

**DHA Public Participation.** DHA provides for public participation in the development of their agency annual plan process and five-year Capital Fund Program (CFP) process. The Agency Plan stipulates the mission, goals, objectives, and policies for DHA, any and all projected capital improvements, redevelopment, relocation, renovation, rehabilitation, modernization and management improvements for public housing developments. Examples of topics include: Admissions and Occupancy Terms, Section 8 Administrative Plan Annual Capital Fund Performance and Evaluation, and resident/public comment.

DHA, in conjunction with the Resident Council Capital Fund Committee, prioritizes capital improvement items primarily on statutory requirements as determined by HUD, health and safety of residents, infrastructure and related housing quality standards.

As such, DHA develops and solicits resident and management input into the capital needs of their respective public housing developments for development of its Capital Fund Plan and Annual Plan submission to HUD. The DHA Capital Fund Plan and Agency Annual Plan are a regular agenda item of DHA local resident councils (LRC) and the established Resident Council Board (RCB) Capital Fund Committee. Based on resident, management, LRC, and RCB input and contingent upon funding and within capital fund budget, DHA staff then incorporates recommendations within the Capital Fund Plan and Annual Plan.
Appendix B

Citizen Participation Q&A and Comments
(Will be included after public participation period.)
Appendix C

Standards for CoC- and ESG-Funded Rapid Re-Housing Programs
Standards for CoC- and ESG-Funded Rapid Re-Housing Programs in the Metropolitan Denver Continuum of Care

Approved by MDHI Board of Directors on May 10th, 2018
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Note: In this document the term grantee refers to the entity that is receiving funding to administer a rapid re-housing program. Other terms that may be used in place of grantee are project site, program, agency, recipient, or subrecipient. Participant refers to the household receiving services. Other terms that may be used for participant include client or program participant.
Introduction

The Metropolitan Denver Continuum of Care (CoC) has developed these standards in accordance with Title 24 of the Code of Federal Regulations.¹ The standards are applicable to all projects that receive CoC or Emergency Solutions Grants (ESG) Rapid Re-Housing (RRH) funding through the CoC and are intended as the basic minimum standards that CoC and ESG grantees are expected to meet in operating their RRH projects. All CoC-funded RRH projects must also comply with the U.S. Department of Housing and Urban Development (HUD) Notice of Funding Availability (NOFA) under which the project was originally awarded.

Metro Denver Homeless Initiative (MDHI) encourages all other funders of RRH to voluntarily align with these standards when possible so that people experiencing homelessness are treated similarly regardless of funding source and county of origin. Appendix A contains a current list of the other funders and RRH programs that have adopted the standards. All funds used to provide services under these programs, including any program income and matching funds, must be administered in compliance with these standards. Project-level modifications can be considered, but only for cause and following CoC approval. The CoC is developing related performance benchmarks, and once they are established, the performance of each RRH project will be evaluated based on the outcomes it has achieved and their impact on CoC-wide performance measures.

The goal of these standards is to merge key elements of the HUD regulations with the processes and priorities of the CoC and guarantee that RRH funding is administered consistently, transparently, and as effectively as possible. The CoC will continue to build upon and refine this document as RRH practices evolve, to maintain and improve the following:

- Project compliance with 24 CFR 576 (ESG interim rule), 24 CFR 578 (CoC Program interim rule), additional requirements contained in the CoC Program NOFA under which the project receives funding, and related applicable guidance.
- Program accountability to individuals and families experiencing homelessness.
- The uniformity of RRH practices and participants’ expectations of and experiences in RRH programs.
- Project staff competence and training specific to the target population being served.
- Model policy guidelines for RRH programs.
- Consistency among all providers of RRH assistance and their baseline knowledge of best practices, no matter the funding stream.

The standards detailed in this document encompass the following:

¹ 24 CFR 91.220(l)(4)(i), 576, and 578.
• Standard policies and procedures for evaluating individuals’ and families’ eligibility for assistance.

• Policies and procedures for coordination among RRH assistance providers, other homeless assistance providers, and mainstream service and housing providers.

• Policies and procedures for determining and prioritizing which eligible families and individuals will receive RRH assistance.

• Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving RRH assistance.

• Standards for determining how long a participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

• Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a participant, including the limits, if any, on the rapid re-housing assistance that each participant may receive, such as the maximum amount of such assistance, maximum number of months the participant may receive assistance, or the maximum number of times the participant may receive assistance (CoC and ESG).

Program Philosophy and Design

The National Alliance to End Homelessness (NAEH) published a Solutions Brief in 2016 entitled Rapid Re-Housing Performance Benchmarks and Program Standards.2 Organizations implementing RRH and funders who are supporting or planning to support RRH should use the CoC standards in this document, which were developed based on the NAEH brief, as their guide for RRH.

RRH is a short- to medium-term housing intervention designed to help individuals and families quickly exit homelessness, return to housing in the community (usually in the private market), and not experience homelessness again. RRH is a Housing First intervention, meaning that the primary focus is on moving households into housing quickly, without preconditions (such as those relating to employment, income, criminal records, “motivation,” or sobriety).

Participating programs are expected to maximize the number of households served by accepting all referrals received through the CoC’s OneHome Coordinated Entry System and by not screening out households. Additionally, the primary focus of assessments and assistance should be on resolving the participant’s current housing crisis. This means a focus on the circumstances of the crisis, the household’s barriers to obtaining and maintaining housing, and the reasons they are unable to solve their housing crisis without RRH assistance.

RRH resources and services must be tailored to the unique needs of the household. The primary components of an RRH program include housing identification, rental and move-in assistance,

and case management services. While an RRH program must have all three of these services available, it is not required that a single entity provide all three services nor that a household utilize them all. All participation in services should be voluntary and driven by the household.\(^3\) Program staff must be trained in the principles of Housing First approaches and oriented to the basic program philosophy of RRH. Under no circumstances should participation in services be a condition of occupancy. In other words, an RRH program may not terminate a participant solely for refusing to participate in supportive services. It is permissible, however, to require participation in general, low-demand case management with a primary goal of engagement and consistency with Housing First. While having such a requirement is allowable, failure to meet with the case manager must not lead to an automatic eviction or termination from the RRH program.

RRH programs must have well-defined and written “screen-in” processes that use consistent and transparent decision criteria.

- Eligibility criteria for the program must not include a period of sobriety, a commitment to participation in treatment or other services, or any other criteria designed to “predict” long-term housing stability, other than a willingness to work on a self-directed housing plan.
- Priority should be given to households that are the least likely to exit homelessness without assistance—not to the households considered most likely to succeed in RRH, regardless of participants’ scores on assessment tools or current income.
- Disabilities should be assessed only in regard to their role in causing past housing instability or loss and when related to the household’s ability to obtain a disability-specific benefit, service, or accessible unit.
- Programs must participate in the Homeless Management Information System (HMIS), collecting all required data and taking steps to achieve quality data entry. Victim services providers must not enter client-level data into HMIS; instead, they must use a comparable database to collect client-level data over time and generate unduplicated, aggregate reports based on that data.
- Programs must participate in and accept all referrals from OneHome and must participate in efforts to improve the efficiency and quality of referrals when necessary.
- Programs must maintain and distribute information on alternative, available resources for clients who wish to access other services in addition to those offered by the program.
- Programs must have an ongoing performance improvement process that includes evaluations of household outcomes and household feedback.

\(^3\) https://endhomelessness.org/resource/rapid-re-housing-a-history-and-core-components/.
HUD COC- and ESG-Funded Rapid Re-Housing Eligibility

Eligibility Requirements

Initial eligibility for RRH projects funded with either ESG or CoC program funding shall be limited to individuals or families who are either

- Literally homeless (defined as an individual or family who is living in a public or private place not meant for habitation or in a temporary shelter, which includes congregate shelters); or
- Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions.¹

This requirement is consistent with the ESG Program interim rule as well as requirements included in the CoC Program NOFAs since fiscal year (FY) 2013 (which go beyond the eligibility requirements for RRH included in the CoC Program interim rule).

There shall be no minimum or maximum income limits for either ESG- or CoC-funded RRH projects when determining the initial eligibility of a household.

Grantees must conduct interim evaluations of participants (for ESG this is referred to as recertification). The first evaluation must occur 3 months after enrollment. Any additional months of assistance or subsidies beyond the first 3 months may be provided on a month-to-month basis (with reevaluations each month). To continue to receive rental assistance under both ESG- and CoC-funded programs, the participant must continue to lack sufficient resources and support networks to retain housing without RRH assistance. In interim evaluations, the grantee must also reassess the type and amount of assistance that the household is receiving and make adjustments as needed.

While interim evaluations must be completed more frequently, annual reevaluations are required by HUD for participants in ESG-funded RRH projects. To remain eligible, households must have income at or below 30 percent of the Area Median Income (AMI).

Documenting Eligibility

Organizations receiving grant funding for RRH under the CoC and ESG programs must document and maintain records related to participant eligibility and the services provided to participants. Following is an overview of these requirements:

- Homeless Status: Maintain records documenting acceptable evidence of participants’ homeless status. Acceptable evidence generally includes third-party written verification of the participant’s stay in an unsheltered location, in an emergency shelter, or in

¹https://www.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf
another eligible location. These records must comply with HUD’s recordkeeping requirements.\(^5\)

- When documenting homeless status, HUD requires compliance with their preferred order of priority. This means that homeless status must be documented first with third-party written verification of homelessness (e.g., HMIS record, documentation on letterhead from shelter). If that documentation is not attainable, only then can third-party oral verification be used as documentation, and only after case workers have documented their due diligence in attempting to obtain third-party written verification. Self-certification of homeless status is permitted only when neither third-party written nor third-party oral verification can be obtained, and due diligence has been documented.

- Other Program Eligibility Verification: Document compliance with any other program eligibility criteria specific to the individual project.

- Services and Assistance Provided: Grantees must keep records for all participants that outline the services provided, including:
  
  - Evidence that, at a minimum, quarterly assessments of service needs were completed (certain programs require more frequent assessments).
  
  - When a participant is terminated from the program, evidence that all applicable federal requirements were followed.

- Annual Income: For the purposes of documenting eligibility upon reevaluation and when any kind of rent is paid by program participants, grantees must keep the following documentation of annual income:
  
  - Income evaluation form.
  
  - Source documents (wage statements, bank statements, etc.).

In addition to these requirements, where RRH projects are serving persons experiencing chronic homelessness, and where RRH may be used as a bridge to a permanent supportive housing (PSH) placement, chronic homelessness must be documented. The recordkeeping requirements in the *Defining “Chronically Homeless” Final Rule* apply only to CoC-funded PSH projects that are required to serve this population (i.e., dedicated PSH). However, CoC- and ESG-funded RRH projects that serve persons experiencing chronic homelessness where the household may ultimately need permanent supportive housing *should use the time in which the household is in the RRH project* to gather supporting third-party documentation that will be required at the point of intake into PSH. The PSH grantee will be required to demonstrate that the household was chronically homeless and eligible for the PSH project at the time the household entered the RRH project.

\(^5\) [https://www.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf](https://www.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf)
For more information, view the Defining “Chronically Homeless” Final Rule and accompanying FAQs about recordkeeping requirements. A recorded webinar and supporting materials related to the definition of chronically homeless is also available, and HUD recently released the following tools to assist grantees with this definition:

- **Flowchart of HUD’s Definition of Chronic Homelessness**: This tool guides users through HUD’s definition primarily via “Yes” or “No” questions, providing an interactive way to help users understand who meets the definition and what documentation is required.

- **Sample Chronic Homelessness Documentation Checklist**: This checklist provides an optional way to help record chronic homelessness for projects that need such documentation.

**Coordination with Mainstream and Targeted Homeless Services Providers**

The Metropolitan Denver CoC expects every agency that receives CoC or ESG funding to access and coordinate with mainstream and other targeted homeless resources.

Further, every agency that receives CoC or ESG funding is required to participate fully in and accept referrals only through the CoC’s OneHome Coordinated Entry System.

**Prioritizing Assistance for COC- and ESG-Funded RRH**

All CoC- and ESG-funded RRH projects will be targeted to the highest-need households to the maximum extent possible. Each grantee will adopt policies and procedures that “screen in” households with higher barriers to housing and will not impose additional targeting or screening criteria designed to determine whether a household is “housing ready,” such as sobriety, employability, or willingness to participate in services.

All households served in CoC- and ESG-funded projects must be referred through the CoC’s OneHome Coordinated Entry System using its current prioritization method. Prioritization policies are established by the CoC in coordination with grantees and partners and applied CoC-wide. There shall be no project-specific waiting lists or project-specific prioritization policies that exist outside of coordinated entry.

**Determining Participant Contribution Toward Rent and Utility Costs**

Occupancy charges—a participant’s total contribution toward rent and utilities—must be universally and consistently applied to all participants served in CoC- and ESG-funded RRH programs. Rental assistance should be provided in a flexible and progressive manner that is tailored to the household’s needs. The policy of the Metropolitan Denver CoC is that financial assistance should be provided in amounts sufficient to ensure the likelihood of positive housing

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outcomes after the assistance has ended. RRH projects are to provide just enough rental assistance to ensure that the participant is working toward housing stability and will not become homeless again. Following are the CoC’s minimum standards for determining what percentage or amount of rent and utilities costs each participant shall pay while receiving CoC- or ESG-funded RRH assistance:

- The participant’s income shall be verified prior to their approval for initial and additional financial assistance. Documentation of the participant’s income and expenses, including how the participant is contributing to housing costs, if at all, shall be maintained in the participant’s project file. This file shall also contain the participant’s plan to remain housed when their assistance comes to an end, by increasing income, decreasing expenses, or both.

- All households will undergo income recertification and subsidy recalculation at the end of each 3 months of program participation. Income should be evaluated each month to help the provider determine what types of services the participant may need that month. A rental subsidy can be recalculated monthly but must be recalculated at least once every 3 months.

- Each CoC- and ESG-funded RRH grantee must establish policies concerning notification of changes in participants’ income or family composition.

- Households are to receive a maximum monthly subsidy amount that is based on the household’s size, composition, and income, and on the current Federal Market Rent (FMR) (ESG) and/or rent reasonableness (CoC and ESG) standards. Based on these factors, RRH providers will calculate a maximum rental subsidy for the household and, to the extent possible, decrease the subsidy as the household’s length of time in the RRH program increases.

- Grantees are expected to provide hardship exemptions from any rental charges if such charges could lead to loss of housing for the assisted household.

- RRH projects are to calculate rent as the sum of the total monthly rent for the unit and, if the tenant pays separately for utilities, the monthly allowance for utilities established by the public housing authority (PHA) for the area in which the housing is located (24 CFR 578.37(a)(1)(ii)(B)). Therefore, if utilities are not included in a participant’s rent, and rent is part of the RRH program’s rental assistance calculation, that calculation must incorporate the applicable utility allowance, and the participant must be reimbursed for any amount by which the allowance exceeds the participant’s share of rent. This utility reimbursement may be paid using rental assistance funds.7

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Determining the Duration of Financial Assistance

The minimum standards for determining how long a participant shall be provided with rental assistance and how the amount of that assistance shall be adjusted over time are as follows:

- Participants shall receive approval for the minimum amount of financial assistance necessary to end their homelessness. Financial need must be documented in the participant’s file each time their assistance is evaluated, which must be done at least once every 3 months. Participants shall not be approved for more rental assistance than can be justified given their current income and expenses.

- Generally, RRH assistance shall not be provided for more than 24 of the months in any 36-month period.
  - The duration of short-term rental assistance shall not exceed 3 months.
  - The duration of medium-term rental assistance shall exceed 3 months, but not exceed 24 months.

- For all CoC- and ESG-funded RRH projects, the initial term of assistance shall be 3 months. At the end of the initial 3-month term, the grantee shall evaluate the participant’s progress and financial situation and offer assistance on a month-to-month basis. After 6 months, the grantee shall reassess the participant and determine whether continued assistance is needed. RRH assistance can be provided for up to 9 months total as long as the household continues to lack the financial resources and support networks needed to remain in housing. Exceptions to this 9-month limit may be made at the discretion of the RRH program, in consultation with MDHI, but in no case may assistance exceed the CoC and ESG regulation of 24 months.
  - If it is determined that the participant will be unlikely to exit the program without further financial assistance and that a more permanent subsidy will be required, the RRH assistance can be used as a bridge while the grantee begins the process of working with the CoC and OneHome to identify a more appropriate placement, such as a PSH project, based on client eligibility and available resources.

- Additional requirements regarding how long a participant shall be provided with rental assistance and whether and how the amount of that assistance shall be adjusted over time can be established by grantees, but only in collaboration with the CoC. Any such requirements must be clearly communicated to participants.

- CoC-funded RRH projects cannot pay for rent arrears. Payments for up to 6 months of rent arrears can be made by ESG-funded RRH projects, provided that these are one-time payments that include any late fees. Such payments cannot include past rent that is in collections.

- Payments for rental assistance shall comply with applicable HUD standards. In ESG-funded RRH projects, rental assistance may cover up to the FMR for a unit and units
must comply with HUD’s rent reasonableness standards. For CoC-funded RRH, rent reasonableness is the applicable rent standard and units in a structure must comply with HUD’s rent reasonableness standard.\(^8\)

- Calculation of the rental payment amount shall include only the monthly rent for the unit, any occupancy fees under the lease (except for pet and late fees) and, if the participant pays separately for utilities, the monthly utility allowance established by the PHA serving the area in which the housing is located.

- Payments for rental assistance shall be made only when:
  - There is a legally binding, written lease between the unit’s owner and the participant. For participants receiving tenant-based rental assistance (TBRA) under the CoC Program, the lease must be for an initial term of no less than 1 year, must be renewable for a minimum term of 1 month, and may only be terminable for cause. For participants receiving project-based rental assistance (PBRA) under the ESG Program, the lease must have an initial term of 1 year. There is no minimum lease period for TBRA under ESG. This requirement for a lease does not apply to payments made for rent arrears by ESG-funded RRH providers.
  - There is a rental assistance agreement between the RRH provider and the unit’s owner, which sets forth the terms under which rental assistance will be provided, including the requirements specified above. The rental assistance agreement must include a requirement that the owner provide the grantee with a copy of any notice to vacate given to the participant or any complaint used to commence an eviction action; and must include the same payment due date, grace period, and late-payment penalty requirements as are in the participant’s lease.
  - Payments made for any late-payment penalties incurred by the RRH provider shall not be claimed for reimbursement.
  - Payments shall be made only for units that have been inspected for HUD Housing Quality Standards (CoC-funded RRH) or Habitability Standards (ESG-funded RRH) and re-inspected no less frequently than annually. Rental assistance shall not be paid on behalf of any unit that does not meet these standards.
  - Lead-based paint requirements must be evaluated for any chipped, cracking, or peeling paint. All tenants with children under the age of 6 who are in housing built prior to 1979 are required to be given a lead-based paint pamphlet and to certify that they received the pamphlet. A copy of this certification must be placed in the participant’s file.

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\(^8\) https://www.hudexchange.info/resources/documents/ESG-Rent-Reasonableness-and-FMR.pdf
Limitations on Tenant-Based Rental Assistance

When TBRA is provided, the rental assistance agreement with the unit owner shall be terminated without further payments if

- The participant moves out of the unit, or
- The lease terminates and is not renewed.

Limitations on Project-Based Rental Assistance (ESG-funded RRH only)

Payments shall be made only under the following conditions:

- The lease has an initial term of 1 year.
- The rental assistance agreement may cover one or more permanent housing units in the same building.
- Each unit covered by the rental assistance agreement is occupied by an ESG-funded RRH participant.
- Payments are made for up to 100 percent of the first month’s rent only if the participant signs a lease and moves into the unit before the end of the month.

Financial assistance provided to participants under ESG- and CoC-funded RRH programs may not exceed the limitations set forth below:

- **Use with other subsidies.** Payments shall not be provided for a participant who is receiving the same type of financial assistance through other public sources.
- **Rental application fees.** Payments for application fees shall be made only when the owner requires that all applicants pay the fee.
- **Security deposits.** Payments for these deposits shall not exceed 2 months of rent.
- **Last month’s rent.** Payments for the final month of rent incurred by a participant prior to entry into the RRH program shall not exceed 1 month’s rent and shall be included in calculating the participant’s total rental assistance.
- **Utility deposits.** Payments shall be made only for gas, electric, water, and sewage deposits.
  - **Utility payments.** Payments shall not exceed 24 months per participant, including no more than 6 months of payments in arrears per utility. A partial payment counts as 1 month.
  - Payments shall be made only if the utility account is in the name of the participant or a member of the same household.
  - Payments shall be made only for gas, electric, water, and sewage costs.
• Participants shall not receive more than 24 months of utility assistance within any 3-year period.

• **Moving costs.** One-time moving expenses are eligible for payment.

**Minimum Program Requirements**

• Program staff must be trained on the regulatory requirements of all RRH funding streams and on the ethical use and application of the program’s financial assistance policies.

• The program must have clearly defined policies and procedures for determining the amount of financial assistance provided to a household, as well as defined and objective standards for determining when case management and financial assistance should continue and end. Programs are required to share these written policies and standards with MDHI.

• The program must have clearly defined, written standards for participant assessments and intake, determination of participants’ eligibility, initial evaluation (certification) of participants, reevaluation (recertification) of participants, terminating assistance, appeals of terminations, emergency transfers under the Violence Against Women Act (VAWA), and participant files.

• When households are expected to pay an amount toward their housing, the program must have written policies and procedures for determining that amount, and the amount must be reasonable in relation to the participant’s income.

• A progressive approach must be used to determine the duration and amount of rental assistance. Policies detailing this approach should cover decision-making guidelines and reevaluation processes.

• The program must provide, when needed, financial assistance for housing costs.

• The program must issue checks quickly and on time and must have the capacity to track payments to landlords and other vendors.

• The program must have the capacity to pay reasonable back rent and utility arrears that directly prevent a household from being able to sign a lease. Rent arrears cannot be paid once they are in collections.

• The program must help households meet basic needs at move-in.

• The process used to transition the household off of financial assistance must be coordinated with case management efforts that help the household assume and sustainably cope with their housing costs.
Determining Type, Amount, and Duration of Housing Stabilization and/or Relocation Services

RRH assistance of all types cannot exceed 24 months in any 3-year period. Below are the minimum standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to program participants. These standards include the limits, if any, applicable to such services, such as the maximum amount of services that can be provided, the number of months for which services may be provided, and the number of times a participant may receive such assistance.

Housing Search and Placement Services

Payments shall be made only for helping participants to locate, obtain, and retain suitable permanent housing by providing one or more of the following services:

- Assessment of housing barriers, needs, and preferences. Development of an action plan for locating housing.
- Housing searches.
- Outreach to and negotiation with housing owners.
- Assistance with submitting rental applications and understanding leases.
- Assessment of housing for compliance with ESG Program requirements for habitability, lead-based paint, and rent reasonableness.
- Assistance with obtaining utilities and making moving arrangements.
- Tenant counseling.

Minimum Program Requirements for Housing Search and Placement Services

- The program must offer a standard, basic level of support to all landlords who lease to program households. This support must be detailed in a written policy distributed to landlords and made available to MDHI.
- The program must have a detailed policy covering the type of assistance provided to help households find and secure housing. Program staff must explain and distribute this policy to households upon entry to the program. The program must also have a written policy that requires staff to explain to household’s basic landlord-tenant rights and responsibilities and the requirements of their specific lease.
- The program shall continually engage in the recruitment and retention of landlord partners and shall have a system to track unit vacancies, locations, characteristics, and costs.
- The program must provide households with multiple housing choices within practical constraints.
• The program must help households make informed housing choices with the goal that the household will be able to maintain their housing after leaving the program.
• When ending financial assistance, the program must provide information to the landlord about how they can contact the program again if needed and what kinds of follow-up assistance may be available.

**Housing Stability Case Management**

Payments shall be made only for assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a participant who resides in permanent housing or to assist a participant in overcoming immediate barriers to obtaining housing. This assistance may comprise one or more of the following services:

• Using the CoC’s OneHome Coordinated Entry System.
• Conducting the initial evaluation, including verifying and documenting participant eligibility.
• Counseling.
• Developing, securing, and coordinating services and obtaining federal, state, and local government benefits.
• Monitoring and evaluating participant progress.
• Providing the participant with information and referrals to other providers.
• Developing an individualized housing and service plan and supporting the participant in accomplishing the plan.
• Conducting reevaluations.

Housing stability case management services provided while a participant is seeking permanent housing may be supported for up to 30 days only with ESG funding. For CoC-funded assistance, there is no limit on how many months a grantee can provide services before a participant is housed, so long as the grantee is **actively** helping the participant to identify a unit as quickly as possible. Additionally, supportive services may be provided for no longer than 6 months after the rental assistance stops.

Housing stability case managers are expected to meet with participants in their homes and must have a minimum of one contact per month with participants. All contact between case managers and participants shall be documented in case notes.

