



Preservation Next Colorado Academy

**Policy and its Impacts on
Preservation and Housing
Stability**

September 12, 2023

Today's Agenda

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- Andrew Jakabovics, VP of Policy Development and Research, Enterprise

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- Polly Kyle, Housing Policy Officer, Denver Department of Housing Stability

PANEL Q&A AND DISCUSSION

- Moderated by Christi Smith, Enterprise

PREVIEWING THE NEXT SESSION: PROPERTY AND ASSET MANAGEMENT

A Thank You to Our Funders

MacKenzie Scott



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PRESERVATION NEXT

Preservation Next Overview

Preserving Affordability in Small to Medium Multifamily Properties and Protecting Residents from Displacement

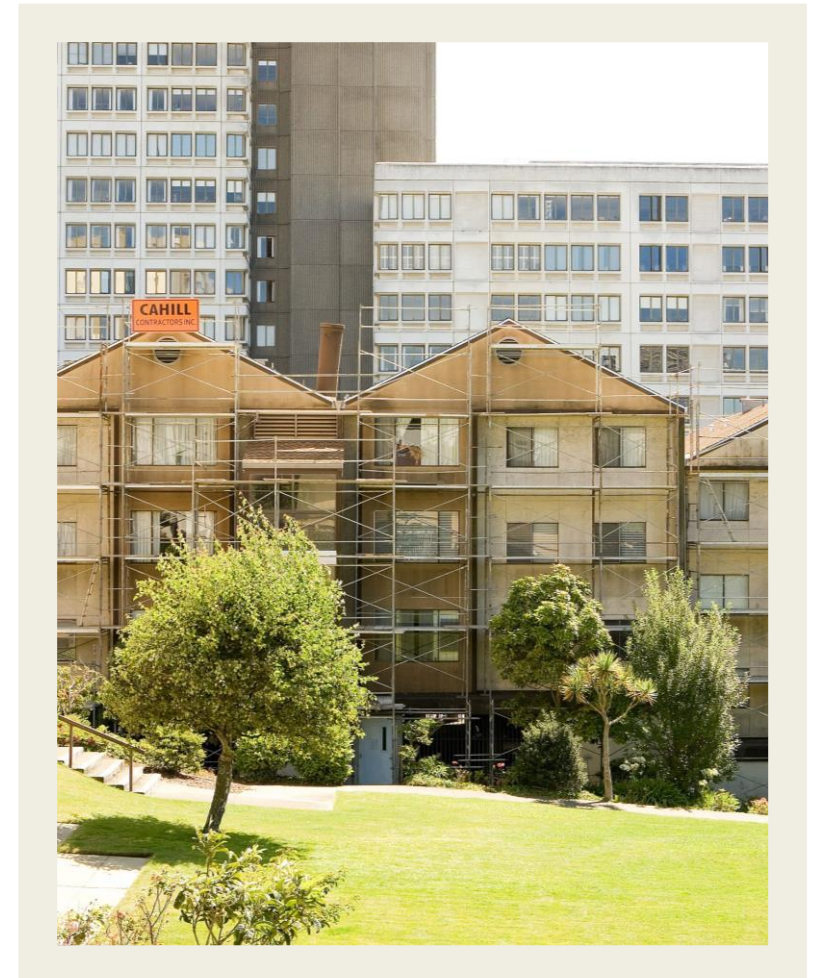
Solutions at the intersection of renter and owner stability to promote an eviction prevention-first approach

Through **Preservation Next**, Enterprise is committed to preserving affordable small to medium multifamily homes and ensuring that residents have access to safe, healthy, and resilient places to live.

To truly preserve these homes and protect affordability for residents now and into the future, we must:

- Protect existing affordability where it currently exists.
- Provide housing stability and prevent displacement of existing residents and families.
- Invest in healthy, sustainable, and resilient homes.
- Foster responsible stewardship by mission-aligned owners.

Small and medium sized properties provide a crucial foundation for affordable housing in this country: 80 percent of homes in these buildings are available to people who earn less than 80 percent of the area median income



Meet Our Preservation Next Team

National Staff



Sara Haas

ENTERPRISE, SENIOR DIRECTOR, SOUTHEAST

At Enterprise, Sara leads affordable housing preservation programming in Miami and Atlanta, the Keep Safe Florida Resilience program, and the National Preservation Next program. Prior to joining Enterprise, Sara developed and managed national AmeriCorps VISTA programs at Habitat for Humanity International and Points of Light. Sara lives in Atlanta with her husband Stew, son Eli and dog Dolly Parton.



Meaghan Vlkovic

ENTERPRISE, VP AND MARKET LEADER, SOUTHEAST

Meaghan leads Enterprise's programmatic work in the Southeast region, focused on providing an array of resources to affordable housing and community development partners. This includes capacity building assistance for proactive preservation and production of housing, and helping communities plan for future development, such as transit-oriented development opportunities.



Jessie Wang

**ENTERPRISE, PRESERVATION FELLOW,
PRESERVATION NEXT**

At Enterprise, Jessie supports program development and delivery for the National Preservation Next program. Prior to joining Enterprise, Jessie conducted applied research and technical assistance to assist a variety of community-based organizations and affordable housing advocates in Chicago, where she resides.

