



# Frequently Asked Questions

## **What is Colorado Homes for All?**

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Colorado Homes for All (COHFA) is a statewide coalition of grassroots organizations that believes no matter what we look like or how much we earn, we all need a warm, safe and stable home where we can raise our families, make connections with our neighbors and get involved in our communities.

COHFA has 16 organizational members, including eight steering committee members: 9to5 Colorado, Colorado Cross Disability Coalition, Colorado Education Association, Colorado Jobs with Justice, Colorado Working Families Party, Denver Democratic Socialists of America, Together Colorado and United for a New Economy.

## **The Problem: Unaffordable Rents in Colorado**

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### **Why is rental housing in Colorado unaffordable?**

Coloradans face unprecedented rent increases because greedy corporate landlords rig the rules to charge families outrageous rent and fees. Skyrocketing rent forces families to cut down on food or medicine just to keep a roof over their heads – and many have been forced out of their homes.

According to the National Low Income Housing Coalition:

- In Colorado, a minimum wage worker must work 72 hours a week to afford a 1-BR rental at Fair Market Rate, which was \$1,154 in 2021, according to their [2021 Out of Reach Report](#).
- A [Colorado 2022 Housing Profile Report](#) demonstrated that 74% of extremely low income renters (earning less than 30% AMI) spend more than one-third of their income on housing.
- The [2021 Gap Report](#) found that there are approximately 160,597 extremely low income renter households in the state, with only 46,219 affordable and available rental homes.

A [Colorado Health Foundation Poll](#) found that:

- Nearly one-third of respondents are worried about losing their home because they can't afford the rent or mortgage.
- One-third of respondents have had to work more than they wanted, avoided asking their landlord to address problems and cut back on basic needs like food and health care, in order to afford housing.

### **Why doesn't "affordable housing" stay affordable?**

Even "affordable housing" projects whose builders received public money are able to convert them to market rate units after a certain number of years, as determined at the beginning of the contract, which usually expires after only 20-30 years.

## Why isn't building more housing enough to solve the affordable housing crisis?

Colorado families are struggling – and some are being evicted – TODAY. Most can't wait for 15-20 years until we have enough new affordable housing built. Building new affordable units is a key part of the overall solution, preparing our state for the longer term and creating more opportunity – but it's just one needed tool. These efforts must be bolstered with strong protections for renters, including rent stabilization policies that ensure the cost of rental housing, whether designated as affordable or not, remains reasonable.

## Past CO Legislative Efforts

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### How have state officials helped renters?

These state laws were passed in the 2022 session to assist renters:

- [SB 22-019 Access to Suppressed Court Eviction Records](#) improves renter access to legal representation in eviction cases by allowing attorneys to access suppressed court eviction records.
- [HB 22-1082 Establish Fair Housing Unit Department of Law](#) allows the Attorney General to enforce renter protections, including laws concerning security deposits, rental applications, late fees, notice and frequency of rent increases, and immigrant tenant protections.
- [HB 22-146 Middle Income Access Program Expansion](#) increases funding to develop affordable rental housing for Coloradans with an 80 percent area median income and above.
- [Budget Amendment to Support Eviction Legal Defense Fund](#) increases the State's Eviction Legal Defense fund to \$1.1 million to provide legal defense services to renters facing eviction.

## The Solution: Rent Stabilization

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### What's the difference between rent stabilization and rent control?

[Rent stabilization](#) protects tenants from unreasonable rent increases while still allowing landlords to increase rent yearly at a fair rate. [Rent control](#) freezes rent as long as tenants stay in place.

### How does rent stabilization help renters?

Research shows rent stabilization [improves renter stability](#) and [prevents displacement of families](#).

- **Los Angeles:** The year after Los Angeles adopted rent stabilization, the share of renters who moved [decreased by 37 percent](#), with the rates dropping most for Black and Latinx renters.
- **Santa Monica:** Rent stabilization led to [doubling the proportion of tenants living in their units more than five years, slowing the displacement](#) of lower income families and families with kids.
- **New York:** In NYC, tenants in rent-regulated units were [three times as likely to have lived in their homes for 20 years or more \(23% v 7%\)](#). In Manhattan, they were [10 times as likely to have that length of tenure \(35% v 3%\)](#).
- **Cambridge, MA:** When rent control was in place, rents in stabilized units were [44 percent lower than similar non-controlled units](#).

