Tools and Policies for Promoting Social Equity in Seattle Transit Communities

Prepared for the Seattle Planning Commission

By Erika Harris

A professional project submitted in
partial fulfillment of the requirements
for the degrees of:

Master of Urban Planning
and
Master of Public Administration

University of Washington

2012

Programs authorized to offer degree:

Department of Urban Design and Planning
and
Evans School of Public Affairs

TOOLS AND POLICIES FOR PROMOTING SOCIAL EQUITY IN SEATTLE TRANSIT COMMUNITIES

by Erika Harris, 2012

Chair of the Supervisory committee: Dr. Qing Shen

Abstract:

Social equity advocates believe that all people should have access to opportunities that enable them to attain their full potential. Many see developing transit communities, or transit oriented development, as a promising way to address social equity, climate change, and other sustainability challenges. Public investment in transit and other community infrastructure can help make transit communities popular places to live. However, some community members, city planners, and transit oriented development experts are concerned that without safeguards, the development of transit communities could lead to negative social equity impacts such as loss of affordable housing, loss of local businesses and jobs, and loss of community gathering places. Case studies of some successful transit communities have shown that with careful planning, policymaking, and public engagement, the development of transit communities can increase equity and opportunity for all residents. This project examines tools and policies that the Seattle Planning Commission can consider to help promote social equity in Seattle transit communities.

University of Washington
Department of Urban Design and Planning

This is to certify that I have examined this copy of a professional project by

Erika Harris

and have found that it is complete and satisfactory in all respects,
and that any and all revisions required by the final
examining committee have been made.

Committee Members:

Dr. Qing Shen, Chair, University of Washington

Dr. Rachel Kleit, University of Washington

Katie Sheehy, City of Seattle

Date: May 17, 2012

In presenting this professional project in partial fulfillment of the requirements for a master's degree at the University of Washington, I agree that the Library shall make its copies freely available for inspection. I further agree that extensive copying of this professional project is allowable only for scholarly purposes, consistent with "fair use" as prescribed in the U.S. Copyright Law. Any other reproduction for any purposes or by any means shall not be allowed without my written permission.

Signature Erika Harris

Date June 4, 2012

Tools and Policies for Promoting Social Equity in Seattle Transit Communities

Table of Contents

1. Summary 1
   1.1 Defining Social Equity and Transit Communities 1
   1.2 Benefits & Concerns for Social Equity 2
   1.3 Measuring Social Equity 2
   1.4 Policies to Promote Social Equity 2
   1.5 Tools to Promote Social Equity 3

2. Introduction and Research Questions 6

3. Benefits & Concerns for Social Equity in Transit Communities 8
   3.1 What is social equity? 8
   3.2 What is a Transit community? 8
   3.3 What are social equity benefits of transit communities? 11
   3.4 What are social equity concerns for transit communities? 15

4. Measuring Social Equity in Transit Communities 18
   4.1 What are appropriate social equity goals for transit communities? 18
   4.2 How can we measure social equity? 19
   4.3 What are indicators of displacement? 21

5. Promoting Social Equity in Transit Communities 24
   5.1 What are appropriate criteria to evaluate tools and policies? 24
   5.2 What policies could the City of Seattle adopt to promote social equity in transit communities? 24
   5.3 What tools can the City of Seattle use to promote social equity in transit communities? 33

6. Additional Research Needed and Next Steps 46

7. Conclusion 47

8. References 48

Appendix: Methodology 54

List of Exhibits

1-1 Summary of Tools 4
2-1 Seattle Transit Communities diagram 7
3-1 Seattle Transit Communities and Frequent Transit Service 10
3-2 Theory of Change: Improving Quality of Life in Transit Communities 13
3-3 Assessed Land Values and Sales Prices Near Othello Station 16
3-4 Impact of Spending One Dollar at a Local Versus a Chain Business 17
4-1 Pedestrian Master Plan Equity Score Map 20
4-2 Pedestrian Master Plan Lower Income Areas Map 22
5-1 City Coordination in the Development of Transit Communities 26
5-2 Income Limits by Family Size for Subsidized Housing 30
A-1 Data for the Equity Analysis 56

1. Summary

This project recommends tools and policies that can help promote social equity in Seattle transit communities. In 2010, the Seattle Planning Commission published *Seattle Transit Communities*, a report intended to highlight the opportunities to further build on Seattle's goals and growth strategy by developing sustainable transit communities. To further investigate the social equity considerations introduced in *Seattle Transit Communities*, the Seattle Planning Commission and Department of Planning and Development have asked the following question:

How can Seattle promote social equity in transit communities?

This project addresses the question above by answering the following secondary questions:

- What is social equity?
- What is a transit community?
- What are social equity benefits of transit communities?
- What are social equity concerns around transit communities?
- What are appropriate social equity goals for transit communities?
- How can we measure achievement towards social equity goals?
- What policies could the City of Seattle adopt to promote social equity in transit communities?
- What tools can the City of Seattle use to promote social equity in transit communities?

This project represents one step in implementing recommendations in the *Seattle Transit Communities* report. Many see developing transit communities, or transit oriented development, as a promising way to address social equity, climate change, and other sustainability challenges. However, some community members, city planners, and transit oriented development experts are concerned that without safeguards, the development of transit communities could lead to negative social equity impacts such as loss of affordable housing, loss of local businesses and jobs, and loss of community gathering places. Case studies of some successful transit communities have shown that with careful planning, policymaking, and public engagement, the development of transit communities can increase equity and opportunity for all residents.

1.1 Defining Social Equity and Transit Communities

The project uses the Puget Sound Regional Council (PSRC) Regional Equity Network's definition of social equity: "Social equity means people of all ages, incomes, races and ethnicities, regardless of where they live, have access to affordable, quality housing; transportation options that meet their needs; good jobs; quality education; healthy food; safe and healthy neighborhoods; parks; services; technology and other resources that improve their quality of life." (PSRC 2011)

Seattle Transit Communities describes a transit community as a place where "…people can walk, bike, or take transit from their homes to accomplish many of their daily activities including getting to work or school, picking up groceries, or going out to a restaurant or a special event." (2010, 5)

1.2 Benefits and Concerns for Social Equity in Transit Communities

This project investigates the benefits and concerns related to social equity and transit communities. The following are the primary social equity benefits of transit communities.

- **Transit can lower household costs.** Residing in a transit community can help low-income persons decrease living expenses by reducing or eliminating the need to drive a car.
- **Transit communities can increase employment and wealth.** Transit communities can also serve the economic needs of low and moderate-income people and families by providing affordable housing and allowing for better access to jobs.
- **Transit communities can improve public health.** Living in compact, walkable communities can improve health outcomes for residents in those communities.
- **Transit communities can increase safety.** Increasing density and improving walkability can increase safety for transit community residents.

The primary social equity concerns around transit communities are:

- **Transit community development can decrease housing affordability and increase displacement of residents.** Transit investment frequently results in more expensive housing and increasing land values, which can lead to displacement of low-income residents.
- **Transit community development can displace small businesses.** Rising property values also place pressure on businesses, which may be displaced due to rising rents, or they may choose to move to follow their original customers.
- **Transit community development can displace community gathering places.** Gathering places for the community could be displaced due to rising rents and redevelopment.

1.3 Measuring Social Equity in Transit Communities

If the City would like to avoid the problems and reap the benefits listed above, social equity goals need to be developed and progress towards achieving those goals needs to be measured. The following equity goals for Seattle transit communities are based on community input gathered by the Seattle Planning Commission and Department of Planning and Development:

- The community is diverse with a mix of races, ethnicities, incomes, ages, and abilities.
- The community has housing opportunities for all residents.
- The community has gathering places for all residents.
- The community is a healthy and safe place to live.
- The community nurtures success for its residents and businesses.
- The community has essential components for livability.
- The community is involved in making decisions.

Combining U.S. Census Bureau data through a Geographic Information System (GIS) can establish relative progress towards these goals by identifying areas that have residents with the greatest needs and are most at risk for displacement. This process is recommended for City departments in prioritizing investments in transit communities.

1.4 Policies to Promote Social Equity in Transit Communities

The following criteria were used to evaluate the recommended tools and policies:

- Potential for effectiveness
- Cost and ease of implementation
- Tradeoffs
- Potential to direct growth away from transit communities
- Measurement

Community engagement and regional coordination are critical to the successful implementation of policies for promoting social equity. Seattle's participation in the Regional Equity Network will help with promoting equity region-wide. Policies recommended in this project include:

- **Prioritize and coordinate City investments in transit communities.** Prioritizing investments in transit communities and increasing coordination between City departments can help the City to focus growth in transit communities. Public investment is a proven strategy in attracting development.
- **Develop mixed-income transit communities.** Communities with a mix of subsidized and market-rate housing can provide many social benefits such as reducing income segregation, improving access to healthy food choices, and providing lower-income residents with employment opportunities.
- **Prioritize the preservation of affordable housing near transit.** Preserving the affordability and quality of rental and homeownership housing near transit is an equitable and efficient development strategy, as housing and transit can help people to access opportunities.

1.5 Tools to Promote Social Equity in Transit Communities

Tools that promote equitable development help prevent the displacement of residents, businesses, and community gathering spaces by assisting with the planning, production, and preservation of affordable housing, commercial spaces, and community gathering spaces. They also strengthen the community's social and economic systems. Seattle is often cited for promoting best practices in many areas of equitable development. Exhibit 1-1 summarizes the tools that can be used to promote social equity in transit communities. Developing an early warning system for affordable housing at risk of converting is the tool that could make the greatest contribution to social equity in transit communities.

One current effort to promote social equity in transit communities is the Neighborhood Equitable Transit Oriented Development (NET) Initiative, a three-year effort to implement priorities identified in the Rainier Valley and Beacon Hill neighborhood plans (City of Seattle 2011). The City of Seattle was awarded a $3 million U.S. Department of Housing and Urban Development (HUD) Community Challenge Grant in November of 2011. Grant funds are being matched by $5.9 million in public and private funds and in-kind contributions. The NET Initiative will promote equitable development through three integrated community development strategies:

- Transit oriented development acquisition loans
- Commercial stability strategy
- Planning for a shared cultural center

Sketch of Beacon Hill Station, a developing Seattle transit community.
Source: City of Seattle Department of Planning and Development.

