February 2023

CASE STUDY: Mile High Connects

Center for Community Health and Evaluation

The Strong, Prosperous, and Resilient Communities Challenge – or <u>SPARCC</u> invested in and amplified local efforts in six regions of the United States to ensure that major new investments in the places we live, work, and play lead to equitable and healthy opportunities for all. Over six years starting in 2017, SPARCC addressed barriers experienced by communities of color, especially low-income, by advancing a communitydriven development model that prioritizes racial equity, health, and climate resilience. At the heart of SPARCC were local, multi-sector collaboratives or "tables" that worked in partnership with SPARCC's national implementation team and funders. As illustrated in the theory of change (see image on page 2), SPARCC expanded cross-sector collaboration to advance racial equity and contribute to systems changes in community development.

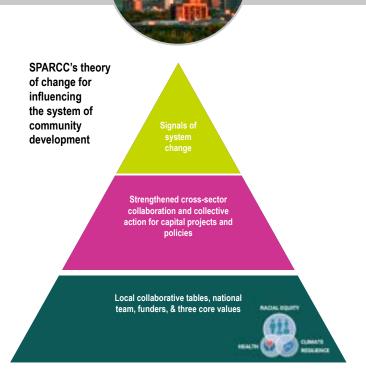
SPARCC came to life in Denver, contributing to changes in local community development systems, including collaborative infrastructure and relationships, local and institutional policies and practices, and capital investment strategies. While this case study highlights key examples of system-change work, it is not a comprehensive or exhaustive account of all the work that occurred in Denver during SPARCC.

SPARCC COLLABORATIVE TABLE: MILE HIGH CONNECTS

The foundation of the SPARCC theory of change were local collaboratives called "tables" that provided the infrastructure for multi-sector partnership to advance SPARCC's goals. Tables received operating funding from SPARCC to support collaboration and partnership development. In 2017, SPARCC awarded funding to <u>Mile High Connects</u> (MHC), an existing collaborative focused on bringing community-driven solutions to planning and development processes with an emphasis on transit.

Mile High Connects priorities: MHC formed in 2011 to support collective action on community-led solutions in neighborhoods affected by the Denver metropolitan region's light rail expansion. MHC was a broad partnership of organizations from the private, public, philanthropic, and nonprofit sectors committed to combatting injustices related to accessing affordable housing, transportation, and economic opportunity in the Denver metropolitan region. It had limited, tangential work in health and education. Prior to SPARCC, MHC was primarily a transit-focused organization that collaborated with local governments, agencies, and community-based organizations to advance more equitable transit-oriented development and transit access. MHC's strategies intentionally addressed inequities and brought community solutions to light.

Mile High Connects structure: MHC operated with a governing steering committee and advisory council focused on identifying new opportunities and ground truthing emerging transit-oriented development projects. MHC added SPARCC to its existing work by creating a separate subcommittee that operated with limited oversight by the steering committee. Over time, MHC's work evolved beyond transit-oriented development as the light rail build out was completed, leading to better integration of SPARCC priorities within the broader portfolio of projects. As a result, MHC restructured their collaborative and created a Coordinated Action Committee within the steering committee to drive strategy and decisions related to SPARCC. This committee was comprised of members of partner organizations doing on-the-ground work in MHC's target geographies.





Mile High Connects target geographies: MHC focused its SPARCC work in several areas of the Denver metropolitan region—West Denver, East Denver, far Northeast Denver, and southwest Adams County.



MILE HIGH CONNECTS CONTRIBUTED TO SYSTEMS CHANGES BY STRENGTHENING RELATIONSHIPS AND BUILDING PARTNERSHIPS IN DENVER

The SPARCC theory of change suggests that local tables contributed to systems change by developing and strengthening relationships and collaborative infrastructure. With the aim of creating both an annual snapshot of collaboration within the tables and understanding change over time, the SPARCC evaluation administered an annual survey with all table members. This survey consisted of scaled questions addressing the six essential elements of collaboration. Perceptions of concrete accomplishments and collaborative effectiveness were determined by taking the average of several individual item ratings within each of the six elements in the collaboration model.

