

Who owns Boulder and how are they changing the city?

By Margie McCulloch

There is a booming industry in Boulder that never gets mentioned along with aerospace, technology, natural foods and outdoor recreation. It is real estate investment.

In 2017 and 2018 the combined real estate sales in Boulder County were more than \$5.8 billion, according to the Multiple Listing Service. MarketWatch, an online publication owned by Dow Jones & Co, states that Boulder is the most stable real estate market in the country. It is listed at No. 1 for the fifth year running, with “0% chance of prices going down.”

Investors are paying attention. Five years ago, Florida purchased a 238 unit complex on 30th Street at Walnut Street called Two Nine North as part of its employee pension fund. The city of Boulder should be asking who else owns large swaths of our housing and is it impacting our city?

According to Chris Meschuk, Boulder assistant city manager, 52% of housing units in Boulder are investor-owned. Well, to be fair, he puts it differently — he would say that 52% of the housing units are rentals, based on remarks he made during a recent public meeting

about the Alpine-Balsam project. But that is like saying that the moon only has one side, the side we can see. When we look at the ownership side of the equation we realize that the sale price of housing here is not based on the local economy or local incomes but on investor wealth.

I would like clear and easy public access to statistics on who owns what in Boulder. How many residential units are in current and planned production and how many of those are owned by outside interests? We won't know what that information will tell us until we have it. Is 48% owner-occupied housing good enough to keep the character of our city intact? The data are available. All landlords are required to get a rental license and list their home address. Check the zip codes. Understanding ownership might allow us to better assess the need to add a dense housing complex, similar to Two Nine North, at the Alpine-Balsam site and elsewhere around town.

At best we are treading water with this “build our way to more affordable and abundant housing” way of thinking. Highway planners know that if you build more highway lanes you will simply increase the number of vehicles, not relieve congestion. They

call it “induced demand.” The same theory applies to housing.

The value of a city's charm should not be underestimated. It makes us proud, and in turn we take good care of the place in which we live. Charm also encourages visitors, an undeniable contributor to our economy. But Boulder is quickly losing its charm. The big, boxy developments going up in every section of town look utilitarian and not at all charming.

Let's do some brainstorming. We have an opportunity to be creative and innovative with the Alpine-Balsam site. How about the city supporting a combination of low- and middle-income ownership as well as rent controlled units? How about disincentivizing real estate investment from those outside Colorado with additional fees that could be used to update our public transportation system, or support rent-controlled housing.

Let's dig deeper into all the factors that are contributing to our housing unaffordability. It doesn't really matter if it's happening all over the country. The only place we can do anything about it is here. So let's get the facts and then do something about it.

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