Preservation Next's Colorado Team

Preserving Affordability in Small to Medium Multifamily Properties and Protecting Residents from Displacement



Jennie Rodgers

VP, ROCKY MOUNTAIN, TRIBAL NATIONS, AND RURAL MARKET

Jennie leads Enterprise's work with local partners in Denver to increase and deploy resources for affordable housing, advocate for local and state affordable housing policy, and provide technical assistance and training. She has 30 years of experience in the arenas of affordable housing policy, finance and development, and has worked in the nonprofit, private and government sectors on urban and rural housing initiatives.



Christi Smith

DIRECTOR, ROCKY MOUNTAIN PROGRAMS

Christi is Director of programs at Enterprise, where she leads Enterprise's work in Colorado and oversees the Wells Fargo Housing Affordability Breakthrough Challenge, a \$20 million initiative that supports the development and scalability of new ideas and approaches to address the nation's affordable housing crisis. Prior to joining Enterprise, Christi was VP of strategy and communications for Urban Land Conservancy (ULC).

Join Us!

Colorado Preservation Academy Sessions

**March - October
2023**

Dates	Sessions
March 28, 2023	Preservation Academy Kickoff
April 11, 2023	Preservation Deals: Organizational Sustainability and Business Planning
May 2, 2023	Acquisition, Property Identification, and Evaluation of SMMF Properties
May 23, 2023	Financing SMMF Preservation
June 13, 2023	Navigating Rehabilitation of SMMF Properties
July 11 & 12, 2023	In-Person Convening: Sustainability, Resilience and Health Considerations for SMMF Preservation
August 8, 2023	Preservation Development Models
August 22, 2023	Community Land Trusts and Preservation: Deep Dive Special Session
September 12, 2023	Policy and Its Impacts on Preservation & Housing Stability
October 3, 2023	Property and Asset Management

Promoting Housing Stability through Preservation

Preservation is an anti-displacement strategy that protects affordability where it exists

Tenant protection policies play an important role in our preservation ecosystem. Property owners and operators serve as another line of defense to prevent evictions and support long-term resident stability

Housing stability is a standalone goal and factors into each stage of the preservation process:

- Prioritizing **properties for acquisition** with residents at-risk of eviction
- Securing **funding sources** to extend, preserve, or deepen existing affordability levels for current and future residents
- Strategically conducting **rehabilitation** to avoid or mitigate burdensome passthrough costs
- Integrating resident outreach in your **property management** practices to prevent evictions
- Assessing the **financial sustainability** of your property or portfolio to preserve long-term affordability



Residents and owners & operators are still experiencing the economic impacts from the COVID-19 pandemic. We need long-term resident stability solutions as a permanent aspect of preservation

Meet Our Enterprise Speakers

Preserving Affordability in Small to Medium Multifamily Properties and Protecting Residents from Displacement



Andrew Jakabovics

**VICE PRESIDENT OF POLICY DEVELOPMENT,
ENTERPRISE**

Andrew oversees Enterprise's Policy Development & Research team, researching issues related to equitable housing and community development, housing finance, foreclosures and neighborhood stabilization, and broader housing supply and demand concerns. He has recently been analyzing small multifamily properties' ownership patterns and preservation strategies for unsubsidized and subsidized affordable housing.



Kinsey Hasstedt

**SENIOR PROGRAM DIRECTOR, STATE AND LOCAL
POLICY, ENTERPRISE**

Kinsey is the State & Local Policy Senior Program Director in Enterprise's Denver office. Before joining Enterprise, Kinsey was a senior policy manager at the Guttmacher Institute, a leading policy and research organization dedicated to advancing sexual and reproductive health and rights. Kinsey also served as the director of Political Affairs and Outreach for Planned Parenthood of the Rocky Mountains.



Identifying Principles and Practices for Rental Housing Owners

Andrew Jakabovics

VP, Policy Development

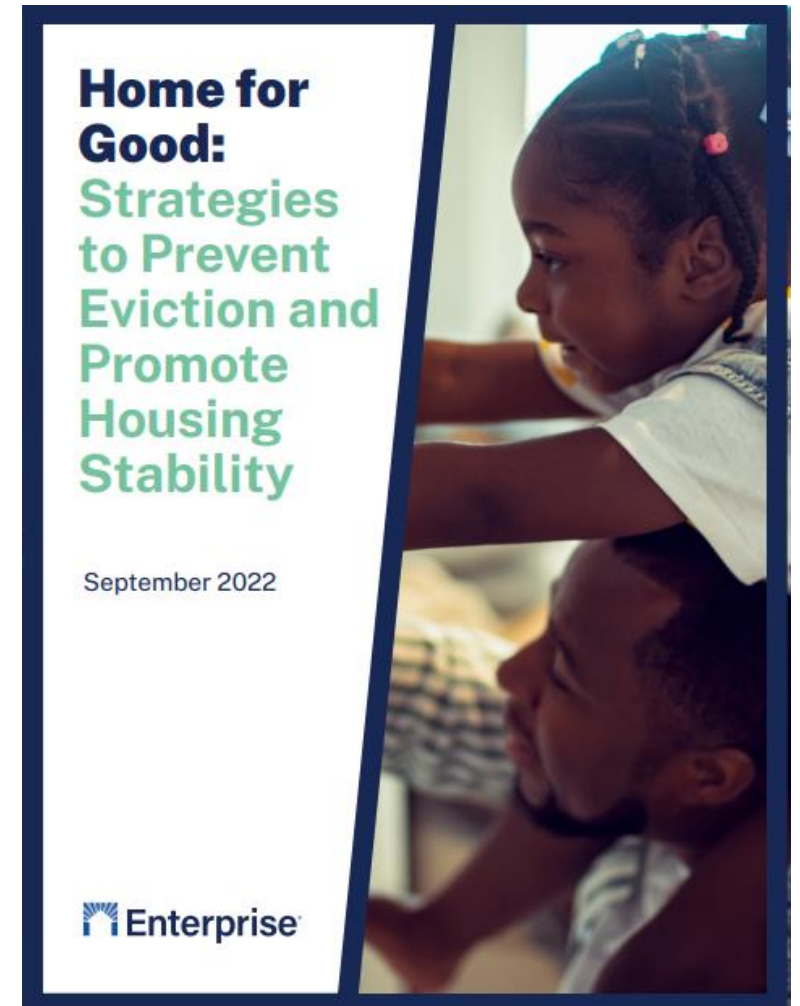
Home for Good: Strategies to Prevent Eviction and Promote Housing Stability