Research shows rent stabilization [makes rent more affordable for the highest needs communities](#).

- **New York:** In the 1990's, rent for unregulated units in gentrifying neighborhoods [increased by an average of 43.2%, compared with 11.4% for rent-stabilized units](#).
- **California:** A study of four rent stabilized cities – Berkeley, Santa Monica, East Palo Alto and West Hollywood) found rents were [an average of \\$117 lower](#) as compared to cities without it.
- **Santa Monica:** Working families [lived in Santa Monica when the city had strong rent control:](#)
  - Extremely low-income households (30% AMI): 6 percent of units
  - Very low-income households (50% AMI): 19 percent of units

- Low-income households (60% AMI): 58 percent of units
- Moderate-income households (110% AMI): 13 percent of units
- Higher-income households (>110% AMI): 4 percent of units

Research shows rent stabilization supports local economies.

- When rent-burdened households pay 30 percent or less of their income on housing, they have an extra \$6,200 (average) annually to spend on food, child care, transportation, etc.

### **Does rent stabilization affect the number of available units, new constructions or landlords?**

Research demonstrates that the number of rental units and new builds stay stable – and that landlords are largely satisfied – in cities with rent stabilization:

- **Berkeley:** In the first decade after Berkeley passed rent stabilization, Berkeley lost only 1.3% of its total rental housing stock, only a fraction of a percent higher than adjacent cities. Their Planning & Development Department found “little to no effect on the construction of new housing.” And only 1.5% of landlords filed a petition to adjust rent for an individual property.
- **Santa Monica:** Landlord profits were satisfactory – not one petitioned to adjust an individual rent in 2016, while the city was able to maintain social and economic diversity.
- **New Jersey:** Long-term studies of rent stabilization policies in New Jersey have shown no discernible impact on new housing construction rates.

### **Is rent stabilization long-term structural change?**

Rent stabilization allows local officials to balance the needs of their constituents, both renters and landlords, instead of relying solely on market forces – which rely primarily on profits.

## **Making Change in Colorado**

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### **Why can't local officials pass rent stabilization policies?**

In 1981, the state legislature passed a broadly worded bill – now a law – that took away the rights of cities and counties to pass any local ordinances that could be considered rent control on private housing, including local ordinances that would stabilize rents. Local officials are currently prohibited from addressing their constituents' need for affordable rents, preventing them from maintaining and building the thriving communities they want.

### **Did the *Telluride* decision ban rent control?**

No, in 2000 the Colorado Supreme Court issued a ruling, in the case commonly referred to as “Telluride,” that a city cannot require developers to set aside a portion of new units that must be rented at below market rate. In its decision, the court cited the broadly-worded rent control law still in place from 1981.

In 2021 a narrowly worded bill amended the original rent control law, clarifying that cities/counties are actually permitted to require developers to set aside new units for affordable housing under their authority to regulate land use.

### **Is there a way to give local governments the power to create rent stabilization policies?**

We will introduce a bill to overturn the state ban on rent stabilization that will put the power back in the hands of local elected officials and residents, who are best positioned to adopt the housing policies they need to ensure safe, sustainable and affordable communities.

### **Are local officials supportive of overturning the ban on rent stabilization?**

Elected city officials are eager to pass ordinances to stabilize rents address their constituents' need for

affordable rents that could maintain and build the diverse communities they want:

- Aurora City Council: Crystal Murillo, Juan Marcano, Alison Coombs
- Colorado Springs City Council: Nancy Henjum
- Broomfield City Council: Mayor Guyleen Castriotta
- Denver City Council: Robin Kniech, Jamie Torres, Candi CdeBaca
- Jefferson County Commissioners: Andy Kerr
- Larimer County Commissioners: Kristin Stephens
- Adams County Commissioners: Emma Pinter

**How can you help overturn the ban on rent stabilization?**

As Coloradans – Black, brown and white, younger and older, veteran and immigrant and people living with disabilities – we must come together to ensure that families have warm, stable homes and landlords are held accountable for charging reasonable rent. Help us ensure we all have a place to call home and put the power back in the hands of local elected officials and residents.



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Have questions? Email [yocelyn@cohomesforall.org](mailto:yocelyn@cohomesforall.org)



Follow us for coalition updates!