

Gentrification vs. Revitalization — It's a Hard Topic for a Meaningful Conversation

I have long wanted to write about gentrification but only if I could contribute meaningfully to the conversation. Now, after attending a recent panel discussion on the topic hosted by the Denver Metro Association of Realtors (DMAR), I'm ready to give it a go.

REAL ESTATE TODAY



By **JIM SMITH, Realtor®**

Most of the attendees were fellow Realtors or other professionals who make their living in real estate, so the discussion lacked the sort of emotion and volume that a public meeting on this subject might contain. Let's face it, the process, whether you call it gentrification or revitalization, financially benefits those in the industry, although it's fair

to say we all are concerned about its social impacts.

Before returning to Colorado in 1991, I lived in Brooklyn for 20 years, where gentrification was already

gentrification: the process of renewal and re-building accompanying the influx of middle-class or affluent people into deteriorating areas that often displaces poorer residents. (Merriam-Webster)

a big topic of discussion, without the euphemism of "revitalization." So, it's not a new subject for me as a journalist, which was my profession back then. Although it has started more recently here, I observe the same process at work in the Denver metro area.

One of the panelists at the recent DMAR event was Denver City Councilwoman-at-Large Robin Kniech, who observed that the reason we call it "revitalization"

revitalization: the process of making something grow, develop, or become successful again. (Cambridge English Dictionary)

is that society allowed such neighborhoods to suffer from a **lack** of investment for decades, leading to the **need** for revitalization.

"We are only talking about revitalization because there has been an abandonment that preceded it," she said. "Government, and typically the private market, stopped investing in an area. We stopped investing in it in many cases because we didn't value who was living there the same as we did other parts of our city."

Meanwhile, panel member Craig Fitchett, who is in charge of acquisition and development for Delwest (a developer), asserted that you can't have revitalization without at least some degree of gentrification — i.e., the displacement of low-income residents.

Lori Pace, a broker associate at Porchlight Real Estate Group, expressed what I would have said had I been on the panel — that the solution to displacement is for residents of neighborhoods experiencing gentrification to own instead of rent their homes so they can benefit from the wave of appreciation that revitalization invariably brings to a neighborhood.

Programs from organizations like the Colorado Housing and Finance Authority (CHFA) are designed to help first-time home buyers become homeowners with as little as \$1,000 out-of-pocket expense. And while these programs still require the buyer to demonstrate an income that supports a mortgage, many of these tenants are already spending more on rent than they would pay for a mortgage... if they could only make that transition to homeownership.

While there are programs that help tenants with rent and utility costs, it seems more could be done to guide residents of transitional neighborhoods facing gentrification into existing homeownership programs like CHFA's. In addition, I'd like to see the creation of new programs geared toward helping tenants become homeowners. Home ownership is the real answer to gentrification.

In last week's column, I wrote about a program that could help tenants about to be displaced from their

"Once this process of 'gentrification' starts in a district, it goes on rapidly until all or most of the original working-class occupiers are displaced and the whole social character of the district is changed." --Sociologist Ruth Glass, who coined the term "gentrification" in 1964

homes by a developer. It described a company which will buy that tenant's home (unless it's a condo), and sign a 1- to 5-year lease with right to purchase at pre-determined prices over the 5-year period. You can re-read that column at www.JimSmithColumns.com.

I'm glad that DMAR brought this conversation to the forefront with their May 22nd panel discussion, but the conversation needs to continue. What are your thoughts on this matter? This article is posted on my blog, which is at www.GoldenREBlog.com. That is where you can post your own thoughts and ideas on this subject.

Price Reduced on Golden Home Backing to Greenbelt

This large home at **15318 W. Ellsworth Drive** backs to one of the greenbelts in Mesa View Estates, far from the noise of US 6 and Interstate 70. It is only a mile, however, to the Indiana Street/US 6 interchange, making it convenient to both Denver and the mountains. With 5 bedrooms and 4½ baths on three levels and its oversized 4-car garage, it can accommodate even the largest family! Features include a main-floor master suite that opens to a 10'x24' wood deck with stairs down to the backyard. (There's a \$10,000 allowance for replacing deck, which is showing its age.) There are three gas fireplaces, too. In the basement bathroom is a wide 2-headed shower and a sauna. On the second floor are 3 bedrooms, one with a private bathroom and two sharing a Jack-and-Jill bathroom. The gourmet kitchen has hardwood flooring and gorgeous slab granite countertops and stainless steel appliances, which are all included, as are the high efficiency washer and dryer in the main-floor laundry room. See pictures and a narrated video tour at www.MesaViewEstates.info. **Open Sun., 1-3 pm.**



\$750,000

5-BR Brick Ranch Offers Great Sweat Equity Opportunity

This Hutchinson ranch with finished basement at **6757 Lee Street** is an excellent value in the quiet Arvada West neighborhood. It has an updated kitchen, and covered front and back porches that will be a joy in all seasons. Landscaping is mature and affords a sense of privacy in this desirable neighborhood close to parks, rec centers, shopping and excellent schools. The home is in need of carpet, paint, updating, etc., but it's priced to be a great opportunity for sweat equity or a fix-and-flip. See more pictures and take a narrated video tour of this home online at www.ArvidaRanch.info, then come to our open house on **Saturday, June 9th, 9am to 1 pm.** Call your agent or broker associate **Debbi Hysmith** at **720-936-2443** to arrange a private showing.



\$400,000



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