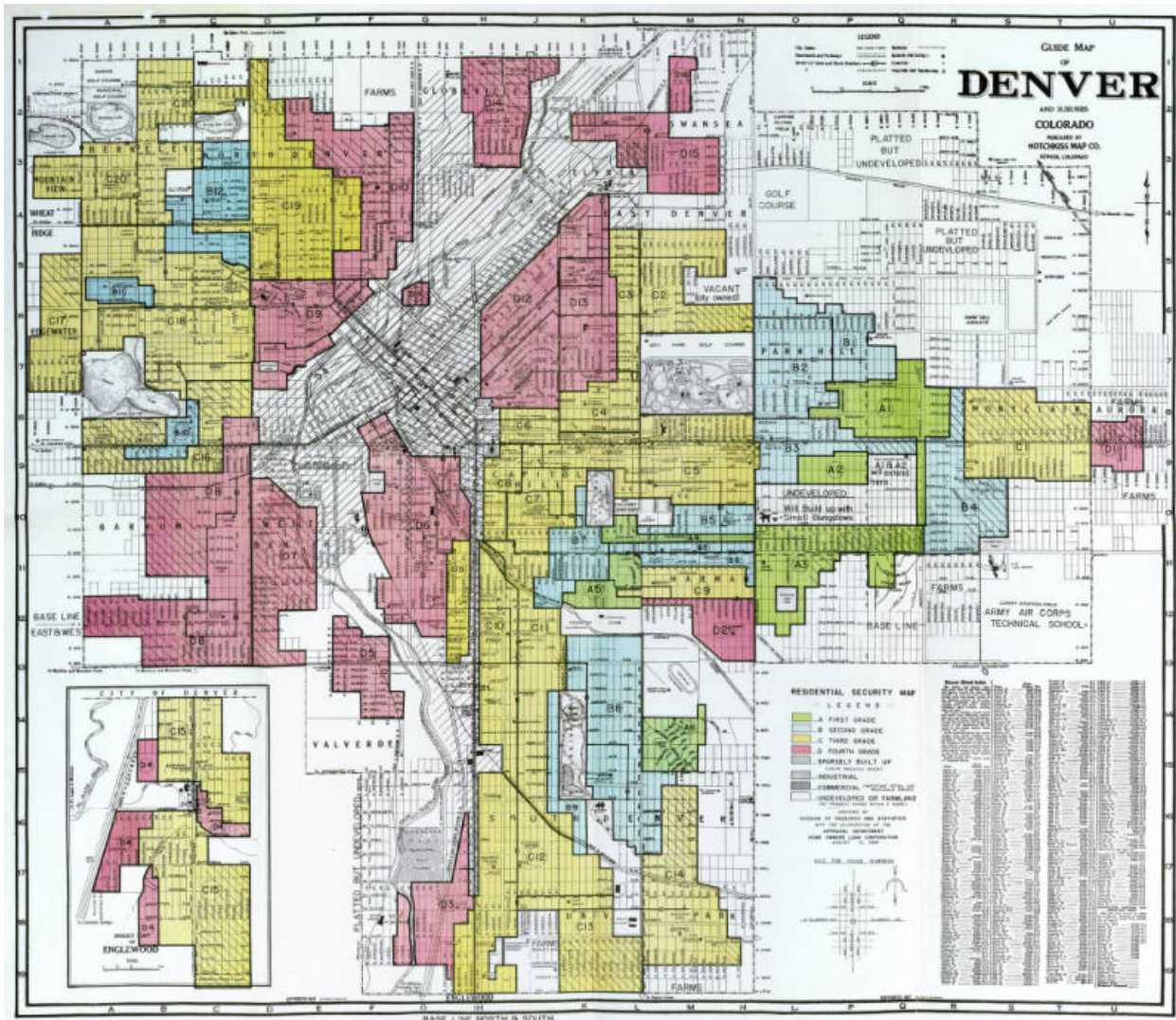


Learn Together, Live Together, A Call For Housing Affordability
An Urban Land Conservancy Memo
March 2018