SPARCC funding to MHC built on existing collaborative infrastructure and relationships. Through SPARCC, MHC expanded its work to be more holistic, including intersectional transit issues (e.g., housing, climate, health), while also more intentionally prioritizing racial equity. Organizational transitions within MHC also resulted in the table's ability to support SPARCC work more effectively in and with community. Survey ratings in each essential element increased, on average, from the beginning of SPARCC in 2017 to 2021. While this trajectory signals the evolution of a table with the foundation to collaboratively move systems change priorities forward, MHC determined in 2022 that its original mission had been served and <u>closed its doors</u>.

Although MHC no longer exists as a formal collaborative, the relationships and partnerships developed, and skills and capacity built through SPARCC continue to operate to support systems change in the Denver region. Featured below are selected essential elements that contributed to the foundation for ongoing collaboration. A refreshed coalition comprised of key MHC member organizations supports ongoing regional collaboration.

Essential elements of collaboration



"I think the Denver region has really benefited from being part of the SPARCC initiative because it's allowed us to think more holistically about our work across issues, across expertise, to bring different perspectives."







ESSENTIAL PEOPLE AT THE TABLE

Mile High Connects was a broad, multi-sector collaborative that engaged and connected partners from community residents to state governmental agencies, resulting in policy impacts. MHC used a multi-sector approach to convene partners from a broad mix of local, regional, and state governmental agencies, businesses, nonprofits, and other community-based organizations. Additionally, MHC engaged and connected key partners in its various target geographies (West Denver, East Denver, far Northeast Denver and southwest Adams County) and facilitated peer learning, information exchange, and project specific collaboration among people doing complementary work in different areas. Table members perceived that SPARCC funding to MHC fostered new relationships and conversations among partners who had not previously collaborated and helped cultivate the spread of lessons learned to different places in the region.

The SPARCC committee within MHC consistently worked to elevate community participation and leadership, building on MHC's early efforts to engage community organizers and community leaders on its steering committee. It tried various strategies for improving conditions for participation, including different approaches for outreach, a resident advisory group, and compensating community members for their time. Initially, they encountered challenges ensuring that the individuals involved in decision making had the expertise and experience necessary for the SPARCC advocacy, policy, and capital work. A table restructure later in SPARCC (see Structure and support section below) helped address this while still having directly affected residents involved and providing input and influence around strategy and decisions.

These strengthened connections had tangible benefits. For example, table members believed that without SPARCC funding and support, MHC would not have been as impactful working with a broad coalition of partners on state-level tenant protection legislation, which included community-based advocates, grassroots organizations, and grasstops partners (like MHC).



This was a relative strength of Mile High Connects. Its ratings in this essential element of collaboration exceeded the overall average across all six SPARCC tables.

Mile High Connects intentionally evolved its structure to clarify roles and accountability to more effectively engage on-the-ground partners and streamline collaborative processes. Throughout SPARCC, MHC had a strong, well-rounded Steering Committee that worked together to make decisions for the table overall. For SPARCC, they used an integrated committee approach (Coordinated Action Committee) to engage partners and collaboratively move forward SPARCC-related work, with oversight from the Steering Committee. In 2020, MHC underwent a significant re-structuring to try to streamline and optimize processes. In response to consistent feedback from some members, the restructure removed table governance responsibilities from the Coordinated Action Committee and allowed them to focus on project work. They also created an Operations Committee with the authority and responsibility to direct MHC strategy and governance leadership. This established more direct feedback and a clear line of communication between the Coordinated Action and Steering committees. This increased clarity for how SPARCC funds should be administered and resulted in community representatives having a stronger voice.



Mile High Connects closed its doors in 2022, having determined that its original purpose had been served, and transitioned to a more informal collaborative structure among member organizations.