This Enterprise paper highlights a range of strategies that prevent or reduce the long-term harm of eviction across the stages of the eviction cycle:

- **Upstream:** To avoid housing instability in the first place
- **After Arrears/Pre-Filing:** Once a rent payment is missed
- **Post Eviction Filing:** After a landlord has filed for eviction
- **Post-Eviction:** after the court has determined an eviction filing can proceed

Key considerations for implementation

- **Level of effort:** How difficult will it be to implement, from start to finish?
- **Cost of implementation:** Will it be costly?
- **Scale of impact:** Will it be felt most significantly at the household, community or systems level?



BACKGROUND

Responsible Landlords Working Group

Convened by the Urban Institute and Enterprise Community Partners, with support from SAHF and HPN

We convened a group of mission-aligned owners and operators of rental properties to better understand the landscape of practices that were adopted during Covid-19 to reduce the occurrence and impacts of eviction. The group met monthly during the spring and summer of 2022.

1. The goal was to help inform a set of practices that rental owners or operators can use to encourage and maintain tenant stability where possible, mindful of the need to support individual residents while also maintaining the physical and financial health of the property and community that lives there.
2. We identified innovative and effective policies and practices geared towards eviction reduction and mitigation; these policies and practices served as a basis for the group's monthly discussions.
3. We focused on the entire span of the rental relationship, from before lease-up through move out.
4. The group conversations and follow ups with individual participants led to the development of our framework with five key principles.

Five Principles

1. Remove barriers for tenants in their housing search and use transparent processes when establishing tenancy
2. Clearly and consistently communicate with tenants in a culturally appropriate way from lease up through all stages of tenancy
3. Proactively connect tenants to resources and encourage communities of support, to help tenants stay stable throughout their tenancy
4. Allow flexibility in terms, processes, and payments for renters to reduce the likelihood of eviction
5. Create and commit to procedures and policies that prioritize eviction diversion options in the case of non-payment or late payment



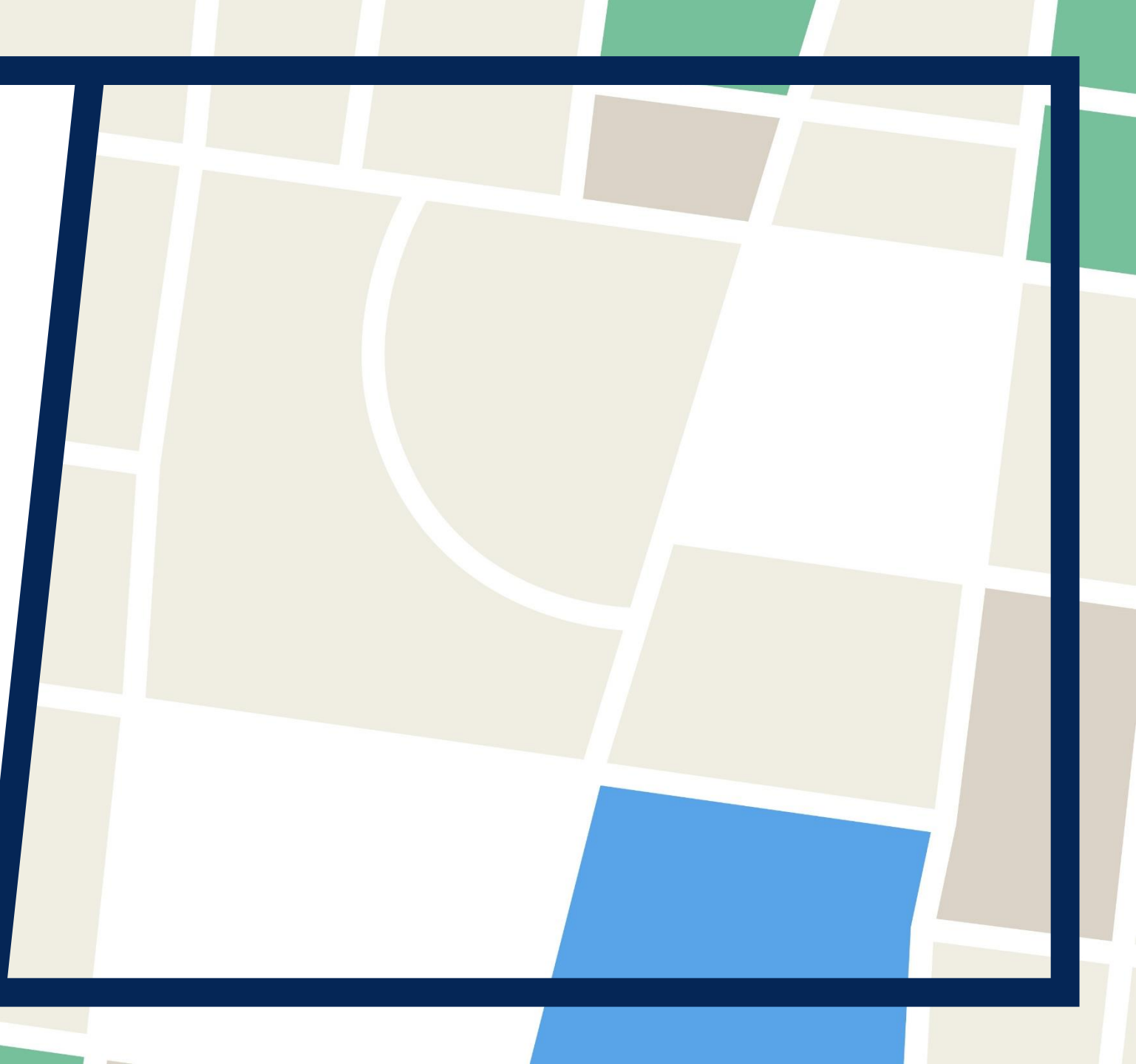
Preservation & Anti- Displacement Policies