Any additional requirements regarding the type, amount, and duration of housing stabilization and/or relocation services that will be provided to a program participant, including any limitations, shall be determined by the individual service provider’s policies and clearly communicated to participants.
Minimum Program Requirements for Housing Stability Case Management Services

- Case managers’ job descriptions must direct them to focus on housing and to use strengths-based practices.
- Case managers must work closely with housing locator staff to match the household to an appropriate unit as quickly as possible.
- Case managers shall be trained on RRH case management strategies and related evidence-based practices as well as on program policies and community resources.
- Except where dictated by the funder, program households shall direct when, where, and how often case management meetings occur.
- Case managers must respect participants’ homes as they do their own, scheduling appointments ahead of time, only entering when invited in, and respecting personal property and the participant’s wishes.
- When participation in case management services is not mandated by federal or state regulations, such participation shall be voluntary.
- Programs must have clear safety procedures for home visits. They must train their staff on these procedures, post the procedures in a clearly visible manner in their offices, inform participants about the procedures at intake, and, if and when changes are made, communicate the changes to participants and staff.
- Programs must have clearly defined relationships with employment and income programs that they can refer participants to when appropriate.
- Programs must have clearly defined policies and objective standards about when case management should be continued and ended.
- At enrollment or within 72 hours of enrollment, programs must conduct a tenancy barriers assessment.
- Programs must connect participants to community resources that help them to (1) resolve or navigate tenant problems that landlords may screen for on rental applications, (2) obtain necessary documentation, (3) prepare for successful tenancy, and (4) successfully accomplish other move-in activities.
- Programs must offer opportunities for participants to learn basic tenancy skills.
- Program staff must work directly with the household and landlord to resolve tenancy issues without threatening the household’s tenancy.
- When appropriate, case managers should work with participants to build their communication skills so they can better respond to or negotiate with a landlord.
- When necessary, case managers should help households avoid evictions and maintain positive relationships with their landlords.
• Programs’ housing plans for individual participants should focus on how the participant can maintain a lease and address barriers to housing retention; on improving the participant’s understanding of landlord/tenant rights and responsibilities; and on addressing other issues that have, in the participant’s past, resulted in housing crises or housing loss.

• Programs should refer households to community resources as appropriate.

• Case managers should make referrals to appropriate community and mainstream resources.
Appendix A
Metro Denver CoC and ESG RRH Programs

Emergency Solutions Grants Rapid Re-Housing Programs
MDHI Emergency Solutions Grant RRH
Denver Department of Human Services Emergency Solutions Grant RRH
City of Aurora Emergency Solutions Grant RRH

Continuum of Care Rapid Re-Housing Programs
Aurora Mental Health Center, Aurora @ Home
Boulder County Housing Authority
Colorado Coalition for the Homeless, Consolidated RRH
Denver Department of Human Services, Back Home RRH
Family Tree, Home at Last
Volunteers of America, Youth Transitions Project
Appendix D

Propel Denver
**WHAT We Do**

*Denver Economic Development & Opportunity works to ensure our residents, businesses, and neighborhoods benefit from a vibrant economy.*

We believe everyone should have the opportunity to make a home, get a job, and build a future.
OUR Vision

Leading an inclusive and innovative economy for all Denver residents and neighborhoods

OUR Mission

Delivering today while strategically investing for tomorrow. We create, catalyze, connect and cultivate.

WE CREATE consistency and stability amidst ever-changing economic tides. Our workforce support programs, housing initiatives, and neighborhood stabilization efforts help create economic resiliency for Denver.

WE CATALYZE an innovation ecosystem for people, business, and the Denver community. We promote innovation, invest in opportunity areas, and support small business development to help catalyze responsible growth in Denver.

WE CONNECT our partners and customers with opportunities—now and in the future. Our efforts attract global interest, expand city partnerships, and improve small business competitiveness to help connect businesses and residents with opportunities, both global and local.

WE CULTIVATE and promote equity. By adding affordable housing, reducing involuntary displacement, and improving job access, we cultivate responsible, equitable growth that preserves the character and vitality of Denver’s neighborhoods.
Business, Workforce & Global Development
Develops local and global business opportunities while connecting residents to jobs

Division of Small Business Opportunity (DSBO)
Creates and expands opportunities for small, minority and women-owned businesses

Housing
Creates and preserves housing options that are accessible and affordable to all Denver residents

Neighborhoods
Builds opportunities for residents and businesses in Denver’s diverse neighborhoods
OUR PRIORITIES
Five Core Goals

1. foster economic inclusivity by investing in people, assets, and places with unrealized potential

2. preserve the vitality of Denver’s neighborhoods with equitable jobs, housing, and business opportunities

3. grow Denver’s competitive capacity from home to globe

4. enhance Denver’s future economic resiliency

5. leverage the power of collaboration and resources across our collective agency and city partners to magnify impacts
“PROPEL DENVER is our 2019 Strategic Plan for advancing the mayor’s mission to set Denver’s people and neighborhoods on an equitable path to prosperity. Through this work, our team will collaborate across city agencies, and with the community—residents, nonprofits, businesses, and others—to ensure we have an economy that works for everyone. Today and together, we must continue to create opportunities for everyone in Denver to make a home, get a job, and build a future.”

Eric Hiraga
Executive Director, Denver Economic Development & Opportunity
Appendix E

Housing an Inclusive Denver
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Prepared in partnership with Enterprise Community Partners, Inc. with input from community members and stakeholders in the public, private and non-profit sectors
FROM MAYOR MICHAEL B. HANCOCK

Dear Denver Neighbors,

Denver is beloved for its amazing outdoors, abundant sunshine, bustling economy, and unique and vibrant neighborhoods. Each month, another estimated 1,000 people choose Denver as their new home placing increasing demand on our housing and neighborhoods.

There is nothing I love more as Mayor than enjoying Denver’s diverse neighborhoods with all of you. From the active downtown city center and the sounds of Five Points, to Westwood’s Cuatro Vientos Park and Little Saigon Business District, Wash Park’s Smith Lake, the art of Mariposa and the diversity of Montbello. Our neighborhoods have defined us for generations. Now, our greatest challenge as a city is how we invest in our neighborhoods without sacrificing the cultural and historic fabric that makes them unique.

*Housing an Inclusive Denver* uses input from more than 1,500 residents, numerous housing experts, and nonprofit partners to set a five-year strategy for future housing policy and investments. Led by the Housing Advisory Committee, Office of Housing and Opportunities for People Everywhere (HOPE) and Office of Economic Development, the plan focuses in on the key values of embracing diversity, leveraging investments to support inclusive communities, encouraging opportunity, and serving residents across a range of incomes from those experiencing homelessness to people living on fixed-incomes and working families.

*Housing an Inclusive Denver* celebrates the diversity of our neighborhoods and identifies ways to keep Denver the vibrant city many of us have grown up with and many others have chosen for their new hometown. This plan, and its accompanying annual action plans, are meant to be flexible, living documents that serve to guide us through future changes to Denver’s housing market.

I want to thank the members of our Housing Advisory Committee, all of the residents, organizations and businesses who contributed to the creation of this plan. Today, we are enjoying some of the greatest prosperity in our history, and together we will ensure that it does not come at the cost of losing our cultural identity. I hope you’ll continue to engage with our Housing Advisory Committee and me as we work over the next five years to ensure that housing is affordable for all who choose to call Denver home.

Sincerely,

Mayor Michael B. Hancock
Denver Friends,

There are few things that impact a city as much as its housing stock. In Denver, we’ve emerged from the downturns in the economy to thrive, but we face an increasingly difficult challenge – housing affordability for all incomes. Throughout 2017, the Housing Advisory Committee has heard from communities across the city about their greatest challenges and biggest opportunities. We’ve engaged with national housing experts and looked at successful programs in other cities to develop *Housing an Inclusive Denver*, a five-year plan for housing policy, strategies and investments.

One of the important changes with *Housing an Inclusive Denver* is its focus on addressing the housing needs and opportunities of the city along a “housing continuum,” from people experiencing homelessness to those striving to achieve homeownership. The plan outlines an approach to building communities of opportunity across the city for all people and identifies the strategies the City and County of Denver will use to advance opportunity and mitigate involuntary displacement over the next five years. It creates the overarching direction for allocating the city’s Affordable Housing Fund and federal housing resources, as well as housing and affordability policies and programs. In this capacity, the plan considers the unique characteristics of Denver’s neighborhoods and works to align policy and investment strategies to ensure that housing options along the continuum match distinct neighborhood conditions and contexts throughout Denver.

In addition to the five-year plan, an Annual Action Plan schedule will outline the priorities to which the city will allocate local and federal funds for each fiscal year during the five-year plan period.

The Housing Advisory Committee is pleased to present *Housing an Inclusive Denver* to the community. We view this as a living document that our committee will work to implement over the next five years as our housing market changes, and as we implement and evaluate the tools in our housing toolbox. We are committed to staying engaged and learning alongside you, our community, about the challenges and opportunities in your neighborhood and how the city can partner to create innovative approaches to address our housing needs.

Sincerely,

Kevin Marchman
EXECUTIVE SUMMARY

Overview
Denver is at a pivotal point where despite extremely low unemployment (2.2%), high workforce participation (90%+), and tremendous economic growth, housing costs are growing at such a rapid pace that incomes cannot keep up. *Housing an Inclusive Denver* outlines strategies to create and preserve strong and opportunity-rich neighborhoods with diverse housing options that are accessible and affordable to all Denver residents. The plan is centered around four fundamental values and four core goals.

Fundamental Values

**Leverage and enhance housing investments** with resources from public, private and nonprofit partners to support inclusive communities in Denver, including a focus on sustainability of the City’s existing resources for affordable housing development, preservation and programs.

**Foster communities of opportunity** by aligning housing strategies and investments with unique neighborhood conditions that consider five opportunity outcomes: stable and affordable homes, jobs and economic mobility, comprehensive health services, access to quality education, and mobility and transit connections.
Support housing as a continuum that serves residents across a range of incomes, including residents experiencing homelessness, those earning low wages or living on fixed-incomes such as seniors or residents with a disability, and working families.

Embrace diversity throughout neighborhoods to ensure that Denver remains a welcoming community for all residents by focusing on policies, programs and investments that support inclusive, mixed-income communities.

Core Goals

Create affordable housing in vulnerable areas AND in areas of opportunity by focusing on production that considers specific neighborhood conditions, including areas vulnerable to displacement and neighborhoods that have strong amenities such as transit, jobs, high quality education and health care. Measurable outcomes from investment and policies under this core goal include new units created.

Preserve affordability and housing quality by investing to maintain affordability in non-subsidized units and preserving or continuing affordability of existing publicly subsidized affordable housing. Measurable outcomes from investment and policies under this core goal include existing units preserved and residents served through program investments or policy actions.

Promote equitable and accessible housing options by supporting programs and policies that help residents across the housing continuum access affordable housing. Measurable outcomes from investment and policies under this core goal include residents served through program investments or policy actions.

Stabilize residents at risk of involuntary displacement by supporting programs and policies that help a resident maintain their existing housing or stay in their community. Measurable outcomes from investment and policies under this core goal include residents served through program investments or policy efforts.
Housing and Affordability Investments

Recommendation 1: Analyze existing housing resources for performance, structure, and sustainability. The City and its partners will conduct a policy review of the existing dedicated housing fund by the end of 2021, including a consideration of the performance and structure of the existing revenue sources, an evaluation of the ongoing sustainability of the existing sources, and a recommendation regarding the extension of funding sources in the housing fund.

Recommendation 2: Explore opportunities to expand existing resources for housing investments. The City and its partners will conduct an in-depth analysis of the range of possible opportunities to maximize the City’s resources available for housing, including the costs and benefits of specific funding options, including bonds, and the legal and policy considerations for a variety of uses.

Recommendation 3: Coordinate housing investments with the City’s other affordability resources. Since fostering communities of opportunity requires other affordability investments that complement housing investments, the City and its partners should explore ways to better coordinate limited resources, ensuring that the City’s investments are leveraged to effectively serve Denver residents and promote economic mobility.

Recommendation 4: Pursue regional collaboration with partners across the Denver Metro Area to promote inclusive communities. Recognizing that housing and affordability challenges do not start and stop at Denver’s boundaries, the City and its partners should pursue regional partnerships including with Denver’s Regional Council of Governments to leverage funding and investments strategies to promote inclusive communities.

Legislative and Regulatory Priorities

Recommendation 1: Strengthen the City’s Preservation Ordinance. The City and its partners are taking steps to clarify language in the Preservation Ordinance through a rulemaking process, and should coordinate across partners in the Housing Preservation Network to conduct regular outreach to owners of existing income-restricted properties to preserve income-restricted rental properties long-term.
Recommendation 2: Expand and strengthen land-use regulations for affordable and mixed-income housing. Through Blueprint Denver and supplemental implementation actions such as zoning modifications, the City should support land-use regulations that incentivize affordable and mixed-use housing, including expanding the development of accessory dwelling units.

Recommendation 3: Develop more consistent standards for affordable housing in major redevelopment areas. The City and its partners should foster mixed-income and mixed-use communities by developing clear standards for the circumstances when an affordable housing plan will be created for a major redevelopment area and exploring the creative use of tax-increment financing.

Recommendation 4: Enhance protections and assistance for renters, including exploring a rental registry. The City and its partners should support the safety and well-being of all renters in Denver by exploring a rental registry that would require landlords to register their rental properties and participate in regular inspections for health and safety standards.

Recommendation 5: Stabilize households through tax relief programs. The City and its partners should promote broader participation among eligible households for existing property tax relief programs and explore additional forms of tax relief for low and moderate-income households struggling to keep up with rising property taxes.

Recommendation 6: Explore a framework and methodology for determining a preference in new housing for residents at risk of displacement. The City and its partners should leverage data collected through the Analysis of Impediments (AI) process to explore a framework and methodology for a preference policy aimed at stabilizing residents at risk of displacement.

Recommendation 7: Enhance the existing State Low Income Housing Tax Credit. The City and its partners should back an extension of the existing state tax credit program beyond its current sunset in 2019 and, in close partnership with the Colorado Housing and Finance Authority and Colorado Division of Housing, explore additional tools to enhance the state tax credit to facilitate creation and preservation of affordable housing in Colorado.
Strategic Use of Land to Support Affordable Housing

Strategic land acquisition is an essential element of Denver’s long-term housing pipeline, and is an important strategy that the City and its partners will pursue to foster mixed-income neighborhoods, preserve affordability in vulnerable neighborhoods, and introduce affordability to areas with strong economic opportunities.

**Recommendation 1: Leverage publicly owned land for affordable housing development.** While the City has an existing process when disposing of its land that considers affordable housing as a potential use, the City and its partners should take proactive steps to conduct a comprehensive analysis of the current inventory of public and quasi-publicly owned land and its suitability for affordable housing development.

**Recommendation 2: Facilitate acquisition of land directly and through partners for housing development.** The City and its partners also have programs and funding resources that can be used for the direct acquisition of properties, or in partnership with developers interested in building affordable or mixed-income housing.
Recommendation 3: Explore tools to promote long-term affordability of housing, including land trusts, throughout Denver communities. The City and its partners should explore land trusts as a tool to preserve affordability citywide and in vulnerable neighborhoods, evaluating factors such as the upfront cost to invest in unit acquisition, ongoing cost of program development and community stewardship.

Housing for Residents Experiencing Homelessness
With more than 3,336 residents experiencing homelessness on any given night in Denver, the City and its partners will pursue an integrated approach to providing supportive housing, health services and job training opportunities to support our most vulnerable residents.

Recommendation 1: Expand investments in housing options for residents experiencing homelessness and integrate providers across the housing continuum. The City and its partners should effectively target housing resources by fully implementing and expanding the regional Coordinated Entry Systems (CES), OneHome, and employing shelter diversion strategies to help residents identify alternative housing options, and connect to services and financial assistance to quickly return to permanent housing.

Recommendation 2: Build housing capacity through policy and funding alignment. The City and its partners should harness resources and integrate investments across the housing continuum to develop additional supportive housing and evaluate performance of local projects to resolve episodes of homelessness more quickly.

Recommendation 3: Prioritize supportive services “gap” funding for approved supportive housing projects. The City and its partners should build a supportive services funding program to create and preserve quality supportive housing, prioritizing funding for existing supportive housing projects and establishing a framework to review, rank and award critical service funding to supportive housing projects in the pipeline.
Affordable and Workforce Rental Housing

Skyrocketing housing costs and stagnant wages have put most rental units out of reach for low- and moderate-income households, with a shortage of approximately 26,000 housing units for the lowest earners. The City and its partners are focused on strategies that produce new affordable options and stabilize those at risk of displacement to prevent residents, especially those living on fixed-income such as seniors and people on disability, from becoming homeless.

**Recommendation 1: Preserve existing income-restricted affordable rental housing in vulnerable neighborhoods and near transit.** The City and its partners should pursue proactive strategies to support priority preservation projects through acquisition and rehabilitation financing, and by developing a bridge finance tool to strategically acquire affordable properties while long-term financing options are assembled.

**Recommendation 2: Preserve affordability of unsubsidized large-scale affordable rental properties.** The City and its partners should develop and maintain an inventory of unsubsidized large-scale affordable properties, educate existing owners about the creative financing tools that are available for preservation, and support development partners in directly acquiring unsubsidized properties utilizing tools such as bridge financing and 4% Low Income Housing Tax Credits (LIHTC).
Recommendation 3: Preserve affordability of unsubsidized small-scale affordable rental properties. The City and its partners should explore a package of financing tools to incentivize existing owners to preserve unsubsidized small-scale properties and explore financing tools to strategically acquire these properties.

Recommendation 4: Promote programs that help households stay in their existing rental housing through comprehensive eviction assistance. The City and its partners should continue to support direct financial assistance aimed at stabilizing residents experiencing a housing crisis to help prevent eviction, displacement, and homelessness.

Recommendation 5: Promote development of new affordable, mixed-income and mixed-use housing. The City and its partners should explore financing mechanisms to better support mixed-income development, including ways to enhance Colorado’s State LIHTC and partnerships with local employers.

Recommendation 6: Promote programs that help households access affordable rental housing. The City and its partners should implement and evaluate the success of the proposed LIVE Denver program to buy down affordability of existing vacant rental units and explore ways that tenant assistance can better serve residents experiencing homelessness.
Attainable Homeownership
Since support for affordable homeownership opportunities can help residents build wealth and transition out the rental market (leaving an existing rental unit available for another household along the housing continuum), the City and its partners will invest to build and preserve affordable for-sale housing units. And with nearly 35,000 homeowners paying too much for their existing homes, many of them in areas with rapidly rising property taxes, the City and its partners will work to stabilize residents at risk of displacement through tax relief and other programs.

Recommendation 1: Promote programs that help households maintain their existing homes. The City and its partners should target existing homeowner rehabilitation programs to residents in vulnerable neighborhoods, promote financial literacy education for prospective and existing homeowners, and promote the development of accessory dwelling units as a wealth-building tool for low and moderate-income homeowners.

Recommendation 2: Promote development of new affordable and mixed-income homeownership stock. The City and its partners should implement and evaluate the success of current efforts to incentivize creative financing mechanisms to develop mixed-income communities, including condos and other housing stock.

Recommendation 3: Preserve affordability of existing income-restricted homeownership stock. The City and its partners should explore partnerships with key nonprofit and foundation partners to preserve income-restricted homes built under the previous Inclusionary Housing Ordinance or major development agreements.

Recommendation 4: Preserve affordability of existing unsubsidized affordable for-sale housing. The City and its partners should explore tools to help preserve the City’s existing affordable housing stock, such as through land trusts or shared appreciation loans.

Recommendation 5: Promote programs that help households access for-sale housing. The City and its partners should continue to support programs that provide down payment and mortgage interest tax incentives for low and moderate-income residents and explore new tools such as escrow agreements or lease-to-own models.
Prioritization Along the Housing Continuum

Feedback received from members of the public, housing stakeholders and members of the Housing Advisory Committee during the development of *Housing an Inclusive Denver* focused on finding a balance of investment along the housing continuum.

While investment along the housing continuum can help ensure there are options for each population, feedback received from the public, housing stakeholders and members of the Housing Advisory Committee indicated a need to target housing resources toward the most vulnerable residents in Denver experiencing homelessness and those earning below 30% AMI. Based on feedback received as part of the *Housing an Inclusive Denver* planning process, the following targets will guide housing investments aligned with the values, goals and strategies included in this plan:

40 - 50% of housing resources will be invested to serve people earning below 30% of area median income (AMI) and those experiencing homelessness who are seeking to access or maintain rental housing, including:

- 20 - 25% of housing resources to serve residents experiencing homelessness
- 20 - 25% of housing resources to serve residents earning below 30% AMI

20 - 30% of housing resources will be invested to serve people earning 31% to 80% AMI who are seeking to access or maintain rental housing

20 - 30% of housing resources will be invested to serve residents seeking to become homeowners or remain in homes they already own.

Public feedback indicated that housing resources should target the most vulnerable residents in Denver.
A Focus on Serving Residents

Housing an Inclusive Denver signifies a shift from previous planning efforts that have focused primarily on citywide housing strategies with a preference for creation of new units. Housing an Inclusive Denver recognizes that neighborhoods across the City face different challenges, have varying conditions, and offer different opportunities to residents.

If federal and local resources remain consistent with current levels, the City and its partners aim to leverage the proposed strategies within Housing an Inclusive Denver to create or preserve approximately 3,000 housing units by 2023.

**GOAL: Create affordable housing in vulnerable areas AND in areas of opportunity** by focusing on production that considers specific neighborhood conditions, including areas vulnerable to displacement and neighborhoods that have strong amenities such as transit, jobs, high quality education and health care.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to create at least 2,000 new affordable units by 2023. Of these new units, approximately 90% are expected to serve renters and 10% are expected to serve homeowners.

**GOAL: Preserve affordability and housing quality** by investing to maintain affordability in non-subsidized units and preserving or continuing affordability of existing publicly subsidized affordable housing.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to preserve at least 1,000 existing affordable units by 2023. Of these new units, approximately 90% are expected to serve renters and 10% are expected to serve homeowners.

The City and its partners will measure effectiveness of housing investments not just by the sheer number of units created or preserved, but by the number of residents who are served through housing investments. If federal and local resources remain consistent with current levels, the City and its partners aim to leverage the proposed strategies within this plan to serve at least 30,000 households by 2023 with programs aimed at stabilizing residents at risk of displacement or those seeking to obtain housing.
**GOAL: Promote equitable and accessible housing options** by supporting programs and policies that help residents across the housing continuum access affordable housing.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to serve at least 20,000 households by 2023 with program resources such as homebuyer counseling, downpayment assistance, and supportive services.

**GOAL: Stabilize residents at risk of involuntary displacement** by supporting programs and policies that help a resident maintain their existing housing or stay in their community.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to serve at least 10,000 households by 2023 through program investments such as tenant–landlord counseling, eviction assistance, and emergency home repair programs.
SECTION 1 INTRODUCTION

Denver prides itself on being an open, inclusive, and welcoming place to live—or in the words of Mayor Michael B. Hancock, “a world-class city where everyone matters.”

Denver’s great art, music, and food scenes, along with its distinctive neighborhoods and natural beauty, continue to appeal to those who have lived here for generations, and draws newcomers and adventure-seekers from around the world. Between 2010 and 2017, more than 100,000 people moved to Denver and the City’s economy and housing market gained remarkable strength.

This prosperity drives a new challenge: how to keep neighborhoods affordable in the face of higher housing costs. Rising rents have outpaced gains in household incomes; increasing home values threaten to drive out low- and moderate-income households; and on average, more than 3,000 residents are unable to afford a home at all. Rising housing costs affect all Denver residents, but are particularly tough for low- to moderate-income renters, residents experiencing homelessness, seniors, and persons with disabilities.

For many households, the threat of displacement due to housing pressures is real, creating daunting stress and instability in their daily lives. Research demonstrates that households with stable housing in strong neighborhoods have a lower risk of negative
health outcomes, including disease and poor mental health. The City and its partners want to ensure residents can stay in their homes and neighborhoods, and that residents who do not currently live in a stable, affordable living situation can access new rental and homeownership opportunities. Most of all, though, the City and its partners are focused on ensuring public investments support stronger connections between housing, good-paying jobs, and healthy living, so all Denver residents can have a good life.

Denver leaders are building on several years of successful efforts to address the City’s housing challenges. In 2016, City Council approved Denver’s first-ever dedicated housing fund of $150 million to support affordable housing creation, preservation and programs over a ten-year period. Since 2015, the City and its partners worked together to house more than 1,500 residents experiencing homelessness in permanent supportive and more stable, long-term housing, and together, will open two more permanent supportive housing developments and two new emergency shelters by the end of 2018. The Mayor’s 3x5 Challenge produced 3,000 housing units in just four years—one year ahead of schedule – and the City helped 1,300 residents become first-time homeowners through its Metro Mortgage Assistance Plus Program. Additionally, the Mayor created the new Office of Housing and Opportunities for People Everywhere (HOPE) to work across City departments to better coordinate and leverage investments in housing, health services and workforce training.

Despite low unemployment and high workforce participation, housing costs are growing so quickly that incomes can’t keep up.
Denver is at a pivotal point where despite extremely low unemployment (2.2%), high workforce participation (90%+), and tremendous economic growth, housing costs are growing at such a rapid pace that incomes cannot keep up. *Housing an Inclusive Denver* outlines strategies to create and preserve strong and opportunity-rich neighborhoods with housing that is accessible and affordable to all Denver residents. This plan explains how the City and its partners will use housing as a platform to advance opportunity and mitigate displacement over the next five years. *Housing an Inclusive Denver* will guide housing policy decisions and resource allocations to create, preserve, and promote affordable housing over the next five years.

**Fundamental Values**

*Housing an Inclusive Denver* is organized, first and foremost, around several fundamental values. These values include 1) a focus on leveraging and enhancing housing investments to promote the ongoing development and preservation of inclusive communities in Denver, 2) building communities of opportunity that help all residents reach their full potential, 3) supporting housing as a continuum where the needs and conditions along one part of the
continuum influence the success of other areas, and 4) a need to stabilize residents at risk of involuntary displacement due to economic pressures.

The following values guide overarching housing policy and investments to foster an inclusive Denver:

1) **Leverage and enhance housing investments.**

Denver’s housing challenges are complex and will continue to shift as economic conditions and demographics change over time. Even with recent steps to expand Denver’s housing options, addressing our evolving housing needs will require creative tools, collaboration across public, private and nonprofit partners, and expanded resources. The City and its partners will work together to make impactful investments to ensure that residents can stay in their homes and neighborhoods, and that residents who do not currently live in stable, affordable living situations can access new rental and homeownership opportunities.
2) Foster communities of opportunity.
Within Denver, achieving communities of opportunity means that Denver residents have the tools and resources needed to reach their highest potential. They can lead healthy lives, feel secure in their homes, and live close to quality jobs, schools, transportation options and services. To understand specific neighborhood conditions across Denver, Housing an Inclusive Denver takes an approach to measuring opportunity at the Census Tract-level, modeled off the Opportunity360 platform developed by Enterprise Community Partners, Inc. Through this analysis, the City and its partners can begin to understand neighborhoods in the context of five opportunity outcomes: stable and affordable homes; opportunities for economic mobility; connections to comprehensive health services for overall wellness; access to a quality education; and easy access to mobility and transit connections. This high-level analysis informs the unique characteristics and opportunities of Denver’s neighborhoods and allows the City to align housing strategies and investments to specific areas throughout the city. Denver’s neighborhoods are grouped based on these shared conditions and market characteristics.