In 2022, MHC's Steering Committee decided to sunset the organization and transition the work to multiple member organizations with ongoing processes for continued, cross-organization collaboration. While MHC had historically been supported by national initiatives that directed priorities, MHC members perceived that the new approach would allow responsiveness to current needs in the region without having to meet funders' requirements. The main contributor to this decision was member perception that MHC had accomplished its goal related to transit-oriented development and a consistent and collective purpose for moving forward. This transition shifted collaborative efforts from transit equity to community-owned real estate, capacity building, and equitable development to support the continuation of work that began with SPARCC. As MHC members and community organizations supported by MHC saw their work transitioning to community-owned real estate, the collaborative was unable to gain the necessary buy in to transition its mission and vision to recognize this new work. A refreshed coalition comprised of key MHC member organizations supports ongoing regional collaboration. The new coalition is led by:

- <u>Center for Community Wealth Building</u> (focus on equitable community partnerships and cooperative development)
- Colorado Center on Law and Policy (focus on statewide policy and advocacy)
- Neighborhood Development Collaborative (focus on equitable development strategy and policy)

ACTIVE COLLABORATION

Mile High Connects used relational capacity building to support community-based partners in achieving their goals while integrating elements that advance racial equity, health equity, and climate resilience.

MHC staff highlighted their provision of "soft capacity building," a more relational approach than typical community development capacity building, which tends to be more prescriptive and focused on technical aspects of the work. This was an intentional effort to engage partners, listen to current priorities, and meet partners where they were, while also connecting members with relevant local or national networks and models. MHC strived to augment and support existing efforts versus "bombarding" community partners with additional programmatic demands.

For example, MHC successfully partnered to integrate aspects of climate resilience into the <u>Montbello Organizing</u> <u>Committee's development project</u>. The early SPARCC Committee included a climate expert. However, capacity issues prevented the organization from participating at the necessary level to gain knowledge about local, neighborhood-level context. They later pivoted and relied on MHC staff to make the needed connections and support relationship building. Eventually, Montbello integrated solar options and began exploring electric vehicle infrastructure. **This approach positioned partners to pause, step back, and see what else is going on locally so that they could move forward more intentionally.**





MILE HIGH CONNECTS CONTRIBUTED TO POLICY AND PRACTICE CHANGES THAT BUILD COMMUNITY POWER

SPARCC's aim was systems change. This included changing practices, policies, and investments in the built environment to be more equitable, so communities are healthier, more climate-resilient, and opportunity-rich places for all. The SPARCC theory of change posited that strengthened local and national collaboration would result in capacity outcomes and ultimately lead to systems changes in community development policies and practices. Through SPARCC, Mile High Connects built on its previous transit equity work with a focus on bringing resident voices into policy processes to build community power.

Mile High Connects contributed to several policy wins aimed at increasing affordable housing and curbing displacement. While several of these efforts were long-term and started prior to SPARCC, MHC's investment in collaboration and community-driven solutions supported ongoing efforts.

- **Tenant protections:** MHC members were part of a broad coalition of partners working to stabilize tenants' ability to stay in place. In early 2016, just prior to SPARCC, MHC released its Access to Opportunity Platform, which offered a suite of local and state policy solutions along with development strategies that guided the collaborative policy agenda. While the Platform was underway prior to COVID-19, the pandemic created new urgency and momentum tenant protection related policy intervention. The tenant protections championed by advocates and organizers included:
 - ◊ Warranty of Habitability
 - ♦ Housing quality standards
 - ♦ Landlord accountability
 - ◊ Limiting application fees and the scope of background checks
 - ♦ Increasing the grace period from before eviction proceedings can begin.

MHC partners also increased affordable housing requirements from 3% to 10% at the former Westminster Mall site and elevated the need for the preservation of small businesses in West and East Denver.

- Accessory Dwelling Units (ADU) policy: ADU zoning was approved for one locality within the City of Denver (West Denver). Language in the city's planning process (Blueprint Denver – see below) calls for expanding ADU zoning. MHC members played a key role providing input and advocating for that policy, as well as being involved in implementation of the policy.
- Subsidized transit fare policy: The RTD LiVE program provides a 40% discount for riders between 20-64 years old at or below 185% of the federal policy level. MHC was the leading voice for steering this policy through approval and implementation.

