RURAL COUNTIES BLEED POPULATION, BUT FRONT RANGE CAN’T HOUSE THEM
By Ryan Maye Handy

Panel I: Development, Affordability and Dislocation in Colorado Cities

The populations in a quarter of Colorado’s counties, most of them rural, face decades of decline as people flock to prosperous Front Range cities, lured by high paying jobs and a booming economy, according to the state demographer’s office.

Lyons, a town of roughly 2,000, is in the heart of the Front Range corridor but its struggles to attract jobs could mirror the challenges that other small communities face as cities like Denver, Boulder, Fort Collins and Colorado Springs continue to claim most of the state’s economic growth.

“Because the job market is so good right now, no one wants to commute to Lyons,” said Jocelyn Farrell, a member of the town’s board of trustees.

The 2013 floods devastated Lyons and permanently displaced scores of residents. Efforts to lure those residents back were thwarted two years later, when voters rejected a plan to turn a local park into an affordable housing development. Now, property taxes in Lyons’ business district are too high, said Farrell, making it hard for the town to attract or sustain businesses and local jobs that come with them.

“Lyons is a bedroom community now,” Farrell added.

On Oct. 25, Farrell was one of dozens of city planners, advocates and state employees who attended a University of Colorado Boulder conference on Colorado’s housing crisis, Squeezed Out: Challenges of Diversity and Affordability in Colorado Communities. While the day-long conference focused on affordable housing and displacement in Colorado’s most populous communities, Colorado’s state demographer told the attendees that many of Colorado’s counties would struggle with population loss.

Colorado’s remotest areas – the San Luis Valley and the southeast, northeast and northwest corners – are expected to lose residents through 2050, said Elizabeth Garner, the state’s demographer. Garner expects the state’s overall population of 5.7 million to increase by 2.4 million by 2050, nearly half of which will be in the Denver metro area. Denver’s low employment rate and rising median income are driving the housing crunch, as new arrivals need housing.

Colorado’s booming economy and low unemployment rate are exacerbating the state’s lack of affordable housing in major cities, driving controversial gentrification and displacement of lower
income residents. But rural and small communities like Lyons are losing out as they fail to attract jobs and new residents. In a 2018 analysis of job relative to Colorado’s pre-Recession employment peak, Colorado’s rural counties had only lost jobs, while urban Front Range counties had only gained them.

The result is a disproportionate concentration of jobs, prosperity and housing demand in a handful of counties.

“Is there a solution in how we develop the state differently?” asked Garner.

But saving small towns and rural communities from an economic down spiral was not the focus of the conference’s first panel. Instead, panelists drew attention to the displacement of Denver’s lower income and ethnic communities. Former state lawmaker Irene Aguilar, the head of the city’s Neighborhood Equity and Stabilization Team, said that closing Denver’s income inequality gap will help residents afford to live in their neighborhoods as gentrification spreads.

“You need a minimum of $28 a hour to live comfortably in Denver,” Aguilar said. “If we had incomes that kept up with the cost of living then we wouldn’t be in as deep of a crisis as we are now.”

But even Denver’s economic vitality has been a mixed blessing for the city, Aguilar added. The city’s population has increased by more than a quarter and its unemployment rate is the lowest it has ever been. The median household income has more than doubled, from just over 39,000 to more than 65,000. But all these economic boons have been offset by a demand on housing that has driven prices up and pushed lower income residents out, Aguilar said.

The Denver metro area, like many urban centers in the United States, is facing an affordable housing crisis driven by rising prices and populations. More than a third of Denver families pay
more than 30 percent of their income toward housing, and the city is short 15,000 affordable housing units, according to Enterprise Community Partners, a Denver non-profit that advocates for and finances affordable housing. A 2017 report by the government-backed mortgage group Freddie Mac found that housing options for people making less than half of the median income had dropped 75 percent in six years. That plunge was one of the country’s biggest decreases, according to CNN.com, which declared that Colorado had become one of the least affordable places to live.

“We need to see some dramatic changes in public policy to help fix this moving forward,” Aguilar said.

Days before the conference, Denver Mayor Michael Hancock announced the creation of the Department of Housing Stability, which is expected to double-down on the city’s affordable housing crisis.

Meanwhile, Aguilar’s year-old office, known as NEST, is lobbying for an increase in the city’s minimum wage, an increase in contractor wages and the possible creation of a statewide retirement plan. The office is also a resource for residents who need help starting businesses or buying a home. Aguilar said Denver could also consider more drastic measures to increase housing density, such as a vote by the city of Minneapolis last year to eliminate single-family zoning.

Aguilar’s particular concern is for Denver’s Hispanic residents, who account for the city’s largest minority population and the lower-income group that is most often displaced. Matilde Garcia, of the non-profit Mujeres Emprendedoras Cooperative, echoed Aguilar’s concerns when she added that her neighborhood, Westwood, has lost residents as housing prices rose. When Aguilar moved into Westwood 15 years ago it was “a little bit like Mexico,” she said, with Hispanics accounting for 90 percent of the neighborhood’s population. That has since fallen to 70 percent.

The neighborhood’s efforts to get help were complicated by language barriers, lack of savings and uncertainty over their immigration status, Garcia said.

But displacement due to housing costs is not unique to the Front Range’s lower income or Hispanic residents, said Korkut Onaran, a conference organizer and founder of Boulder’s Pen Ona Architects and Urbanists. Following the 2013 floods, Onaran decided to sell his Boulder condo but found he couldn’t afford to relocate within the city. Instead, he bought an historic home two blocks from Longmont’s main street.

“Displacement can happen at any income level,” Onaran said. “I call it ‘priced out’.”