

## Denver Battles Housing Affordability

A new project from Community Preservation Partners will help to preserve affordable housing, which is in significant need in Denver.

By **Kelsi Maree Borland** | October 01, 2019 at 02:00 PM



**Anand Kannan**

The housing affordability crisis plaguing the nation has hit Denver. The metro is suffering from a loss of affordable and workforce housing, and rising rents and new development are pushing vulnerable residents, like teachers and fire fighters, out of their homes. However, there are projects seeking to preserve affordable housing. **Community Preservation Partners** has acquired the Casa Del Sol apartment community in Pueblo, Colorado, a 154-unit apartment community, with plans to invest \$9 million rehabilitate the project.

“Like so many other regions in this country, the loss of affordability in Colorado poses a significant risk to families that are making below the area median income,” **Anand Kannan**, leader of the preservation and development groups at Community Preservation Partners, tells GlobeSt.com. “When the federal government issues tax credits to support affordable housing options to qualifying families, those credits have an expiration date. What we’re seeing now is the sun beginning to set on many credits that were issued decades ago, and those property owners are faced with a choice: maintain affordability or convert to market rate.”

CPP rescued the property from being converted into market-rate housing by another investor, preserving affordable housing in the community. These projects can be key to preserving the existing supply of affordable housing. “Rehabilitation, such as our latest project in Pueblo, Colorado, opens a very appealing option for older properties,” says Kannan. “Large-scale renovations improve and modernize everything from in-unit appliances and ADA compliance to property-wide Wi-Fi and landscaping.”

This class of renovation projects provides a critical solution to the market. “It generates a new set of LIHTC to extend affordability for decades, which for many families makes the difference between having a home and living on the streets,” says Kannan. “Second, it enriches the lives of residents, who receive market-rate amenities and a renewed opportunity for upward mobility.”

While there are investors like CPP that are working to preserve affordable housing, Denver is still suffering from an increasing affordability crisis. “As a rising rental market, Denver is seeing a lot of growing pains that are like those in the crisis-level markets of Seattle and San Francisco,” says Kannan. “Unfortunately, as local economies expand, many people get left behind, and it’s often the most valuable members of a community—teachers, first-responders, etc.—who need help. The affordability problem doesn’t contain itself to the city limits, requiring a regional or national response.”