Kinsey Hasstedt
Senior Program Director,
State & Local Policy



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STATE POLICY LANDSCAPE

Resources for Preservation Activities

Transformational Affordable Housing Grants (CLOSED)

Affordable Housing Investment Fund

Colorado Affordable Housing Preservation Fund

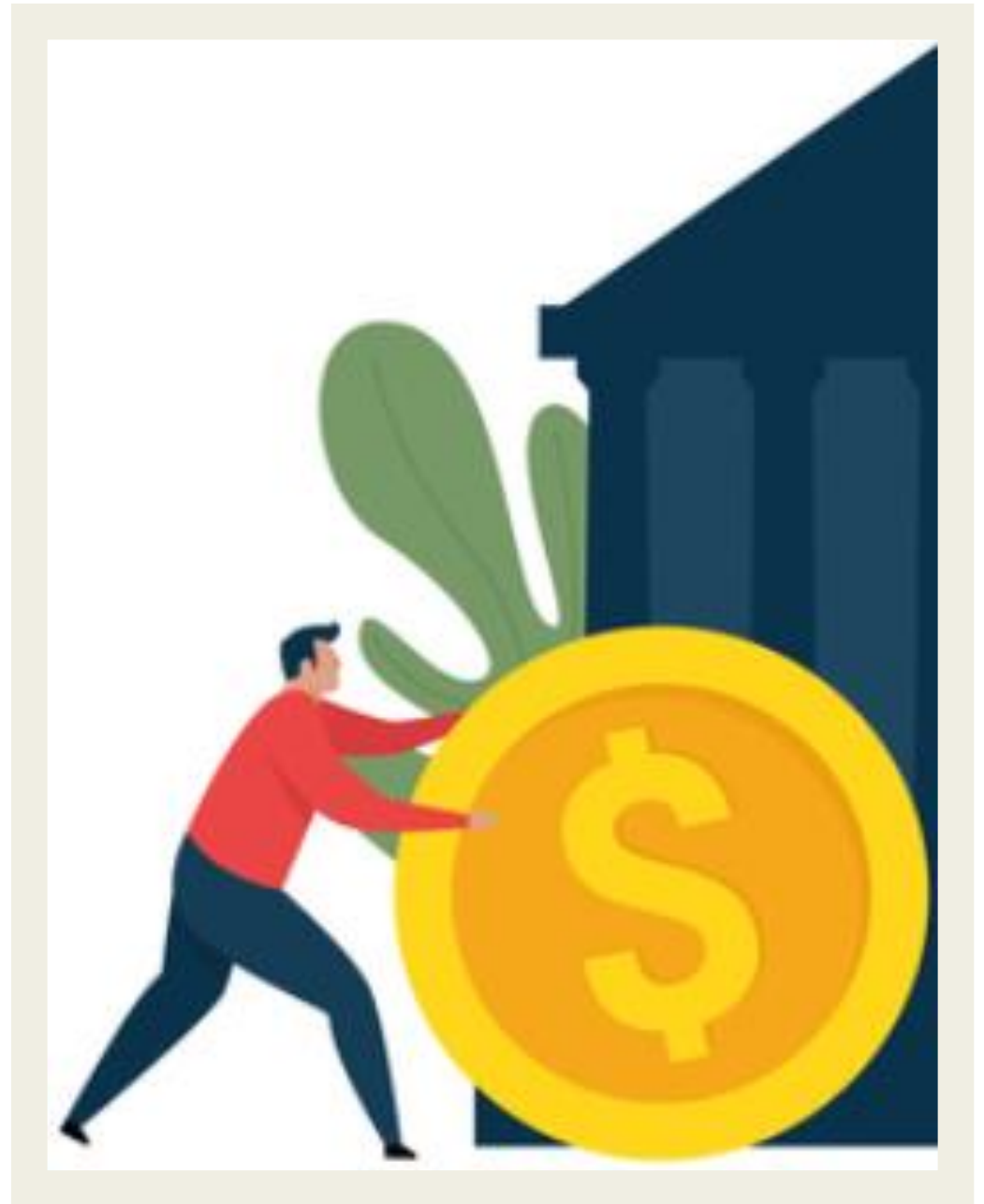
State Affordable Housing Fund (Proposition 123)