3) Support housing as a continuum.
In its most recent five-year housing strategy, Housing Denver, the City defines its housing continuum as a range from “critical needs” to “workforce rental” to “workforce ownership.” This plan updates this continuum to focus on residents and their unique housing and service needs, from those experiencing homelessness, to those seeking affordable and workforce rental housing, and attainable homeownership. Recognizing households with a range of income levels exist within each of these populations, no static income levels are associated with each group. Instead, specific income levels will be aligned with specific neighborhood conditions and proposed strategies in annual action plans aimed at implementing this plan. By creating income targets based on strategies, the City and its partners can make more informed decisions related to resource allocation and adjust targets based on the performance of specific strategies or as needs along the continuum evolve (rather than based on pre-defined groupings).

4) Embrace diversity throughout neighborhoods.
Denver thrives when our neighborhoods remain welcoming communities for all residents. The City and its partners will focus on prioritizing investments into programs that support diverse, mixed-income communities that provide opportunity for all residents to
succeed. With this focus, the City and its partners will consider how investments in development, preservation and programs support residents and neighborhood development, not just on units produced or preserved.

**Core Goals**

*Housing an Inclusive Denver* establishes four core goals to guide the City’s affordable housing strategies over the next five years:

1) **Create affordable housing in vulnerable areas AND in areas of opportunity.**
   By emphasizing a focus on residents rather than just the production of housing units, the City and its partners will prioritize specific neighborhood conditions, including areas vulnerable to displacement and neighborhoods that provide access to opportunity, when creating new affordable housing. The strategies under this goal include investing in land acquisition for future housing development and promoting development of mixed-income communities.

2) **Preserve affordability and housing quality.**
   Preservation is a core component of *Housing an Inclusive Denver*. Denver will focus on preserving existing affordable housing, both homeownership and rental, in vulnerable neighborhoods and areas of higher opportunity. The strategies under this goal include investing to maintain affordability in non-subsidized housing and preserving or continuing affordability of existing publicly subsidized affordable housing.

3) **Promote equitable and accessible housing options.**
   This plan seeks to align cross-cutting citywide actions and policies to support equitable and accessible housing options for Denver residents along the housing continuum. Actions or policy decisions under this goal will enable housing strategies more broadly through community engagement, formal legislative or regulatory action, new and creative finance mechanisms, or programs that help residents access existing housing.

4) **Stabilize residents at risk of involuntary displacement.**
   This plan seeks to build upon previous City efforts to identify neighborhoods throughout Denver that are “vulnerable to gentrification” by targeting resources to serve residents, both homeowners and renters, who are at risk of displacement. Policies or investments under this goal are aimed at helping to stabilize residents and support diverse, inclusive communities.
Denver's Approach to Neighborhoods

Housing an Inclusive Denver recognizes that neighborhoods across the city face different challenges, have varying conditions, and offer different opportunities to their residents. Neighborhoods throughout Denver exhibit a range of market-driven and demographic conditions that make residents vulnerable to displacement and provide various levels of affordability for homeowners and renters. Public and private investment in vulnerable neighborhoods has contributed to rising housing costs, and longstanding Denver residents in many neighborhoods are finding it difficult to remain in their homes.

This plan builds upon previous work that the City has conducted to understand what makes a neighborhood vulnerable to involuntary displacement. In 2016, Denver’s Office of Economic Development (OED) released Gentrification Study: Mitigating Involuntary Displacement, an analysis that aimed to identify the factors that cause residential displacement, determine neighborhoods where displacement is occurring or could happen, and inform how the City and its partners invest resources into housing and economic development to promote equitable and inclusive neighborhoods. While the term “gentrification” encompasses a complex group of
neighborhood dynamics, involuntary displacement is a clearly negative impact of gentrification that the City and its partners can take action to mitigate. Gentrification is defined in the 2016 study as:

“[The process that] occurs when a neighborhood has attractive qualities— for example, location or historic architecture— but remains relatively low value. The disconnect between potential value and current value (called “the rent gap”) may occur due to historic disinvestment by public and private sectors. When the area becomes desirable to higher-income households and/or investors, there are changes in the housing market. As demand rises for the neighborhood, higher-income households are able to outbid low-income residents for housing, and new development and economic activity begins to cater to higher-income tastes. Lower-income households and/or households of color migrate out of the neighborhood and new in-migrants change the demographics of the neighborhood.”

Since the release of the Gentrification Study, the City and its partners have taken multiple steps to implement its recommendations, including creating a permanent source of funding for affordable housing activities, strategically acquiring land in vulnerable neighborhoods, and integrating the study’s neighborhood typology to evaluate housing investments. *Housing an Inclusive Denver* builds upon the Gentrification Study to identify and implement specific strategies aimed at stabilizing residents at risk of involuntary displacement.

With the unique characteristics of neighborhoods in mind, *Housing an Inclusive Denver* integrates the Gentrification Study’s analysis to also understand how neighborhoods across the city promote access to opportunity. As part of this plan, the City and its partners developed five neighborhood types informed by Enterprise’s Opportunity360 platform to align placed-based strategies and assets related to housing, health, economic mobility, transportation, and education throughout Denver. These neighborhood types help ensure that housing production and preservation strategies address the unique opportunities within specific neighborhoods, including vulnerable neighborhoods, and address the core issue of displacement and lack of affordable housing options. In other words, these neighborhood types account for place and enable the City to categorize specific strategies in relation to both the housing continuum and opportunity outcomes in neighborhoods throughout Denver.
Community Engagement

As part of the community engagement process to develop *Housing an Inclusive Denver*, the City and its partners conducted a public survey, public meetings, and a host of individual meetings with key stakeholder groups across Denver. First and foremost, the survey and public meeting participants affirmed the widespread need for affordable and workforce housing throughout the City of Denver. Input received from more than 200 attendees at the public meetings and more than 1,000 public survey responses suggested the City prioritize investments in a variety of different neighborhoods and foster a mix of housing types to achieve diverse communities.

Key themes for investment of housing resources:

1) **Balance investments along the housing spectrum.** Members of the public identified the need to invest in housing along the income spectrum, including permanent housing for the homeless, low-income rental housing for those on disability, social security, or very low wages, workforce rental housing for workers who earn slightly more but are still struggling with housing costs, and homeownership for moderate-income families. Respondents to the public survey prioritized low-income rental housing (29%) and permanent housing for the homeless (23%) among these options.
Public meeting participants prioritized workforce rental housing (27%) and low-income rental housing (24%) among these options.

2) **Balance investments in housing development and preservation.** Members of the public identified the need to balance housing investments in development of new affordable housing and preservation of existing affordable housing. Respondents to the public survey prioritized the investment of more or slightly more resources to preserve affordability of existing affordable housing over development of new affordable housing by a narrow margin. Specifically, 52% of respondents identified “more resources” or “slightly more resources” to preserve affordability of existing housing compared to 48% that identified “more resources” and “slightly more resources” to build new affordable housing.

3) **Balance investments throughout Denver neighborhoods.** Members of the public identified the need to balance housing investments in vulnerable neighborhoods and those that currently have limited affordable options. In the public survey, respondents prioritized the investment of more or slightly more resources to expand affordable housing in neighborhoods with limited options for low- and moderate-income households by a narrow margin. Specifically, 50% of respondents identified “more resources” and “slightly more resources” to neighborhoods with limited options compared to 49%
that identified “more resources” and “slightly more resources” to housing in vulnerable neighborhoods.

About one-third of Denver residents said their current housing situation was “not affordable.” Among these residents, more than half said that increased rent was the main reason for lack of affordability, followed by one-third of respondents who said changes in their income have affected their ability to afford their current housing situation. [Figures 1.1-1.2]

The open-ended responses further underscored how changing housing costs have affected residents living in already unaffordable housing situations. Some respondents credited outside help or reliance on family for their ability to keep up with changes in housing costs and unexpected circumstances, like long-term illness. Others noted limited options in Denver when living on fixed incomes, such as Social Security. The survey results also suggested support for inclusion, more resources to both preserve affordability of existing affordable housing and build new affordable housing, and housing investments that serve vulnerable residents. The survey results also helped the City and its partners better understand what factors are important to Denver residents when making choices about their housing situation.

Importance of inclusion. The survey asked a series of questions about the importance of living in areas with diverse neighbors—those of different races and ethnicities, economic statuses, or ages and lifestyles. Consistently, a majority of respondents recognized the importance of living in these types of neighborhoods. Specifically, 64% of respondents said it was “very important” or “important” to live in a diverse neighborhood with residents at a variety of ages and lifestyles. Additionally, 58% of respondents said it was “very important” or “important” to live in an economically diverse neighborhood. [Figures 1.3-1.5]

Support for more resources for housing-related work. Nearly the same share of respondents ranked “more resources to preserve affordability of existing housing” and “more resources to build new affordable housing” as their top priorities, suggesting that both activities should receive additional resources. Thirty-nine percent of respondents ranked “more resources to expand affordable housing in neighborhoods with limited options for low- and moderate-income households” as their top priority, followed by 35% of respon-
dents, who ranked “more resources to stabilize housing in vulnerable neighborhoods” as the second priority. [Figures 1.6-1.7]

**Support for serving vulnerable residents.** A majority of respondents were concerned that Denver lacks enough affordable housing for seniors and persons with disabilities (61%); residents experiencing homelessness (56%), and families with young children (54%). More than one-third of respondents ranked “low-income rental housing for those on disability, social security, or very low wages” as their top priority when asked how the City should prioritize housing investments across income levels. And 67% of respondents ranked this option as either their first or second priority. [Figures 1.8-1.9]

**Importance of cost and location in housing decisions.** Overwhelmingly, housing cost was the most important factor when Denver residents choose a home, with 84% of respondents including it as an important factor. After housing cost, proximity to employment, perceived neighborhood safety, and features of the housing itself were important to at least one-half of all respondents. [Figure 1.10]
Section 2

Current Housing & Demographic Conditions
As noted in the community engagement section, Denver’s strong housing market is becoming increasingly costly for residents. The market currently commands higher home values and rents as compared to 2000 levels and lacks rental units that are affordable and available to low-income households. Cost-burdens are widespread, affecting 36% of Denver residents, and renters at a rate more than twice as high as owners. Across all income levels, these higher costs are disproportionately affecting extremely and very low-income households.

As part of developing Housing an Inclusive Denver, the City completed a data-driven analysis of citywide housing needs, market conditions, and the homeless delivery system, using both national and local data sources. This analysis was refined with input from stakeholders and Denver residents collected through focus groups, public meetings, and an online survey. Key findings related to residents experiencing homelessness; affordable and workforce rental housing, and attainable homeownership are summarized in this section.
Residents Experiencing Homelessness

Homeless population. In January 2017, 3,336 households reported experiencing homelessness on a given night in Denver. However, the point-in-time picture of people living without homes is a single snapshot in time and fails to capture households moving in and out of homelessness throughout the year. In addition to the one-night count, the waitlist for the Coordinated Entry System, OneHome, which provides a regional common assessment tool for targeting housing to those experiencing homelessness, is more than 4,000 individual households and the eligibility list for the Denver Social Impact Bond Project targeting homeless frequent users of the jail system includes more than 2,000 individuals.

Broad spectrum of homeless population. Most households counted through the Point-in-Time Count Report (PIT) are households without children (2,514) and the remaining share are households with children (261). Other household composition characteristics include:
1. Newly Homeless: 471 respondent households
2. Chronically Homeless: 701 respondent households
3. Veterans: 457 respondent households
4. Unaccompanied youth: 267 respondent households

The working homeless population. Sixty-one percent of respondent households in the 2017 PIT survey reported that they or a member of their family had received income from working in the past month.

Housing the Homeless. Below is a summary of the findings from a review of the City’s partnerships with providers to serve residents that are experiencing homelessness.

• Data suggests individuals are cycling in and out of homelessness, leaving one intervention for another, sometimes simply moving from one shelter to the next.

• A significant portion of the population is entering the homelessness assistance system from staying with family and friends, indicating an opportunity to implement diversion strategies.

• Through investment in Permanent Supportive Housing (PSH), Denver is successfully targeting resources to those with the greatest need who are coming from literal homelessness situ-
living on the street or in a place not meant for human habitation.

• There is some movement among households experiencing homelessness from PSH into shorter term housing solutions (e.g. Rapid Re-housing) which suggests a potential need for improved targeting.

• There is a need to evaluate PSH policies/criteria for next step strategies for people exiting PSH and those who no longer need the intensive support of PSH.

• A significant portion of households reviewed who were exiting temporary (transitional) housing were doing so to another temporary housing program, which suggest the need for more permanent, non-time-limited solutions.

Affordable and Workforce Rental Housing

Cost-burdened households are most prevalent among renters. Nearly 68,000 renter households across all income ranges were paying too much for housing (compared with 35,000 owner households) in 2015 (see Figure 2.1). In other words, these renters are “cost-burdened,” paying more than 30% of their income toward monthly housing costs. The number and share of renters experiencing cost burdens increased by 5% between 2010 and 2015. The most vulnerable renters—those who are housing insecure—make up about 14.7% of Denver’s total population.

Higher rents. The citywide average rent is $1,376. Rents in neighborhoods like Downtown and City Park/North Central Denver are even as much as 20% higher (see Table 2.1). Similarly, smaller units, such as efficiencies and one-bedroom units, command rents 13–15% higher than Fair Market Rent (FMR). Asking rents above FMR suggest that households using rental assistance like Section 8 vouchers may already be having trouble accessing smaller units. Rents within Denver have increased within the last five years: Between 2011 and 2016 the average rent increased by 46% (from $941 to $1,376), increasing 16% between 2014 and 2016 alone (see Figure 2.2).
Shortage of affordable and available rental units for low-income households. While Denver’s housing market recently absorbed more than 16,000 newly constructed rental units, Denver has a shortage of affordable and available rental units for all low-income households, especially extremely low-income households. A need exists for at least an additional 15,500 units for extremely low-income renters to create enough units for households at that income level (see Figure 2.3). Ideally, these units would come with income restrictions so households at those income levels do not have to compete with higher income households for these units. Today, more than 10,500 affordable rental units are not available to low-income households because they are occupied by a higher-income household.

Older, more affordable units in demand. Residents face competition for older, more affordable rental units. Compared with the newer rental units (those built after 2010), older units (those built before 1979) had a much lower vacancy rate than new units, as well as the citywide vacancy rate for rental housing. Further analysis related to Denver’s unsubsidized, large-scale inventory reinforces the importance of older multifamily buildings in the City’s affordable housing supply. More than 130 properties offer average rents.

Figure 2.1 | Number of Cost-Burdened Households (2015), Denver, CO

Source: 2015 American Community Survey Public Use Microdata Sample
in line with Fair Market Rents for studios ($844), one bedrooms ($1,031), and two bedrooms ($1,305). Most of these properties have characteristics that suggest they may need renovations, including being classified as “Class C” properties and built at least three decades ago (if not more).

**Attainable Homeownership**

**Owners paying too much for housing.** About 35,000 owner households were paying too much for housing in 2015, although the number and share of owners experiencing cost burdens decreased by 7% between 2010 and 2015. While fewer owner households currently experience cost-burdens, the share of low-income households increased within Denver, outpacing growth in their renter counterparts. Similarly, characteristics of the City’s cost-burdened owners suggest they may need assistance to maintain their current housing situations. And some stakeholders echoed concerns for existing homeowners during the public engagement process. For instance, one-third of cost-burdened owner households are seniors, who may need accessibility features (now or in the future), and 31% are extremely or very low-income households, who may need to make repairs or upgrades to their homes.

**Increasing property values.** Another issue affecting homeowners are higher tax bills, resulting from higher assessed property values. Changes in assessed property values between 2011 and 2017 un-
derscore how affordability could change for owners, especially if recent trends continue. While stagnant as recently as 2011, assessed property values have increased by about 30% over the past two assessment cycles. Some of the highest concentrations of higher assessed values during the 2017 assessment cycle are in adjacent neighborhoods in western Denver like Villa Park, Ruby Hill, and Mar Lee. Note that these neighborhoods were identified in the Office of Economic Development’s *Gentrification Study: Mitigating Involuntary Displacement* as “vulnerable to gentrification.”

**Higher home sales price.** Residents interested in becoming homeowners within Denver are finding themselves priced out of the city, especially in strong for-sale markets. The median home price is $378,000 for a detached single-family home and $300,940 for an attached single-family home. The median home price increased significantly between 2012 and 2016. The median price of detached homes increased 43%, while the median price of attached homes increased 96% (see Table 2.2 and Figure 2.4).

**Limited for-sale inventory.** The overall supply of for-sale inventory is limited for residents interested in purchasing a home. The Metro Denver Board of Realtors estimates that the City only had a one-month supply of detached homes and a two-month supply of attached homes on the market during 2016. As a point of comparison, the City had a five-month supply of attached homes during 2012. Both detached and attached homes are selling quickly, only staying on the market an average of 30 to 51 days, respectively.
Section 3

Housing & Affordability Investments
SECTION 3.
HOUSING AND AFFORDABILITY INVESTMENTS

More than 100,000 new residents have moved to Denver since 2010, and construction of new housing units has surged, with more than 5,000 permits approved for residential units each year over the same period. While Denver, like other major cities, has experienced an increase in “scrape-offs” where a typically older, smaller and more affordable home is replaced with a larger and more expensive home, most of the units constructed over the last several years have increased the City’s overall inventory of housing. But the pace of residential development has not kept up with population increases, exacerbating rising housing costs due to limited supply.

Over the last several years, the City has taken steps to foster and increase its overall supply of housing in anticipation of new population growth. The original Blueprint Denver plan aimed to channel development into “areas of change” and set the stage for the City’s transition from a use-based zoning code where land uses were divided across the city by districts (for example, zone districts that focus on residential, commercial and industrial uses rather than allowing a mix of uses) to a form-based zoning code that integrates neighborhood context and a mix of uses throughout neighborhoods. Denver’s transition to a form-based zoning code allowed increased density in appropriate areas of the city, especially near transit and...
the city’s downtown core. The City and its partners recognize that addressing affordability in Denver will take a multitude of different policy strategies over time, including those aimed at increasing the overall supply of housing in the city to keep pace with population. **Section 4** of this plan outlines several paths the City and its partners should explore as part of the Denveright planning process and update to *Blueprint Denver* to continue to increase the overall supply of housing.

While increasing the overall supply of housing can help address the affordability of the City’s new and existing housing stock, increased inventory alone is unlikely to produce housing affordable to the lowest income and most vulnerable residents. This plan aims to find a balance in addressing affordability along the housing continuum, recognizing that inclusive communities offer choice in housing for residents at a variety of income levels.

Federal funds have declined over the last decade, and future allocations are volatile given historic trends and other threats. Local resources and other forms of public and private assistance are more important than ever, requiring the City and its partners to invest current resources effectively and efficiently, explore opportunities to leverage existing resources, and increase resources as appropriate.

**Recommendation 1: Analyze existing housing resources for performance, structure and sustainability.**

The City and its partners have taken important steps in the last several years to increase housing investments, but implementing the strategies outlined in this plan will take creative solutions and bold steps to promote inclusive communities in Denver. As part of the implementation of Article V, Chapter 27 of the Denver Revised Municipal Code (D.R.M.C.) that created the dedicated housing fund, the City must conduct an analysis and review of the ordinance prior to December 31, 2021. The policy review of Article V shall include a public hearing and a report on the findings of the review and any recommendations to the Housing Advisory Committee and City Council. The City’s analysis of the ordinance should consider performance and structure of the existing revenue sources, an evaluation of the ongoing sustainability of the existing sources, and a recommendation regarding the extension of funding sources in the housing fund.
Recommendation 2: Explore opportunities to expand existing resources for housing investments.

In addition to a policy review of the existing dedicated housing fund, the City and its partners should explore other opportunities to expand housing resources. Exploration of additional housing resources should include specific partnerships with public, private and nonprofit entities as outlined in this plan, such as through the development of a preservation fund, enhancing the State Low Income Housing Tax Credit (LIHTC), or partnerships with foundations and employers. Additionally, the exploration of additional housing resources should include a full analysis and development of the range of possible opportunities to maximize the City’s resources available for housing, including bonds or new fees.

City agencies, including the Department of Finance and City Attorney’s Office, are conducting in-depth analysis of the costs and benefits of specific funding options, including bonds, and the legal and policy directed uses of bond proceeds. The analysis will include the current pay-as-you-go funding resource compared to issuing bonds utilizing varying mill rates and issuance schedules. Furthermore, the analysis around issuing bonds will consider the potential impact to the City’s credit ratings and attendant taxpayer burden to support the bonds, as well as the considerable amount of other unfunded capital needs that may require bonds in the future. The analysis should be complete and presented to the Housing Advisory Committee within the second quarter of 2018.

Recommendation 3: Coordinate housing investments with the City’s other affordability resources.

The City’s housing resources are complemented by investments into other components of affordability, including health, jobs, and transit access. The City and its partners should continue to identify opportunities to leverage and expand the resources available for housing and affordability investments. Ensuring that Denver remains affordable for all residents will require a strong nexus between each component of opportunity, including the nexus between housing, job creation and outreach, and growth in wages to promote economic mobility.

Likewise, investments in affordable housing should leverage other major City investments, for example, into major public infrastructure such as transit. The location of affordable housing is critical to promote opportunity, and one of the most important considerations
when targeting affordable housing investments is proximity to transit. The strategies outlined in *Housing an Inclusive Denver* should be implemented in close partnership with complementary planning processes such as the Mobility Action Plan.

The City and its partners should explore ways to better coordinate existing housing and affordability investments, ensuring that limited resources are invested as effectively as possible to serve Denver’s low and moderate-income households in need. The City and its partners should also develop more coordinated data collection and outcome metrics for City investments across housing and affordability programs.

Find more detailed information about housing and affordability investments in **Section 10: Key Supplemental Information.**

**Recommendation 4: Pursue regional collaboration with partners across the Denver Metro Area to promote inclusive communities.**

Since housing and affordability challenges do not start and stop at Denver’s boundaries, the City and its partners should pursue regional partnerships to create inclusive communities. The City and its partners have taken critical steps toward regional collaboration through the expansion of the Transit Oriented Development Fund, convening an Annual Housing Summit, and the City is currently working across jurisdictions and housing authorities in Aurora and Boulder County to complete a Regional Analysis of Impediment. Additional work must be done by the City and its partners to pursue regional partnerships alongside key agencies such as the Denver Regional Council of Governments, including and should explore opportunities to leverage and expand housing investments to the extent possible.
SECTION 4.
LEGISLATIVE AND REGULATORY STRATEGIES

Denver has several legislative and regulatory tools to facilitate and promote affordable housing development—but more are needed to adequately address the growing affordable housing needs and varying neighborhood conditions described in this plan.

Over the next five years, the City and its partners will explore and implement legislative and regulatory actions that strengthen existing tools such as the City’s Preservation Ordinance, better-align land use regulations to support affordable and mixed-income housing development, protect tenants of rental housing, and support inclusive communities through cultural diversity.

Recommendation 1: Strengthen the City’s Preservation Ordinance.
Denver’s existing Preservation Ordinance is intended to preserve existing affordable housing (those restricted through a covenant, contract or other affordability restriction on the property) through two primary tools: “right-of-first-refusal” and its affordability period. Currently, the Preservation Ordinance requires that any affordable rental housing development receiving City subsidies be subject to a minimum of twenty-year affordability contract. To support long-term preservation of Denver’s existing affordable rental housing stock,
the City and its partners should explore a longer minimum affordability period. Peer cities such as Seattle require rental housing receiving City resources to have a minimum affordability period of 50 years, where Boston requires perpetual affordability. Minimum affordability periods in Denver’s Preservation Ordinance should be supported by term sheets that also promote long-term affordability.

Under the “right-of-first-refusal,” owners of locally and federally subsidized housing must notify the City if they plan to sell their building or convert their units to market-rate housing. When an owner decides to sell his or her property, the City or a selected designee has a right-of-first-refusal, enabling the City to facilitate the acquisition of the property at terms that are consistent with a market offer.

The City and its partners are already working to clarify language within its Preservation Ordinance – a tool that helps protect affordability after more proactive approaches have been exhausted – through the development of rules and regulations. The City and its partners should clarify through the rulemaking process the specific timelines and requirements for executing the right-of-first-refusal, when and where preservation should be prioritized under the right-of-first-refusal (including factors such as the property’s proximity to transit or neighborhoods where residents are vulnerable to displacement), and specific steps the City or its designee can take to

Under the “right of first refusal,” owners of subsidized housing must notify the City if they plan to sell their building or convert units to market rate.
use notification periods outlined in the Preservation Ordinance as proactively as possible to evaluate a preservation opportunity.

While the Preservation Ordinance provides the City or its designee a right-of-first refusal to preserve existing affordable housing, there are challenges with exercising this right to purchase a property. The right-of-first-refusal works well when a willing buyer has quick access to capital, but can be challenging with affordable housing when multiple layers of financing are required to acquire and rehabilitate the property. In recent years, Denver’s costly housing market has made it cost-prohibitive for the City to exercise its right-of-first refusal, particularly given the timeline for matching a market offer that is mandated in the Preservation Ordinance. Investment strategies aimed at preserving existing income-restricted rental affordable housing stock are outlined in Section 7, as well as strategies aimed at coordinating across partners such as CHFA’s Housing Preservation Network to preserve existing affordable rental housing.