Exhibit 1-1. Summary of Tools

Tool	Area addressed	Used in Seattle	Recommendation
Early Warning System for Affordable Housing at Risk of Converting	Affordable housing, could use for commercial and community spaces	No	Develop for the region
Inclusionary Zoning	Affordable housing	No	Consider for higher-income communities
Tenant Right of First Refusal	Affordable housing	No	Legal issue, cannot currently implement
Incentive Zoning	Affordable housing and other priorities	Yes	Encourage inclusion of affordable housing on site
Multifamily Housing Tax Exemption	Affordable housing	Yes	Extend throughout transit communities, prioritize in transit communities
Housing Levy	Affordable housing	Yes	Renew and expand levy: prioritize in transit communities, prioritize preservation
Expedited Review	Any	Yes	Prioritize in transit communities
Economic Development Programs	Commercial stabilization and workforce development	Yes	Prioritize in transit communities
Affordable Commercial	Commercial stabilization	Yes	Prioritize in transit communities needing commercial stabilization
Planned Actions	Any	Yes	Allow for projects in transit communities
Housing Renovation and Weatherization Funds	Affordable housing	Yes	Prioritize in transit communities
Public Art	Any	Yes	Prioritize in transit communities lacking public art
Funds for Acquiring Land and Existing Affordable Housing	Affordable housing and commercial stabilization	Yes	Increase and stabilize funding, prioritize in transit communities
Public Private Partnerships	Any	Yes	Consider for more projects
Reduced Parking Requirements	Any	Yes	Extend throughout transit communities
Shared Equity Housing Programs	Affordable housing	Yes	City can support
Community Land Trusts	Affordable housing and other	Yes	City can support
Tax Increment Financing (TIF)	Any	TIF-lite only	Encourage state to legalize TIF for development in transit communities

The major goals of the NET Initiative are to:

- Implement some of the top priorities identified in the Southeast Seattle neighborhood plans.
- Ensure that new development benefits rather than displaces the existing diverse communities.
- Plan for and create essential anchors for communities vulnerable to the displacement pressures of escalating land values: affordable housing, commercial, and community space.
- Empower the community, including low-income residents and communities of color, to be active decision makers in implementing the NET Initiative by conducting capacity-building training with selected neighborhood groups.
- Employ new and innovative tools to ensure equitable development.

If successful, these tools can be replicated in other neighborhood business districts and light rail station areas.

Another effort is the Regional Equity Network. The Regional Equity Network Steering Committee brings together over 25 members representing cities, counties, housing authorities, public health agencies, affordable housing advocates, educational institutions, development interests, and other organizations that advocate for social equity to provide a social equity perspective to the Growing Transit Communities program and possibly other programs in the region.

Seattle transit communities provide an excellent opportunity for creating a near-term, focused strategy in realizing greater social equity. If these strategies prove successful, they can be used to help the City and its regional partners develop social equity goals and long-term programs for the entire city and region.

2. Introduction and Research Questions

The Seattle Planning Commission and Department of Planning and Development would like to update the City's plans and policies to encourage the equitable development of its transit communities. The Seattle Planning Commission's mission is to advise the Mayor, City Council and City departments on broad planning goals, policies, and plans for the physical development of the city (Seattle Planning Commission 2011a). Framing the Commission's work is the Comprehensive Plan and the Commission's commitment to engaging citizens in the work of reaching the Comprehensive Plan's goals. In 2010, the Seattle Planning Commission published *Seattle Transit Communities*, a report intended to highlight the opportunities to further build on the Seattle's goals and growth strategy by developing sustainable transit communities. Exhibit 2-1 is a diagram from *Seattle Transit Communities* showing Seattle's 41 transit communities.

The Seattle Planning Commission provides feedback on the Department of Planning and Development's work. The Department of Planning and Development's mission is to manage growth and development within Seattle in a way that enhances quality of life (City of Seattle Department of Planning and Development 2011). Their employees work to promote a safe and sustainable environment through comprehensive planning, promoting excellent design, and ensuring compliance with development regulations and community standards. One of the Department of Planning and Development's strategies in planning for sustainable growth while improving quality of life is planning for transit communities.

Further guiding this work is the City of Seattle's Race and Social Justice Initiative, which works to end racial inequity in City government and the community. City employees and elected officials use tools and information developed by the Race and Social Justice Initiative team to realize the City's vision of racial equity (City of Seattle Race and Social Justice Initiative 2012).

To further investigate the social equity considerations introduced in *Seattle Transit Communities*, the Seattle Planning Commission and Department of Planning and Development have asked the question: How can Seattle promote social equity in transit communities?

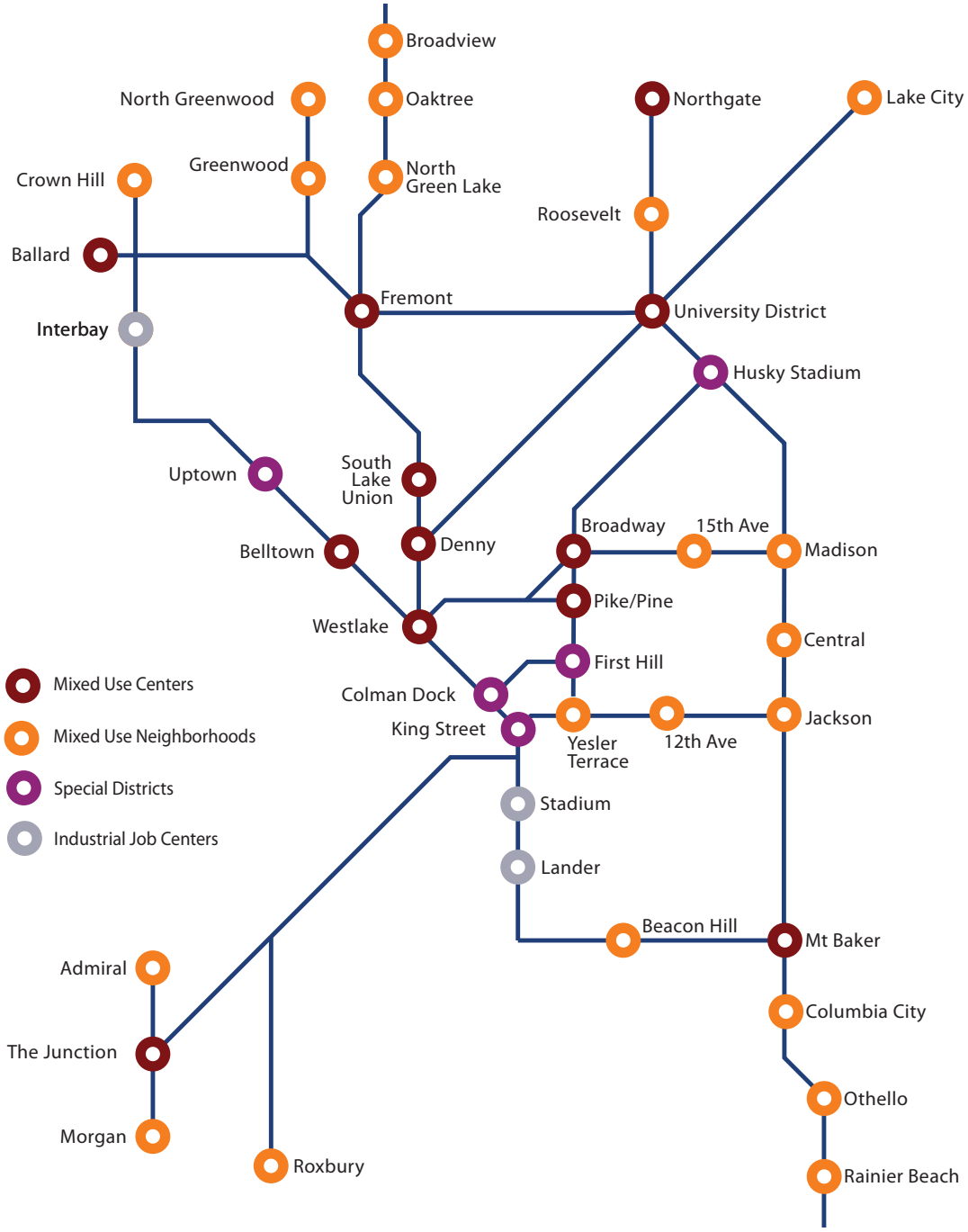
This project addresses the question above by answering the following secondary questions:

- What is social equity?
- What is a transit community?
- What are social equity benefits of transit communities?
- What are social equity concerns around transit communities?
- What are appropriate social equity goals for transit communities?
- How can we measure achievement towards social equity goals?
- What policies could the City of Seattle adopt to promote social equity in transit communities?
- What tools can the City of Seattle use to promote social equity in transit communities?

This project represents one step in implementing recommendations in the Seattle Planning Commission's *Seattle Transit Communities*

report. The report mentions social equity as a factor to consider in determining near-term investment priorities. The Seattle Planning Commission's *Housing Seattle* report also informs the content of this project. The Seattle Planning Commission and the Department of Planning and Development should be commended for prioritizing this important issue. Also appreciated are the many people interviewed to gather information to complete this project.

Exhibit 2-1. Seattle Transit Communities diagram



Source: Seattle Planning Commission 2010.

3. Benefits & Concerns for Social Equity in Transit Communities

3.1 What is social equity?

Simply put, social equity refers to the fair distribution of benefits, disadvantages, and costs (Litman and Brenman 2012, 3). The Regional Equity Network has a more specific definition: "Social equity means people of all ages, incomes, races and ethnicities, regardless of where they live, have access to affordable, quality housing; transportation options that meet their needs; good jobs; quality education; healthy food; safe and healthy neighborhoods; parks; services; technology and other resources that improve their quality of life." (PSRC 2011) Equitable development occurs when current residents share in the benefits of economic development, improved transit, or other investments.

Research has shown that inequality is harmful to economic growth and greater equality is connected to more robust growth (Pastor and Benner 2008, 90). A nation-wide study found that regions with higher levels of racial inclusion and income equality have higher economic growth as measured by employment, productivity, output, and per capita income (Eberts et al 2006, 42).