- Land Banking
- Concessionary Debt

Housing Development Grant Funds

State-administered green/resilience funding

Locally established funds



Preserving Affordability & Community in State Policy

Preservation

- Low-Income Housing Property Tax Exemptions
- Right of First Refusal

Advancing Housing Stability

- Just Cause Requirements for Eviction
- Localizing Rent Stabilization Efforts

Policy Intersections

- Land Use
- Middle Income Housing Authority



Right of First Refusal

Local government's right to make an offer on a given property or refuse to do so before the seller moves ahead

- Comparable offer to other buyers
- Deadlines for all phases of the deal
- Need for quickly accessible funds

Conditions of government acquisition

- Keep rents affordable to people/families living on specific, low and fixed incomes
- Long-term affordability



LOCAL POLICY OPPORTUNITIES

Local Preservation Policies

Funding

- Rehabilitations
- Acquisitions

Prioritizing Preservation of Existing Affordability and Communities

- Government acquisitions
- Promote community ownership models

Advancing Housing Stability

- Eviction diversion and prevention programs
- Prioritizing people at risk of displacement
- Rental registries and licensing programs



Denver Regional Transit-Oriented Development Fund

NEWS

Denver Regional TOD Fund Reaches \$50 Million Invested, 2,100 Homes

The fund has helped create 22 transit-connected affordable housing developments since 2010



Thank You



Meet Our Guest Speakers



Melissa Mejía

**DIRECTOR OF STATE AND LOCAL POLICY,
COMMUNITY ECONOMIC DEFENSE PROJECT**

Melissa is the Director of State and Local Policy leading and supporting policy change to promote housing and economic justice statewide. Melissa formerly worked as an aide in the District 3 Council office, serving Denver's historically Latino/Chicano Westside. Melissa's goals are centered on promoting equity in practice ensuring that no one is left out of the conversation simply because they do not yet have the right tools.



Polly Kyle

**HOUSING POLICY OFFICER, CITY & COUNTY OF
DENVER DEPARTMENT OF HOUSING STABILITY**

Polly Kyle is a dedicated public policy professional with a strong track record of driving impactful change in housing and community development within the City and County of Denver. She currently serves as a Housing Policy Officer at the Department of Housing Stability, where she has contributed to various projects aligned with HOST's strategic goals.