As existing efforts to strengthen the Preservation Ordinance are implemented, the City and its partners should consider other ways to enhance this preservation tool: 1) extending notice requirements as a means to assemble alternative financing or allocate additional funding for expiring properties; 2) explore using a “right-of-first-offer” in addition to the “right-of-first-refusal” to enable the City or its designees to make the first offer on a property prior to sale – creating a more streamlined (and ideally less costly) sale process; 3) work with potential purchasers to extend affordability commitments; and 4) enhance support for tenants at the termination of income-restrictions, including provisions for relocation assistance if the property converts to market-rate housing.

**Key Actions:**

- Clarify, as part of the rulemaking process for the Preservation Ordinance, the process for executing the right-of-first-refusal, when and where preservation should occur (including factors such as the property’s proximity to transit or in neighborhoods where residents are vulnerable to displacement), and steps to use the Ordinance’s notification period as proactively as possible.

- Coordinate across partners in CHFA’s Housing Preservation Network to conduct regular outreach to owners of existing-income
restricted properties to understand and identify preservation opportunities, recognizing the unique needs of property owners, including rehabilitation, acquisition or other financing.

- Develop strong relationships with preservation partners and creative financing solutions to preserve properties under the Preservation Ordinance, including exploring bridge capital available for acquisition while long-term finance tools are layered together.

- Explore other ways to enhance provisions within the Preservation Ordinance related to notice requirements, right-of-first-offer options, and support for tenants in income-restricted properties.

- Explore extending the minimum affordability period for projects receiving City subsidies to promote long-term preservation.

**Recommendation 2: Expand and strengthen land use regulations for affordable and mixed-income housing.**

The City is currently undergoing a community vision process called Denveright. This effort focuses on creating a vision of what Denver will look like in 2040. A key vision element of the Denveright planning process is to create “equitable, affordable and inclusive communities” throughout Denver. While Denveright has a broader planning scope that includes long-range strategies across a variety of areas such as land use, transit, trails and open space, this plan serves as a tool to implement key components of the *Equitable, Affordable and Inclusive* vision element by promoting affordable housing options and access to opportunity.

During the public engagement process for this plan, stakeholders shared their ideas about ways that the City could strengthen land-use regulations to both support affordable housing projects and more broadly increase diversity of housing types throughout Denver. These ideas focused around three key areas that could be supported in *Blueprint Denver*, the City’s long-range land-use and transportation plan and part of Denveright: 1) streamlining and facilitating the development of accessory dwelling units as a tool for affordability and to stabilize residents at risk of displacement; 2) promoting a diversity of residential development types throughout Denver neighborhoods, including density as a tool to increase housing supply and introduce affordability; and 3) creating a package of development incentives that support affordable housing projects and promote the development of more mixed-income projects citywide.
Currently, about 25% of Denver, excluding Denver International Airport, is zoned to support development of an “accessory dwelling unit,” a secondary unit that can be attached or detached from the primary residence. However, some of the lots in these areas are not large enough to qualify for an accessory dwelling unit—or ADU. This building form can provide more affordable rental housing options throughout predominantly single-family neighborhoods, and can act as a wealth building tool to help low and moderate-income residents remain in vulnerable neighborhoods. Expanding the number and type of neighborhoods that allow ADUs should be explored as part of the Blueprint Denver update.

To support development of ADUs in existing and future areas of the city, the City and its partners are looking to peer cities that have streamlined ADU development through expedited review of pre-approved design templates, finance packages to support homeowners with the cost of constructing ADUs, and a training curriculum that provides information about becoming a landlord and finding tenants for the ADU. Recommendations about the programmatic steps that Denver and its partners are taking to encourage development of ADUs as an anti-displacement strategy are outlined in Section 8.

Similarly, other forms of multi-unit residential housing development can increase overall housing supply and provide more affordable housing options for low and moderate-income households in Denver. Examples might include duplexes, fourplexes, rowhomes or cohousing options where individual units are grouped together in a single building with shared amenities such as kitchen or community space. The City should encourage the development of these “missing middle” development types throughout Denver neighborhoods to provide residents with a diversity of housing choices (including

“Missing middle” housing includes a variety of development types such as duplexes, rowhomes, townhomes, and fourplexes, all of which can provide a greater range of housing options in Denver neighborhoods. This type of housing typically serves people who are living well above the poverty line, but still struggle to afford housing in Denver, such as teachers and firefighters.
price, size, and tenure of housing options) through specific zoning and land use recommendations in *Blueprint Denver*.

Likewise, the City has already taken steps to pilot a permitting process for development of “tiny homes,” typically homes that are more affordable due to their size at 400 square feet or less. The City and its partners should implement and evaluate the success of the tiny home pilot program and explore opportunities to expand this tool throughout Denver.

With the City’s past population growth (and anticipating more in the next few years), the update to *Blueprint Denver* and subsequent implementation measures such as zoning should also direct more dense development to appropriate areas throughout Denver neighborhoods, especially focusing on current or planned transit corridors. The City and its partners are already taking steps to pilot an incentive overlay for building heights aimed at providing added density near transit in exchange for affordable housing at the 38th and Blake Station Area. The City and its partners should implement and evaluate the success of the incentive overlay and explore expanding the program to other areas where increased density may be appropriate, such as near transit. Likewise, language in the update to *Blueprint Denver* should explicitly reference how housing affordability will be addressed in areas of the city where increased density is considered to promote equitable and inclusive communities.

While Denver’s zoning code does have some specific incentives for affordable housing such as an “alternative minimum vehicle parking ratio” which allows for a parking reduction when a project serves persons earning below 40% AMI, these incentives are limited and lack clear guidelines to support affordable housing and encourage developers to include affordable units within a mixed-income development. For example, the zoning code does not specify if a minimum number of 40% AMI units are needed to qualify for the parking reduction incentive or the affordability period for these units.

With the adoption of the City’s housing linkage fee, residential and commercial developers have the option to build affordable, income-restricted units as an alternative to paying this fee (sometimes called the “build alternative”). However, without other regulatory tools to encourage development of affordable units, residential and commercial developers may find paying the linkage fee easier
and more cost-effective. The City should encourage more mixed-income development in Denver by creating a package of incentives that provide value for a developer. This package may include more clearly defined parking reductions, lower building permit fees, or special staff support to navigate the complex multi-agency permitting process, in exchange for a certain percentage of affordable units built on site.

Key Actions:

• Encourage development of a mix of residential development types throughout Denver neighborhoods that provide residents with a diversity of housing choices (including price, size, and tenure of housing options) through specific zoning and land use recommendations in Blueprint Denver.

• Evaluate success of the current “tiny home” pilot and explore opportunities to expand the implementation of innovative housing solutions such as tiny homes throughout other areas of Denver.

• Implement and evaluate success of a proposed incentive overlay for building heights at the 38th and Blake transit station and explore expanding the program to other areas where increased density may be appropriate, such as near transit.
• Create a package of incentives that provide value for a developer, such as more clearly defined parking reductions, lower building permit fees, or special staff support to navigate the complex multi-agency permitting process, in exchange for a certain percentage of affordable units built onsite.

Recommendation 3: Develop more consistent guidelines for affordable housing in major redevelopment areas.

In recent years, City leaders have also worked to foster mixed-income communities through the provision of affordable housing at major infill development sites. Some examples of these communities include the redevelopment of the former St. Anthony’s Hospital in the West Colfax neighborhood and former University of Colorado Health Sciences Center in the Hale neighborhood. However, despite affordable and mixed-income housing being anticipated in these areas, the City’s zoning code and land use regulations do not provide clear guidance for developers about when to submit affordable housing plans during the site planning process.

Since Denver has a limited supply of undeveloped land that can be used to support affordable and mixed-income development, the City should develop clear standards for the circumstances when an affordable housing plan should be created for a major redevelopment site and provide clear guidance on the process to develop and execute the plan. Circumstances could include sites that utilize a General Development Plan, Infrastructure Master Plan, or similar tool; sites that utilize tax increment financing; or infill sites that are above a certain acreage or that include a specific number of residential housing units. A plan for how affordable housing will be addressed in a major redevelopment area should be closely coordinated across City and partner agencies, including the Office of Economic Development, Community Planning and Development, Department of Finance, and the Denver Urban Renewal Authority.

In addition to developing more clear guidelines for when and how affordable housing should be integrated into major redevelopment areas, the City and its partners should explore creative uses of tax-increment financing to promote inclusive communities throughout Denver. Since the use of tax-increment financing is coordinated closely with the Denver Urban Renewal Authority and Denver Public Schools — and is subject to numerous state regulations — careful...
analysis of creative uses of tax increment financing should be conducted in partnership with these agencies.

**Key Actions:**

- Develop clear standards for the circumstances when an affordable housing plan (such as sites with a General Development Plan, Infrastructure Master Plan, or similar tool) should be created for a major redevelopment site and provide clear guidance on the process to develop and execute the plan.

- Explore creative uses of tax-increment financing that can support low and moderate-income residents, including how TIF can be used to support the City’s anti-displacement strategies, in close partnership with the Denver Urban Renewal Authority and Denver Public Schools.

**Recommendation 4: Enhance protections and assistance for renters, including exploring a rental registry.**

Today, about one-half of Denver residents rent their homes. Unfortunately, low- and moderate-income renters occupy a precarious position within the City of Denver: rents have dramatically outpaced incomes over the past two decades and many are at risk of being displaced from their homes, especially in vulnerable neighborhoods. Denver has limited affordable options available within the city if low- and moderate-income renters are displaced, and limited legal protections to ensure renters can remain in their communities and live in safe, decent conditions. Anecdotally, renters are afraid to report problems with their homes and many tenants live without a lease, creating uncertainty and limited legal recourse in the event of a rent increase.

The City of Denver already protects all its residents through building, fire, and public health code enforcement activities. In 2016, the Department of Public Health and Environment (DDPHE), which responds to residential health and housing complaints under the City’s public health code, responded to more than 1,100 complaints. These health and safety concerns ranged from mold to pest infestations to heating and plumbing issues. Like many cities, Denver’s code enforcement activities are largely complaint-based, meaning a resident would need to both identify and report a code violation to the City. Under a complaint-driven system, residents without general protections offered by a lease may not want to
report problems with their homes—including those problems that threaten their health and safety. To assist these residents, the City can undertake more proactive enforcement of health, safety and building codes.

The City, including agencies such as the Department of Public Health and Environment and the Department of Community Planning and Development, will explore development of a rental registry to promote the safety and well-being of all renters, which could require landlords to register their rental properties and participate in regular inspections for health and safety issues, among other provisions. Landlords generally must pay a small registration fee to help cover the administrative costs of the registry program, including inspections.

In addition to ensuring all residents live in a safe home, a rental registry could provide a means for the City to expand basic protections for tenants. These expanded tenant protections could include more standard lease practices as well as education and outreach about tenants’ rights. As part the exploration of a rental registry, the City and its partners should consider ways to protect residents from discrimination based on the source of their income, for example, from Social Security, rental assistance like Housing Choice Vouchers, or child support.

Neighboring cities like Boulder and Westminster use a rental registry and require landlords to create a written lease for any rental exceeding 30 days and to provide a copy of that lease to tenants. In addition, Boulder provides educational materials on a variety of topics, like the process to request home repairs and landlord-tenant roles and responsibilities (through its Landlord-Tenant Handbook). As part of the process to explore a rental registry program in Denver, the City should conduct an analysis of the citywide staffing capacity required to oversee the program during initial development of a rental registry and throughout ongoing inspections.

A key component of supporting renters that might be at risk of displacement includes protecting residents during a housing crisis. The City has already taken steps to support renters experiencing or at risk of eviction by providing the following assistance: 1) temporary rental and utility assistance for renters experiencing a crisis, such as a notice of rent increase or sudden loss of income, aimed at preventing eviction; 2) a comprehensive landlord and tenant

National Case Studies:
Seattle, WA adopted a rental registration and inspection ordinance (RRIO) that created an online database of all registered rental properties that the public could use to check for basic health and safety standards before signing a lease. Under Seattle’s RRIO, landlords must renew their registered properties every five years and all registered properties are inspected at least once every 10 years.
rights guidebook aimed at educating property owners, managers and residents experiencing or at risk of an eviction about their rights under Colorado law; and 3) distribution of eviction assistance and resource information to residents facing an eviction through outreach workers in eviction court. Find more information about these investment strategies in Section 7 of this plan.

Key Actions:

• Explore a rental registry to promote the safety and well-being of all renters, that could require landlords to register their rental properties and participate in regular inspections for health and safety issues.

• Explore ways to implement more standard lease practices between landlords and tenants.

• Explore ways to protect residents from discrimination based on the source of their income, for example, from Social Security, rental assistance such as Housing Choice Vouchers, or alimony as part of the exploration of a rental registry.

• Conduct an analysis of the citywide staffing capacity required to develop and administer a rental registry, including during the initial registration process and ongoing inspections, certifications, and proactive steps to maintain a high quality of housing stock.

Recommendation 5: Stabilize households through tax relief programs.

Compared with other cities, Denver’s residential property taxes are relatively low; the City’s Department of Finance estimates they make up approximately 40% of a property owner’s total tax bill. However, many households within Denver are struggling to keep pace with their property tax bills. The average assessed value increased 30% citywide between the 2015 and 2017 assessment cycles, and in many neighborhoods, these increases were much higher (as much as 70%). At the same time, many vulnerable populations, such as seniors and persons with disabilities, are already cost-burdened; data suggests that seniors (aged 65 years or older) comprise about one-third of homeowners that are both low-income and paying more than 50% of their monthly income on housing costs.
The City of Denver already offers some forms of tax relief for seniors and disabled veterans through a number of programs:

1. **Property Tax Exemption for Seniors and Disabled Veterans.** This exemption enables seniors (aged 65 years or older), their surviving spouses, and disabled veterans who have lived in their home as their primary residence for at least 10 years to exempt taxes on a share of a home (50% on the first $200,000). The State of Colorado reimburses the Denver Assessor’s Office for the property taxes exempted through this program.

2. **Property Tax Deferral Program for Seniors and Active Military Personnel.** This program defers the property taxes for qualified seniors (aged 65 years or older) and active duty military personnel. The state of Colorado pays the Denver Assessor’s Office for the property taxes deferred through this program; a lien is placed on the participant’s property that does not have to be paid unless the participant no longer qualifies for the deferral.

3. **Property Tax/Rent/Heat Credit (PTC) Rebate.** In place since 1971, this rebate pays back part of household expenses for property taxes, utilities, and rent for low-income seniors, a surviving spouse of a senior, or a resident with a disability (regardless of age). The total rebate is based on a household’s income and expenses.
4. Elderly and Disabled Refund Payment. This program provides a partial refund of property taxes, or the equivalent in rent, paid by qualified Denver residents who are 65 years or older and are income limited or disabled. The refund does not have to be paid back and there is not lien attached to the property. In 2017, the income of qualifying participants could not exceed $15,900 for a single person or $23,100 for couples.

The City should take proactive steps to promote broader participation among eligible households in existing property tax relief programs by actively marketing to eligible households through partnerships with community-based organizations, social service agencies, such as the Department of Veterans Affairs, and in neighborhoods where assessed values have increased more than the citywide average.

However, as tax bills continue to rise, the City will also explore additional local forms of tax relief for low- and moderate-income residents struggling to keep up with rising property taxes. The City may consider expanding the existing tax relief program for seniors to a broader group of residents living on a limited income or explore other forms of tax relief for low- and moderate-income households that would allow property taxes to be deferred through a lien on the participant’s property that does not have to be paid until the time of a sale or unless the participant no longer qualifies for the deferral. Like the program available for seniors and persons with disabilities, additional forms of tax relief for a broader group of low- and moderate-income residents could be available to both homeowners and renters.

Escalating costs associated with higher property taxes are often passed along to tenants of rental properties, further exacerbating expensive rents. Tax rebates could take a few different forms to property owners, such as a direct, ongoing rebate or competitive grant program to property owners in exchange for offering or maintaining a portion of their rental units as affordable units. Nonprofit entities (with federal 501(c)3 status), including nonprofit developers, are already eligible for a property tax exemption under a recent change to City policy. The City will explore property tax relief programs to support property owners who may not qualify for the existing exemption but may still need help with their property taxes in exchange for keeping a percentage of units affordable to low-income households on-site. This type of tool may be particularly
Effective to help property owners of small-scale multifamily properties (e.g., those with buildings with 4–20 units), who may not have access to more conventional financing to help offset their operating costs.

Exploration of broader property tax relief programs should be conducted in close partnership with the Department of Finance to understand potential impacts to the City budget and the influence that such programs could have on other programs that use property taxes as a source of revenue, including the City’s dedicated housing fund.

**Key Actions:**

- Promote broader participation among eligible households in existing property tax relief programs through partnerships with community-based organizations and social service agencies, focusing on neighborhoods where assessed values have increased more than the citywide average.

- Explore additional forms of tax relief for low- and moderate-income residents struggling to keep up with rising property values, such as expanding the existing senior and disabled property tax relief program.

- Explore property tax relief programs that support property owners of multi-unit buildings who may not qualify for the existing nonprofit exemption to foster mixed-income developments.

**Recommendation 6: Explore a framework and methodology for determining a preference in new housing for residents at risk of displacement.**

As part of the Analysis of Impediments (AI) planning process, the City, the Denver Housing Authority, and other jurisdictions throughout the region will develop goals and priorities that address contributing factors to racial and ethnic segregation and other fair housing issues and support racial equity. As part of this process, the City and its partners will look at existing concentrations of poverty and racial and ethnic minority groups to develop strategies aimed at promoting more inclusive and equitable communities.

As part of the development of *Housing an Inclusive Denver*, the City examined existing data from the U.S. Department of Housing and Urban Development on the location of “racially and ethnically con-
centrated areas of poverty” or R/ECAPs throughout Denver. These areas are identified at a Census-tract level. This plan examined the relationship of R/ECAPs as part of its broader analysis of neighborhood conditions; based on this analysis, most R/ECAPs are in Type 1 neighborhoods. This plan aims to promote inclusive communities throughout Denver by preserving affordability in vulnerable neighborhoods and promoting development of new affordable housing in high opportunity areas. The AI planning process will build upon the work of this plan to promote communities of opportunity and deconcentrate poverty, while supporting cultural diversity and inclusion.

With dramatically increasing housing costs that threaten to displace low- and moderate-income households, especially communities of color, the strategies outlined in this plan are integral for Denver to remain a diverse and thriving city. Peer cities such as Portland and San Francisco have developed policy tools that provide a preference for residents that have been displaced or are at risk of being displaced from the city in new affordable units. These policies aim to help households impacted by voluntary or involuntary displacement stay in the city or return if they have already been displaced. The City and its partners may explore a policy in Denver that provides preference in new affordable housing for residents that have been or are at risk of displacement. As part of the exploration of this policy approach, the City and its partners should ensure that any proposed framework and methodology to develop and apply a preference for new projects does not have unintended negative impacts on “protected classes” under the Fair Housing Act. Protected classes under the Fair Housing Act include race, color, religion, national origin, sex, disability, and familial status.

The City and its partners should also take steps to integrate community participation of ongoing stewardship efforts for affordable housing when exploring models such as a land trust that could help preserve affordability in vulnerable neighborhoods. More information about land trust models can be found in Section 5.

**Key Actions:**

- Leverage data collected from the AI to understand existing demographic characteristics of Denver neighborhoods over time, including concentrations of racial and ethnic minorities, to promote policies that embrace cultural diversity and promote access to opportunity.
• Explore framework and methodologies used to develop and implement preference policies in peer cities, evaluating whether and how a preference policy based on economic displacement could be implemented in Denver.

**Recommendation 7: Enhance the existing State Low Income Housing Tax Credit.**

In 2014, Colorado’s General Assembly adopted legislation to develop a State Low Income Housing Tax Credit that was intended to enhance existing federal tax credits administered by the Colorado Housing and Finance Authority (CHFA). The initial purpose of the tax credits was to support development of rental housing units as part of state recovery efforts from the 2013 floods, and also to jump start the 4% federal LIHTC program across the state. The tax credits, which provide funding in the form of private sector investment equity to for-profit and nonprofit developers of affordable rental housing, have supported the creation or preservation of 1,124 affordable units in Denver.

While the state tax credits have been extended by the Colorado Legislature until 2019, the program is set to sunset at the end of that calendar year. The City and its partners should support an extension of the existing state tax credit program beyond 2019 to support the development and preservation of affordable rental housing. In addition to supporting an extension of the existing state housing tax credit, the City and its partners should explore additional tools to expand and enhance the state tax credit program to support projects in local jurisdictions that can provide reimbursement of the expansion to the state. An analysis of potential tools to enhance the state tax credit should be conducted in close partnership with Denver’s Department of Finance, the Colorado Housing and Finance Authority, and the Colorado Division of Housing.

**Key Actions:**

• Support an extension of the existing state tax credit program beyond the current sunset in 2019 to facilitate development and preservation of affordable rental housing in Colorado.

• Explore additional tools to expand and enhance the State Low Income Housing Tax Credit to support rental housing projects in Denver, and other local jurisdictions, in close partnership with the Colorado Housing and Finance Authority and the Colorado Division of Housing.
Section 5

Strategic Use of Land to Support Affordable Housing
SECTION 5.
STRATEGIC USE OF LAND
TO SUPPORT AFFORDABLE HOUSING

During the development of this plan, one issue was consistently identified by stakeholders across each segment of the housing continuum: the rising cost and limited availability of land for affordable and mixed-income development. Strategic use of publicly owned property and acquisition of land for future development are essential elements of Denver’s long-term housing pipeline and an important tool to foster mixed-income neighborhoods, preserve affordability in vulnerable neighborhoods, and introduce affordability to areas with strong economic opportunities.

Addressing the challenge of accessing land for future housing development will require an approach focused on the following strategies: 1) leverage publicly owned land for affordable and mixed-income housing, 2) facilitate land acquisition through direct investment of City resources alongside existing tools such as the Regional Transit-Oriented Development (TOD) Fund, and 3) exploring the use of new tools that can promote the creation and preservation of affordable housing, including land trusts as a tool to provide long-term affordability throughout Denver communities.
Recommendation 1: Leverage publicly owned land for affordable housing development.

The City took an important step forward with Mayor Hancock’s 2016 update to the Executive Order on City-Owned Land and Leased Real-Estate (Executive Order 100). The executive order serves as the primary policy tool to inform the use of City-owned property, including how the City acquires additional properties and disposes of the property that it already owns. In terms of affordable housing, Mayor Hancock’s order directs the Division of Real Estate (within the Finance Department) to coordinate with Community Planning Development and Office of Economic Development staff to evaluate the appropriateness of affordable housing when disposing of City-owned property. The site-level analysis for these opportunities should include considerations like proximity to transit and other neighborhood indicators.14

While Executive Order 100 provides a path for identifying and prioritizing affordable housing when disposing of property, the City and its partners should take proactive steps to conduct a comprehensive analysis of the City’s current inventory of land and its suitability for affordable housing development. An initial dataset of vacant and underutilized parcels was developed based on information available through the Assessor’s Office (also within the Finance Department) as part of the development of this plan. Additional steps are needed to refine the data and determine suitability for housing, including comparing the existing dataset to other data sources across City agencies and removing undevelopable parcels of land that are too narrow or include setback limitations. The updated

![Denver's Division of Real Estate coordinates with Community Planning Development and Office of Economic Development staff to evaluate affordable housing options when disposing of city-owned property.](image-url)
dataset should be evaluated based on individual parcels’ proximity to transit and other neighborhood indicators, as outlined in this plan, to identify priority opportunities for future housing development.

Recognizing that housing is an important component of Denver’s economic vitality, workforce recruitment, and transit-oriented development, the City and its partners should also take proactive steps to develop partnerships with other public or quasi-public landholders to prioritize affordable and mixed-income housing on existing vacant or underutilized parcels currently owned by these entities. Public partners such as the Regional Transportation District (RTD), the Denver Housing Authority (DHA), and Denver Public Schools (DPS) own parcels of that could be developed to include affordable housing, including in locations that align with the priorities outlined in this plan, for example near transit or job centers.

The City and its partners should explore formal partnerships with public and quasi-public agencies to prioritize and set specific standards for use of public land for affordable housing. With the identification of key parcels that could be prioritized for affordable housing development, the City should work across public and quasi-public partners to develop a specific vision for the site, target income levels, populations, and tenure served by the development, as well as supportive services or programming as needed. The analysis of suitability of specific sites for affordable housing should also consider the potential environmental and health impacts of the site, and explore appropriate regulations to ensure that human health is protected.

As part of the implementation of Executive Order 100 and partnerships with public and quasi-public partners, the City should take steps to develop a clear and consistent process for soliciting development proposals to execute the specific vision for housing or mixed-income development on publicly owned parcels. An analysis of the suitability and specific development vision for public or quasi-public owned sites should be combined with strategies and tools outlined in this plan to promote long-term affordability and support low- and moderate-income households.

National Case Studies
Arlington County, VA developed a partnership with the Arlington Public School District called the “Community Facilities Study” to identify specific county-owned or district-owned sites potentially suitable for affordable housing development or other community facilities.

Together, county and school district leaders are developing coordinated processes and priority locations for siting housing and other community facilities on publicly owned land.
Key Actions:

- Explore formal partnerships with public and quasi-public agencies to prioritize and set specific standards for use of publicly owned land for affordable housing.

- Evaluate the suitability of City-owned land and land owned by public or quasi-public partners for affordable housing development per factors such as its proximity to transit and other neighborhood indicators as outlined in this plan.

- Develop specific visioning and procurement processes to identify development partners to build affordable and mixed-income housing on public and quasi-publicly owned land.

Recommendation 2: Facilitate acquisition of land directly and through partners for housing development.