"[MHC] worked on a big legislative push to expand housing affordability that included inclusionary zoning and other carrots and sticks for the development community in order to expand housing affordability and collaboration with communitybased organizations."



Mile High Connects established support and structures to unlock the power in community to benefit the broader policy environment. Harnessing community power and creating structures for community partners and residents to have direct participation and influence into policy processes was a key priority for MHC. They achieved this through various mechanisms.

- **City planning processes.** MHC participated in the "Denveright" process, a reworking of the City's comprehensive plan to guide development through 2040. Through this engagement, MHC provided critical representation in the <u>Blueprint Denver</u> planning process, the city's land use and transportation plan. MHC brought an equity focus resulting in specific equity language in the plan. MHC members participated on the equity committee and MHC brought in an outside expert to lead an equity training with Blueprint Denver stakeholders. The City and County of Denver is now considering equity for all municipal departments.
- **Democratizing data.** MHC partners developed several tools to support the affordable housing community and community organizers to take collective action. The tools offered transparency and understanding of key characteristics (e.g., ownership) of affordable properties at risk of being sold. Specific tools included the:
 - ◊ Regional Equity Atlas to bring together community and critical data on displacement
 - ◊ Early Warning System database to alert the housing communities of properties at risk of losing affordability
 - Ocommunity Alert Database to empower and organize residents
- **SPARCC power building grants.** MHC used flexible SPARCC grants to pass through funds to community organizations to support training, capacity building, and engagement in policy and development processes. For example, a power building grant educated residents about affordable housing policy to then get involved and inform policy at the city and neighborhood levels. Additionally, one of MHC's members, a community development finance institution, has changed its internal organizational practices to consistently let community groups know how and when they can testify, sign on to or write advocacy letters, and communicate with their city councilmember to express their opinions.

During the COVID-19 pandemic, Mile High Connects had an existing foundation that supported emergency response that then transitioned into longer-term systems change. The pandemic amplified the need to continue housing and displacement work and to center racial equity. The trust, relationships, and collaborative infrastructure supported by SPARCC made it possible for MHC to quickly pivot, understand community needs, and make connections to information and resources to respond to the pandemic.

One important mechanism for communication that emerged during COVID was a **partnership with community navigators** in targeted geographies. These individuals were the lynchpins between community and MHC that increased understanding of the on-the-ground reality and exchanged needed information and resources. The partnership with the navigators evolved, and in 2022, they began working on longer-term solutions and affordable housing activities. MHC partners provided coaching to navigators on the parameters of new funding resources coming in, including how money can be used to continue their programs as other emergency dollars dry up. Together, they planned for how to continue to support residents and households without those resources. Navigators also received information on how to advocate to the state to make sure that guidelines for existing resources include the activities that they feel are most important and direction on how to apply for those resources. They are also using the Community Alert Database discussed above to connect people to housing units.





MILE HIGH CONNECTS CONTRIBUTED TO SYSTEMS CHANGES RELATED TO COMMUNITY DEVELOPMENT CAPITAL STRATEGIES AND INVESTMENTS

Along with policy and practice changes, SPARCC was designed to shift the systems of community development. This includes both:

- New capital investment approaches, partnerships, and products; improved capital flow to development that supports racial equity, health, and climate resilience; and options for residents and businesses to remain and thrive
- · Observable changes in the built environment that reflect equitable access to opportunity

Mile High Connects' capital work focused on housing and business support and preservation with an emphasis on community-driven projects. More than SPARCC capital grants and debt financing, MHC and its partners benefitted from SPARCC technical assistance and other more flexible SPARCC grant funding.



"Providing money on the front end [of a capital project] that really supports organizations as they struggle through these things [i.e., planning and predevelopment] is probably more valuable than you can imagine when you look at the giant budget in the end."

-Mile High Connects staff member

MHC partners successfully leveraged other SPARCC resources (e.g., technical assistance grants, innovation grants), which helped lay the groundwork for community engagement, staff support, and predevelopment activities that catalyzed additional funding and support.