Many public agencies, including the City of Seattle through their Race and Social Justice Initiative and King County through their Equity and Social Justice Initiative, are working to remove barriers that limit the ability of people to fulfill their potential. The King County Initiative states: "It is troubling that race, income, and neighborhood are each major predictors of whether we graduate from high school, become incarcerated, how healthy we are, and even how long we will live. We are committed to implementing our equity and social justice agenda, to work toward fairness and opportunity for all." (2012)

3.2 What is a Transit community?

Transit communities, often called transit oriented communities or transit oriented development, are commonly defined as higher-density, mixed-use development within walking distance – or a half mile – of transit stations. The *Seattle Transit Communities* report describes a transit community as a place where "…people can walk, bike, or take transit from their homes to accomplish many of their daily activities including getting to work or school, picking up groceries, or going out to a restaurant or a special event." (2010, 5) The Center for Transit Oriented Development uses a performance-based definition, and believes that transit communities should (2012a):

- Increase location efficiency (requiring less time, money, and greenhouse gas emissions to meet everyday travel requirements) so people can walk, bike, and take transit
- Boost transit ridership and minimize traffic
- Provide a rich mix of housing, shopping, and transportation choices
- Generate revenue for the public and private sectors and provide value for both new and existing residents
- Create a sense of place

Focusing population and employment growth in transit communities is consistent with national, State, regional, and local growth strategies. Smart growth is a development strategy supported by many nation-wide. Compact, transit accessible, pedestrian-oriented, mixed-use development patterns and land reuse epitomize the application of smart growth principles (American Planning Association 2002). The American Planning Association's view on smart growth is presented below. This strategy of focusing growth in compact, urban areas is also consistent with the Washington State

Growth Management Act and Vision 2040, the Central Puget Sound region's integrated growth management, environmental, economic, and transportation strategy (PSRC 2009, 2). Planning for growth is critical in the Central Puget Sound region, as 1.7 million additional residents and 1.2 million additional jobs are expected by 2040 (Seattle Planning Commission 2010, 4).

SMART GROWTH

"In contrast to prevalent development practices, Smart Growth refocuses a larger share of regional growth within central cities, urbanized areas, inner suburbs, and areas that are already served by infrastructure. Smart Growth reduces the share of growth that occurs on newly urbanizing land, existing farmlands, and in environmentally sensitive areas." (American Planning Association 2002)

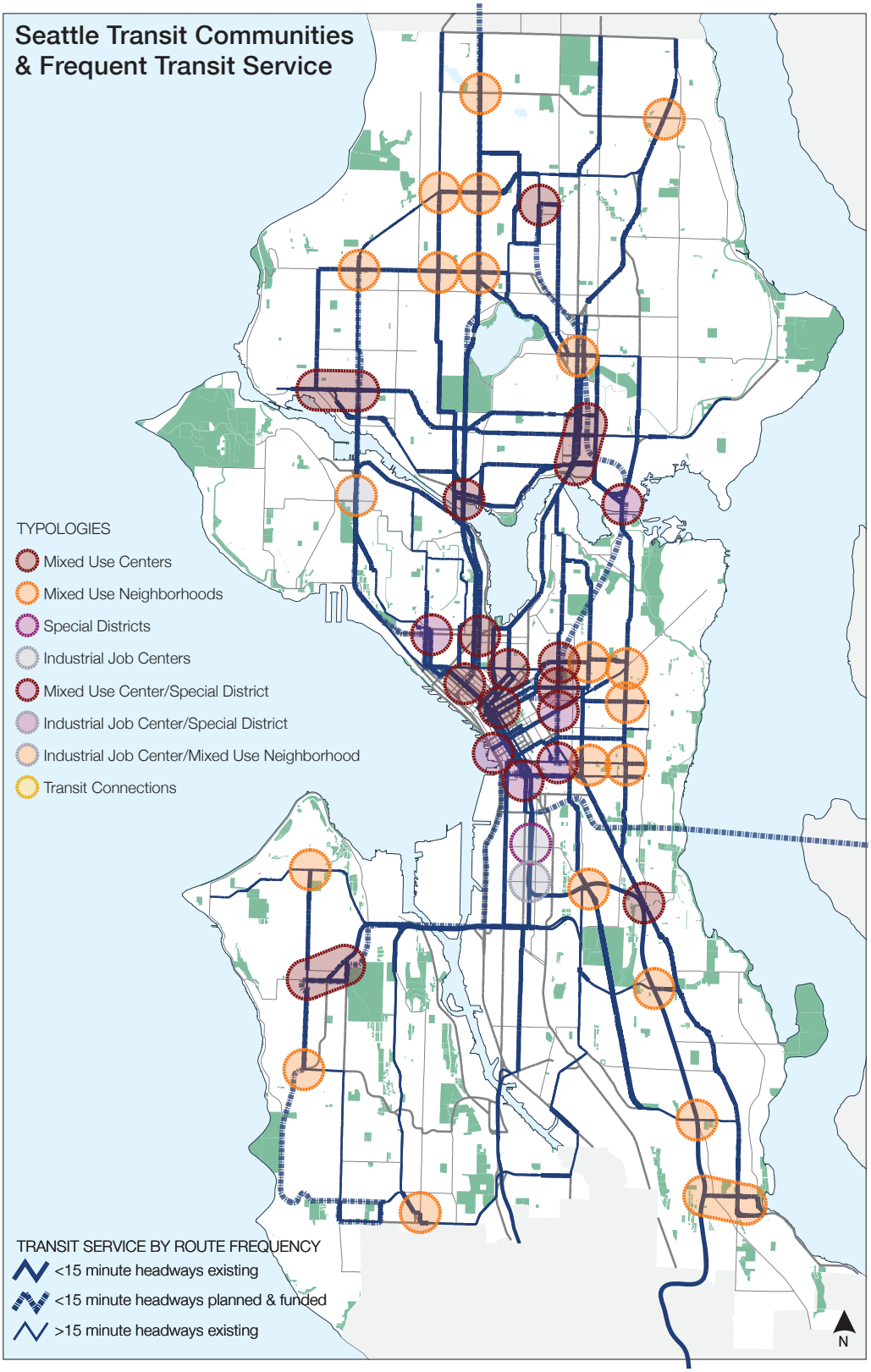
Consistent with all of these strategies is the City of Seattle's Comprehensive Plan, which implements Vision 2040 and actively supports urban sustainability, social equity, and livability by focusing growth in Urban Centers and Urban Villages (Seattle Planning Commission 2010, 4). In *Seattle Transit Communities*, the Seattle Planning Commission identifies 41 transit communities in Seattle, a further refinement in the implementation of Seattle's growth strategy. Of the 41 transit communities, 14 have been identified as priority transit communities, as they are the most transit-ready, land use ready, and have additional characteristics such as community support or investment commitments that increase their priority. Exhibit 3-1 shows the locations of the 14 priority transit communities and corridors with frequent transit service.

Planning for compact, walkable communities responds to housing preference trends identified by many researchers. The Center for Transit Oriented Development projects that the demand for compact housing near transit is likely to more than double by 2025 because of changing demographics and housing preferences (Center for Transit Oriented Development 2004, 7). The Brookings Institution identified the same trend, explaining that the baby-boomer generation (those born between approximately 1946 and 1964) and echo-boomer generation, or generation Y (those born between approximately 1980 and 2000), have changing or different housing needs and preferences. Both of these huge demographic groups want small homes in walkable, transit-oriented, economically dynamic, and job-rich neighborhoods, something that the U.S. housing market is not adequately providing due to decades of investment in auto-oriented communities (Leinberger 2010).

Much of Generation Y wants to live in walkable, transit-oriented neighborhoods such as Capitol Hill.
Source: Eric Fredericks, Flickr Creative Commons.

Further defining this trend are the many surveys on housing demand which consistently find that about 38 percent of Americans say they want to buy or rent an attached unit (townhouse, condo, or apartment) and 37 percent say they want to

Exhibit 3-1. Seattle Transit Communities and Frequent Transit Service



Source: Seattle Planning Commission 2010.

live on a small lot (either in a small house, or a large one with minimal yard space) (Nelson 2006, 397). However, the housing supply does not match up with the demand, with an estimated 30 million more homes on large lots than the market demands.

Although the development of transit communities is a response to the market, transit communities also reflect the needs and character of the existing community. This means not all transit communities are the same, with some being more dense and commercial in nature, some being less dense and residential, and some serving industry and other uses. The *Seattle Transit Communities* report describes four types of transit communities: mixed use centers, mixed use neighborhoods, special districts, and industrial job centers. These typologies cover the general range of transit communities found in Seattle.

The City of Seattle intends to prioritize planning and investment in transit communities to build on transit investments, improve quality of life for residents, and help meet climate change goals. The first priority listed in the Seattle City Council's 2012 priorities was developing transit communities policies that ensure that housing and job development is coordinated with transit corridors (Seattle City Council 2012).

3.3 What are social equity benefits of transit communities?

As documented in the book *Growing Smarter: Achieving Livable Communities, Environmental Justice, and Regional Equity,* some of the most prominent figures in the environmental justice movement are supporters of smart growth (Bullard 2007, 25). In his chapter entitled "Smart Growth Meets Environmental Justice", Robert Bullard links sprawl to racial segregation, concentrated poverty, negative health outcomes, and spatial mismatch between urban workers and suburban jobs. Smart growth can address a range of problems such as urban disinvestment, polluted air, and social and economic polarization. Another environmental justice advocate, john a. powell reports that sprawl is, "…one of the most important structural urban dynamics that frustrates many of the broad aspirations of the civil rights movement." (Bullard 2007, 52)

City departments can help ensure that benefits accrue to transit community residents as the community develops. Exhibit 3-2 depicts this theory of change, explaining how the City, community, and other partners can help improve the health, welfare, and quality of life of transit community residents. The City and its partners can influence development through community engagement, planning, coordination, and other activities. These activities lead to clear communication of the community's vision for the community, establishment of incentive programs, procurement of additional funding, construction of community facilities and amenities, and provision of economic development, health, and other services. These positive outputs result in the creation and preservation of low-income and market-rate housing, affordable and market-rate commercial space, and vibrant community gathering places; increases in education, skills, and economic opportunity for individuals and businesses; and strengthening of community ties. This, in turn, results in increasing access to housing, jobs, retail, and services; increasing success for existing and new businesses; and increasing community advocacy for the investments residents need. The expected long-term outcome is an increase in the health, welfare, safety, and quality of life of all transit community residents. Consistent with this theory of change, the following sections discuss the main benefits that social equity advocates have identified for smart growth strategies such as transit communities.