The City and its partners also have programs and funding resources that can be used for the direct acquisition of properties, or in partnership with developers interested in building affordable or mixed-income housing. City resources should be used to enhance existing tools such as the Regional Transit Oriented Development (TOD) Fund—which was updated in 2015 in partnership with Enterprise Community Partners’ local Denver office to acquire land near transit throughout the Metro Region—and other Community Development Financial Institutions such as the Mile High Community Loan Fund. Even with current tools, land prices in Denver continue to rise, and the City and its partners will explore ways to strengthen and enhance existing resources available for land acquisition.

The City has also taken steps over the last several years to be more proactive in acquiring land directly for affordable and mixed-income housing development. These direct acquisitions have been in proximity to current and future transit corridors, and have been aimed at preserving affordability in vulnerable neighborhoods. With a consideration for leveraging limited resources where possible with other existing land acquisition tools, the City should continue to directly acquire land in vulnerable neighborhoods to preserve opportunities to develop affordable and mixed-income housing, but should also focus on acquiring land in proximity to high performing...
schools and job centers to promote greater access to opportunity throughout Denver.

Key Actions:

• Leverage existing City resources with current tools, such as the Regional TOD Fund and Community Development Financial Institutions, to fund land acquisition for future affordable and mixed-income housing development.

• Directly acquire land in vulnerable neighborhoods to preserve opportunities to develop affordable and mixed-income housing in proximity to high-performing schools and job centers to promote greater access to opportunity throughout Denver.

Recommendation 3: Explore tools to promote long-term affordability of housing, including land trusts, throughout Denver communities.

As part of a broader cross-cutting strategy to promote long-term affordability for housing investments, the City and its partners should consider mechanisms such as a citywide land trust model, to ensure housing remains affordable for low and moderate-income households for decades to come. Land trusts are typically used to ensure long-term affordability by enabling eligible households or partners to own the property on a site and lease the land underneath it from a management entity. By taking the cost of the land out of the real estate transaction, homes in a land trust can also be more affordable than those on the market.

The City will explore how land trusts can also be used as a tool to preserve affordability in Denver and especially in our vulnerable neighborhoods. To explore the use of land trusts in Denver, the City and its partners will convene a set of stakeholders that includes experts in the development and management of land trusts, neighborhood representatives, for-profit and non-profit developers, and foundation partners. The City and its partners’ analysis of land trusts will include:

• Evaluating financial feasibility and sustainability of models for the upfront and ongoing cost, effective and efficient program administration, and strategic property acquisitions to develop the program across the city.
• Robust community participation in the development of the land trust program

• Ways to utilize a land trust model to address the unique needs of vulnerable neighborhoods across the city, including factors such as the balance of rental and for-sale housing, the balance of new construction and preservation of housing, and the level of affordability needed to address neighborhood conditions.

Some peer cities have also used a land lease model to ensure long-term affordability where the City maintains control of publicly owned or directly acquired land, and leases the land to an owner of the rental or for-sale property on it.

The City and its partners should explore other policy tools for long-term affordability of publicly owned or directly acquired parcels, such as a land-lease.

**Key Actions:**

• Explore land trusts as a tool to preserve affordability citywide and in vulnerable neighborhoods, including evaluating factors such as the upfront cost to invest in unit acquisition, ongoing cost of program administration, length of affordability, and community stewardship.

• Explore other policy tools that promote long-term affordability when land is directly acquired or used for affordable or mixed-income housing development, such as through a land-lease.
SECTION 6.
HOUSING FOR RESIDENTS EXPERIENCING HOMELESSNESS

During the 2017 Point in Time annual account, 3,336 Denver residents had no place to call home, including more than 200 families with children, nearly 500 veterans, and more than 200 unaccompanied youth. Additionally, about 60% of residents experiencing homelessness are a part of Denver’s local workforce.

As a division of the Department of Human Services, Denver’s Road Home, in partnership with the Division of Housing in the Office of Economic Development and the Denver Housing Authority, prevented or ended homelessness for nearly 7,000 people, including more than 1,200 seniors and families, and made nearly 4,000 additional housing units available to those at risk or experiencing homelessness between 2005 and 2015.

Nonprofit and faith-based service providers operate a network of temporary and supportive housing, health services and job training opportunities for those experiencing homelessness in Denver. Today, the City is working alongside these partners to build on the successes of previous efforts and to better integrate and align resources for housing, health services and workforce training within the homeless delivery system. A reliable supply of affordable
rental housing and rental assistance are critical to housing Denver's homeless population. *Housing an Inclusive Denver* includes housing interventions for households currently without homes as well as those households at risk of becoming homeless in Denver.

Homeless service providers within Denver agree that each person’s experience with homelessness is unique and requires a tailored approach to housing, services, and other supports—rather than a one-size-fits-all solution. A brief analysis of the current challenges and opportunities of the system led the development of priority strategies under two key goals: integrate programs for the un-housed into the City’s initiatives to expand housing options; and expand the tools for financing operating subsidies to provide on-site health and job services.

To meet the goal of adding new housing inventory for the lowest incomes, the greatest area of need is for permanent housing solutions with integrated services, permanent supportive housing (PSH) and rapid rehousing solutions (RRS). PSH, RRS and other permanent housing interventions are shown to lead to higher levels of housing stability. Recognizing that temporary housing solutions, like emergency shelters, are necessary to serve all those experiencing homelessness, this Plan focuses on expanding investments in permanent housing solutions to achieve stronger, more stable, longer-term outcomes for those living without homes.

A small but significant portion of households entering homelessness are doing so after most recently living with friends and/or family, presenting the opportunity for Denver to implement diversion strategies as an intervention point. Successful diversion strategies can prevent homelessness for people entering temporary housing services, like shelter, by helping them identify immediate alternative housing arrangements, and if necessary, connecting them with services and financial assistance to help them return to permanent housing.¹⁶

The City of Denver should work with its nonprofit and faith-based service providers to take a dual approach to strengthening the pipeline of permanent and other supportive housing options and providing greater integration of housing, health services and job training opportunities for residents experiencing homelessness. This Plan recommends adding resources to the City’s existing programs to create more permanent housing options for people without homes.
and leveraging resources with private investments and community partners to expand housing interventions that meet unique client needs.

Addressing the housing and service needs of residents experiencing homelessness will require a combination of strategies over the next five years, including efforts to 1) expand investments in housing options for residents experiencing homelessness and make those options available to shelter providers, 2) build housing capacity through policy and funding alignment, and 3) prioritize supportive services “gap” funding for approved supportive housing projects.

**Recommendation 1: Expand investments in housing options for residents experiencing homelessness and integrate providers across the housing continuum.**

To approach housing across the continuum from homelessness to homeownership, the City will better connect housing options to shelter providers to transition more people from homelessness to housing, divert more people away from shelters to rapid rehousing programs, and through the Denver Street Outreach Collaborative continue to transition people who are not accessing shelters to housing options.

A key element to this strategy is prioritizing the households with the highest level of need for the right housing intervention to reduce demand on the front-end of the system. For example, when households that need PSH can access a unit, rather than being placed into a RRS unit that could be used for a household able to resolve their homelessness more quickly, the City and its partners are better able to provide the right service at the right time to meet individual needs.

To effectively target housing resources, Denver needs to continue its efforts alongside the Metro Denver Homeless Initiative (MDHI), the regional Continuum of Care entity, to establish a well-designed regional Coordinated Entry Systems (CES). The CES will identify, assess and prioritize homeless individuals and families for housing and services based on vulnerability and severity of need. This ensures that people who need assistance the most can receive it in a timely manner.
MDHI, the Denver’s Road Home Division of DHS, and homeless service providers across the region have worked together over the past four years to establish policies and procedures for their CES, OneHome, and identify access points to house Denver’s most vulnerable households.

**Key Actions:**

- Fully implement and expand the Coordinated Entry Systems (CES) outside of Continuum of Care funded projects. CES simplifies the process by which residents experiencing homelessness access housing resources and helps to ensure the right housing intervention is paired with the most appropriate participant. This data-driven process allows communities to provide access to housing resources, to assess individuals or family who enters the homeless response system for their vulnerabilities and needs, to assign housing interventions based on client need, and to create a framework of accountability.

- Develop and align policies with MDHI, the organization currently overseeing OneHome, to ensure that City housing resources dedicated to serve residents experiencing homelessness are targeted appropriately, while maintaining flexibility to serve local needs.

- Employ shelter diversion strategies when people enter the system to help them identify immediate alternate housing arrangements. This could include connections to services or financial assistance to help them return to permanent housing quickly. This frees space in temporary housing shelters for those who do not have alternative options.
Recommendation 2: Build housing capacity through policy and funding alignment.

Denver has already taken steps to build housing capacity and leverage new resources for supportive housing development and services. In 2016 and 2017, the City invested in the Supportive Housing Toolkit alongside the Colorado Housing and Finance Authority and the State of Colorado to provide an intensive finance and development workshop for service providers interested in creating permanent supportive housing in Colorado. Several workshop participants have already received tax credits and are under construction or in the immediate housing pipeline, with some others continuing to look for land acquisition opportunities in Denver.

In addition to these efforts to enhance the ongoing supportive housing pipeline, the City and its partners developed an innovative approach to supportive service provision that is receiving national recognition for its “pay-for-success” approach. This Social Impact Bond (SIB) Initiative is helping to target supportive housing and services to chronically homeless individuals who also struggle with mental health and substance abuse issues. The City and its partners should evaluate the success of this pilot program and explore opportunities to expand the SIB program throughout Denver.

To harness resources and integrate investments across the housing continuum, the City and its partners can leverage and align more resources to develop more supportive housing. The City and its partners should collect and analyze the best practices for underwriting federal, state and local programs to connect these resources to housing options.

Key Actions:

- Develop criteria for providing operating subsidies from the dedicated affordable housing fund to create new supportive housing units.

- Leverage existing, funding streams for supportive housing such as Medicaid, Medicare, and TANF to create more streams of funding for on-site supportive services and operating services.

- Continue to implement and evaluate the success of the Social Impact Bond program and explore opportunities to expand the supportive service tool throughout Denver.
• Evaluate the performance of local projects (working with local partners also undertaking evaluation efforts, such as MDHI) to inform which opportunities resolve episodes of homelessness more quickly and expand the ability to serve additional households, as well as to increase rates of housing placement and stability.

• Complete a comprehensive financial modeling analysis that reviews costs, sources, and uses of the resources necessary for the creation of supportive housing including: capital, operating, rental assistance, and services. This analysis will highlight how resources can be used together effectively, as well as, provide more detail as to where the gaps in funding resources exists.

**Recommendation 3: Prioritize supportive services “gap” funding for approved supportive housing projects.**

As part of a strategy aimed at creating and preserving quality supportive housing projects, the City and its partners should build a supportive services funding program. This supportive service funding program should include a robust framework to evaluate prospective funding opportunities. This framework will need to include a project review process to ensure that the services provider is implementing the supportive housing model such that expected outcomes will be achieved. The City will work closely with the continuum partners to implement best practices for project review and award approval criteria as well as tools to monitor ongoing project performance.

**Key Actions:**

• Prioritize, from the Affordable Housing fund upon recommendation of the Housing Those Experiencing Homelessness Advisory Committee and the Housing Advisory Committee, funding for existing PSH projects, or those anticipated to come online in the next 12-24 months that do not have adequate services funding resources to deliver the intensive services needed to ensure high levels of housing stability for formerly homeless tenants.

• Establish a framework for how to review, rank, and award critical services funding to supportive housing projects in the pipeline.
• Establish a common outcomes framework across programs to evaluate their effectiveness. Recommendations for outcomes-tracking on the effectiveness of supportive housing include: 1) the annual rate of housing stability in project; and 2) returns to homelessness.
Section 7
AFFORDABLE & WORKFORCE RENTAL HOUSING

Housing An Inclusive Denver (2018-2023)
SECTION 7. 
AFFORDABLE AND WORKFORCE RENTAL HOUSING

Rental housing development has dramatically outpaced for-sale home development in recent years, with more than 5,600 units built since 2010. Most of the product built in the rental market in Denver in the last several years, like other major cities, are luxury units with prices that are far beyond reach for even Denver’s middle-income earners. Neighborhoods with access to the light rail and near jobs in Downtown Denver command some of the City’s highest rents. Low-income renters are at risk of being displaced from their homes, with few affordable options available within the City. As one survey respondent put it, “I don’t believe we can afford anything else in Denver or near suburbs, so we are stuck.”

Currently, Denver has approximately 140,000 total rental units in the City’s existing stock, including market rate and affordable units. Approximately 21,000 of these units have a restriction that keeps the unit affordable, or about 15% of the City’s total rental housing stock. When the City, State, or Federal government invests in affordable housing, an “income-restriction” is placed on the property to keep the price affordable for a low or moderate-income family for a specific time, usually between 20 to 30 years. In Den-
ver, more than 2,200 affordable homes are at risk of becoming unaffordable over the next five years if the existing income-restrictions expire and owners can rent the units at market rate prices. The City could lose its existing affordable housing stock if income-restrictions expire, and households living in these affordable units are also at risk of displacement if the building converts to market rate pricing that is unaffordable to existing households.

Likewise, renters who live in unsubsidized affordable housing (housing that is affordable for low and moderate-income households but does not have an income-restriction) are vulnerable to rent increases that could become unaffordable and threaten to displace existing tenants. Feedback collected through the community engagement process for this plan indicated that many renters are living on month-to-month leases, that living conditions in some unsubsidized properties are substandard, and that evictions are becoming increasingly prevalent. While Colorado has made some changes at a state level to enhance notice to residents when they are required to vacate a rental property, many low and moderate-income households that receive such a notice are left with limited options.

While preservation of the City’s existing affordable housing is a key strategy to stabilize renters, especially in neighborhoods vulnerable to displacement, this report estimates that the City has a gap of nearly 15,500 units for extremely low-income renters (renters with household income at or below 30% of area median income). Higher income households occupying these rental units further exacerbate the availability of affordable rental units for low-income households and increases the gap among extremely low-income households to approximately 21,000 units, and 26,000 units among very low-income households.

Building new affordable rental housing can help provide expanded options for the low and moderate-income households across Denver that are currently cost-burdened or living without stable homes. Creating new affordable rental housing can also introduce a mix of housing options throughout the city, especially in opportunity-rich neighborhoods with access to transit, high-performing schools and job centers.

The City will pursue a dual rental strategy focused on 1) preserving the affordability of existing rental housing, and 2) increasing the
production of new affordable and workforce rental housing. The following priority investment strategies were developed and informed by the Affordable and Workforce Rental Housing focus group convened during the planning process, and reflect community feedback collected from surveys and public meetings. See Section 9 for more detailed implementation information.

**Recommendation 1: Preserve existing income-restricted affordable rental housing in vulnerable neighborhoods and near transit.**

Income-restricted housing plays a vital role in Denver’s affordable housing supply. Developments with income-restricted units serve families, seniors, and persons with special needs, and many of these properties have project-based rental assistance contracts that make units affordable to households at or below 30% AMI. Their affordability provisions ensure predictable housing costs for residents relative to their incomes, even as market conditions change. As map 7.2 illustrates, there are clusters of medium to large-scale rental properties with expiring subsidies located near transit.

The City and its partners have taken several steps in the last several years to enhance efforts to preserve existing income-restricted housing stock. In 2015, City Council approved updates to the

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**Income-restricted housing in Denver includes rental units financed through Section 8 and the Low-Income Housing Tax Credit, among other units owned by a variety of private and nonprofit entities; public housing units owned by the Denver Housing Authority (DHA); and for-sale units produced through local partners, such as Habitat for Humanity, Colorado Community Land Trust, and Northeast Denver Housing Center (NDHC).**

| Total income-restricted units (rental & for-sale) | 20,898 units |
| Public housing units (owned by DHA) | 3,951 units |
| Income-restricted properties serving seniors | 95 properties |
| Income-restricted properties serving persons with disabilities | 25 properties |
| Income-restricted properties serving persons experiencing homelessness | 24 properties |
| Income-restricted properties serving “other special needs” populations | 43 properties |
| Income-restricted units with expiring restrictions through 2022 | 2,288 total rental units |

**SOURCE:** Denver Office of Economic Development Income-Restricted Database, May 2017; Housing Preservation Network, 2017
Preservation Ordinance to provide enhanced notice requirements when owners of a property with an existing income-restriction plan to sell, expanding the number and type of projects that are captured under the Ordinance and providing the City or its designee a right-of-first-refusal when a property might be at risk of converting to market rate. Strategies aimed at strengthening the existing Preservation Ordinance are outlined in Section 4.

In partnership with CHFA as the lead agency, the City is also part of the Housing Preservation Network (HPN), where local, state and federal partners are coordinating across Colorado to preserve existing affordable housing stock. As part of this partnership, the City and CHFA have developed an inventory of income-restricted housing, identified initial priority areas and property types for preservation efforts, and conducted outreach to owners of existing income-restricted properties. These efforts are part of the City’s effort to become more proactive in pursuing preservation strategies.

The City provides financing for acquisition and rehabilitation of existing income-restricted properties, usually leveraging 4% Low Income Housing Tax Credits (LIHTCs) administered by CHFA. These resources play a key role in extending the affordability of existing income-restricted properties, but costs have escalated in recent years, especially for prospective property acquisitions with affordability restrictions that are expiring soon. The City and its
HPN partners have also identified a need for new, creative sources of bridge capital that can help acquire affordable properties for long-term preservation.

**Key Actions:**

- Coordinate with HPN partners such as CHFA to leverage the existing inventory of income-restricted properties to develop and maintain a list of priority preservation projects based on expiring restrictions, income and population served, and proximity to transit.

- Pursue proactive strategies to preserve priority preservation projects through acquisition and rehabilitation financing, leveraging 4% LIHTCs, and other local incentives to promote long-term affordability of existing affordable housing stock.

- Develop a bridge finance tool that leverages public and private resources to strategically acquire affordable properties at risk of converting to market rate pricing while long term finance options can be assembled.

**Recommendation 2: Preserve affordability of unsubsidized large-scale affordable rental properties.**

Given the City's affordable housing gap for lower-income households, the need to secure affordable rental housing options for these households is paramount, and one of the most efficient ways to secure affordable rental housing is to improve and preserve existing buildings. Denver has more than 130 unsubsidized large-scale affordable rental properties with more than 50 units that have rents at or below FMR. A majority (70%) of these unsubsidized properties are in areas of the city that are vulnerable to displacement. As Map 7.3 illustrates, there are clusters of unsubsidized large scale affordable rental properties located near transit stations throughout the city.

While the City's financing tools for acquisition and rehabilitation of affordable properties can be used for unsubsidized affordable housing, a limited number of projects have accessed City resources for this purpose in recent years. The City and its partners should pursue a more proactive approach to identifying, acquiring, and rehabilitating existing unsubsidized large-scale rental properties. Like acquisition and rehabilitation of income-restricted properties,
the City’s financing tools for acquisition and rehabilitation could be leveraged with 4% LIHTCs to preserve these properties long-term. Another local tool that could be leveraged as part of a financing package for preservation of existing affordable housing is the City’s Property Assessed Clean Energy (PACE) program where eligible participants receive capital to finance eligible improvements that promote energy efficiency, renewable energy and water conservation improvements. While PACE investments alone do not come with a long-term income-restriction, the tool could be combined with other local incentives to secure affordability.

**Key Actions:**

- Develop and maintain an inventory of unsubsidized large-scale affordable housing projects in Denver.

- Educate existing owners about the creative finance tools available, including recently adopted PACE financing and other acquisition or rehabilitation resources.

- Support development partners to directly acquire and preserve affordability of existing unsubsidized large-scale affordable housing stock, utilizing new tools that provide bridge financing, City financing, and 4% LIHTCs.

**Recommendation 3: Preserve affordability of unsubsidized small-scale affordable rental properties.**

While there are thousands of existing units in unsubsidized large-scale affordable rental properties across the city (many of them already housing low and moderate-income residents), many more households live in small or medium-scale affordable rental properties: a majority (78%) of the City’s multi-family rental housing stock is between 2-49 units. Data sources that track the location, price, and ownership information of large-scale multi-family properties are more established, so determining this information for small and medium-scale rental housing is challenging.

The current tools available for the preservation of unsubsidized small-scale affordable rental properties are limited in Denver. Leveraging 4% LIHTCs becomes more difficult at this scale due to the smaller number of units unless developers can manage a scattered site portfolio of several small developments. While challenges exist, some peer cities have developed special programs to address small-scale rental stock. For example, San Francisco’s “Small
Site Acquisition Program” funds acquisition and rehabilitation of multi-family rental buildings with 5-35 units. Under this program, properties where immediate risk of eviction of existing tenants due to a sale of the building are given priority for acquisition and rehabilitation resources.

Strategies to explore a rental registry as outlined in Section 4 of this plan could help provide more comprehensive data on the City’s existing small-scale affordable housing.

**Key Actions:**
- Explore a package of finance tools to incent existing owners to preserve small-scale properties, including resources for rehabilitation and potential tax relief.
- Explore development of a finance tool that leverages public and private resources to strategically acquire small-scale unsubsidized rental housing, using San Francisco’s Small Site Acquisition Program as a model.

**GOAL:**
Stabilize Residents

**Recommendation 4: Promote programs that help households stay in their existing rental housing through comprehensive eviction assistance.**

While investment into preserving existing income-restricted and unsubsidized housing stock can ensure long-term affordability for generations to come, short-term resources that are available to stabilize a renter in their existing home can help mitigate displacement and prevent a resident from becoming homeless.

The City has already taken steps to support renters experiencing a housing crisis by connecting rental assistance programs across the continuum of eviction assistance, especially in vulnerable neighborhoods. These steps include supporting renters experiencing a housing crisis such as a notice of rent increase or sudden loss of income by providing direct financial assistance to help the family stabilize, focused on preventing eviction.

The City also funds programs providing tenant and landlord counseling, and educating residents about their rights and obligations under Colorado Law. Recent efforts to educate residents on their legal rights as tenants include development of a Comprehensive Guide for Landlords and Tenants with information about lease
provisions, circumstances of lease termination, and the rights during an eviction. With a focus on supporting residents who are experiencing an eviction, the Department of Human Services has also placed outreach workers in eviction court to provide direct assistance and resource information for residents facing an eviction. As an additional challenge, low and moderate-income residents that cannot afford representation often navigate eviction proceeding without expert guidance on the specific requirements and opportunities at each step in the process. To enhance its support for residents at risk of involuntary displacement, the City and its partners will explore opportunities to connect those facing eviction with legal assistance.

Key Actions:

• Continue to support direct financing assistance programs aimed at stabilizing households experiencing a housing crisis across the eviction spectrum and in vulnerable neighborhoods.

• Continue collaborative efforts with public and private partners to educate residents in vulnerable neighborhoods about their rights as tenants.

• Explore opportunities to connect those facing eviction with legal assistance.

Recommendation 5: Promote development of new affordable, mixed-income and mixed-use rental housing.

Given the gap in existing affordable options for low and moderate-income households in Denver, the City will focus on providing choices along the housing continuum via new affordable and mixed-income development. This includes creating new housing for residents experiencing homelessness with supportive services, low-income residents living on a fixed-income, and “missing middle” housing options for families and individuals. The City provides financing for development of new affordable units, typically with LIHTC administered by CHFA. While 9% LIHTCs are highly competitive, the Colorado state tax credit has been a key tool in jump starting the non-competitive 4% LIHTCs across the state. Opportunities to extend and enhance the state tax credit are outlined in Section 4.

The need for new affordable rental housing is great across Denver, and the City will continue to support development projects across
all neighborhood types, but new development can act as a tool to bring affordability to areas near transit, job centers, and with high-performing schools. New development of affordable rental housing also provides an opportunity to address the unique challenges and provide housing for special populations such as seniors, people with disabilities, or residents experiencing homelessness. New construction can also provide opportunities to introduce unique design elements to serve specific populations, such as live-work units for artists.

And as demand for housing increases, the need for services increases—including transit access, retail and business services, as well as community facilities such as child care or outpatient health care. Mixed-use developments can bring life to neighborhoods lacking critical amenities such as grocery stores, incubator or worker space, or retail and increase access to opportunity throughout Denver neighborhoods.

Key Actions:

- Explore finance mechanisms to better support mixed-income development that includes “missing middle” housing products and related financing tools, including gap financing, bridge financing, and loan guarantees.
- Explore ways that the City’s zoning code and finance mechanisms can support live-work units for artists, among other occupations, through targeted mixed-use developments and worker space.
- Expand partnerships with local employers to contribute to a housing fund to expand workforce rental housing.

Recommendation 6: Promote programs that help households access affordable rental housing.

In 2016, more than 5,600 new rental units came online, a record high, and in 2017 over 2,000 more will be added. While the city’s population has grown by over 100,000 over the last several years and the new rental development is helping to accommodate this surge in new residents, many new buildings throughout the city have above average vacancy rates, leaving hundreds of existing units empty. Elsewhere, low and moderate-income households are searching for affordable options in Denver and finding limited available options. Partnership with these market rate owners can help “buy down” the cost of vacant units to a price point that is afford-
able for working households to help connect residents searching for housing options with existing vacant units.

The City has already taken steps to develop a Lower Income Voucher Equity (LIVE) Denver program aimed at connecting working families with vacant units, focusing on bringing those new affordable opportunities into high opportunity areas with access to transit, job centers and high-performing schools. The LIVE Denver program is being developed in partnership with the Denver Housing Authority and can also act as a tool to connect residents with existing Housing Choice Vouchers (many of whom are struggling to find landlords that will accept HUD’s FMR due to rising market costs) to existing vacant units. The LIVE Denver program is an innovative opportunity to pilot a tool for developing mixed-income communities.

The City also provides direct financial assistance to residents to access existing housing units through the Tenant-Based Rental Assistance Program (TBRA). These resources act as a rapid re-housing tool to connect residents experiencing homelessness to bridge housing solutions for a period of 6-24 months. Additional investment strategies related to serving residents experiencing homelessness are outlined in Section 6. Assessment of TBRA as a tool for rapid re-housing of residents experiencing homelessness should be considered as part of the strategy to “right size” interventions appropriate for the individual household.

