Review of Anti-Displacement Policies in Peer Cities

Policy Committee



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Purpose

The purpose of this presentation is to explore how Denver's peer cities implement anti-displacement policies and mechanisms.



Tenant Protections

Proactive Rental Inspections:

Rental inspections occur in municipalities that have rental registration and licensing requirements. A rental license is a local regulation that requires an inspection or other substantive steps as a condition of renting property.





Sacramento, CA

- All rental properties must register with the City and are subject to inspection to ensure habitability
- Self-Certification is an option for landlords with no violations
- Property owners outside of the metro area are required to have a "Local Contact Representative"
- The County Tax Assessor's Office provides the city with ownership information each month to assist in tracking rental properties.

Baltimore, MD

- Baltimore requires all rental properties to be licensed.
- In order to receive a rental license properties must be registered with the City and inspected by a registered Home Inspector
- Vacant properties and units are also required to pay an annual registration fee.



Issues with rental inspections and licensing

- Rental inspections can require more personnel and increase the cost of housing for lowincome households as inspection fees are passed onto the renter.
- Some municipalities attach a "Crime Free" incentive program for landlords, this disproportionately impacts minority communities and victims of domestic violence.



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Preserving Existing Affordable Housing

Equitable Code Enforcement:

Housing code enforcement is a tool municipalities can use to incentivize landlords to maintain a habitability standard. Landlords who do not maintain habitability can incur significant fines or penalties such as relinquishment of ownership of the property.



Preserving Existing Affordable Housing

Washington DC

 Residents of minority and migrant communities are using housing code enforcement to shift building ownership from irresponsible landlords to residents or nonprofits by utilizing Washington DC's right of first refusal for tenants.

Baltimore, MD

- Baltimore utilizes code enforcement to redevelop vacant properties in neighborhoods that are already experiencing an increase in private investment.
- Code enforcement is tailored to match a neighborhood's market potential, allowing the data to inform the type of programming available in each neighborhood such as streamlined code enforcement in stronger markets



Issues with Equitable Code Enforcement

- Equitable code enforcement can result in the displacement of low-income and vulnerable tenants who are required to vacate a premise when a landlord or new owner begins renovating derelict multi-family dwelling units.
- As buildings are updated, it can also increase property values and rents in a neighborhood contributing to gentrification and displacement
- Many code enforcement programs often rely on tenant or neighborhood complaints of a property to trigger an inspection, this can result in inequitable inspections of properties

VACANTS TO SURPLUS

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Equitable Development and Expanding Affordable Housing

Right the Return and/or Neighborhood Preference Policy:

Right to return and neighborhood preference policies is a means of reparations towards communities that have been most impacted by gentrification. These policies permit tenants to move back to communities that they were forced out of due to an increased cost of living





Portland, OR

- The preference policy was developed in 2015 by community organizations that were concerned about potential housing displacement due to large public infrastructure projects, and was adopted by the City
- Preference is based on the amount of urban renewal activity that occurred where an individual or their parent/guardian or grandparent lived, given to applicants who were displaced, are at risk of displacement, or who are the descendants of families that were displaced due to urban renewal in North and North East Portland

San Francisco, CA

- In 2015 San Francisco created the Neighborhood Resident Housing Preference Plan
- This program required 40% of units in new affordable housing developments funded by the city and private sources to be reserved for people living in the neighborhood where the project was built, or within a half-mile of them
- The City has six housing preference policies that residents can apply for.



Issues with Right to Return Policies

Portland, OR

- This program's impact has been relatively minute in comparison the population that has been effected by gentrification and city policies that have impacted these communities.
- The NAACP also argues that the application does not include a box to identify the race of the applicant and feels that this lack of racial preference counteracts the purpose of the preference policy as a restorative tool

San Francisco, CA

 Federal and state housing officials in California have viewed neighborhood preference legislation to be in violation of the Fair Housing Act, causing the San Francisco to not be able to use federal or state money for projects that include neighborhood preference provisions.



Community Ownership/Control of Land

Community Land Trusts

- CLT's are private or nonprofit corporations created to enhance purchasing power of a community in the acquisition of land and property in neighborhoods
- CLT's own or lease the land under a building, and selling the building to a community member.
- CLTs can build community wealth by providing low to moderate income households with the opportunity to build equity, decrease their likelihood of displacement through rental spikes, prevent foreclosures, and empowers local communities through the governance structure of the CLT where community residents comprise a portion of the CLT board.



Community Ownership/Control of Land

Albuquerque, NM

- The Sawmill Community Land Trust (SCLT) was created in the Sawmill neighborhood as a result of increased development and land prices within the area.
- The SCLT founded its non-profit in 1996 and with the assistance of the Institute for Community Economics convinced the city to purchase a 27-acre parcel of land.
- It eventually held extensive community stakeholder meetings to plan the future of the 27-acre parcel and developed the land.