Community Economic Defense Project

September 2023

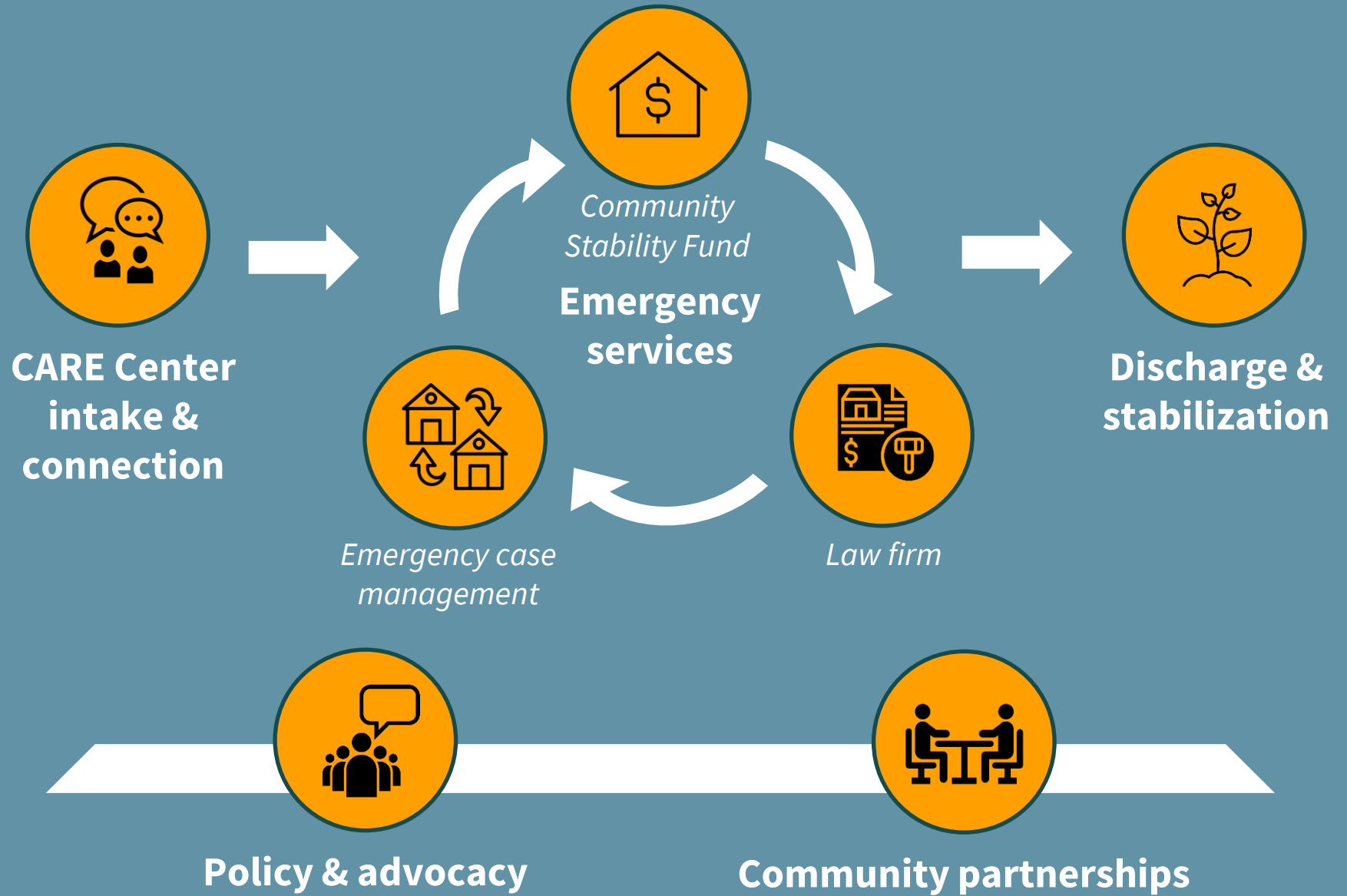




The Community Economic Defense Project (CEDP) partners with low-income and working people to build economic and racial equity.

We do this by providing stabilization services, confronting economic abuse, and investing in community wealth.

We developed a family stabilization model to prevent homelessness, build wealth, confront economic abuse, and inform policy change

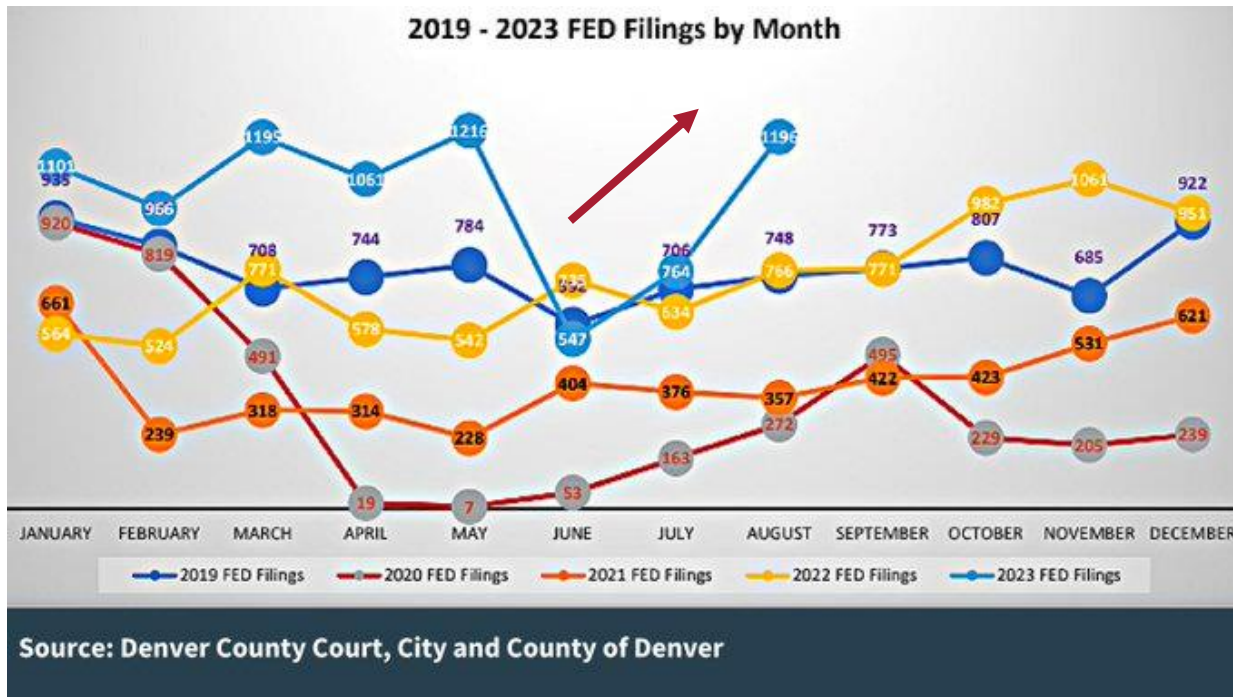


CEDP Programs

- Resource Navigation & Intake
- Eviction Diversion + Rental Assistance
- Foreclosure Prevention + Mortgage Assistance
- Legal Assistance
- Homelessness Diversion
- Disaster Recovery
- Policy & Advocacy



With evictions above pre-pandemic highs, preventable evictions are driving homelessness in Colorado



SELF-REPORTED CAUSES POINT IN TIME DATA

A total of 6,884 unique individuals were counted on the night of 01/04/22 and had a chance to respond to the optional question: *Would you like to share the reasons or factors you feel contributed to your homelessness?*

- 1 UNABLE TO PAY RENT OR MORTGAGE
- 2 ASKED TO LEAVE OR EVICTED
- 3 LOST A JOB OR COULD NOT FIND WORK
- 4 RELATIONSHIP PROBLEMS OR FAMILY BREAK-UP
- 5 ALCOHOL OR SUBSTANCE ABUSE PROBLEMS

Impacts of evictions and the relationship to displacement

Impacts to families



- Loss of home
- Costs of moving
- Increased commute to school & work
- Removal from community support
- Children often forced to change schools
- Negative health impacts from stress and insecurity
- Eviction record limits ability to find future housing

Impacts to communities



- Removal of families who have established roots in the community
- Fractured and fragmented social ties
- Dispersal of community away from culturally significant services and businesses
- Reduced neighborhood school enrollment
- Increased time & money spent on commuting instead of within family and community

Getting to the root of systemic housing and economic stability

Our teams work hard, but they're still limited by the resources, laws, and policies they have to operate within

Our policy work focuses on both expansion of rights and systemic change:

- Dismantling/disrupting predatory industries
- Improving housing and economic consumer rights
- Continuing to strengthen renter protections and improving access to justice
- Advocating for the programs we've seen change our clients' lives, both at development and implementation levels
- Supporting access to affordable housing and programs that support long term housing and economic stability
- Partnering with other local, state and national organizations and elected officials to advance policy that empowers and protects working class people.