As part of its homelessness strategies, the City will employ shelter diversion strategies when people enter the system to help them identify immediate alternate housing arrangements. This could include connections to services or financial assistance to help them return to permanent housing quickly. This will also limit the inflow of clients who enter the system in the first place and make more space available for those who do not have alternative options.

Key Actions:

- Implement and evaluate success of a proposed LIVE Denver program to buy down affordability of existing vacant rental units in high-opportunity areas of the city.

- Assess existing TBRA investment as part of the continuum of financial assistance to help residents experiencing homelessness return to permanent housing, including how the tool can prioritize individuals with the greatest need from the Coordinated Entry System.
Section 8

ATTAINABLE HOMEOWNERSHIP
Like other high cost cities, low and moderate-income homeowners in Denver face a range of unique challenges with rising property values and upkeep associated with older homes that threatens to displace long-time neighborhood residents. Nearly 35,000 homeowners across the city are living in unaffordable situations and paying too much of their income on housing costs, including about 11,000 seniors. Many of these homeowners live in areas where property values increased significantly between 2015 and 2017 property assessment cycles.

But a significant barrier to homeownership is the current cost of for-sale homes. For-sale home values have increased by 30% since 2015, and residents interested in achieving homeownership are finding themselves priced out of the city, even in areas that have had historically more affordable options. Many comments in the online survey reinforced this finding, with residents noting that their housing was only affordable because “I bought my house in 1991. We could not afford to purchase a comparable home in our neighborhood today,” or that “our same home would be 50% [more] if we tried to buy it now.”

The City and its partners aim to support existing homeowners through several repair and relief programs, but is also focused on connecting low and moderate-income residents with wealth.
GOAL:
Stabilize Residents

building potential through homeownership. While homeownership plays a key role in promoting economic mobility and opportunity for residents through wealth building, the City is also focused on the long-term affordability of existing for-sale housing stock and will explore strategies aimed at promoting long-term affordability such as through land trusts.

Recommendation 1: Promote programs that help households maintain their existing homes.

Nearly half of all cost-burdened homeowners live in vulnerable neighborhoods throughout the city. Property values are rising in these areas, and many households are struggling to keep up with the rising costs of taxes and the cost of critical home repairs. Partners like the Denver Urban Renewal Authority administer programs that offer rehabilitation resources for existing low and moderate-income homeowners, including the Single-Family Rehabilitation program, the Emergency Home Repair program, and the Rental Homeowner Access Modification program. These programs provide emergency home repair, accessibility modifications and substantial rehabilitation services for seniors and other low-income households to prevent displacement. The City and its partners should continue to support these programs, and target resources to serve households in neighborhoods with the highest home price appreciations where low and moderate-income residents are at risk of displacement, and explores pathways for return for those who have been displaced..

With rising home values, the City and its partners should also work to promote existing property tax relief programs, focusing on reaching residents living on a fixed income, including seniors and those with a disability, in vulnerable neighborhoods. Property tax relief strategies are discussed in more detail in Section 4, including exploration of property tax relief programs that are more broadly aimed at stabilizing low-income homeowners.

While a limited proportion of parcels citywide are zoned appropriately and have the minimum lot size necessary to build an accessory dwelling unit or “ADU,” some low- and moderate-income homeowners in vulnerable neighborhoods in West Denver and North Denver have the appropriate zoning and lot sizes to build such additional units. Across the country and in a limited number of circumstances in Denver, development of ADUs have been used as a tool to introduce new affordable rental stock into predominantly
single-family neighborhoods. But ADUs can also provide a wealth-building tool (due to the rental income received over time) and support intergenerational households. Recognizing the potential for ADUs to stabilize low and moderate-income households at risk of becoming displaced from their existing homes due to rising prices, the City and partners are developing programs aimed at providing financial tools, streamlined permitting, and property management support to promote development of ADUs.

Creative programs that help residents, especially older adults, age in place include those focused on connecting residents that are “overhoused” with those searching for affordable options. A household is considered “overhoused” when they are living in a unit that is larger than is needed for their family size. For example, one older adult living in a home with three bedrooms could be considered overhoused. Programs aimed at connecting homeowners with extra living space to possible renters present a creative solution to addressing the city’s housing challenges, and introduce affordable options that complement development and preservation of housing units.

Alongside programs that focus on maintaining the physical structure and affordability for existing homeowners, a key component of homeownership success is ongoing financial assistance. The City and its partners should continue to promote financial literacy programs such as ongoing budget and credit counseling through nonprofit partners, banking institutions, and Denver’s Financial Empowerment Centers.

**Key Actions:**

- Target existing homeowner rehabilitation programs to low and moderate-income homeowners in vulnerable neighborhoods throughout the city, such as the Denver Urban Renewal Authority’s Single-Family Rehab and Emergency Home Repair programs.

- Promote ongoing education for existing homeowners through financial literacy, focusing on outreach to low and moderate-income residents in vulnerable neighborhoods.

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**National Case Studies:**

Portland, OR has developed an Accessory Dwelling Unit Program aimed at helping low and moderate-income homeowners build wealth and stay in their communities. The City offers low cost capital for ADU construction, connects homeowners with qualified contractors in the area, has developed a training curriculum for homeowners on becoming a landlord, and is working to provide additional ongoing counseling for homeowners on the implications of the new rental income – such as increased property taxes, requirements to register as a local business, and how to file rental income on federal income taxes.
• Promote development of accessory dwelling units as a wealth building tool for low and moderate-income homeowners in vulnerable neighborhoods and to support intergenerational households.

Recommendation 2: Promote development of new affordable and mixed-income homeownership stock.  
One tool that some cities across the country use to develop affordable and mixed-income for-sale housing is “inclusionary zoning” or an “inclusionary housing ordinance.” Denver originally adopted an Inclusionary Housing Ordinance (IHO) in 2002, requiring for-sale developers building more than 30 units to set aside 10% as affordable to moderate-income households. While the ordinance was modified several times since its adoption, the ordinance created a limited number of affordable homes, with many developers opting to pay “cash-in-lieu” of construction. The vast majority of affordable homes constructed were through large scale development agreements negotiated based on the sale of City-owned land (for example, from the former Stapleton airport) or with a large single developer (for example, Green Valley Ranch).

In 2016, the City replaced the IHO with a “housing linkage fee” that is more broadly applicable to new residential and commercial development. The housing linkage fee is structured in some ways as a reverse of the IHO, where developers of new residential and commercial buildings are required to pay a per square foot fee, but have the option to build affordable units instead. Strategies aimed at developing a package of incentives that encourage development of affordable units on site are outlined in Section 4.

While the transition to a more broadly applicable housing linkage fee will provide new funding for the development and preservation of affordable housing, new and creative tools to create mixed-income homeownership stock should be explored. Some communities are supporting mixed-income condominiums through the development of cohousing where individual units are grouped together in a single building with shared amenities. Cohousing developments are often coupled with community based stewardship where residents share responsibility for maintenance of community space. Mixed-income cohousing development has been constructed in Denver as part of the Aria Denver community and could potentially be developed in other areas throughout the city.
To help spur condominium development more broadly, Denver adopted a local ordinance in 2015 that 1) limits using a violation of the Denver building code as the basis for a construction defects claim, 2) requires majority consent of affected homeowners before an HOA can pursue a construction defects claim, and 3) promotes arbitration, not court, as the forum for a construction defects claim. Recent changes to state law and recent court rulings have further addressed these issues and may help to improve the condo market. Since condominiums can provide a path to more moderately priced attached housing, this ordinance unlocked the potential for development of more attainable options for moderate-income residents in Denver.

To further promote condominium development, the City and its partners are taking steps to pilot the development of mixed-income condos at the 29th and Welton, a transit-oriented development site at in the Five Points neighborhood, in partnership with the Regional Transportation District (RTD). The development will include at least 25% of the units as affordable and is intended to inspire creative ways to finance affordable homeownership options in partnership with the development community. Using the 29th and Welton project as a model, partnerships that support mixed-income condominium development can promote affordable housing options in high opportunity areas.
Key Actions:

- Explore creative tools to promote mixed-income homeownership development, including models such as cohousing development that are supported through strong community stewardship.

- Implement and evaluate success of the mixed-income condo pilot at 29th and Welton and explore how the approach can be expanded to other areas of the city, especially near transit.

Recommendation 3: Preserve affordability of existing income-restricted homeownership stock.

Nearly 2,000 for-sale homes in Denver are affordable due to an existing covenant that ensures the property is occupied and resold to an income qualified buyer over a specific period, usually between 15-30 years. Many of the homes were built under the City’s Inclusionary Housing Ordinance or large-scale development agreements, and while the ordinance was replaced with a more broadly applicable housing linkage fee, homes under the old program continue to operate under existing covenants.

Most of the homes that were built under the IHO or similar development agreements have a shared equity model where proceeds from the sale of the property are shared between the City and the homeowner for a set period after the covenant expires. Typically, the covenants also include a right-of-first refusal for the City or a designee to acquire the property to sell to another income-restricted buyer. With limited affordable homeownership options available on the open market for low and moderate-income households, the City and its partners should focus on keeping these homes available as part of the existing income-restricted for-sale housing stock and promote long-term affordability. Additionally, since most homes built under the IHO or similar agreements are in mixed-income developments due to the structure of the original ordinance, many of these homes are in high opportunity areas.

For example, nearly 500 affordable homes have been constructed as part of the Stapleton development agreement, an area that now includes some of the city’s most expensive housing stock and highest quality schools. Covenants on affordable units built at Stapleton will begin to expire in 2018 and 2019, approximately 15 years from the time they were built.
years after the first units were built in this neighborhood. The City and its nonprofit and foundation partners are already taking steps to explore long-term preservation of these homes to ensure future income-qualified homeowners can purchase homes in these high opportunity areas.

In addition to partnerships aimed at preserving existing income-restricted housing, the City is also focused on continuing education for existing owners of affordable homes. As part of an effort to ensure compliance with the requirements of the City’s existing covenants, the City should conduct regular outreach to existing owners about the requirements of their covenant, including 1) that owners occupy the unit as their primary residence, 2) that units are resold to an income-qualified buyer at an affordable price during the covenant period, and 3) how owners can access ongoing financial literacy and credit counseling even after purchasing an affordable unit.

**Key Actions:**

- Explore partnerships across key nonprofit and foundation partners to preserve existing affordable homes in high-opportunity areas, such as Stapleton, to resell to qualified buyers.
• Continue to educate existing homeowners about requirements of the City’s affordable homeownership covenant as part of an ongoing compliance program.

**Recommendation 4: Preserve affordability of existing unsubsidized affordable for-sale housing.**

Preservation of existing affordable homeownership opportunities for Denver residents is an important strategy to mitigate the displacement of residents due to rising home values. Between rental and conventional homeownership, shared equity ownership models ensure that homes remain affordable to low and moderate-income households long-term. Models that promote long-term affordability and shared equity include land trusts, which enable eligible households to purchase an affordable home and lease the land underneath it. Land trust models and other similar models such as a land lease are discussed in Section 5.

In addition to exploration of a citywide land trust and land lease policies as outlined in Section 5, the City and its partners could explore other models for preservation such as through “shared appreciation loans.” Shared appreciation loans are second mortgages that require no payment by an owner until a property is sold. At the time of the sale, a family is required to repay the original principal plus a share of the home price appreciation in lieu of interest. Typically, homes purchased under a shared appreciation loan and then resold to an income qualified homeowner to continue the long-term affordability.

By extending the 2017 Mortgage Credit Certificate Program, qualifying borrowers can save thousands over the life of a mortgage. This program helps residents access housing throughout Denver.
Key Actions:

- Explore creative tools for acquisition of existing affordable homes, including models such as a “shared appreciation loan” that could help a moderate-income homebuyer purchase a home with a second mortgage payable at the time of sale to another income-qualified buyer.

Recommendation 5: Promote programs that help households access for-sale housing.

While development and preservation of affordable homeownership units can help ensure that housing options are available for moderate-income residents long term, the City and its partners should also focus on support programs that help residents prepare to become homeowners. The City and its partners provide homebuyer counseling courses that integrate financial coaching with down payment assistance and education about overseeing home repairs.

The City and its partners could continue to support downpayment assistance programs such as the Metro Mortgage Assistance Plus Program. Through this program, the City works with lenders throughout the Denver metro area to offer qualifying first-time homebuyers with a grant to help with up to 4% of the purchase price of a home. Since 2013, this Metro Mortgage Assistance Plus Program has supported the home purchases of 1,277 households with $10.8 million in assistance. The City also supports downpayment assistance programs directly through nonprofit partners.

The City also took steps to extend the 2017 Mortgage Credit Certificate Program that allows qualifying borrowers to receive an annual federal income tax credit equal to 25% of the annual interest they pay on their mortgage loan up to a maximum $2,000 per year. The program, which can save a low or moderate-income family thousands over the life of a mortgage, extends through the end of 2019. As part of a strategy to promote programs that help residents access for-sale housing throughout Denver, the City and its partners should continue to support the Mortgage Credit Certificate program beyond the current program sunset.

In addition to supporting the city’s existing programs for prospective homebuyers, the City and its partners should explore other creative tools to support homeownership. For example, the proposed LIVE Denver pilot is designed to support residents living in affordable rental housing by setting aside a portion of rent paid
The City and its partners should explore creative ways to help moderate-income residents achieve homeownership.

Each month to contribute to an escrow account that can be accessed when the resident moves out of the affordable rental property. While this escrow account is not proposed to be limited to use for a future downpayment, this tool could be an effective method to help low and moderate-income residents to save for a down payment. The City and its partners should implement and evaluate the success of this pilot escrow model and explore how the approach can be expanded to other homeownership programs.

Likewise, the City and its partners should explore other creative ways to help moderate-income residents achieve homeownership, including evaluating opportunities for lease-to-own programs or low-interest city loans that might allow a family to refinance their current mortgage and stay in a home they already own.

**Key Actions:**

- Continue to support existing down payment and homebuyer assistance programs such as the Metro Mortgage Assistance Plus programs that provides grants for low and moderate-income residents to purchase homes on the open market.

- Support an extension of the Metro Mortgage Credit Certificate to help low and moderate-income homeowners receive a federal
income tax credit on their mortgage interest beyond the program’s current expiration in 2019.

• Implement and evaluate success of a pilot escrow model as part of the LIVE Denver program where residents pay a portion of rent each month into a saving account that can be used for a down payment, and explore how the approach could be expanded to other housing programs.
Section 9

IMPLEMENTATION
SECTION 9. IMPLEMENTATION

Public respondents indicated a need to target housing resources toward the most vulnerable residents in Denver.

A central theme of Housing an Inclusive Denver is the need for the City to integrate its housing work across sectors, among City departments, and with external partners. Implementing Housing an Inclusive Denver depends on the ability to maximize the impact of the City’s housing investments by aligning and connecting them to other public investments in jobs, health, education, capital infrastructure and transportation. This plan lays the foundation for targeting the City’s resources to address specific neighborhood conditions and challenges faced by Denver residents. The neighborhood opportunity typology developed to support this plan and the targeted strategies to address specific neighborhood conditions can serve as a platform to build the necessary connections to opportunity for Denver residents.

Prioritization Along the Housing Continuum

Feedback received during the development of Housing an Inclusive Denver from members of the public, housing stakeholders and the city’s Housing Advisory Committee focused on finding a balance of investment along the housing continuum. This feedback is a recognition that each segment of the housing continuum is connected and resources are limited. Allocating more resources towards one part of the spectrum therefore diminishes resources available for the rest of the continuum. Further, the costs of development, preservation and programs vary along the continuum – for example,
to develop a permanent supportive housing unit with wraparound services may cost more than the preservation of a moderate-income rental unit. Maximizing the impact of limited resources across the housing continuum requires an ongoing assessment of need, estimation of costs, and evaluation of available resources. For this reason, the target resource allocations in this plan are given as ranges that recognize the interplay of multiple factors that must be continually balanced to optimize results.

While investment along the housing continuum can help ensure there are options for each population, feedback received from the public, housing stakeholders and members of the Housing Advisory Committee indicated a need to target housing resources toward the most vulnerable residents in Denver, those experiencing homelessness and those earning below 30% AMI. Based on feedback received as part of the Housing an Inclusive Denver planning process, the following targets will be used to guide housing investments aligned with the values, goals and strategies included in this plan:

40 - 50% of housing resources will be invested to serve people earning below 30% of area median income (AMI) and those experiencing homelessness who are seeking to access or maintain rental housing, including:

- **20 - 25% of housing resources** to serve residents experiencing homelessness

- **20 - 25% of housing resources** to serve residents earning below 30% AMI

20 - 30% of housing resources will be invested to serve people earning 31% to 80% AMI who are seeking to access or maintain rental housing

20 - 30% of housing resources will be invested to serve residents seeking to become homeowners or remain in homes they already own

<table>
<thead>
<tr>
<th>AMI Level</th>
<th>1 Person</th>
<th>2 Person</th>
<th>3 Person</th>
<th>4 Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% AMI</td>
<td>$17,650</td>
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<tr>
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<tr>
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</tr>
<tr>
<td>100% AMI</td>
<td>$58,800</td>
<td>$67,200</td>
<td>$75,600</td>
<td>$83,900</td>
</tr>
</tbody>
</table>
The city will provide quarterly updates on the implementation of investments consistent with these funding priorities.

**Target Outcomes from Housing Investments**

In total, the City’s Office of Economic Development (OED) invests more than $20 million in federal and local resources into housing development, preservation and programs each year. However, federal resources have declined in recent years and are subject to annual appropriations from Congress. Find more detailed information about each federal and local resource available for housing investment in **Section 10: Key Supplemental Information**.

As outlined in this plan, *Housing an Inclusive Denver* includes four key goals:

**GOAL:** Create affordable housing in vulnerable areas **AND in areas of opportunity** by focusing on production that considers specific neighborhood conditions, including areas vulnerable to displacement and neighborhoods that have strong amenities such as transit, jobs, high quality education and health care.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to create at least 2,000 new affordable units by 2023. Of these new units, approximately 90% are expected to serve renters and 10% are expected to serve homeowners.

**GOAL:** Preserve affordability and housing quality by investing to maintain affordability in non-subsidized units and preserving or continuing affordability of existing publicly subsidized affordable housing.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to preserve at least 1,000 existing affordable units by 2023. Of these new units, approximately 90% are expected to serve renters and 10% are expected to serve homeowners.

**GOAL:** Promote equitable and accessible housing options by supporting programs and policies that help residents across the housing continuum access affordable housing.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to serve at least 20,000 households by 2023 with program resources such as homebuyer counseling, downpayment assistance, and supportive services.
GOAL: **Stabilize residents at risk of involuntary displacement** by supporting programs and policies that help a resident maintain their existing housing or stay in their community.

**TARGET OUTCOMES:** If local and federal resources remain consistent with current levels, the City and its partners will aim to serve at least 10,000 households by 2023 through program investments such as tenant–landlord counseling, eviction assistance, and emergency home repair programs.

**Expanding Denver’s Existing Toolbox**

This plan includes several innovative ideas for housing strategies, with programmatic and financing or subsidy implications. The City is committed to exploring these strategies in partnership with for-profit and nonprofit partners, other City departments and public agencies, and other key stakeholders. This plan introduces several new policies, programs or financing tools to support strategies and address neighborhood conditions.

Implement and evaluate success of existing pilot programs:

- **Evaluate success of the current “tiny home” pilot program** and explore opportunities to expand the program throughout other areas of Denver.

- **Implement and evaluate success of a proposed incentive overlay** for building heights at the 38th and Blake transit station and explore expanding the program to other areas where increased density may be appropriate, such as near transit.

- **Implement and evaluate success of a proposed LIVE Denver program** to buy down affordability of existing vacant rental units in high-opportunity areas of the city.

- **Implement and evaluate success of a pilot escrow model** as part of the LIVE Denver Program where residents pay a portion of rent each month into a savings account that can be used for a downpayment, and explore how the approach could be expanded to other housing programs.

- **Implement and evaluate success of the mixed-income condo pilot** at 29th and Welton and explore how the approach can be expanded to other areas of the city, especially near transit.
Explore new or expanded tools for housing development and preservation programs:

- **Create a package of incentives that provide value for a developer**, such as more clearly defined parking reductions, lower building permit fees, or special staff support to navigate the complex multi-agency permitting process, in exchange for a certain percentage of affordable units built on site.

- **Develop clear guidelines for the circumstances when an affordable housing plan** (such as sites with a General Development Plan, Infrastructure Master Plan, or similar tool) **should be created for a major redevelopment site** and provide clear guidance on the process to develop and execute the plan.

- **Explore creative uses of tax-increment financing** that can support low and moderate-income residents, including how TIF can be used to support the city’s anti-displacement strategies,
in close partnership with the Denver Urban Renewal Authority and Denver Public Schools.

- **Explore a rental registry to promote the safety and well-being of all renters**, which would require landlords to register their rental properties and participate in regular inspections for health and safety issues.

- **Explore additional local forms of tax relief for low- and moderate-income residents** struggling to keep up with rising property taxes, such as expanding the existing senior and disabled property tax relief program.

- **Explore framework and methodology used to develop and implement preference policies** in peer cities, evaluating whether and how a preference policy based on economic displacement could be implemented in Denver.

- **Explore property tax relief programs that support property owners of multi-unit buildings** who may not qualify for the existing nonprofit exemption to foster mixed-income developments.

- **Explore additional tools to expand and enhance the State Low Income Housing Tax Credit** to support rental housing projects in Denver, and other local jurisdictions, in close partnership with the Colorado Housing and Finance Authority and the Colorado Division of Housing.

*The City can partner with the Denver Public Schools to explore creative uses of tax-increment financing to support low and moderate-income residents, and the City’s anti-displacement strategies.*
• Explore formal partnerships with public and quasi-public agencies to prioritize and set specific standards for use of publicly owned land for affordable housing.

• Explore land trusts as a tool to preserve affordability citywide and in vulnerable neighborhoods, including evaluating factors such as the upfront cost to invest in unit acquisition, ongoing cost of program administration, length of affordability, and community stewardship.

• Explore other policy tools that promote long-term affordability when land is directly acquired or used for affordable or mixed-income housing development, such as through a land-lease.

• Develop a bridge finance tool that leverages public and private resources to strategically acquire affordable rental properties at risk of converting to market rate housing.

• Explore development of a finance tool to strategically acquire small-scale unsubsidized rental housing, using San Francisco’s Small Site Acquisition Program as a model.
• Explore creative tools to promote mixed-income homeownership development, including models such as cohousing development that are supported through strong community stewardship.

Implementing Proactive Investment Strategies
In addition to the implementation and evaluation of proposed pilot programs and the exploration of new or expanded housing tools, the City will implement recommendations from *Housing an Inclusive Denver* through proactive investment strategies, including:

1) **Targeting development solicitations to procure partners to build or preserve affordable housing consistent with the values, core goals and strategies outlined in this plan.** These targeted development solicitations, for example, could include development on land acquired directly for affordable housing or partners to serve as a designee to purchase a rental property under the City’s Preservation Ordinance.

2) **Updating the City’s competitive opportunities for housing program and service funding to align with the values, core goals, and strategies outlined in this plan.** These competitive opportunities, for example, should align with the City’s Consolidated Plan for federal resources and future solicitations for program proposals through the City’s Notice of Funding Availability (NOFA) for federal resources.

3) **Updating the City’s financial products for housing development and preservation projects to reflect the values, core goals, and strategies outlined in this plan.** These updated financial products could include specific tools to incentivize development of housing for the city’s most vulnerable populations earning below 30% AMI, such as through performance based loans or higher per unit subsidies.

4) **Updating the City’s application process for housing investments to reflect the values, core goals, and strategies outlined in this plan.** These updated application processes, for example, could include specific location priorities for housing investments in vulnerable neighborhoods or in high opportunity areas. This plan recognizes that Denver’s neighborhoods differ depending on location, neighborhood conditions, and access to opportunity.
5) The city will provide quarterly updates on the implementation of investments consistent with these funding priorities.

Investment of local and federal resources for priority strategies outlined in Housing an Inclusive Denver will be informed by neighborhood data collected in this plan, as well as subsequent efforts to build on this framework to understand opportunity in Denver.

The City will prioritize strategies to mitigate displacement in vulnerable areas and create housing opportunities in neighborhoods currently out of reach of low-income households. The Annual Action Plan will further refine the targeting of strategies and related action by income and geography.
Section 10

KEY SUPPORTING INFORMATION
SECTION 10. KEY SUPPORTING INFORMATION

Denver’s Future Housing and Demographic Trends

Several long-term demographic trends could shape the city’s housing market over the next five years and beyond: growth in Denver’s senior population; smaller household sizes and fewer households with children; and growth in Hispanic households. These demographic trends may reshape Denver’s for-sale market, create increased competition for smaller units and a greater understanding of the unique housing needs among Hispanic households.

Growth in Denver’s senior population. Like much of the United States, Denver is growing older. Denver’s senior population increased 35% between 2010 and 2017. Between 2017 and 2035, projections suggest that the number of seniors in Denver will increase by 52% between 2017 and 2035, representing the largest share of Denver’s population growth over that time. The city’s past and future growth in seniors age 65 and older will clearly drive the needs and considerations of developing and siting future housing. These needs and considerations include creating more income-restricted housing targeted for seniors, incorporating accessibility features in senior housing, promoting access to health services, and supporting local programming to help seniors successfully age in place. Less apparent is how this growing population will affect the city’s overall housing supply. Depending on seniors’ ability and willingness to find senior-friendly housing, seniors may stay in their
current housing situations. If these seniors are over housed (meaning they live in larger units than may be appropriate), this could result in limited turnover in larger rental units or for-sale inventory, making it difficult for other households to access these products. Seniors also currently make up a growing number of the city’s population experiencing homelessness with recent estimates showing nearly a quarter of the homeless in Denver are over age 55. This growth in homeless seniors places unique stressors on the City’s current system for helping those without homes.