Oakland, CA

- The OakCLT's mission strives to reestablish the commons and community space through permanent affordability which is maintained through relationships with property owners.
- The OakCLT began in 2009 by acquiring 19 singlefamily homes through the Neighborhood Stabilization Program, the HUD
- 23rd Avenue Collective: Success Story



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Issues with Community Land Trusts

- Financing CLTs can be cumbersome and difficult because as a non-profit organization CLTs do not typically have the funding to compete at market-value for available property.
- CLTs must rely on local governments for funding assistance through Community Development Block Grants, loans, or land donations
- Finding outside funding sources can also contribute to mission drift, as funding could be tied to serving demographics outside of the original CLT's mission
- Struggled with finding qualified homebuyers, changing a land ownership mindset, and building in a developer-run city



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Local Business, Cultural, and Religious Institution Stabilizations

Small Business Impact Mitigation for Transit/Infrastructure Construction:

Small local businesses often struggle to remain open and profitable during construction. Several cities have created small business impact mitigation plans as a result of community pushback upon the news of an upcoming project within a vulnerable community. San Francisco, has recently developed a Construction Mitigation Program to combat the impact of construction on small businesses in neighborhoods vulnerable to displacement.



Local Business Stabilizations

Seattle, WA

- In the 1990s Seattle began planning a light rail through a main cultural and commercial corridor in one of its largest minority communities.
- \$50m settlement was created to address the community's concerns on the construction and long-term impacts of the project
- A Community Development Fund was created to manage the settlement, funding was provided by the city through Community Development Block Grants, the general fund and through the King County and Sound Transit's general fund
- The fund was split to provide supplemental mitigation assistance and long-term investments in community development within the neighborhood.

St. Paul, MN

- The fund was split to provide supplemental mitigation assistance and longterm investments in community development within the neighborhood.
- The Twin Cities created programs as a result of a federal lawsuit against the Twin Cities by the NAACP for the project's potential negative impacts to the community.
- These programs included a \$4m support fund that would be a forgivable loan program for businesses that experienced a loss in sales due to construction.
- A Business Resources Collaborative (BRC) was created at the beginning of the project and developed services that businesses in the effected area would need to survive construction and thrive afterwards: support with accounting and filing taxes and support with marketing



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Local Business Stabilizations

San Francisco, CA

- San Francisco developed its Construction Mitigation Program in 2017
- The program defines projects on their potential impact to an area: low impact (less than 12 months), low-income project with schedule delay (12 months), moderate-impact project (12 months or more), major-impact project (24 months or more) and then prescribes mitigation measures based on the severity of predicted impacts.
- Multiple agencies partnered to develop and implement these measures: San Francisco Metro Transit Authority, San Francisco Public Utilities Commission, San Francisco Public Works, and the Office of Economic and Workforce Development (OEWD).

- OEWD provides the bulk of supportive services for businesses that are paired with a small business advisor to develop a business action plan.
- In 2019 the City created a one-time Construction Mitigation Fund of \$5m this fund will be used for direct business support.
- The City is exploring means of creating a permanent Construction Mitigation Fund



Issues with Small Business Impact Mitigation for Construction

- Creating a Construction Mitigation Program is a cumbersome process that requires multiple agencies' input and coordination.
- Most cities do construction mitigation on a project-by-project basis with little bureaucratic infrastructure in place to assist all neighborhoods impacted by public and private construction
- Few small business owners own their storefronts, and construction mitigation efforts can do little to prevent land owners from increasing rent after a project is completed, resulting in displacement of small and minority-owned businesses





Institutionalizing Anti-Displacement in Plans and Systems

Nation-Wide Equitable Development Assessment Tools:

The need for assessment tools to gauge smart growth became a popular topic of discussion during and after the 2000 Great Recession. More cities have attempted to incorporate language of equity in their city plans; however, there is a spectrum of definitions of equity and methods of quantifying progress towards this goal





Seattle, WA

- Seattle's Equitable Development Implementation Plan was created in 2016.
- The purpose of this action plan is to promote system change to eliminate racial inequalities.
- The plan defines six equity drivers that influence the plan
- While there is no assessment tool to gauge or quantify equitable development; the plan is robust in its definition of terms and strategies.

San Diego, CA

- Created in 2009, this scorecard was produced for community, developer, and city use.
- The scorecard is a questions-based assessment tool, with answers contributing to an overall equity score
- This scorecard is not incredibly robust and is very ambiguous with its lack of definition of terms and standards.

Twin Cities, MN

- Established in 2014, this scorecard focuses on community engagement to establish priorities and criteria for land use and economic development.
- Concentrates on several topics: equitable land use practices, which centers around on environmental justice; equitable economic development practice, such as local workforce preference; equitable transportation practices; and equitable housing practices, that advocates for a minimum of one-third of units being reserved for affordable housing



Issues with Equitable Development Assessment Tools

- There is little literature on the efficacy of these scorecards in promoting equity within communities.
- A common trend among scorecards was that they are selfevaluative or tools for communityuse
- None are mandated or attached to funding to hold development accountable to desired equitable outcomes.





Discussion



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