- Montbello Organizing Committee received a \$45,000 technical assistance grant to support the predevelopment stage of the Montbello FreshLo Initiative. This early investment enabled Montbello Organizing Committee to secure \$7.2 million in grants and \$2.3M in PRI (program related investment) commitments toward its FreshLo Hub.
- A \$25,000 technical assistance grant supported predevelopment and financial assessment of a communityowned real estate project on Morrison Road. The property included residential and commercial spaces.
- A SPARCC power building grant was awarded to the East Colfax Community Collective to support capacity building related to community-based ownership and ensuring that residents and community groups were able to inform that work all along the way. Additional grant funding helped them look for and acquire real estate through a neighborhood trust model.
- Support from Mile High Connects and SPARCC also helped integrate climate resilience approaches into capital projects, as previously discussed with the <u>FreshLo Hub</u>.



CAPITAL PROJECT HIGHLIGHTS

Mile High Connects and its partners worked closely with the SPARCC capital team to explore various opportunities for accessing SPARCC capital resources for projects informed by community voice. SPARCC capital resources were not as flexible as MHC and its partners originally expected. There were persistent issues aligning the requirements of available funds with projects of higher priority for community. MHC partners were most successful obtaining the more flexible SPARCC capital grants versus debt-related financing due to underwriting requirements and reticence of smaller community partners to take on debt. The economic impacts of the COVID-19 pandemic further slowed and challenged community-based capital projects. Mile High Connects also encountered typical challenges related to procuring properties (e.g., title issues, reaching agreement with sellers, delinquent commercial property taxes).

Despite challenges, SPARCC capital grants supported two projects addressing displacement pressures in Denver.



"We're starting to see real estate coming out of the ground that's both a response and a result of the focus on [MHC's] geographies informed by the community in a way that might not have been informed in the past."

Project description (SPARCC funding)	How SPARCC contributed
BuCu West Bottling Plant (\$165,770 grant) The expansion of an existing bottling business that employed six residents and the creation of a small community center. The new location is allowing the bottling business to grow an estimated 3-4 times its previous size. The bottling company plans to become a worker-owned cooperative. Additionally, the small community center provides space for peer-to-peer educational classes, a community art gallery, and temporary workspaces for local artists/entrepreneurs.	SPARCC grant dollars bridged funding from public and private sources and provided the down payment that allowed BuCu West to put the property under contract. The quick purchase prevented the property from being sold to a buyer that does not share the community's inclusive vision for the neighborhood.
Single Family Plus Accessory Dwelling Unit (ADU) Pilot (\$594,000 total)	neighborhood.
The West Denver ADU program provides a solution to address homeowners and renters' concerns of displacement and provides an opportunity for intergenerational wealth building. In SPARCC's first three years, the <u>West Denver Renaissance Collaborative</u> was awarded a capital grant combined with an innovation grant and solar-focused grant to help establish an ADU pilot program.	Innovation funds helped to establish the pilot and capital grant funds served as revolving bridge financing to get homeowners from pre-development to closing. This meant lower risk for homeowners already experiencing the pressures of displacement. By the end of SPARCC, the revolving funds had been used several times on various ADU projects. Funds also covered solar planning, preparation, and installation.



Spotlight on the West Denver accessory dwelling unit (ADU) program

Increasing property values in West Denver contributed to ongoing resident displacement and gentrification. Led by the <u>West Denver Renaissance Collaborative</u> (WDRC), a MHC member, SPARCC helped to support the creation of an ADU pilot program in West Denver to address these growing pressures and promote neighborhood preservation.

What is an ADU? ADUs, or accessory dwelling units, are small homes that can be built in your backyard. To improve equitable access to ADU development, the program provides design-finance-build services and significant cost savings for qualified homeowners to build a detached ADU.

Why an ADU? ADUs emerged as a strong solution to address residents' concerns of displacement after dozens of community listening sessions and a housing assessment led by WDRC. By placing a studio apartment or one-to-two-bedroom home in an empty yard or over a garage, residents would be able to earn extra income to cover rising property taxes, while providing stable, long-term affordable rental housing for another family.