**Smaller household sizes and fewer households with children.**

Today, most of Denver’s households do not have children, and projections suggest these households will increase by 29% between 2017 and 2035. Denver’s households are already smaller than the national average household size (2.28 compared with 2.58 respectively) and average household size in Denver is expected to decrease over time. In terms of Denver’s for-sale market, fewer households with children and smaller households could open more neighborhoods to new homebuyers, as considerations that have traditionally influenced home buying decisions like school quality and reputation, become less relevant to these households (at least in the short-term). Along with seniors, these households may seek smaller units (like one bedrooms), driving additional demand for smaller housing products. This demand could further constrain the city’s existing supply of smaller rental units and drive up these housing costs. Currently, efficiencies and one-bedroom units command rents 13–15% higher than Fair Market Rent (FMR). Asking rents above FMR suggests that households using rental assistance

![Image](image-url)
like Section 8 Housing Choice vouchers may already be having trouble accessing these units, and additional demand from smaller households could exacerbate this problem.

**Growth in Hispanic households.** Today, Hispanic households comprise 35% of all Denver households. It is estimated that 65% of Hispanic households qualify as low-income and make up a smaller share of new homeowners and home loan recipients than the city average. By 2030, Hispanic households will comprise 41% of all Denver households, representing the city’s largest growth in households between 2017 and 2030. This growth suggests a need to consider housing needs among this population in greater detail. It’s important to note to these households are not a homogeneous group and additional outreach and information-gathering may be necessary to understand the core housing needs for a range of lifestyles, ages, and income levels among Hispanics living in Denver. A few ways that these households could define Denver’s housing market in the next several years is acting as new homebuyers, creating more demand for multigenerational housing products, and highlighting a need for more culturally competent housing-related programming and service delivery.

**Investment in Public Infrastructure.** Over the next three years, Denver will experience a wave of public investments valued at more than $4 billion. The projects include expansion of the city’s Convention Center, the National Western Center Complex, Central I-70, the Great Hall of the Denver International Airport, and the projects in
the proposed General Obligation Bond. The projects will create jobs, important infrastructure buildouts and community amenities. The investments may also put pressure on the city’s housing market, as the need for additional skilled workforce for these projects could attract more residents to Denver.

**Relationship to Other Local Planning Efforts**

*Housing an Inclusive Denver* builds on and relates to several past and current planning efforts in the City of Denver. The goals and proposed strategies within *Housing an Inclusive Denver* aim to connect with the City’s update to its land-use and mobility strategies (through Denveright), priorities related to its federal resources for housing and community development (through the 2018–2022 Consolidated Plan and Analysis of Impediments), and connections to jobs and health through the Mayor’s Office of Housing and Opportunities for People Everywhere (HOPE). Each plan and their relationship to *Housing an Inclusive Denver* is summarized in more detail below.

**Denveright.** Through its extensive community-driven planning process, Denveright will chart a course for Denver’s future through 2040. This effort integrates four plans: 1) *Blueprint Denver*, the City’s existing land-use and transportation plan, which serves as the foundation for the Denveright process; 2) *Game Plan*, the city-wide Parks and Recreation Plan, which provides quality open space and improved existing networks for people to walk, bike, relax and play; 3) *Denver Moves: Transit*, which creates a local transit vision

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*Expanding bicycle and pedestrian infrastructure can increase safety, while providing additional transit options, and connections to jobs and services.*
to understand and improve the existing transit system; and 4) *Denver Moves: Pedestrian and Trails*, which helps make walking and using off-street trails a viable option for people to get around Denver.

Many of the proposed strategies within *Housing an Inclusive Denver* relate to the four focus areas within Denveright. The strategies adopted in this plan reinforce and help implement a key vision element from Denveright – creating “Equitable, Affordable and Inclusive” communities. Denveright aims to achieve this vision element by supporting community values such as diverse, friendly and open communities, promoting access to opportunity, and by fostering affordable housing and transportation choices. Through its focus on access to opportunity and promotion of affordable and mixed-income housing options, this plan supports the broader vision element of Denveright and provides the basis to achieve its community values through specific regulatory and investment strategies.

**2018-2022 Consolidated Plan.** The Consolidated Plan supports Denver’s assessment of its affordable housing and community development needs and market conditions and creates a communitywide conversation to identify and align housing and community development priorities and allocate federal resources. Analysis and recommendations from *Housing an Inclusive Denver* will directly inform the City’s affordable housing and community development needs and market conditions within the Consolidated Plan. Additionally, *Housing an Inclusive Denver* makes recommendations for the allocation of the City’s federal and local resources.

**Housing Denver.** *Housing an Inclusive Denver* incorporates some of the foundational ideas outlined in Housing Denver, including the need for diverse and flexible funding tools, strategies that address the housing continuum, and a focus on production and preservation of affordable housing.

**Gentrification Study: Mitigating Involuntary Displacement.** In May 2016, the City released the *Gentrification Study: Mitigating Involuntary Displacement*, to serve as a tool to guide future housing and economic development investments in Denver. The study aimed to identify the factors that cause residential displacement, identify neighborhoods where displacement is occurring, or could happen, and inform how the City and its partners promote equitable and inclusive neighborhoods. *Housing an Inclusive Denver* utilizes the
information from this study to help identify neighborhood types and inform strategies, priorities, and key actions to mitigate involuntary displacement.

**Analysis of Impediments (AI).** The U.S. Department of Housing and Urban Development’s (HUD) Affirmatively Furthering Fair Housing rule, or AFFH, guides municipalities’ work to ensure that housing investments are aligned with fair housing principles. This fair housing rule embraces a “balanced approach” between place-based capital investments in low-income communities and strategies promoting mobility that allow low-income households to gain access to safe neighborhoods and high-performing schools. Under this rule, recipients of HUD resources are required to submit an Analysis of Impediments (AI), a community-based plan that sets goals and priorities that address contributing factors to segregation and other fair housing issues to better address historical disinvestment and support racial equity. The City of Denver will participate in a regional AI in 2018. *Housing an Inclusive Denver* describes and defines “racially or ethnically concentrated areas of poverty,” “areas of low-income concentration,” and “areas of minority concentration” in ways that set the stage for the region’s AI and aligns its strategies with broad fair housing goals.

**Detailed List of Denver’s Housing Resources**

The Office of Economic Development (OED) invests federal and local resources into affordable housing development, preservation and programs that serve residents experiencing homelessness, extremely low-income residents living on a fixed income such as

CDBG funds support small businesses, neighborhood revitalization, homeowner and rental repair, counseling and social service operations.
seniors or residents with a disability, working families, and residents interested in becoming homeowners.

Federal housing funds are allocated to the City and County of Denver through the U.S. Department of Housing and Urban Development (HUD). Federal funds have declined in recent years, but include:

- **Community Development Block Grant (CDBG)** — CDBG funds support small businesses, neighborhood revitalization, homeowner and rental repair, counseling and social service operations. The City typically receives between $6 and $8 million annually through the CDBG program, but these resources are invested across a variety of housing, neighborhood and business development programs. OED typically invests approximately $2 million annually in housing through the CDBG program.

- **HOME Investment Partnerships Program (HOME)** — HOME funds support a variety of affordable housing activities including new construction and preservation of rental and for-sale housing, and tenant based rental assistance. The City typically receives approximately $2.5 million annually through the HOME program.

- **Housing Opportunities for Persons with Aids (HOPWA)** — HOPWA funds are available to assist in the provision of affordable housing for persons with HIV/AIDS. The City typically receives approximately $1.7 million annually for the HOPWA program.

Local housing funds are appropriated to OED through the City’s annual budget process:

In September 2016, Mayor Hancock and City Council partnered to create Denver’s first dedicated local fund for affordable housing. The dedicated fund will generate an estimated $150 million over 10 years to serve low and moderate-income households. Revenue for the dedicated fund will come from a portion of existing property tax and a new, one-time “housing linkage fee” on commercial and residential development.
• The property tax component of the fund is stable and predictable, generating an estimated $7 million in 2018. This revenue will grow slowly and steadily over time.

• Revenue from the housing linkage fee will vary based on economic trends, bringing in more revenue during an economic upcycle and less revenue during an economic downturn. On average, the linkage fee is expected to generate $7-8 million annually.

Program income is also collected from historic investments where a private, quasi-public or nonprofit partner received an investment from OED and is paying that loan back over time. While program income is dependent on the number and type of investments made in each year, OED typically receives between $550,000 - $750,000 in program income from historic investments, primarily from federal funds.

**Detailed List of Denver’s Affordability Resources**

While housing is a core component of the City’s investments in promoting inclusive communities, addressing affordability takes more than just developing and preserving housing – it takes increasing access to higher paying wages, connecting residents to health and financial wellness and promoting equitable access to mobility opportunities. Combined, these investments across multiple agencies help work to maintain or expand affordability throughout Denver neighborhoods.
Several City agencies support programs that complement OED’s investments into housing development, preservation and programs. These agencies invest resources into expanding housing options or reducing housing costs, including:

- **Department of Human Services** invests federal resources such as Emergency Solutions Grants (ESG) and other local resources in direct rental assistance, rapid re-housing vouchers and shelter diversion strategies for residents experiencing homelessness. Additionally, the Department of Human Services oversees the City’s Senior and Disabled Property Tax Rebate program where low-income homeowners and renters can access an annual rebate to offset a portion of their property taxes.

- **Department of Finance** oversees use of Social Impact Bonds (SIB) to provide critical supportive services that primarily serve chronically homeless individuals in Denver. Additionally, the Department of Finance manages the City’s Metro Mortgage Assistance Plus program, which provides down payment assistance grants for qualified prospective homebuyers, and the Metro Mortgage Credit Certificate Program, which provides tax credits for a portion of the annual interest paid on a qualified homeowner’s mortgage loan.

- **Department of Human Rights and Community Partnerships** invests in a home weatherization program to help homeowners make upgrades to their home aimed at promoting energy efficiency.

- **Department of Public Health and Environment** invests in a program to help owners of residential properties that do not currently meet public health codes to bring their buildings into compliance with health and safety standards.

- **Department of Public Works** invests in expanding the city’s transit infrastructure in partnership with the Regional Transit District and the Colorado Department of Transportation through fixed-rail and high frequency bus networks, as well as first and last mile connections that support pedestrian and bike infrastructure throughout the city. In 2017, Denver released a “Mobility Action Plan” aimed at enhancing the city’s multi-modal connections with a focus on creating equity in the city’s transportation network.
Neighborhood Characteristics
As part of this plan, the City and its partners developed five neighborhood types informed by Enterprise Community Partners’ Opportunity360 platform to align place-based strategies and assets related to housing, health, economic mobility, transportation, and education throughout Denver. These neighborhood types were developed to set a foundation and ensure that housing production and preservation strategies address the unique characteristics and housing opportunities within specific neighborhoods.

The neighborhood types developed as part of this planning process set a foundation for how the City and its partners will begin to consider opportunity as part of housing investment decisions, but additional steps are needed to continue to analyze Denver neighborhoods according to their unique characteristics.

As part of the implementation of this plan and Denver’s upcoming Analysis of Impediments, the City and its partners should continue to conduct outreach with community members and housing stakeholders to refine how opportunity is defined for Denver residents and leaders.

Expand and Refine Existing Neighborhood Analysis with Additional Local Data.
In addition to the data collected as part of Housing an Inclusive Denver, the City and its partners should build upon the existing neighborhood characteristics to understand the location of physical assets within the neighborhood. These physical assets could include the location of high-performing schools, major hospitals and community health care facilities, and grocery stores.
Neighborhoods in **Type 1** offer the widest variety of culture and diversity in the Mile High City. Working families and individuals enjoy affordable, but older housing stock. However, both rents and home values have experienced sharp increases since 2015 and many residents within Type 1 are vulnerable to displacement. Opportunity can be more difficult to obtain in these neighborhoods since nine of Denver’s ten R/ECAP areas fall within this type.

To increase opportunity, strategies to preserve cultural diversity and affordability while increasing access to health, education and jobs will be deployed. For example:

- Preserving affordability of existing income-restricted properties
- Promoting programs that help households stay in their existing unsubsidized rental housing
- Promoting programs that help families maintain their existing homes
- Promoting development of new mixed-income housing stock
Walk, bike or ride your way through **Type 2** neighborhoods. These communities are generally closer to jobs and transit centers and about 1/3 of the City’s unsubsidized affordable properties are located here. Residents in type 2 neighborhoods are highly engaged in the labor market, but median income is lower than in other areas of the City. Rent is lower but home purchase prices are higher than the citywide average in Type 2.

For Type 2, strategies support maintaining affordable rents while encouraging more affordable for-purchase homes:

- Preserving existing affordable housing near transit (prioritizing existing income-restricted properties)
- Preserving affordability of existing unsubsidized affordable housing
- Promoting development of new affordable, mixed-income and mixed-use housing stock
- Promoting programs that help households in these neighborhoods access affordable for-sale housing throughout Denver
In **Type 3** neighborhoods, residents enjoy hip neighborhood restaurants and chic boutiques, new homes and classic Denver designs. Both rental and ownership housing tend to cost more than other areas of the city and residents generally exhibit better employment, health, and educational outcomes. Very few of these neighborhoods are considered vulnerable to displacement and a majority of publicly owned land that could be used for housing is within this type.

In Type 3, creation is key when it comes to affordable housing strategy:

- Leveraging publicly owned land for affordable housing development
- Promoting development of new affordable, mixed-income and mixed-use housing stock
- Promoting programs that help households access for-sale housing and affordable rental housing
In **Type 4** neighborhoods, unemployment is low and housing is more affordable. Relative to other types, these neighborhoods have the largest share of residents who are 65 years or older. The housing stock, particularly rental properties, tends to command lower prices and 1/3 of the City’s unsubsidized affordable properties are located within this type.

Strategies for Type 4 should focus on promoting overall quality and preserving affordability of existing housing and strengthening connections to health and employment opportunities:

- Preserving affordability of existing unsubsidized affordable housing
- Promoting programs that help households access affordable rental and for-sale housing
- Promoting programs that help households maintain their existing homes
- Preserving affordability of existing affordable rental housing near jobs/transit
In **Type 5**, the rental market is commanding higher rents than the citywide average compared to the homeownership market, the highest average rent of all neighborhood types. More units are overcrowded than in other areas of the City and the housing stock is much newer. About half of the neighborhoods in this type have been identified as vulnerable to displacement, but recent housing market trends show that average rent is decreasing in several of these areas. **The City should consider diversifying housing options in this type, in terms of stock, cost, and responsiveness to demographic changes.**

The following housing investment strategies would be particularly applicable in Type 5 neighborhoods:

- Promoting development of new affordable, mixed-income and mixed-use housing
- Preserving affordability of existing income-restricted properties
- Promoting programs that help households access affordable rental housing
- Promoting programs that help households stay in their existing rental housing
APPENDIX 1. SUPPORTING TABLES

Throughout the appendices, tables are labeled using the following convention: TABLE #.##, where the first number is the section of the plan that references the table and the second number is the order in which the table falls among all tables in that section. Figures and maps are labeled using the same convention in subsequent appendices.

### TABLE 1.1 | AVERAGE VALUES ON KEY INDICATORS FOR EACH NEIGHBORHOOD TYPE, COMPARED TO THE CITYWIDE AVERAGE

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<thead>
<tr>
<th>Demographics</th>
<th>Type 1</th>
<th>Type 2</th>
<th>Type 3</th>
<th>Type 4</th>
<th>Type 5</th>
<th>Citywide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-white residents</td>
<td>77%</td>
<td>27%</td>
<td>23%</td>
<td>41%</td>
<td>78%</td>
<td>44%</td>
</tr>
<tr>
<td>Residents who are 65+ years old</td>
<td>9%</td>
<td>8%</td>
<td>13%</td>
<td>17%</td>
<td>6%</td>
<td>11%</td>
</tr>
<tr>
<td>Housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Median gross rent</td>
<td>$930</td>
<td>$948</td>
<td>$1,232</td>
<td>$880</td>
<td>$1,283</td>
<td>$1,019</td>
</tr>
<tr>
<td>Median home value</td>
<td>$168,620</td>
<td>$310,738</td>
<td>$393,047</td>
<td>$254,892</td>
<td>$169,810</td>
<td>$281,833</td>
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<tr>
<td>Owner units affordable to low-income households</td>
<td>44%</td>
<td>12%</td>
<td>8%</td>
<td>22%</td>
<td>43%</td>
<td>23%</td>
</tr>
<tr>
<td>Rental units affordable to extremely low-income households</td>
<td>74%</td>
<td>39%</td>
<td>31%</td>
<td>56%</td>
<td>30%</td>
<td>48%</td>
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<tr>
<td>Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Adults who reported poor health</td>
<td>21%</td>
<td>15%</td>
<td>13%</td>
<td>18%</td>
<td>14%</td>
<td>16%</td>
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<tr>
<td>Adults who received a physical examination within the last year</td>
<td>58%</td>
<td>55%</td>
<td>61%</td>
<td>60%</td>
<td>58%</td>
<td>59%</td>
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<td>Adults who reported having asthma</td>
<td>9%</td>
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<td>8%</td>
<td>9%</td>
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<td>9%</td>
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<tr>
<td>Adults who reported being obese</td>
<td>26%</td>
<td>24%</td>
<td>23%</td>
<td>25%</td>
<td>27%</td>
<td>24%</td>
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<tr>
<td>Jobs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>12%</td>
<td>7%</td>
<td>5%</td>
<td>8%</td>
<td>9%</td>
<td>3%</td>
</tr>
<tr>
<td>Labor Market Engagement Index</td>
<td>25</td>
<td>79</td>
<td>87</td>
<td>66</td>
<td>67</td>
<td>63</td>
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<tr>
<td>Median household income</td>
<td>$35,916</td>
<td>$50,980</td>
<td>$82,096</td>
<td>$45,382</td>
<td>$56,707</td>
<td>$56,362</td>
</tr>
<tr>
<td>Transit</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transit access</td>
<td>49</td>
<td>69</td>
<td>47</td>
<td>45</td>
<td>33</td>
<td>49</td>
</tr>
<tr>
<td>Education</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent of residents with less than a high school degree</td>
<td>35%</td>
<td>7%</td>
<td>5%</td>
<td>10%</td>
<td>25%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Note: This table is a selection of indicators and does not include all data used to calculate the neighborhood typology.

### TABLE 2.1 | AVERAGE RENT BY SUBMARKET (Q4 2011-Q4 2016), DENVER, CO

<table>
<thead>
<tr>
<th>Market Area Totals</th>
<th>Efficiency</th>
<th>1 Bed</th>
<th>2 Bed/1 B</th>
<th>2 Bed/2 B</th>
<th>3 Bed</th>
<th>Other</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denver-Central/Capitol Hill</td>
<td>$1,065</td>
<td>$1,263</td>
<td>$1,583</td>
<td>$2,211</td>
<td>$2,669</td>
<td>$1,701</td>
<td>$1,380</td>
</tr>
<tr>
<td>Denver-Downtown</td>
<td>$1,285</td>
<td>$1,574</td>
<td>$1,734</td>
<td>$2,092</td>
<td>$2,978</td>
<td>$2,636</td>
<td>$1,699</td>
</tr>
<tr>
<td>Denver-East Central/Lowry</td>
<td>$1,029</td>
<td>$1,257</td>
<td>$1,338</td>
<td>$1,700</td>
<td>$1,913</td>
<td>$1,681</td>
<td>$1,417</td>
</tr>
<tr>
<td>Denver-Far SE</td>
<td>$996</td>
<td>$1,101</td>
<td>$1,176</td>
<td>$1,502</td>
<td>$1,646</td>
<td>$1,385</td>
<td>$1,213</td>
</tr>
<tr>
<td>Denver-N Central/City Park</td>
<td>$894</td>
<td>$1,425</td>
<td>$1,461</td>
<td>$2,208</td>
<td>$2,255</td>
<td>-</td>
<td>$1,627</td>
</tr>
<tr>
<td>Denver-Northeast</td>
<td>$1,012</td>
<td>$999</td>
<td>$1,030</td>
<td>$1,592</td>
<td>$1,491</td>
<td>$1,933</td>
<td>$1,199</td>
</tr>
<tr>
<td>Denver-Northwest</td>
<td>$1,371</td>
<td>$1,356</td>
<td>$1,378</td>
<td>$2,026</td>
<td>$1,483</td>
<td>$580</td>
<td>$1,473</td>
</tr>
<tr>
<td>Denver-S Central/Wash Park</td>
<td>$1,080</td>
<td>$1,284</td>
<td>$1,162</td>
<td>$1,911</td>
<td>$1,616</td>
<td>$756</td>
<td>$1,331</td>
</tr>
<tr>
<td>Denver-Southeast</td>
<td>$862</td>
<td>$1,060</td>
<td>$1,132</td>
<td>$1,433</td>
<td>$1,253</td>
<td>$1,123</td>
<td>$1,183</td>
</tr>
<tr>
<td>Denver-Southwest</td>
<td>$1,176</td>
<td>$1,396</td>
<td>$1,514</td>
<td>$1,823</td>
<td>$1,100</td>
<td>$1,338</td>
<td>$1,338</td>
</tr>
<tr>
<td>Denver-West Central</td>
<td>$959</td>
<td>$1,132</td>
<td>$1,520</td>
<td>$1,089</td>
<td>$1,783</td>
<td>$2,405</td>
<td>$1,362</td>
</tr>
<tr>
<td>Denver County Average</td>
<td>$1,140</td>
<td>$1,250</td>
<td>$1,287</td>
<td>$1,733</td>
<td>$1,803</td>
<td>$1,354</td>
<td>$1,376</td>
</tr>
<tr>
<td>Denver County Average / SF</td>
<td>$2.21</td>
<td>$1.75</td>
<td>$1.47</td>
<td>$1.55</td>
<td>$1.33</td>
<td>$1.69</td>
<td>$1.69</td>
</tr>
</tbody>
</table>

Source: Denver Metro Apartment Vacancy and Rent Report 4Q 2016

### TABLE 2.2 | HOME FOR-SALE MARKET INDICATORS (2012-2016), DENVER, CO

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sales</td>
<td>8,694</td>
<td>9,748</td>
<td>8,690</td>
<td>8,381</td>
<td>8,593</td>
</tr>
<tr>
<td>Average Month's Inventory</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Average Days on Market</td>
<td>67</td>
<td>42</td>
<td>33</td>
<td>27</td>
<td>30</td>
</tr>
<tr>
<td>Average Sales Price (Dec)</td>
<td>$335,482</td>
<td>$351,449</td>
<td>$398,366</td>
<td>$435,857</td>
<td>$467,498</td>
</tr>
<tr>
<td>Median Sales Price (Dec)</td>
<td>$263,800</td>
<td>$268,000</td>
<td>$314,738</td>
<td>$350,000</td>
<td>$378,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Sales</td>
<td>3,218</td>
<td>4,004</td>
<td>5,417</td>
<td>5,880</td>
<td>5,771</td>
</tr>
<tr>
<td>Average Month's Inventory</td>
<td>8</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Average Days on Market</td>
<td>91</td>
<td>58</td>
<td>44</td>
<td>45</td>
<td>51</td>
</tr>
<tr>
<td>Average Sales Price (Dec)</td>
<td>$234,938</td>
<td>$265,562</td>
<td>$314,105</td>
<td>$365,467</td>
<td>$378,193</td>
</tr>
<tr>
<td>Median Sales Price (Dec)</td>
<td>$153,250</td>
<td>$177,000</td>
<td>$238,500</td>
<td>$261,000</td>
<td>$300,940</td>
</tr>
</tbody>
</table>

Source: 2016 Denver Multiple Listing Service (MLS) System
### TABLE 3.1 | HOMELESSNESS INTERVENTIONS VERSUS PROJECTED NEED

<table>
<thead>
<tr>
<th></th>
<th>PSH</th>
<th>DPH</th>
<th>Diversion</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Households</td>
<td>549</td>
<td>2,381</td>
<td>684</td>
<td>3,614</td>
</tr>
<tr>
<td>Family Households</td>
<td>444</td>
<td>272</td>
<td>107</td>
<td>823</td>
</tr>
<tr>
<td>Totals</td>
<td>658</td>
<td>2,921</td>
<td>858</td>
<td>4,437</td>
</tr>
</tbody>
</table>

Source: Corporation for Supportive Housing

### TABLE 6.1 | SHARE OF RENTERS AND OWNERS BY NEIGHBORHOOD TYPE

<table>
<thead>
<tr>
<th></th>
<th>Type 1</th>
<th>Type 2</th>
<th>Type 3</th>
<th>Type 4</th>
<th>Type 5</th>
<th>Citywide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent owners</td>
<td>46%</td>
<td>31%</td>
<td>56%</td>
<td>41%</td>
<td>67%</td>
<td>49%</td>
</tr>
<tr>
<td>Percent renters</td>
<td>54%</td>
<td>69%</td>
<td>34%</td>
<td>59%</td>
<td>33%</td>
<td>51%</td>
</tr>
</tbody>
</table>

Source: Census ACS 5-Year Estimates (2011-2015)
APPENDIX 2. SUPPORTING FIGURES

FIGURE 1.1 | RESPONSES TO “IS YOUR CURRENT HOUSING SITUATION AFFORDABLE?” (N = 955)

Source: Housing an Inclusive Denver online public survey

FIGURE 1.2 | RESPONSES TO “WHAT ARE THE MAIN REASONS THAT ARE CAUSING YOUR HOUSING SITUATION TO BE UNAFFORDABLE?” (N = 340)

Source: Housing an Inclusive Denver online public survey
FIGURE 1.3 | RESPONSES TO “HOW IMPORTANT WOULD IT BE TO LIVE IN A NEIGHBORHOOD WITH FAMILIES AND INDIVIDUALS AT DIFFERENT INCOME LEVELS?” (N = 949)