The recent report released by A+, *Learn Together, Live Together: A Call to Integrate Denver's Schools*, brings to light the issues Denver Public Schools (DPS) are facing with the dramatic decline of integrated schools since the end of busing in 1995. We should however not be surprised by the growing segregation of our local schools since the end of busing, as many Denver neighborhoods, like many urban neighborhoods across the United State, are not racially integrated and never have been. Institutional racist redlining housing policies of the 1930s created and enforced by federal agencies the Home Owner's Loan Corporation (HOLC) and the Federal Housing Administration (FHA), in partnership with local banks, mortgage companies, and appraisers defined homes located in or near neighborhoods of color as high risk investments (redlined), eliminating the availability of standard home loans and mortgages for those areas. Eighty years later we see the direct damage of these federal policies, with some of the most segregated schools in Denver today located in many of those same neighborhoods that were redlined in 1938. In the nationally acclaimed *The Color of Law: A Forgotten History of How our Government Segregated America*, author Richard Rothstein describes how American cities became racially divided as federal, state, and local governments systematically imposed residential segregation. The impact of these policies directly ties to present day school segregation. Not only did these policies prohibit equitable wealth building for families of color, but denied them right to live where they wanted and send their children to their choice of schools.



The Denver & Englewood map shows the “red” neighborhoods that were not able to access federal financing for loans and home mortgages.
Source: Denver Public Library, [Katie Rudolph](#)

Learn Together, Live Together, A Call For Housing Affordability

An Urban Land Conservancy Memo

March 2018



The A+ report also highlights how families of color are today disproportionately moving out of Denver due to rapidly increasing housing costs. Research has verified that housing quality and long term stability directly affects a child's ability to learn, less residential stability and frequent mobility minimizes opportunity for success in school. Increasing housing costs are pushing lower-income families out of their traditional locations within Denver neighborhoods; as a result the goal of equitable educational opportunities within integrated schools is increasingly unattainable based on the resulting racial and socio-economic isolation.

We want to be a city of diversity of incomes and races rather than becoming another San Francisco, where there are no affordable housing options. Until we address the unmet need for housing affordability and achieve integrated neighborhoods, it will remain extremely difficult to ensure equality when referencing a child's ability to succeed in school. Currently **Denver's affordable housing crisis is at a 60,000 home shortfall, with 1/3 of all Denver households (+100,000) house burdened, paying more than 33% of their income on housing.**

Denver's median rent increased 23% between 2005 and 2015¹ whereas Denver household income only increased 5%² over that same 10 year period. This significant disparity between the rental rates and income creates a number of overwhelming obstacles for low and moderate income families, including significantly limited educational advancement opportunities. The graph below shows the annual for sale, rental, and wage growth over 15 years (2001 to 2015) in Denver, again magnifying the growing disparity between housing costs and income. We can see that in 2015, the Case Shiller annual home price increased by 9%, rents increased by 7%, while wages only increased 1.5%. With housing costs far outstripping wage growth this is a major factor for low income families being forced to leave Denver.



Learn Together, Live Together, A Call For Housing Affordability

An Urban Land Conservancy Memo

March 2018



Preserving and creating new permanently affordable housing options in Denver supports the goals of DPS having integrated schools. As a nonprofit real estate organization with a long history in Denver of making strategic investments in the preservation and development of permanently affordable housing through our community land trust (CLT), Urban Land Conservancy (ULC) recognizes the damage the current housing crisis is creating in the neighborhoods we work in. To date, ULC has invested over \$70 million in Metro Denver, leveraging an additional \$400 million from public and private partners to produce stable quality affordable homes for over 1,000 families in addition to nonprofit facility space and schools. Examples of ULC's affordable housing development are below.



Top Left: Avondale Apartments | 80 units of affordable rental housing on Colfax Avenue developed in partnership with Del Norte

Top Right: Park Hill Station | 156 units of affordable rental housing on the A Line Commuter Rail developed in partnership with Delwest

Bottom Left: Evans Station Lofts | 50 units of affordable rental housing on the Southwest Rail Line developed in partnership with Medici Consulting Group

Despite these successes, we and our affordable housing partners are unable to mitigate the massive shortfall in Denver's affordable housing needs. According to *Exploring Colorado's Housing Affordability Challenges in All of Their Complexity*, the latest study published by Shift Research Lab and Colorado State University, "housing unaffordability is becoming the most significant threat to family economic security in Colorado."³

We believe that a city which allows its affordable housing supply to dwindle also weakens its schools, as it is proven and stated in the A+ report; *“integrated school systems benefit both low- and middle income students alike”*. Lack of affordable housing is also detrimental to both educators and students. Early childhood educator salaries for example are nearly 50% below Denver’s median income, with the median salary for a preschool teacher in Denver at \$30,000.⁴ The housing affordability impact in the educational sector is full-circle. Families cannot afford to remain in communities with quality preschool options, and many teachers cannot work in these schools because they cannot afford the housing within the neighborhood. With the median rent for a one-bedroom Denver apartment at \$1,070 in 2017, the average preschool teacher must spend 43 percent of their income to afford rental housing. Home ownership is a distant dream for many of our educators and families, as for sale housing is beyond their financial means.