<u>The first ADU opened in 202</u>0. The pilot successfully demonstrated the value of the ADU model, including energy efficiency, photovoltaic systems, and the incorporation of solar readiness into new-build, affordable ADUs. The program received policy and funding support from local and national government entities, including a \$500,000 loan from Fannie Mae. By 2022, there were 10 ADUs under construction and around 30 in the pipeline.

While ADUs have been one successful strategy to address the displacement crisis in West Denver, ADUs are not the solution for everyone. It's important to understand the long-term priorities of families to determine whether ADUs fit their needs. From a financial standpoint, initial forgivable grant funding provided an important bridge for municipal subsidies and lender reserves. These and other lessons from the ADU pilot have been shared locally and beyond. Locally, Denver is starting to up-zone other neighborhoods to allow ADUs and there is interest in figuring out how to make the resources that were developed for WDRC available in other parts of the city.

SPARCC was the first funder to invest in WDRC when this project was just an idea. It added credibility and supported program design, policy work, and fundraising. "If it wasn't for SPARCC, we wouldn't be offering this program today," said WDRC Executive Director, Renee Martinez-Stone.



Through these projects, **Mile High Connects and its partners contributed to lessons for the community development field related to more equitably deploying capital to community-driven projects.**

- Community organizations tackling real estate projects often lack bandwidth and staff capacity. When
 organizations did not have enough staff, SPARCC's ability to connect to and pay for capital experts to support
 the process was a critical component to project success. Additionally, as community organizations moved
 into community-owned real estate, they had a variety of specific needs arise and wanted to involve
 champions with knowledge, expertise, and connections to a variety of key elements. This included
 development and capital, local policy, public will building, and public education.
- Funding for planning or predevelopment activities is helpful to get projects off the ground. For example, SPARCC connected a community-based partner to resources to develop preliminary drawings and budgeting for their commercial projects, which helped them get to the point of accessing capital.
- A local champion with capital knowledge and connections to community development institutions needs to be ready and available to support community organizations. This person should understand and be able to clearly communicate with community partners what it takes to access capital, what's possible and what's not, and how to go about the process.
- There was a tension between a project being "too big" and thus not benefitting from SPARCC capital resources and being "too small" and not being able to meet the funding requirements.

A Mile High Connects member reported that this work has created awareness in Colorado that things need to be done differently if people want different outcomes and different partners to have access to capital. Through SPARCC capital work, those seeds have been planted and partners see signals that change is happening. The new coalition, developed with the closure of MHC, will support the joint goal of bringing community voice into development processes. As one member said, "[Affordable housing developers] say they want to bring in community voice, but they aren't really sure how to do that outside of providing rental assistance. Changing the DNA [of the process] from the inside out gets us to longer-term, equitable outcomes. [By transferring] the coordinated action committee over to developers creates a seat at their table for community organizations to influence the developers."



"If we want BIPOC developers, we want communitybased organizations, we want to bring as many partners to the table and build their capacity to solve some of these issues like housing, then the funders of that work need to change how they look at things."



CONCLUSION

Through SPARCC, Mile High Connects strengthened existing relationships and partnerships and expanded its focus from transit equity to addressing displacement through community-driven development and community ownership. SPARCC helped them to see the connections between racial equity, climate, and health and work in a more integrated, holistic way. A key priority for MHC was building systems and capacity for community power, which contributed to policy wins and capital projects both completed and underway.

While MHC closed its doors in early 2022, the partnerships and collaboration seeded by MHC will continue through a reconfigured coalition that formalizes the partnership between three key organizations and provides a place for residents and community partners to be involved from the inside. Future priorities center around community ownership models that help curb displacement and promote equitable outcomes for communities of color across the Denver region.

Center for Community Health and Evaluation Part of Kaiser Permanente Washington Health Research Institute

www.cche.org

The Center for Community Health and Evaluation is an evaluation partner for foundations, nonprofits, and government agencies to determine what works to improve community health. The Robert Wood Johnson Foundation funded this evaluation.

