



All In Denver's Proposal to Accelerate and Broaden Funding for Denver's Housing Plan

UPDATE -- December 18, 2017

In September 2017, All In Denver [submitted a proposal](#) to accelerate and broaden funding for Denver's Housing Plan. Since then, the urgency has increased for Denver to take bolder steps to create and preserve affordable housing – it's a civic crisis that is displacing residents, disrupting cultural diversity, changing entire neighborhoods in a matter of months, and placing the city's continued economic vitality at risk. Here is what we know:

- Housing prices and values continue to rise
- Tens of thousands of households struggle with rising rents and house payments
- Thousands of individuals and families are living in emergency shelters or on the streets
- Denver's population continues to increase, even as rising housing costs force existing residents out of the city
- Federal funding for housing continues to decline, and many critical incentives may be eliminated entirely
- The Ink! Coffee controversy revealed to the world that gentrification and displacement are bringing our residents and neighborhoods to the breaking point

The City of Denver has unveiled *Housing an Inclusive Denver*, a five-year plan to direct the investment of the year-old, \$15 million-per-year dedicated housing fund. **We support the City's housing plan, but we urge additional funding now -- \$15 million per year is inadequate to address Denver's deepening housing crisis.**

Since submitting our proposal, All In Denver has met with City of Denver housing and finance officials, all City Council members and affordable housing experts with public finance, real estate development and foundation expertise. We have refined our proposal as follows.

All In Denver proposes a four-step action plan that includes a minimum \$150 million funding surge in the next three to five years, and increases the City's annual dedicated funding for affordable housing to more than \$20 million. With these steps, Denver can more fully implement the 5-Year Housing Plan.

1. **Add \$15 million in general fund dollars to double the dedicated fund in 2019:** As early planning gets underway for Denver's 2019 budget, we urge the Mayor and City Council to appropriate \$15 million in general fund dollars to double the dedicated housing fund in FY2019 (from \$15 million to \$30 million) and jump start the implementation of the City's housing plan. Further, City leaders



should look for opportunities for general fund allocations in FY 2018 to bolster the Affordable Housing Fund.

- 2. *Remove the sunset provision that constrains the dedicated housing fund:*** Denver City Council established a 10-year sunset on the dedicated housing fund that terminates the funding streams at the end of 2026. This sunset creates a great deal of uncertainty for the fund's success, will undermine its effectiveness in later years, limits how the City can bond the fund, and distorts the dimensions of a housing crisis that has repercussions beyond the arbitrary 10-year window.
- 3. *Add an additional half-mill property tax to support the dedicated fund:*** With voter approval of the "Moving Denver Forward" de-Brucing referendum in in 2012, City Council and the Mayor can dedicate an additional half-mill *or more* to the housing fund. To respond to the number one crisis that is reshaping our city, erasing our culture and diversity, and threatening our economic vitality, adding a half-mill would generate an additional \$7.5 million per year to the dedicated fund, ensuring that more than \$20 million per year of local funds is available to invest in the strategies laid out in the 5-Year Plan.
- 4. *Advance a \$110 million (or more) housing bond to Denver voters in 2018:*** Given the urgency of the housing crisis, a "surge" in funding is warranted to stabilize neighborhoods in the next three to five years. In addition to the prior three steps, we urge the City to move forward with a *minimum* \$110 million affordable housing bond referendum in November 2018, financed by an additional half-mill (or more) property tax. This addition could include a provision to rebate housing tax increases to low-income households so that the housing fund mill levies do not create an added burden on those households that are most at risk. There are many ideas emerging to stem the tide of gentrification and create permanent affordable housing in all of our neighborhoods – community land trusts, financing accessory dwelling units, preserving existing income-restricted and naturally occurring affordable units, and transitional housing for the homeless. These lasting solutions need Denver's immediate support.

The creation of the housing fund in 2016, and the development of the 5-Year Plan, were steps in the right direction—but more has to be done. Denver cannot afford to be on the sidelines, miss opportunities, and passively watch our city disappear. We urge action now.

All In Denver is a non-profit advocacy organization that believes an equitable city is where all people have the opportunity to prosper and thrive. For more information, visit All In Denver at www.allindenver.org.