In the fall of 2016, the City of Denver approved the largest affordable housing fund in Colorado, making a \$150M, ten year commitment to preserving and creating 6,000 affordable rental and for sale homes. This is a great step forward by the City, but we need to achieve even greater housing production with a goal of 20,000 affordable homes (33% of the currently projected shortfall) over the next decade. The City of Denver must create additional resources while ensuring the new housing developed and preserved is permanently affordable, rather than current short term deed restrictions of 15 to 30 years.

It is common knowledge that as the affordable housing supply dwindles, families are displaced. Displacement leads to what educators call mobility, when students change schools during the course of a school year. Mobility often leads to disastrous consequences for our youth, who risk falling behind their peers both academically and socially.⁵ If we truly want to reduce displacement of our families, it is on us to find viable solutions. And as we strive to become a more equitable city, let us pose this question: what is less equitable than passively observing while families are increasingly priced out of their homes, and fully understanding the resulting limitations for a child’s ability to learn and grow regardless of their income status? School Choice is another factor in the acceleration of neighborhood gentrification, as white families move into neighborhoods of color, but are not sending their children to the local school. As noted in the Atlantic, “the ability to opt out of a neighborhood school increases the likelihood that a black or Hispanic neighborhood will see an influx of wealthier residents”.⁶

Colorado is one of only a few states without a permanent source of funding to support affordable housing. If we truly want to reduce displacement of our families, and better integrate our schools, regional and state sources of funding must be part of the solution. ULC believes the solution lies in permanent affordable rental and for sale housing using the CLT as a means to prevent displacement, and we strongly encourage community members, parents, teachers and students to advocate for the creation and preservation of permanently affordable housing.

The solution must also come from a variety of institutions including Denver Public Schools. How can we as community members help bridge the existing gap between our school systems and municipalities that can result in additional affordable housing development? How can DPS play a larger role in supporting the homes where their students and faculty live? How should DPS be using its real estate to further the development of new affordable housing options? There is also an opportunity in 2018 through the work of [All In Denver](#) to create a new funding resource for affordable housing in the City of Denver.⁷ As we know the needs exist beyond Denver and the Denver Regional Council of Governments could play a significant role in the creation and preservation of housing across Metro Denver.

The State of Colorado continues to have opportunities to provide resources, but a lack of cooperation between political parties prevents the creation of a dedicated and permanent source of funding to support rental and for-sale affordable housing options.

Learn Together, Live Together, A Call For Housing Affordability
An Urban Land Conservancy Memo
March 2018



We as a city must identify ways to strategically invest in neighborhoods facing the greatest threats of displacement, and DPS needs be at the table for those discussions. If the City, DPS, housing providers, and stakeholders could work together in determining how Denver's dedicated affordable housing fund and DPS might be jointly invested, we could positively affect communities of color and low income neighborhoods so they benefit from additional high quality schools in places where affordable housing options exist.

These questions must be answered now, the inequity of our City is a growing problem and it will take strong collaborative efforts to shift long standing policies and regulations, bending the arc of Denver's moral universe increasingly toward justice for more integrated schools and neighborhoods. Who's in?

Sources:

- 1 <http://www.deptofnumbers.com/rent/colorado/denver/>
- 2 <http://www.deptofnumbers.com/rent/colorado/denver/>
- 3 <http://www.shiftresearchlab.org/HousingUnaffordability>
- 4 <https://www.bls.gov/ooh/education-training-and-library/preschool-teachers.htm>
- 5 <https://www.urban.org/sites/default/files/publication/25331/412554-Housing-as-a-Platform-for-Improving-Education-Outcomes-among-Low-Income-Children.PDF>
- 6 www.theatlantic.com/education/archive/2018/03/is-school-choice-contributing-to-gentrification/555845/?utm_source=atfb
- 7 http://docs.wixstatic.com/ugd/12daad_c355ec5054a04df3a46504747e702ea3.pdf