Just Cause for Eviction at the State Level

In January, the Biden White House included Just Cause Eviction provisions as an essential tool to prevent evictions and protect renters in their Renter's Bill of Rights. Research examining Just Cause laws has shown that these policies can have a statistically significant effect on eviction filings

KEY FACTS

- Just Cause eviction policies are tenant protections that outline the legal grounds for when a landlord can evict a tenant or refuse to renew a tenant's lease.
- The definition of "Just Cause" (an allowable reason for eviction) generally includes significant lease violations by the tenant, such as non-payment of rent or property destruction.
- In many states and localities around the country, including Colorado, landlords are not required to provide a reason for evicting a tenant at the end of a lease term, or for evicting a tenant without a long-term lease (usually a resident with a month-to-month tenancy).
- A single eviction can have a devastating effect on a tenant's ability to get or keep a job, care for their family, stay in good physical and mental health, and secure future housing

WHAT A Just Cause for Eviction Bill COULD DO

- The bill will prevent a landlord from evicting a tenant unless there is just cause to do so.
- Just cause exists in circumstances defined by the bill such as when the tenant fails to pay rent after timely notice of nonpayment, destruction of property, or a substantial violation of the rental agreement that the tenant fails to address.
- Landlords who wish to proceed with a no-fault eviction (an eviction without just cause) will be required to provide relocation assistance to the tenant.
- If a landlord proceeds with an eviction of a tenant in violation of these new provisions, the tenant will be able to take legal action against their landlord.



Additional Proposed State Level Policy Solutions

Role of Rent Stabilization Policies

- Rents continue to increase far faster than wages
- Aggressive increases in rents are used to push out tenants
- Rent increases used to avoid other tenant protection policies

Role of Land Use & Zoning Policy

- What can be built and for whom?
- Affordability incentives and regional coordination
- Displacement pressures of development



Connect with CEDP:

<https://cedproject.org/>

info@cedproject.org



Community
Economic
Defense Project



City and County of Denver Department of Housing Stability Housing Stability and Preservation Policies

Polly Kyle, Housing Policy Officer

What is HOST?



Healthy, housed, and connected

The Department of Housing Stability (HOST) created by Executive Order in Fall, 2019 to bring housing and homelessness together



We invest resources, create policy, and partner to provide housing stability, resolve episodes of homelessness, and create housing opportunities

What are HOST's 2023 Priorities?

Invest recovery funding to expand housing, stability programs, and in shelter and shelter alternatives

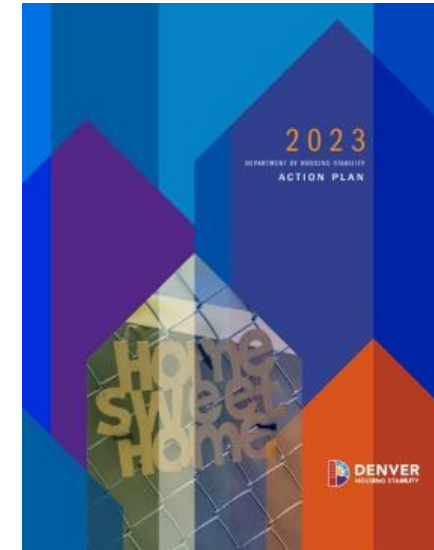
Create and preserve 1,700+ affordable homes

Serve 8,000+ households in stability programs

House at least 1,700 households experiencing homelessness

Expand efforts to address unsheltered homelessness

➔ Advance critical policies that increase affordable housing supply and address involuntary displacement



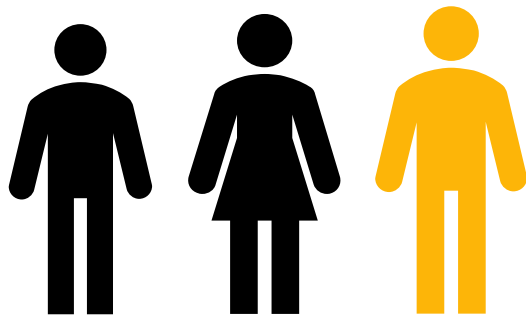


Prioritization Policy

Housing Cost Burden

Rents and mortgages are increasing dramatically, and incomes are not keeping up

115,000+ Denver households spend more than 1/3 of their income on housing costs





What can we do about it?

A **Prioritization Policy** will provide households at risk of or who have been displaced from their neighborhood with **priority access** to newly developed or preserved income-restricted affordable housing.