Source: Housing an Inclusive Denver online public survey

FIGURE 1.4 | RESPONSES TO “HOW IMPORTANT WOULD IT BE TO LIVE IN A NEIGHBORHOOD WITH FAMILIES AND INDIVIDUALS OF DIFFERENT RACES AND ETHNICITIES?” (N = 954)

Source: Housing an Inclusive Denver online public survey
FIGURE 1.5 | RESPONSES TO “HOW IMPORTANT WOULD IT BE TO LIVE IN A NEIGHBORHOOD WITH PEOPLE OF DIFFERENT AGES AND LIFESTYLES?” (N = 954)

Source: Housing an Inclusive Denver online public survey

FIGURE 1.6 | RESPONSES TO “HOW SHOULD THE CITY BALANCE PRESERVING AFFORDABILITY OF EXISTING HOUSING WITH BUILDING NEW AFFORDABLE HOUSING?” (N = 899)

Source: Housing an Inclusive Denver online public survey
FIGURE 1.7 | RESPONSES TO “HOW SHOULD THE CITY BALANCE INVESTMENTS TO MAINTAIN AFFORDABILITY IN ‘VULNERABLE NEIGHBORHOODS’ WITH INVESTMENTS TO EXPAND AFFORDABLE HOUSING IN NEIGHBORHOODS WITH LIMITED OPTIONS FOR LOW AND MODERATE-INCOME HOUSEHOLDS?” (N = 889)

- More resources to stabilize housing in vulnerable neighborhoods
- Slightly more resources to stabilize housing in vulnerable neighborhoods
- More resources to expand affordable housing in neighborhoods with limited options for low and moderate income families
- Slightly more resources to expand affordable housing in neighborhoods with limited options for low and moderate income families

Source: Housing an Inclusive Denver online public survey
FIGURE 1.8 | RESPONSES TO “I AM MOST CONCERNED THAT THE CITY AND COUNTY OF DENVER DOES NOT HAVE ENOUGH AFFORDABLE HOUSING FOR...” (N = 982)

- Seniors or people with disabilities on a fixed income: 600
- Individuals experiencing homelessness: 551
- Families with children: 534
- Professionals such as teachers or health care technicians: 457
- Young people who cannot afford to stay in Denver or return after schooling: 427

Source: Housing an Inclusive Denver online public survey

FIGURE 1.9 | TOP RANKED RESPONSES FOR “HOW SHOULD THE CITY BALANCE INVESTMENTS IN HOUSING FOR A VARIETY OF INCOME LEVELS?” (N = 923)

- Low-income rental housing for those on disability, social security, or very low wages: 267
- Permanent housing for the homeless with supportive services if needed: 216
- Homeownership for moderate income families: 196
- Other: 195
- Workforce rental housing for workers who earn slightly more, but are still struggling: 190

Source: Housing an Inclusive Denver online public survey
**FIGURE 1.10 | RESPONSES FOR “WHAT FACTORS ARE MOST IMPORTANT TO YOU WHEN CHOOSING YOUR HOME?”**

<table>
<thead>
<tr>
<th>Factor</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly housing cost</td>
<td>807</td>
</tr>
<tr>
<td>Proximity to employment or job</td>
<td>534</td>
</tr>
<tr>
<td>Perception of neighborhood safety</td>
<td>480</td>
</tr>
<tr>
<td>Features of the house (such as size, age, number of bedrooms, etc.)</td>
<td>478</td>
</tr>
<tr>
<td>Proximity to parks, green space, or other natural park-like settings</td>
<td>393</td>
</tr>
<tr>
<td>Walkability of neighborhood</td>
<td>391</td>
</tr>
<tr>
<td>Having shops and services within a short walk</td>
<td>357</td>
</tr>
<tr>
<td>Sense of community and neighborhood identity</td>
<td>303</td>
</tr>
<tr>
<td>Proximity to bus/transit stops</td>
<td>277</td>
</tr>
<tr>
<td>Reputation of public schools</td>
<td>199</td>
</tr>
<tr>
<td>Timing or availability of housing</td>
<td>175</td>
</tr>
<tr>
<td>Accessibility (for seniors and people with disabilities)</td>
<td>92</td>
</tr>
<tr>
<td>Landlord acceptance of Section 8 (Housing Choice)</td>
<td>58</td>
</tr>
</tbody>
</table>

Source: Housing an Inclusive Denver online public survey

**FIGURE 2.1 | NUMBER OF COST-BURDENED HOUSEHOLDS (2015), DENVER, CO**

Source: 2015 American Community Survey Public Use Microdata Sample
FIGURE 2.2 | AVERAGE RENT, DENVER, CO (Q4 2011-Q4 2016)

Source: Denver Metro Apartment Vacancy and Rent Report 4Q 2016

FIGURE 2.3 | TOTAL AFFORDABLE & AVAILABLE RENTAL UNITS BY INCOME LEVEL (2015), DENVER, CO

Source: 2015 American Community Survey Public Use Microdata Sample
FIGURE 2.4 | AVERAGE HOME SALE PRICE, DENVER, CO (2012-2016)

Source: Metro Denver Board of Realtors, 2012-2016.
APPENDIX 3. SUPPORTING MAPS

MAP 1.1 | DENVER NEIGHBORHOOD OPPORTUNITY TYPOLOGY

Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
Note: Tracts exhibiting the highest change in assessed value experienced an increase of more than 51 percent, while Tracts exhibiting the highest change in assessed value experienced an increase of 9 percent or less.

Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
MAP 2.2 | RECENT CHANGE IN RENT BY SUBMARKET (Q1 2015 TO Q4 2016) RELATIVE TO NEIGHBORHOOD TYPES

Source: Denver Metro Rent and Vacancy Report from Q1 2015 and Q4 2016
MAP 2.3 | RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY AREAS RELATIVE TO NEIGHBORHOOD TYPES

Source: HUD AFFH Data and Mapping Tool
MAP 2.4 | UNSUBSIDIZED PROPERTIES WITH AVERAGE RENTS AT OR BELOW FAIR MARKET RENT RELATIVE TO NEIGHBORHOOD TYPES

Source: Apartment Insights
MAP 2.5 | AREAS VULNERABLE TO DISPLACEMENT RELATIVE TO NEIGHBORHOOD TYPES

Source: City and County of Denver, Office of Economic Development
MAP 2.6 | NEIGHBORHOOD TYPE 1

Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
MAP 2.8 | NEIGHBORHOOD TYPE 3

Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
MAP 2.10 | NEIGHBORHOOD TYPE 5

Source: See Appendix 5 for all data sources included in the neighborhood opportunity typology
MAP 7.1 | EXISTING INCOME-RESTRICTIVE PROPERTIES & NEIGHBORHOOD TYPES

Source: Denver Office of Economic Development Income-Restricted Database (May 2017), Housing Preservation Network (2017)
MAP 7.2 | EXPIRING UNITS & NEIGHBORHOOD TYPES

Source: Denver Office of Economic Development Income-Restricted Database (May 2017), Housing Preservation Network (2017)
Source: Denver Office of Economic Development Income-Restricted Database (May 2017), Housing Preservation Network (2017)
In performing this analysis, we operated under the following definition of opportunity: a situation that places residents able to reach their highest potential. In this situation, residents can lead healthy lives, be secure in their homes, and are connected to good jobs, quality education and community services. From this definition, we identified five key opportunity outcomes: housing quality and security, education, health & wellness, economic mobility & security, and transit & connections.

We constructed a typology of Denver Census Tracts by performing a cluster analysis on 48 Tract-level variables that reflect those five opportunity outcomes. These data were collected from various federal sources such as the U.S. Census American Community Survey and the Environmental Protection Agency’s “Smart Location Database” in addition to some proprietary data from national vendors, including Walkscore and Location Inc. A full list of the data included in this analysis and their sources are provided below.

From these data, the cluster analysis identified neighborhoods that share similar values along the various opportunity outcomes. Similar neighborhoods are then categorized into the same group representing a single neighborhood “type.” In Denver, we identified five distinct neighborhood types. These types are not ordinal—there is no inherent hierarchy of one neighborhood type over another—but rather reflect different conditions of opportunity throughout the city.

### OPPORTUNITY TYPOLOGY DATA SOURCES

<table>
<thead>
<tr>
<th>Variable</th>
<th>Source</th>
<th>Indicator Definition</th>
<th>Data Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of Residents who are Non-White</td>
<td>Census ACS 5-Year</td>
<td>Percent of the Population that is Non-White and/or Hispanic/Latino</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Population that is 65 years or Greater</td>
<td>Census ACS 5-Year</td>
<td>Percent of the Population That is age 65 or older.</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Racial Diversity Index</td>
<td>Census ACS 5-Year</td>
<td>Probability that two Individuals Chosen at Random Would Be of Different Races or Ethnicities</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of the Population that has One or More Disabilities</td>
<td>Census ACS 5-Year</td>
<td>Percent of the Population that has One or More Disabilities</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of the Population that is Non-English Speaking</td>
<td>Census ACS 5-Year</td>
<td>Percent of the population (age 5 and older) speaking English less than &quot;very well&quot;</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Civilians Age 18 Who Are Veterans</td>
<td>Census ACS 5-Year</td>
<td>Percent of Civilians Age 18 Who Are Veterans</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Poverty Rate</td>
<td>Census ACS 5-Year</td>
<td>Poverty rate among individuals for whom poverty status is determined</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Unemployment Rate</td>
<td>Census ACS 5-Year</td>
<td>The unemployment rate represents the number of unemployed people age 16 and older as a percent of people in the civilian labor force.</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Variable</td>
<td>Source</td>
<td>Indicator Definition</td>
<td>Data Year</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Total Crime Index</td>
<td>Location Inc.</td>
<td>Index of crime risk based on rank percent of total crime rate per 1,000 residents, where 50 = safer than 50% of locations in U.S. and 0 is safest</td>
<td>2016</td>
</tr>
<tr>
<td>Violent Crime Index</td>
<td>Location Inc.</td>
<td>Index of crime risk based on rank percent of violent crime rate per 1,000 residents, where 50 = safer than 50% of locations in U.S. and 0 is safest</td>
<td>2016</td>
</tr>
<tr>
<td>HUD Labor Market Engagement Index</td>
<td>U.S. Department of Housing and Urban Development</td>
<td>This index provides an indication of the relative intensity of labor market engagement and human capital in a neighborhood. It is based upon the level of employment, labor force participation and educational attainment in a census tract. Values are percentile ranked nationally and range from 0 to 100, with higher scores representing greater labor force participation and human capital in a neighborhood.</td>
<td>2015</td>
</tr>
<tr>
<td>Percent Free and Reduced Lunch Recipients</td>
<td>Common Core of Data, National Center for Educational Statistics (NCES)</td>
<td>Percent of Students That were Free and Reduced Lunch Recipients in the 2012-2013 school year</td>
<td>2012-2013</td>
</tr>
<tr>
<td>Percent of Residents with a Bachelor’s Degree or Higher</td>
<td>Census ACS 5-Year</td>
<td>Percent of population 25 years and older with a Bachelor's degree or higher level of educational attainment</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Residents with a High School Diploma or Higher</td>
<td>Census ACS 5-Year</td>
<td>Percent of population 25 years and older with a High School Diploma or higher level of educational attainment</td>
<td>2010-2014</td>
</tr>
<tr>
<td>School Quality Score</td>
<td>Location Inc.</td>
<td>Standardized test score rank percentile in the nation. 100 is best</td>
<td>2016</td>
</tr>
<tr>
<td>Percent of Residents with less than a High School Diploma</td>
<td>Census ACS 5-Year</td>
<td>Percent of population 25 years and older with less than a High School Diploma level of educational attainment</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Adults Reporting to Have Asthma</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated percent of adults reporting to have asthma in 2013</td>
<td>2013</td>
</tr>
<tr>
<td>Percent of Adults Reporting to Have COPD</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated percent of adults ever diagnosed with chronic obstructive pulmonary disease, emphysema, or chronic bronchitis in 2013.</td>
<td>2013</td>
</tr>
<tr>
<td>Percent of Adults Reporting to be Obese</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated percent of adults reporting to be obese (a body mass index of 30 or greater) in 2013.</td>
<td>2013</td>
</tr>
<tr>
<td>Variable</td>
<td>Source</td>
<td>Indicator Definition</td>
<td>Data Year</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Percent of Adults Rating their Health as Poor</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated percent of adults reporting fair or poor health in the past 30 days</td>
<td>2013</td>
</tr>
<tr>
<td>Percent of Adults Reporting a Physical Checkup in the Past Year in this Tract</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated Percent of Adults Reporting a Physical Checkup in the Past Year in this Tract</td>
<td>2013</td>
</tr>
<tr>
<td>Percent of Adults Reporting to Have a Personal Doctor or Health Care Provider in this Tract</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated Percent of Adults Reporting to Have a Personal Doctor or Health Care Provider in this Tract</td>
<td>2013</td>
</tr>
<tr>
<td>Percent of Adults Reporting to Engage in Heavy Drinking (2013), Tract</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated Percent of Adults Reporting to Engage in Heavy Drinking (2013), Tract</td>
<td>2013</td>
</tr>
<tr>
<td>Estimated percent of adults reporting to eat less than 1 serving of fruit/vegetables per day in 2013</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated percent of adults reporting to eat less than 1 serving of fruit/vegetables per day in 2013</td>
<td>2013</td>
</tr>
<tr>
<td>Estimated percent of adults reporting to smoke cigarettes regularly in 2013</td>
<td>CDC Behavioral Risk Factor Surveillance System survey &amp; PolicyMap</td>
<td>Estimated percent of adults reporting to smoke cigarettes regularly in 2013</td>
<td>2013</td>
</tr>
<tr>
<td>HUD Environmental Health Index</td>
<td>U.S. Department of Housing and Urban Development</td>
<td>This index summarizes potential exposure to harmful toxins at a neighborhood level. Values are inverted and percentile ranked nationally. The values range from 0 to 100, with the higher index values suggesting less exposure to toxins harmful to human health and, thus, better environmental quality in an area. HUD created this index using 2005 National Air Toxics Assessment data.</td>
<td>2015</td>
</tr>
<tr>
<td>Median Gross Rent</td>
<td>Census ACS 5-Year</td>
<td>Median Gross Rent</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Median Home Value</td>
<td>Census ACS 5-Year</td>
<td>Median Home Value</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Median Household Income</td>
<td>Census ACS 5-Year</td>
<td>Median Household Income</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Share of Owner Units that are Affordable at 80% of Area Median Income</td>
<td>HUD Location Affordability Index</td>
<td>Percent of all homes that are likely affordable for a 4-person family earning 80% of AMI in 2013</td>
<td>2013</td>
</tr>
<tr>
<td>Share of Rental Units that are Affordable at 50% of Area Median Income</td>
<td>HUD Location Affordability Index</td>
<td>Percent of two-bedroom renter-occupied housing units that are affordable to a 4-person family earning 50% of Area Median Income in 2013</td>
<td>2013</td>
</tr>
<tr>
<td>Percent of All Low-Income Households that are Extremely Cost Burdened</td>
<td>HUD - CHAS data</td>
<td>Percent of All Low-Income Households (those earning less than 80% of AMI) that are Extremely Cost Burdened (paying 50% or more of their income for housing expenses)</td>
<td>2012</td>
</tr>
<tr>
<td>Variable</td>
<td>Source</td>
<td>Indicator Definition</td>
<td>Data Year</td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>--------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Median Year Built</td>
<td>Census ACS 5-Year</td>
<td></td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Housing Units in Buildings with Three or More Units</td>
<td>Census ACS 5-Year</td>
<td></td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Households with Children</td>
<td>Decennial Census</td>
<td>Percent of Households with Children</td>
<td>2010</td>
</tr>
<tr>
<td>Percent of Households that have Multiple Families or Unrelated Individuals</td>
<td>Enterprise/Census ACS 5 Year</td>
<td>Percent of Households that have Multiple Families or Unrelated Individuals</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Households Residing in Boats, Mobile Homes or RV's</td>
<td>Census ACS 5-Year</td>
<td></td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Renter Households Receiving Project Based Housing Choice Vouchers (2015), Tract</td>
<td>HUD - Picture of Subsidized Households</td>
<td>Percent of Renter Households Receiving Housing Choice Vouchers (2015), Tract</td>
<td>2015</td>
</tr>
<tr>
<td>Percent of Occupied Units that are Crowded or Overcrowded</td>
<td>Enterprise/Census ACS 5 Year</td>
<td>Percent of Occupied Housing Units that have more than one person per room living there</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Estimated Percent of Income Spent on Housing and Transportation Costs by a Single Parent Family Household</td>
<td>HUD Location Affordability Index</td>
<td>Estimated Percent of Income Spent on Housing and Transportation Costs by a Single Parent Family Household</td>
<td>2013</td>
</tr>
<tr>
<td>Estimated Percent of Income Spent on Housing and Transportation Costs by a Working Individual Household</td>
<td>HUD Location Affordability Index</td>
<td>Estimated Percent of Income Spent on Housing and Transportation Costs by a Working Individual Household</td>
<td>2013</td>
</tr>
<tr>
<td>Transit Score</td>
<td>Walk Score</td>
<td>Transit Accessibility Ranking</td>
<td>2016</td>
</tr>
<tr>
<td>Walkscore</td>
<td>Walk Score</td>
<td>Walk Score Index of Location Walkability</td>
<td>2016</td>
</tr>
<tr>
<td>Average Travel Time to Work</td>
<td>Census ACS 5-Year</td>
<td>Average Travel Time to Work</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Households for Which no Vehicles are Available</td>
<td>Census ACS 5-Year</td>
<td>Percent of Households for Which no Vehicles are Available</td>
<td>2010-2014</td>
</tr>
<tr>
<td>Percent of Workers Who Commuted to Work Using Public Transit</td>
<td>Census ACS 5-Year</td>
<td>Percent of Workers Who Commuted to Work Using Public Transit</td>
<td>2010-2014</td>
</tr>
</tbody>
</table>
APPENDIX 5. DEMOGRAPHIC FORECASTING METHODS

The Colorado Department of Local Affairs Demographic Estimates and Forecasts
The Colorado Department of Local Affairs created forecasts of population and household characteristics using multiple data sources. The overall set of population projections is produced in a series of stages which are carried out at the state, then region, and then county levels.

First, a draft state level economic forecast is prepared using a Center for Business and Economic Forecasting (CBEF) model of labor force demand. The model provides a forecast of employment (by industrial division at the state level only), employed persons, unemployed persons, persons in the labor force (demanded by the economy), and personal income. The model also forecasts approximate levels of net migration and population which are used internally to forecast activities in the construction and consumer service sectors of the economy.

The model is compared to a second forecast created by using U.S. Census civilian population data, projected age, and sex-specific labor force needs. The two estimates (one from using CBEF and one using U.S. Census) are compared and adjustments are made to create the final population forecasts by age and sex for the state, which are then used along with regional and economic forecasts and net migration forecasts to create regional and county population forecasts.

DOLA prepares household forecasts in three stages: First, household population was projected as the residual between the SDO’s projections of total population minus projections of group quarters population. Second, household projections were then derived by applying age-gender specific (Under 24, 25-44, 45-64, 65+) householder proportions to the age-gender specific projections of household population. Third and finally, children, adults and elderly dependent non-householders were distributed into the households on the basis of sub-state region specific person per household rations (<17, 18-64, 65+). These projections are available by county and by age of householder.
APPENDIX 6: OVERVIEW OF FEEDBACK RECEIVED THROUGH 45-DAY PUBLIC COMMENT PERIOD

During the 45-day comment period, the City received over a hundred survey responses, several letters from individuals, organizations, and coalitions, and comments from residents and business owners who attended one of three neighborhood meetings. The most common topics throughout the public comments, questions and concerns were: securing additional resources, land trusts, gentrification, resources for addressing homelessness, and eviction and displacement. The feedback received during the public comment period was incorporated as changes to *Housing an Inclusive Denver* or addressed in a supplemental FAQ.

I. Sources of feedback on Housing an Inclusive Denver:
   • Neighborhood meetings in Southwest, Southeast, and Central Denver with 50+ attendees
   • Public survey conducted in English and Spanish: 118 English responses, 0 Spanish
     ○ How well do you think the housing plan aligns with the city’s housing challenges?
       • 4%: Perfectly aligned
       • 42%: Mostly aligned
       • 9%: Neutral
       • 30%: Slightly aligned
       • 15%: Not at all aligned
   • Stakeholder letters received from individual organizations and associations/coalitions

II. Major themes from feedback during the public comment period:
   • City should pursue additional funding for housing investments
     ○ City should remove sunset on current affordable housing fund
     ○ City should pursue a housing bond to provide additional resources for housing upfront
   • City should pursue land trusts immediately as a tool to address displacement, preservation and long-term affordability
• Housing plan should focus even more on serving the lowest income residents earning below 30% AMI and those experiencing homelessness, especially seniors and people with disabilities
  ○ City should pursue creative strategies to address housing for these populations, such as through vouchers and homesharing programs

• Housing plan should include more specificity about funding for supportive services

III. Other feedback or questions received during the public comment period:
• Elements of the housing plan that are best aligned with the city’s challenges:
  a. Addresses issues of eviction and displacement
  b. Focuses on ways to increase housing diversity and incorporates the entire income spectrum
  c. Targets individuals and families with the lowest incomes

• Housing plan should focus even more on renter protections
  ○ Question: Why can’t the City pursue a rent control policy?
  ○ Question: Can the City pursue a policy that limits background checks and application fees paid to landlords?

• The City should pursue a more regional approach to housing

• Housing plan should focus on longer term affordability across all housing investments
  ○ Question: Why can’t Denver pursue housing that is affordable in perpetuity?
  ○ Question: Why does preservation sometimes require more funding from the City compared to new construction of affordable housing?
  ○ Questions: What tools are in the City’s toolbox to address gentrification?

• Housing plan should more specifically address the current gaps in federal funding
  ○ Question: What programs outlined in the Housing Plan are federally vs. locally funded?
  ○ Question: How much would it cost to create or preserve the “gap” in affordable units for low and moderate-income households in Denver?

• City should pursue more tools to incentivize development and preservation of affordable housing, such as expedited review of housing projects

• Housing Plan should address the need for legal representation for renters facing an eviction

• Housing plan should include more specificity about funding for supportive services
• Housing Plan should also include broader goals that are market based, such as:
  ○ Reverse, freeze or slow the worsening of the housing crisis by measuring the impact city investments have on the number of cost-burdened households in Denver

• Housing Plan should use language that is more reflective of the people we are trying to serve through investments rather than jargon - i.e. “homes” instead of “units” and populations in an income bracket rather using AMI

• City should explore some specific programs not currently addressed in the Housing Plan, such as:
  ○ Making Individual Development Accounts (IDAs) more accessible to low income residents
  ○ Legal representation for renters facing an eviction
  ○ Home sharing programs to help match residents looking for affordable housing with those who are currently overhoused
ENDNOTES

1. Based on the 2017 Point-In-Time (PIT) count for the County of Denver.
4. The rental supply gap was calculated using data from the American Community Survey Public Use Microsample 2015 One-Year Estimate. A unit is considered “affordable” if a household at given income level can afford the rent without being “cost-burdened” (or exceeding the U.S. Department of Housing and Urban Development’s 30% affordability standard). A unit is considered “available” at a given level of income if it is both affordable at that level and occupied by a renter at that income level or a lower income level or is vacant These estimates are inclusive of lower income levels and units. This estimate does not account for persons experiencing homelessness, which would increase the overall need.
5. Higher vacancy rates at new units may contribute the City’s increased vacancy rate: Units built in 2010 or later had a vacancy rate of 15% while units constructed in 1979 or earlier had a vacancy rate of less than 5%.
6. Nine properties offer average rents at or below Fair Market Rents for a studio; 39 properties for a one-bedroom; and 82 properties for a two-bedroom.
7. These properties were identified using property-level data from Apartment Insights, a real-estate database that tracks financial and condition characteristics at properties with 50+ units. The analysis identified unsubsidized properties that offer average rents per unit at or below the following Fair Market Rents: studio: $844; one-bedroom: $1,031; and two-bedroom: $1,305. Fair Market Rents were based on FY17 Fair Market Rents via HUD User (www.huduser.gov/portal/datasets/fmr.html).
9. Between 2010 and 2017, growth in low-income households outpaced growth in low-income renter households. Extremely low-income owners increased by 172%; very low-income owners by 80%; and low-income owners by 47%. However, projections suggest that this trend will not continue over the next five years with Denver losing low-income owners between 2017 and 2021. Projections based on 2017 estimates from the Colorado Department of Local Affairs (DOLA). A full explanation of how DOLA creates these estimates can be found in Appendix 6.
10. American Community Survey Public Use Microsample Data 2015 One-Year Estimate.
11. The median assessed value of residential property as recently as 2011 was largely stagnant, increasing 1% between 2011 and 2013. Beginning in 2013, assessed values of residential property significantly increased. The City’s median assessed value increased by 30% between 2013 and 2015 and 26% between 2015 and 2017.
14. A preliminary inventory of publicly owned land suggests that the City-County of Denver controls the most land among other public entities, namely the Denver Housing Authority, Denver Public Schools, and Regional Transit District. Most publicly owned property is located within Neighborhood Type 3, with much of this land in these areas owned by the City-County of Denver. This inventory used property records from the City of Denver’s Office of the Assessor to identify parcels with the following characteristics: 1) owned by either the City-County of Denver, Denver Housing Authority, Denver Public Schools, or Regional Transit District; 2) zoned for residential development (excluding land zoned for airport uses); 3) parcel size of at least 2,500 square feet; and 4) vacant or “underused” parcels where the land value exceeded the improvement value. This analysis is intended to act as a preliminary baseline for the City to refine and update over time. A more detailed review by City staff with local knowledge of recent development and real-world conditions will likely yield omissions, including parcels that have been redeveloped or located within the right-of-way. City staff plans to further refine this dataset as it considers the best ways to leverage publicly owned property for affordable housing.
15. Based on the 2017 Point-In-Time (PIT) count for the County of Denver.