Transit Can Lower Household Costs

Residing in a transit community can help low-income people decrease living expenses by reducing or eliminating the need to drive a car. After housing, transportation is a typical household's second largest expense. According to the American Public Transportation Association, households in Seattle could have saved an estimated $12,160 annually if they used transit instead of driving (2012). Transportation costs can range from 15% of household income in location efficient neighborhoods to over 28% in inefficient locations (Center for Neighborhood Technology 2012).

Transit Communities Can Increase Employment and Wealth

In addition to eliminating or reducing the need and expense of owning a car, transit communities can serve the economic needs of low and moderate-income people and families by providing affordable housing and better access to jobs. Transit communities, by allowing for a mix of land uses, can contain a variety of jobs. Depending on the typology, a transit community may have industrial, light industrial, retail, office, or other types of jobs. Opportunities to start businesses are also present in a healthy transit community. This variety of employment opportunity is crucial to increasing wealth as not all jobs in transit community commercial establishments provide living wages or benefits.

The development of a transit community can benefit property owners. The Center for Transit Oriented Development projects a 15% transit premium for property values near transit hubs (Malekafzali and Bergstrom 2011, 31). However, the higher property taxes can also cause problems for some low- or fixed-income homeowners, as well as for renters and people not yet established in the community.

Transit Communities Can Improve Public Health

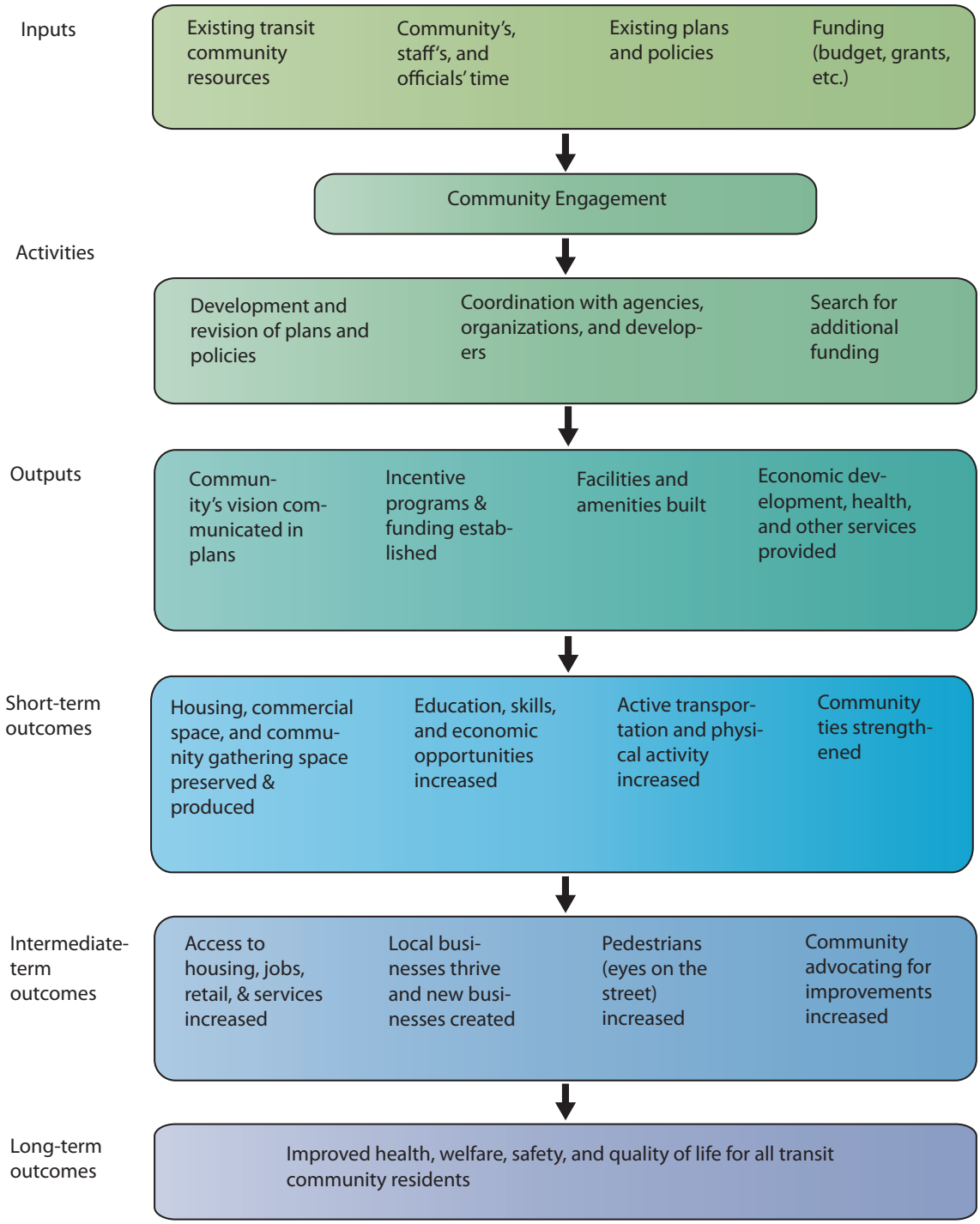
The Seattle Healthy Living Assessment summarizes the many documented connections between transportation, urban form, and health outcomes that support the concept that living in compact, walkable communities can improve health outcomes for residents in those communities (Lerman 2011, 5):

- People who live in mixed-use neighborhoods with access to goods and services walk more.
- Having parks, playgrounds, and walking and cycling trails nearby increases levels of physical activity.
- Safe neighborhoods increase participation in community life and outdoor physical activity.
- Income is one of the greatest predictors of overall health status. For every incremental increase in income, health status improves.
- Access to jobs and transportation to major job and education centers can make the difference between stability and poverty.
- Access to safe, healthy, affordable housing leads to better health.
- People who have easier access to healthy, fresh food have lower rates of obesity and chronic disease.

The types of improvements listed above, such access to healthy food, open spaces, services, and affordable housing, are essential to complete transit communities (Seattle Planning Commission 2010, 22).

Children playing in a Seattle neighborhood park. Source: Seattle Housing Authority.

Exhibit 3-2. Theory of Change: Improving Quality of Life in Transit Communities



Transit Communities Can Increase Safety

Increasing the numbers of residents moving around the community throughout the day and evening by increasing density, adding destinations, and improving walkability can increase safety for transit community residents by providing more "eyes on the street". Research in the Netherlands has found that making streets more walkable can reduce crime (Walkonomics 2012). When police in Rotterdam started focusing on making streets cleaner, decreasing motorist speeding, and improving the public realm, they saw dramatic reductions in all sorts of crime over a two year period, including:

- Drug crime dropped by 30%
- Burglary dropped by 22%
- Vandalism dropped by 31%
- Traffic offences dropped by 19%
- Theft dropped by 11%
- Violence dropped by 8%

Neighborhoods that are more pedestrian-oriented, such as transit communities, are also associated with a greater sense of community (Lund 2002, 301).

Transit Communities Can Increase Ridership

Just as social equity advocates support transit communities, most transit advocates also support social equity. In addition to the issue of treating people fairly, people of color, low-income households, and renters are all more likely to use transit than the average American. "There is a symbiotic relationship between diverse neighborhoods and successful transit: transit systems benefit from and depend on the racial and economic diversity of the neighborhoods that they serve, just as low-income households and people of color depend on and benefit from living in neighborhoods served by transit." (Pollack, Bluestone, and Billingham 2010, 2)

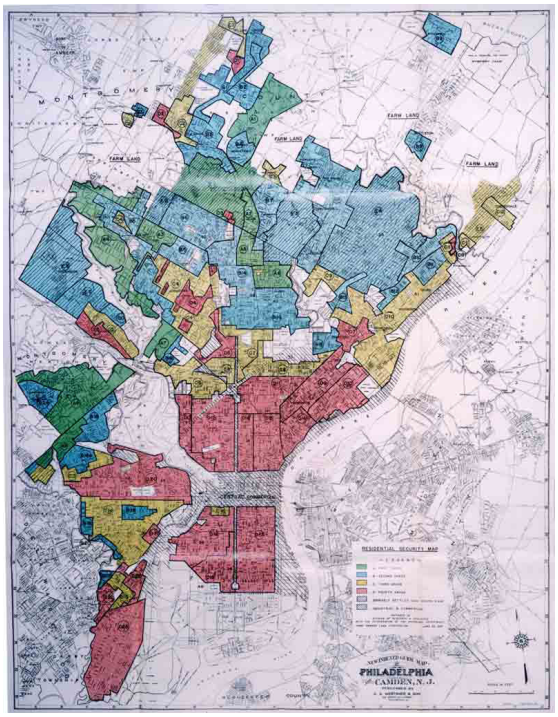
Pedestrian-oriented neighborhoods have a greater sense of community than those that are auto-oriented. Source: Seattle Housing Authority.

3.4 What are social equity concerns around transit communities?

Historically, communities of color have been redlined, abandoned, and targeted for locally unwanted land uses (Bullard 2007, 3). Smart growth initiatives such as transit oriented development have focused growth in many urban core neighborhoods, leading to the displacement of longtime residents. Gentrification is often cited as an impact of revitalized communities; however, gentrification has many definitions and implications. Rather than use the term gentrification, this project uses terms to describe specific impacts and benefits in order to ensure a common understanding of the issues presented. The sections below describe the three most commonly cited social equity impacts related to the development of transit communities.