Percentage of Units Prioritized

30% of affordable units in qualifying developments set aside for the prioritized applicants





Displacement Qualification (in proposed ordinance)

Causes of displacement/vulnerability:

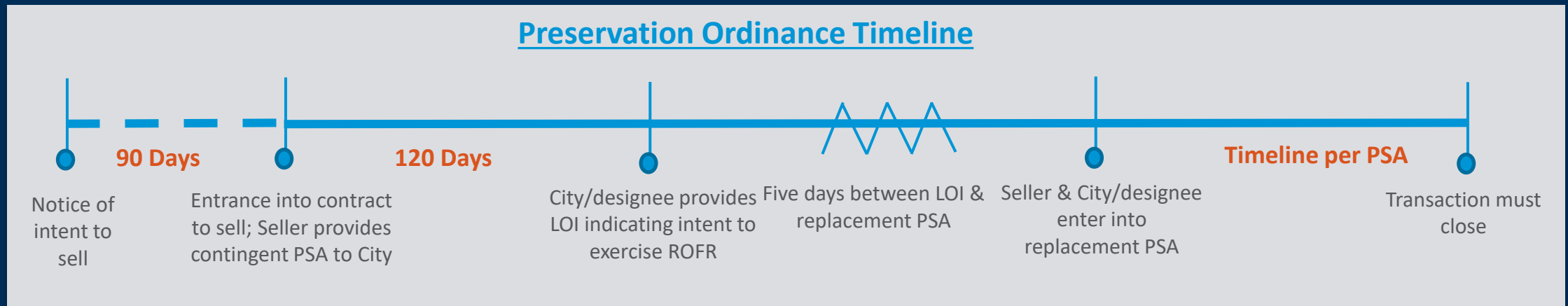
- Rent or mortgage is more than 40 percent of household income
- Renter must move because property owner selling or has sold their rental unit
- Renter must move because property owner is moving into the rental unit
- No cause eviction
- Eviction for nonpayment of rent
- Foreclosure
- Costly code violations
- Eminent Domain
- Redlined Neighborhoods

Preservation Ordinance Right of First Refusal

Preservation Ordinance Overview

The Preservation Ordinance provides the City with notice when sale of an income-restricted property is planned and offers the City or its designee the right of first refusal when income-restricted properties are sold.

However, the right of first refusal **is only applicable when income-restricted properties are sold**; it does not apply after the expiration of an income restriction.



Preservation Ordinance Requirements

	1-Yr Notice to City	1-Yr Notice to Tenants	90-Day Notice to City	90-Day Notice to Tenants	City Right to Inspect	City Right of First Refusal	
FEDERAL	"Opt Out" of Section 8 Contract	✓	✓			✓	
	Expiration of Section 8 Contract	✓	✓				
	Sale of Property			✓	✓	✓	✓
LOCAL	Action that Makes the Property Unaffordable			✓	✓		
	Expiration of Covenant or LURA	✓	✓				
	Sale of Property			✓	✓	✓	✓

Challenges of Preservation

Challenge	Description of Challenge
<i>Cost/Size of Properties</i>	In the current market, the market price of properties may be unaffordable to a preservation-oriented buyer, especially smaller properties.
<i>Ordinance Applicability</i>	The Preservation Ordinance does not give the city a right to purchase when income-restrictions expire.
<i>Awareness of Nonsubsidized Property Sales</i>	Owners of income-restricted properties are required to inform HOST at sale; however, HOST is not notified unsubsidized property sales.



Rental Registry

Benefits of Rental License

General Data

- Accurate rental data and contact information to better inform policy needs
- Community outreach and education

Housing Stability

- Enhance renter protections, assistance & communication
- Foundation for other housing stability policies such as relocation assistance & eviction assistance

Healthy Residential Rentals For All

The goals of the Residential Rental Property license program are:

- Ensure the minimum housing standards of rental units are maintained for the welfare, safety, and health of those residing in them.
- Accurately track our city's housing stock and rentals, including single-family homes, duplexes, townhomes, and condos being rented.
- Utilize contact information to share city resources with rental property owners and tenants and help strengthen landlord and tenant education and outreach.

Current Renter Protections

- Owner shall provide a copy of an executed written lease to the tenant within 7 days for all new tenancies exceeding 30 days
- Owner shall provide tenants with a notice of “Tenant Rights and Resources”
- Owner shall provide “Tenant Rights and Resources” to any tenant along with any rent demand posted

ACTIVE RESIDENTIAL RENTAL PROPERTY LICENSES

AS OF 9/7/2023

9,010

Licenses

135K

Units licensed

4127

Single Unit Properties

4883

Multi Unit Properties

Units Category	# Licenses
Single Dwelling Unit	4127
Multiple Dwelling Unit 2-10	3440
Multiple Dwelling Unit 11-50	908
Multiple Dwelling Unit 51-250	399
Multiple Dwelling Unit 251+	136



QUESTIONS / DISCUSSION

**What did you think of
this session?**

Join us for our next session on October 3rd!

Property and Asset Management

Guest Speakers

- Harold Nassau, Consultant, formerly NeighborWorks America
- Audrea Rease, Partner, TriStar Real Estate
- Julianna Stuart-Lomax, VP of Community Impact, Preservation of Affordable Housing (POAH)

[Register here](#)

What to Expect This Session

Participants will:

- Develop a greater understanding of small to medium multifamily (SMMF) **property management models**
- Learn about **asset management practices** to set their SMMF properties and portfolio up for long-term sustainability
- Hear about innovative practices to incorporate **resident services** and a **trauma informed approach**

Thank you

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Resources:

[Preservation Next Colorado Academy Sessions](#): Registrations, recordings, and materials
[Preservation Next Small to Medium Multifamily Toolkit](#)
[Enterprise Preservation Resources](#)