Transit Community Development Can Decrease Housing Affordability and Increase Displacement of Residents

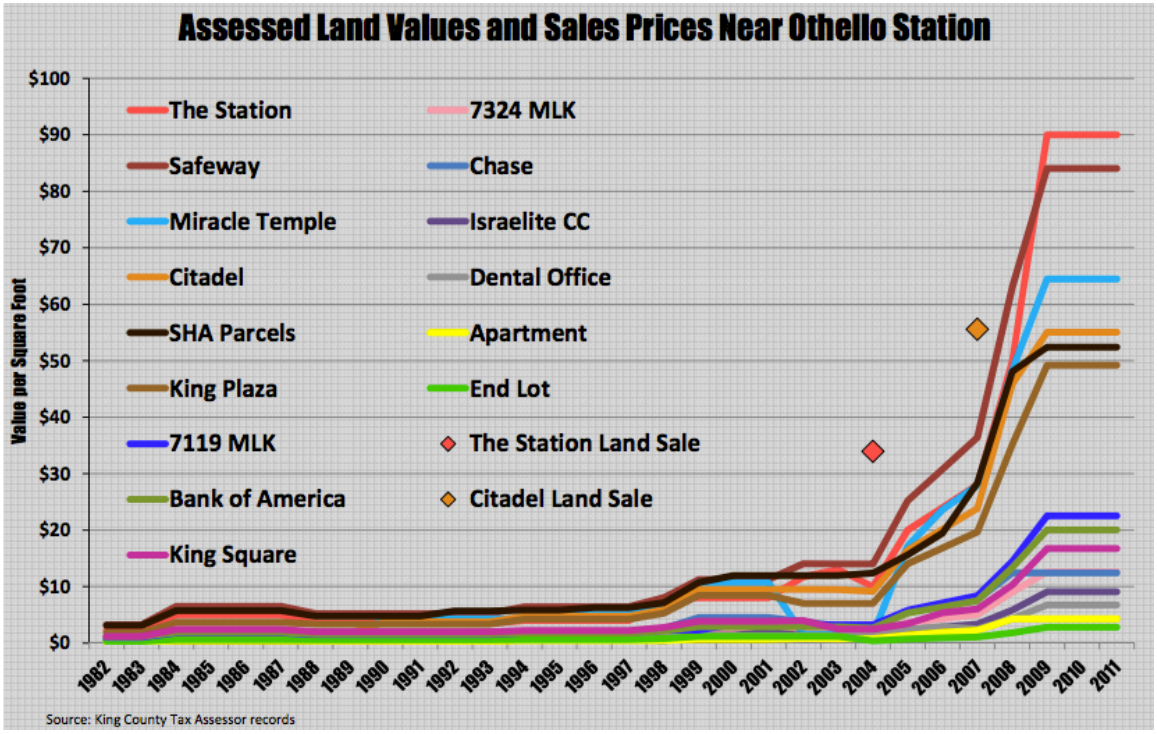
Public investment in transit and other community infrastructure can make transit communities popular places to live. People will often pay more to live near transit. Research conducted by the Dukakis Center found that transit investment frequently changes the surrounding neighborhood, resulting in more expensive housing and increasing land values and property taxes (Pollack, Bluestone, and Billingham 2010, 1). Displacement of low-income people, particularly renters, from affordable housing can occur when middle- or upper-income people move into neighborhoods to restore older housing or build new housing. In addition, as neighborhood residents become wealthier, vehicle ownership becomes more common. When core transit users, such as renters and low-income households, are priced out in favor of higher-income, car owning residents, an additional negative consequence of decreasing transit ridership occurs because the new residents are less likely to use public transit for commuting.



1937 map of Philadelphia showing redlining. The red areas on the map are predominantly African American and immigrant neighborhoods.
Source: University of Pennsylvania.

As described above, if proactive strategies to maintain housing affordability are not implemented, new investment can lead to speculation, rising housing costs, the loss of affordable homes, and the displacement of existing residents (Malekafzali and Bergstrom 2011). This is particularly true when transit investments are paired with neighborhood investments such as open spaces. An example of transit-oriented speculation was the sharp increase in assessed property values near Othello Station in the Rainier Valley between 2004 and 2009. Exhibit 3-3 shows assessed property values for properties both with and without structures on the land. The assessed value of the properties ranged from $0.77 per square foot in 2004 to $90 per square foot in 2009 (PSRC 2012). The diamonds represent the sale of the Station and Citadel properties. Those sales prices likely influenced the assessed value of other properties in the area. Many of the property purchasers are

Exhibit 3-3. Assessed Land Values and Sales Prices Near Othello Station



Source: PSRC 2012.

speculators who do not live in the community. This means that local residents are not directly benefitting from these property value increases. Moreover, local residents must live with large vacant properties in their neighborhood while speculators wait for a buyer willing to pay the inflated prices.

Since the 2000 Census, scholars have acknowledged that many lower-income Seattle residents have been pushed out of Seattle into working-class suburbs such as Renton (McGee 2007). A recent confirmation of this trend was made by a professor of geography at the University of Washington, Dick Morrill, in his study of the 2010 Census. Morrill found that although Washington has more minorities and low-income people than in 2000, Seattle has become more white and affluent in the last 10 years (2012). Morrill stated that many of the displaced minority and low-income populations had relocated to south King County and Pierce County. However, another analysis of the Census numbers shows a different trend. In Seattle, the percentage of the total population who are persons of color increased from 32.1 percent in 2000 to 33.7 percent in 2010 (Canzoneri 2012). While displacement may have occurred from 2000 to 2010, migration to Seattle by people of color may have been greater than outmigration, explaining the increase in persons of color. Seattle is a popular place for refugees to settle, ranking fifth in the nation for receiving refugees (Singer 2007). These two views of the Census data illustrate the difficulty in understanding migration and displacement, particularly when larger international and national migration trends influence local trends.

Transit Community Development Can Displace Small Businesses

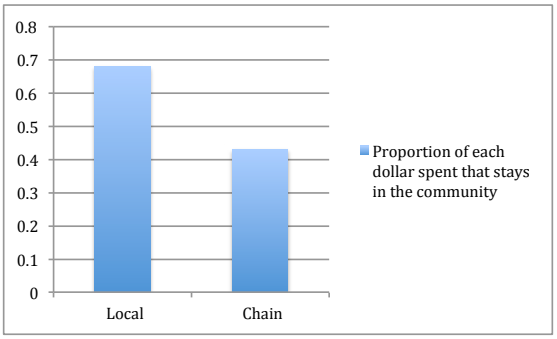
Rising housing prices are not the only reason people move from their homes in redeveloping areas. Rising property values place pressure on both residents and businesses, and these groups depend on each other (Ritter 2009, 20). If a local business' original customers are priced

out of the neighborhood and are replaced by more affluent people that shop at different stores, the business may feel economic pressure to follow the original residents. Conversely, if businesses that catered to a low-income or ethnic community are displaced because of rent increases, residents may follow those businesses due to a diminished sense of belonging and decreased supply of culturally appropriate goods and services.

This displacement trend occurred in Seattle's Central District, where many African-American businesses moved with residents to more affordable areas in South King County (McGee 2007). Evidence that this is happening in the Rainier Valley exists. A 2008 survey of local businesses in the Rainier Valley (87% of which were independently-owned) found that a majority had seen their rents rise by over 50% in the prior three years (City of Seattle Office of Economic Development 2012a).

Local businesses contribute more to a community's economy than chain businesses because money spent at local businesses recirculates in the community more than money spent at chain businesses. A study in Chicago found that across the restaurant, retail, and service sectors, 68 cents of each dollar spent at a local business stayed in the community while only 43 cents of each dollar spent at a chain business stayed in the community (see Exhibit 3-4) (Civic Economics 2004, 7). The study found that the impact of a locally-owned franchise was greater than the corporate chain but less than the local firm. These findings support the idea that expanding local access to jobs empowers low-income residents to remain and invest in their neighborhoods, which helps to limit displacement (Cravens et al 2009, 42).

Exhibit 3-4. Impact of Spending One Dollar at a Local Versus a Chain Business (Chicago)



Source: Cravens et al 2009.

Transit Community Development Can Result in Displacement of Community Gathering Places

Cultural identity is often developed and maintained in places where people connect, such as small businesses, community centers, certain institutions, schools, places of worship, parks, plazas, and other social places (Cravens et al 2009, 43). These places, often called social seams, provide a distinct identity for the neighborhood as well as places for current and future residents to interact and build relationships. Without safeguards, many of these social seams could be displaced due to rising rents and redevelopment. In the Rainier Valley, four ethnic communities rent their cultural centers (City of Seattle 2011, 6). Given that commercial rents around light rail stations in South Seattle have risen by up to 50% since 2005, rents for other types of uses, including for cultural centers and other places where residents connect, have probably increased as well.

4. Measuring Social Equity in Transit Communities

4.1 What are appropriate social equity goals for transit communities?

In *Growing Smarter: Achieving Livable Communities, Environmental Justice, and Regional Equity,* Robert Bullard states that reducing residential segregation by race should be a regional equity goal (2007, 6). He supports this goal with research showing that segregation is a "powerful impediment to black socioeconomic progress." Reducing segregation by income is another equity goal commonly presented because communities that provide housing for a mix of incomes produce better economic, social, and environmental outcomes for all residents (Center for Transit Oriented Development 2009, 3). Seattle Race and Social Justice Initiative leadership agrees that a mixed-income community is an equitable goal for a transit community (Glenn Harris, personal communication). In addition to racial, ethnic, and income diversity, diversity in age and abilities should be present in transit communities. The young, seniors, and physically disabled are often reliant on transit for mobility.

The City of Seattle conducts extensive public engagement when updating neighborhood plans. The Seattle Planning Commission also conducts outreach, such as the effort documented in *Status Check: Seattle Citizens Assess Their Communities and Neighborhood Plans.* According to the documentation of recent neighborhood plan and other public engagement efforts, Seattle residents, including recent immigrants, desire the following conditions for their communities (Seattle Planning Commission 2009, City of Seattle Department of Planning and Development 2009):

- Safety
- Sense of community
- Access to jobs
- Housing choices
- Vibrant, walkable neighborhood
- Mobility choices with good transit, sidewalks, bike facilities, and streets
- Access to healthy food and grocery stores
- Services and businesses
- Recreation and green spaces
- Attractive neighborhood
- Good schools

Engaged residents at a meeting for the Somali community in the Rainier Valley.
Source: City of Seattle Department of Planning and Development.

Based on the community desires listed above and best practices from other cities, the following are primary equity goals for Seattle transit communities:

1. The community is diverse with a mix of races, ethnicities, incomes, ages, and abilities.
2. The community has housing opportunities for all residents.
3. The community has gathering places for all residents.
4. The community is a healthy and safe place to live.
5. The community nurtures success for its residents and businesses.
6. The community has the essential components for livability (see definition below).
7. The community is involved in making decisions.

4.2 How can we measure social equity?

The first step in identifying policies to help the City create transit communities that meet these goals will be to identify potential transit communities using a data-driven equity analysis. An analysis that combines readily-available GIS information can be conducted that will identify areas that are furthest from achieving social equity goals and most in need of investment. This approach uses the methodology developed for the equity analysis in the City of Seattle Pedestrian Master Plan. The Pedestrian Master Plan is a long-term action plan that establishes the policies, programs, design criteria, and projects to enhance pedestrian safety, comfort, and access in Seattle's neighborhoods (City of Seattle Department of Transportation 2009). That analysis, along with an analysis of pedestrian demand and corridor function, was used in the prioritization of pedestrian improvements. The equity analysis identifies areas that serve community residents with the greatest needs. Exhibit 4-1 shows equity priority areas in the Pedestrian Master Plan. Areas with the darkest purple are areas that serve people with the greatest needs. The lighter the area, the more people in that area have their socioeconomic and health needs met. Socioeconomic and health factors accounted for in that analysis included:

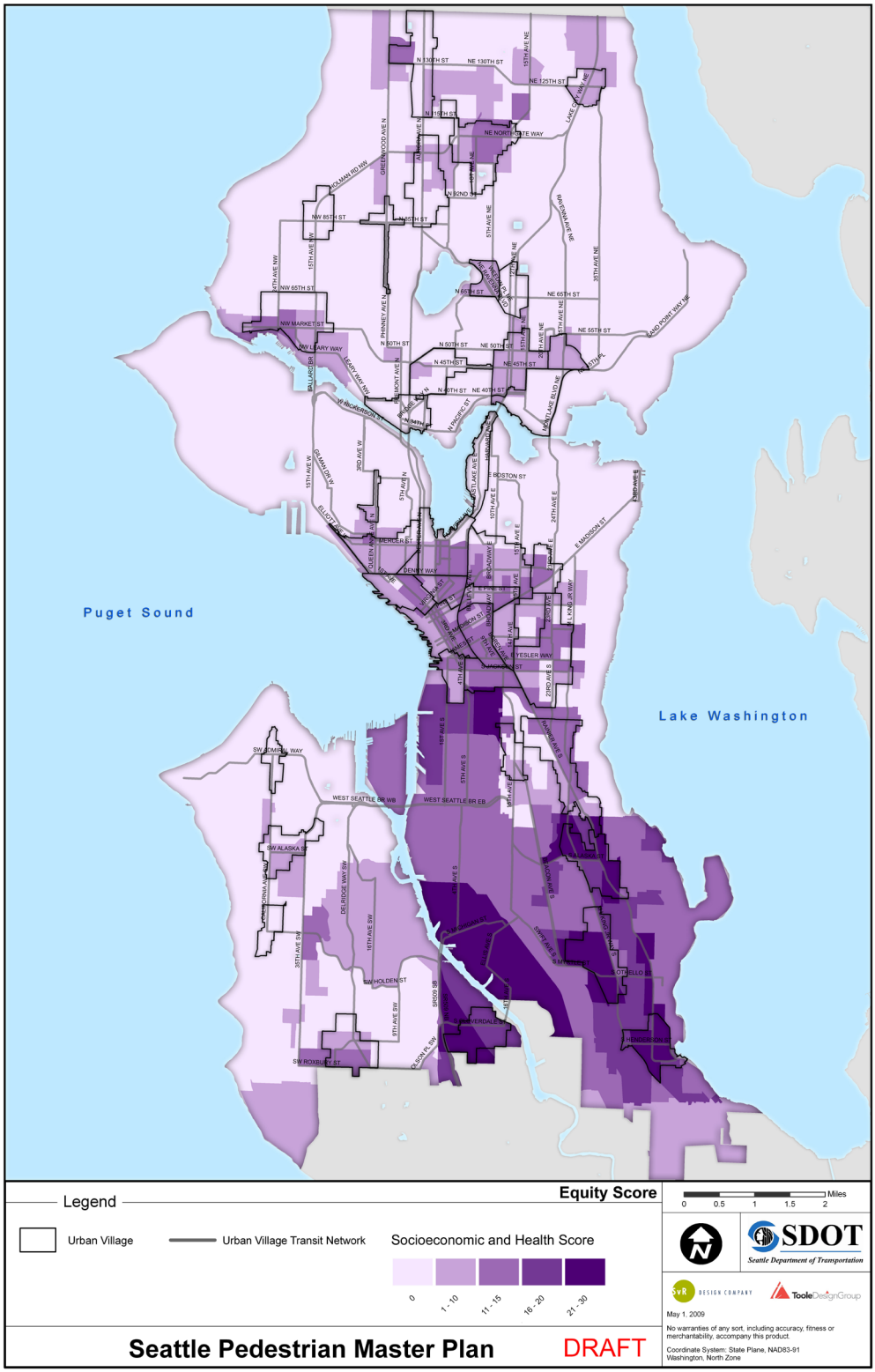
- Automobile ownership
- Low-income population
- Disability population
- Diabetes rates
- Physical activity rates
- Obesity rates

To reflect the equity goals listed above and provide a fuller understanding of populations in transit communities with the greatest needs, additional factors can be added. The appendix provides a description of the recommended factors that can go into an updated equity analysis, as well as data sources and the

COMPONENTS FOR LIVABILITY

"To best optimize transit investments in Seattle we need to put the right land use strategies in place while making sure the community has all the necessary and essential components for livability, such as adequate open space, an enhanced streetscape, and opportunities and activities for the people who live and/or work there. Elements such as open space, pedestrian enhancements and other investments should no longer be viewed as 'amenities' and instead they should be considered necessary components and essential elements for livability. The 'livability elements' are what transform a transit connection into a transit community." (Seattle Planning Commission 2010, 13)

Exhibit 4-1. Pedestrian Master Plan Equity Score Map



Source: Seattle Department of Transportation.

methodology used to conduct the analysis and create an equity map. The analysis can be used to prioritize investments for any City department based on equity. Data gathered for this process can also be presented separately and in combinations of fewer factors.

The data gathered for the equity analysis will provide City staff with a large amount of information that can be manipulated in many ways. Staff may want to analyze information for a single factor of interest. For example, the Human Services Department may want to understand which transit communities are in lower income areas. Great care will need to be taken to perform such an analysis as geographic boundaries will not neatly align with transit community boundaries and many datasets have very high margins of error at this scale. Information for a single factor such as low income status can be presented in a map. Exhibit 4-2 illustrates the lower income areas that were identified in the Pedestrian Master Plan. Lower income areas are shown in purple.

For a deeper understanding of the existence of racial disparities, many of these factors, such as poverty, educational attainment, and diabetes rates, can be broken out by race. Race and ethnicity information, English proficiency, and language spoken information would also be helpful in planning for community engagement in transit communities.

Once transit communities with residents with the greatest needs are identified, resources and investments to help those residents can be identified according to the social equity goals established in Section 4.1. These could be resources and investments such as job training, pedestrian facilities, affordable housing, and community centers. Policies and tools to help provide these investments are discussed in Section 5.

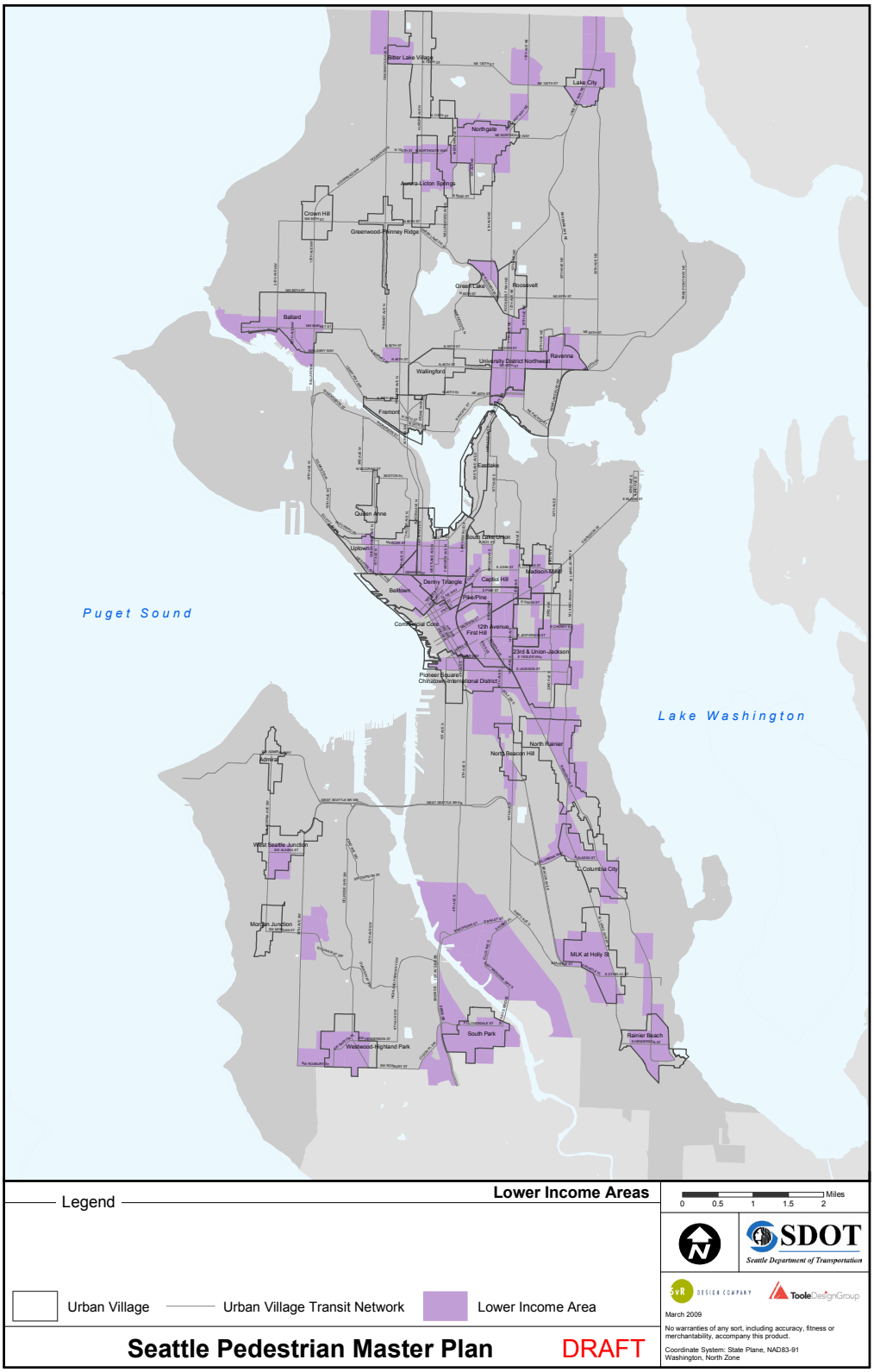
4.3 What are indicators of displacement for housing, local businesses, and community gathering places in transit communities?

A number of studies have identified indicators of displacement risk in transit communities. The effects associated with these indicators include an influx of higher-income residents, outmigration of lower-income residents, and a decrease in racial diversity (PolicyLink 2012). The following factors are strongly associated with displacement of lower income people with higher income people (Chapple 2009, 10; PolicyLink 2011, 26):

- Close proximity to transit
- High level of transit commuting
- High density of amenities such as public spaces and youth facilities
- High percent of non-family households
- High percent of buildings with three or more units
- High number of renter versus owner occupancy
- High level of income diversity
- High number of households paying a large share of household income on housing
- Increases in property values, home values, and rents
- Presence of housing, businesses, or community resources in rented units with a floor area ratio (FAR) differential of two or greater and are located adjacent to at least one vacant parcel
- Absence of affordable housing policies and programs, such as preservation of affordable units and rental assistance

Indicators for risk of small business and community gathering space displacement are similar to the indicators for residential displacement listed above, particularly with respect to increasing rents.

Exhibit 4-2. Pedestrian Master Plan Lower Income Areas Map



Source: City of Seattle Department of Transportation.

Some of these indicators are more helpful than others in assisting efforts to prevent or lessen displacement in transit communities. The indicators that are conditions assumed to be present in a successful transit community are less helpful: close proximity to transit, high level of transit commuting, and high density of amenities. Indicators that are highly aspirational for a transit community are also less helpful: high level of income diversity and high percent of buildings with three or more units (to accommodate families). Increases in property values, home values, and rents and high percent of non-family households indicate that the displacement process is well underway and it may be too late to prevent displacement. Presence of housing, businesses, or community resources in rented units with an FAR differential of two or greater and are located adjacent to at least one vacant parcel indicates underutilized land, but this indicator is not easy to identify as is involves many pieces of information from various sources. The absence of affordable housing policies and programs indicator can be dismissed for Seattle, as affordable housing policies and programs are already in place. High number of renter versus owner occupancy and high number of households paying a large share of household income on housing are factors recommended for the equity analysis in the previous section.

Transit investments have already been made in most Seattle transit communities. Conducting the equity analysis recommended in the previous section would enable the City to identify the Seattle transit communities with residents at risk for displacement. More in depth analyses in individual transit communities could help identify specific underutilized properties that are at risk of being redeveloped, as identified by the FAR indicator.

Since transit communities are expected to have many of the indicators of displacement, measures to prevent displacement should be incorporated into the planning of Seattle's transit communities. A study on displacement and gentrification by the Center for Community Innovation at the University of California at Berkeley makes a similar recommendation: when making transit improvements, planners should examine how to preserve and create more permanently affordable housing. This could be through many means such as joint development, coordination with housing specialists, or partnerships with nonprofits (Chapple 2009, 9). The Berkeley study also emphasizes the importance of developing amenities that support the existing population, rather than expected future residents.

5. Promoting Social Equity in Transit Communities

5.1 What are appropriate criteria to evaluate tools and policies?

The following sections describe policies and tools that can be used to promote social equity goals in transit communities. The evaluation of those policies and tools is based on the criteria listed below. These criteria were developed through a review of current literature and conversations with City of Seattle staff and other experts in the field.

Potential for Effectiveness

Considerations for a policy or tool's potential for effectiveness are whether the policy or tool has proven effective in promoting social equity in other cities and whether the measure relies on the readiness of the local real estate market.

Cost and Ease of Implementation

Some tools or policies might need substantial funding or have low political feasibility. Political feasibility considers whether the topic is controversial and the tool or policy requires legislative action.

Tradeoffs

Consideration of tradeoffs recognizes that there is an opportunity cost of implementing the policy or tool. Tradeoffs reflect the funding or other resources that could be directed towards another valuable project or program.

Potential to Direct Growth Away from Transit Communities

Incentives, regulations, fees, and education can direct growth toward priority areas. However, if the market is not strong enough or the regulatory tool too onerous, the policy or tool could have the unintended consequence of directing growth away from the priority area. For example, if a developer cannot absorb the cost of affordable housing that is required due to inclusionary zoning, the developer may choose to do business in a jurisdiction that does not have an inclusionary zoning ordinance.

Measurement

Measuring progress toward desired outcomes is essential in managing for results, a process that focuses on maximizing benefits and minimizing negative consequences of services and programs (Hatry 2006, 3). This criterion considers the ease of measuring the progress of the policy, including availability of data.

5.2 What policies could the City of Seattle adopt to promote social equity in transit communities?

The City of Seattle is in the process of updating its Comprehensive Plan. New policies for transit communities and social equity will be incorporated into the Comprehensive Plan, land use code, and other City documents. The following policies are recommended to promote social equity in transit communities. Each policy recommendation includes a description of the policy and an evaluation based on the criteria listed above.

One theme that runs through the transit community best practices literature is the importance of meaningful community engagement. Involving residents in the planning process results in the best outcomes for everyone. For some developers, the most important factor in deciding whether to undertake a project is whether the community has gone through a planning process that expresses the kind of development most desired (Cervero et al. 2004, 86). Land use designations that reflect the community's vision are also very

important to developers. The City of Seattle has typically provided many opportunities for public involvement in its planning efforts, and continued comprehensive outreach to assure residents' voices are heard is key to more equitable outcomes. The neighborhood planning process in the Rainier Valley used Planning Outreach Liaisons, an innovative program reaching out to historically underrepresented communities (including immigrants and ethnic communities). This process was a culturally competent and highly successful way to engage those populations (Nora Liu, personal communication).

Neighborhood planning meeting facilitated by a planning outreach liaison.
Source: City of Seattle Department of Planning and Development.

Another theme that runs through the transit community best practices literature is regional coordination. Regional planning for transit communities among transit agencies, cities, counties, and other stakeholders can expose common goals and facilitate coordination (Zimbabwe and Anderson 2011, 2). Coordination and collaboration will help stakeholders to achieve multiple goals, such as thriving communities, improved access to job centers, and high transit ridership. Regional coordination is discussed throughout Seattle's Comprehensive Plan, and efforts to further coordinate and make investments with regional partners should be supported. PSRC, Housing Development Consortium, Washington Low-Income Housing Alliance, and other organizations work with the City of Seattle to coordinate affordable housing. Similar coordination occurs with the Regional Equity Network and with economic development efforts between the Office of Economic Development and its partners. Both meaningful public engagement and regional coordination should be part of the implementation of the policies recommended below.

Prioritize and Coordinate City Investments in Transit Communities

The City of Seattle is focusing population and employment growth in transit communities, therefore investments should be prioritized for transit communities in the short- and intermediate-term. Investments can be resources such as economic development, infrastructure, public art, historic preservation, and development incentives. Investments from other public and nonprofit organizations can be leveraged to provide additional support for investments. This public investment can in turn attract private investment (Denver Regional Transportation District 2010, 20). Several City departments are prioritizing transit-served areas for investments to some extent, but this practice can be strengthened through policies to specify investments in transit communities. For example, the Seattle Housing Levy prioritizes frequent transit service corridors for affordable housing investments, and these investments can be further targeted for transit communities, which would ensure that investments are made in the most transit-accessible areas.

City departments can maximize the positive impact of these investments by increasing coordination. Exhibit 5-1 shows City departments that have major roles in developing and investing in transit communities. For the 12 City departments with major transit community development roles, two or three representative

Exhibit 5-1. City Coordination in the Development of Transit Communities

services that each department provides is listed. Exhibit 5-1 reinforces the idea of a community-centered strategy that requires the collaboration of many City departments. Increased coordination could take the form of developing common goals, communicating regularly about shared efforts, strategizing on budget priorities and funding, or other efforts. The need for increased coordination between City departments was a common theme that emerged from the interviews conducted for this project.

An example of investments needing inter-departmental coordination is the improvements for neighborhood business districts. The Office of Economic Development, through the *Only In Seattle* initiative, works closely with neighborhood stakeholders to establish priorities for projects and initiatives (Brian Surratt, personal communication). Aligning funding through a coherent framework would help other City departments such as the Seattle Department of Transportation, Seattle Public Utilities,

Department of Planning and Development, and Office of Art and Cultural Affairs support the *Only In Seattle* initiative, expediting these community-recommended improvements intended to strengthen and beautify the neighborhood business districts. This investment strategy can be broadened beyond neighborhood business district boundaries to include transportation connections and other needs throughout the transit community.

While all City departments provide benefits for residents, some are investments that are indicators for displacement (such as transit and open space improvements). Other departments and their partner organizations provide social services and investments (such as affordable housing and workforce training) that can prevent or lessen displacement pressures. A holistic, inter-departmental approach to planning for each transit community would allow for a more strategic optimization of investments which would help to lessen displacement pressures through deployment of tools and policies such as those recommended in this project. A citizens' advisory committee working with an inter-departmental City group would ensure that appropriate investments are provided for the community. Integrating people- and place-focused strategies is the first principle of equitable development outlined by PolicyLink in *Promoting Regional Equity* (2002, 7).

In addition to developing an investment strategy that meets the goals and needs of the neighborhood, the team should keep the corridor and regional context in mind. The equity analysis recommended in the previous section can determine which transit communities serve people with the greatest needs and have the highest risk of displacement. These transit communities should be the first to benefit from this coordinated investment strategy.

While coordinating a large group of departments and organizations is challenging, many initiatives have been successful in improving complex social problems such as education and homelessness. One promising model for inter-departmental and interagency collaboration is called collective impact. Strive, a successful initiative that is improving the education system in Cincinnati, uses the principles of collective impact and is being replicated in many other locations (Kania and Kramer 2011, 36). The collective impact model is further described on the next page.

The City of Seattle could use the collective impact model to plan for equitable development in transit communities that serve residents with the greatest needs. City departments, nonprofits working in the community, and other service agencies could be part of the effort. As mentioned previously, the role of community residents in the group is particularly important. A citizens' advisory group, along with other community-based groups, should have an integral role in the process. The NET Initiative, while in its early stages, is using this model to some extent.

Potential for Effectiveness. Prioritizing and coordinating City investments in transit communities has a high potential for creating equitable development. The federal government formally coordinates HUD, Environmental Protection Agency, and Department of Transportation efforts through its Partnership for Sustainable Communities program. Although the Partnership is only two years old, it has helped many communities sustainably and efficiently develop (U.S. Environmental Protection Agency 2010, 13). Strive, the collective impact initiative mentioned previously, has successfully improved the education system in Cincinnati. The Regional Equity Network is yet another

example of interagency coordination, although its effectiveness has not been evaluated yet. This policy direction is influenced by the real estate market because displacement risk is influenced by the real estate market; an active market can increase displacement. However, this is a consideration for prioritizing mitigating investments rather than a problem.

Cost and Ease of Implementation. This approach requires additional coordination of managers in many City departments, and additional coordination within those departments. A coordinator would also be needed to manage the process of developing the inter-departmental investment strategy. While this may require additional resources up front, cost savings are likely to be realized through decreased duplication of efforts, increased leveraged resources, and improved social and economic conditions. Furthermore, a successful effort would increase tax revenues. Departments that are not accustomed to coordinating with other departments may find this to be a challenging cultural shift.

Tradeoffs. The opportunity cost of spending time on this coordination process would be the time not spent on other efforts. Additionally, investments would be focused in a limited number of transit communities, and other, less at-risk communities could have to wait for some

COLLECTIVE IMPACT

Collective Impact, a promising model for inter-departmental and interagency collaboration, is the commitment from a group of important actors from different sectors to a common agenda for solving a specific social problem. Successful collective impact initiatives typically have five conditions that together produce true alignment and lead to powerful results (Kania and Kramer 2011 and Hanleybrown, Kania, and Kramer 2012):

- A common agenda. All participants have a shared vision for change including a common understanding of the problem and a joint approach to solving it through agreed upon actions.
- Shared measurement systems. Collecting data and measuring results consistently across all participants ensures efforts remain aligned and participants hold each other accountable.
- Mutually reinforcing activities. Participant activities must be differentiated while still being coordinated through a mutually reinforcing plan of action.
- Continuous communication. Consistent and open communication is needed across the many players to build trust, assure mutual objectives, and create common motivation.
- Backbone support organizations. Creating and managing collective impact requires a support organization (or organizations) with staff and a specific set of skills to serve as the backbone for the entire initiative and coordinate participating organizations and agencies. Backbone organizations serve six essential functions: providing overall strategic direction, facilitating dialogue between partners, managing data collection and analysis, handling communications, coordinating community outreach, and mobilizing funding.

substantial investments. However, the bundling of investments would facilitate efforts to find funding such as community development block grants, which would not be available without a place-based investment approach.

Potential to Direct Growth Away from Transit Communities. This approach focuses investments and growth in the transit communities most at risk for displacement. Since resources are scarce, transit communities that are less at risk may receive fewer public investments. However, the private sector may be willing to make public realm investments as part of development projects if sufficient financial incentives exist.

Measurement. The City can track investment in transit communities and compare it to spending in other areas. Coordinated spending and leveraged resources can also be tracked. A central coordinator would need to track overall spending in each transit community.

Develop Mixed-Income Transit Communities

Policies are most needed where the market fails to provide for rental and homeownership housing for lower income persons. To meet the goal of transit communities being diverse places where people of all races, ethnicities, incomes, ages, and abilities live, policies that encourage the development of mixed-income transit communities are needed. Goal 4 in the Housing Element of Seattle's Comprehensive Plan encourages "…a mix of housing types that are attractive and affordable to a diversity of ages, incomes, household types, household sizes, and cultural backgrounds." (2009, 4.5) Adding complementary goals and policies to other Comprehensive Plan elements such as the Urban Village and Economic Development elements can strengthen this goal.

Montgomery County, Maryland's inclusionary zoning policies have helped create mixed-income communities.
Source: Thisisbossi, Flickr Creative Commons.

Communities with a mix of subsidized and market-rate housing can provide many social benefits, such as reducing income segregation, improving access to healthy food choices, and providing lower-income residents with employment opportunities (Center for Transit Oriented Development 2012b). While it is difficult to ensure a mix of races and ethnicities, it is possible to maintain housing opportunities for a broad range of incomes by providing housing subsidies for low-income persons, preserving older housing stock, and enabling new housing to be constructed. Both rental and homeownership housing should be a part of this strategy. Infill housing, in particular, can help create stable mixed-income communities (Bullard 2007, 64). Public agencies, nonprofits, and private developers all play roles in providing this range of housing choices. The Office of Housing does not build housing itself. It provides funds to affordable housing developers to build affordable housing in Seattle.

In places where there are few low-income residents, the City can consider providing incentives or requirements for affordable housing. Although proportions vary, a commonly employed ratio of market-rate to affordable housing in a community is 80/20.

HUD uses 80/20, or 85/15 in some regions (Chapple et al 2007, 19). Exhibit 5-2 shows income limits by family size to receive various levels of rental subsidy. According to HUD, a family of four earning between $44,001 and $52,800 a year would be considered low-income and be able to receive a rental subsidy at that level. HUD defines low-income families as those whose incomes do not exceed 80 percent of the median family income for the area. HUD defines very low-income families as those whose incomes do not exceed 50 percent of the median family income for the area. HUD defines extremely low-income families as those whose incomes do not exceed 30 percent of the median family income for the area. This project generally refers to people earning less than 80 percent of area median income as low-income.

In addition to providing housing subsidies, the City can encourage housing affordability by influencing the supply through increased density. Housing types such as row houses, town houses, and accessory dwelling units use land more efficiently than single-family households. Smaller rental units can also increase supply and decrease costs. Units with two or more rooms are needed for families. One of the recommendations in *Housing Seattle* is to promote and encourage housing production that addresses gaps in the market for families with children (Seattle Planning Commission 2011b, 30).

Central to equity is the concept that all people have access to opportunity. The Kirwan Institute defines high access to opportunity as having the ability to obtain important life requirements such as a quality education, safe and affordable housing, living-wage employment, and fresh healthy foods (powell et al 2010, 3). The Kirwan Institute completed an opportunity mapping study by census tract in King County and found that opportunity is not evenly distributed throughout the region and subsidized housing is concentrated in areas of low opportunity (11). According to the study, Seattle transit communities located in high or very high opportunity areas include Admiral, Uptown, South Lake Union, Fremont, Husky Stadium, Interbay, Roosevelt, and others. The Kirwan Institute study found the Morgan, Roxbury, Jackson, Beacon Hill, Columbia City, Othello, and Rainier Beach transit communities, among

Exhibit 5-2. Income Limits by Family Size for Subsidized Housing

Household size	Percent area median income					
	30% Extremely low-income	40% Very low-income	50% Very low-income	60% Low-income	65% Low-income	80% Low-income
1	$18,500	$24,640	$30,800	$36,960	$40,040	$45,500
2	$21,150	$28,160	$35,200	$42,240	$45,760	$52,000
3	$23,800	$31,680	$39,600	$47,520	$51,480	$58,500
4	$26,400	$35,200	$44,000	$52,800	$57,200	$65,000
5	$28,550	$38,040	$47,550	$57,060	$61,815	$70,200
6	$30,650	$40,840	$51,050	$61,260	$66,365	$75,400
7	$32,750	$43,680	$54,600	$65,520	$70,980	$80,600
8	$34,850	$46,480	$58,100	$69,720	$75,530	$85,800

Source: City of Seattle Office of Housing 2012a.

others, to be in low or very low opportunity areas.

Opportunity based fair housing is "…providing fair access to communities of opportunity through affordable housing development and fair housing policy. Sustainable affordable housing opportunities must be deliberately connected to high opportunity communities and be linked to support services." (11) The Kirwan Institute study reinforces the importance of encouraging and providing resources for affordable housing developers to provide subsidized housing in transit communities in areas of high opportunity. This approach is consistent with a mixed-income community approach.

Conversely, some transit communities may need more market-rate than affordable housing. In areas where market-rates are affordable to residents below area median income, a strategy of increasing market-rate infill housing, preserving (rather than producing) affordable housing, and increasing homeownership may be most appropriate. Community land trusts and shared equity homeownership are tools described in the next section that can help increase long-term homeownership affordability.

Potential for Effectiveness. Policies that encourage mixed-income communities are effective in providing housing opportunities for people with a range of incomes. Many cities such as Denver, Portland, and Washington D.C. have maintained a range of incomes in many of their neighborhoods through strategies that encourage mixed-income housing. This policy strategy does not necessarily rely on the market readiness of the community, as preservation of affordable housing is an important tactic in developing stable mixed-income communities. For communities that need higher-income residents to become a mixed-income community, market readiness can be a factor.

Cost and Ease of Implementation. The cost of this strategy depends on the tools used to implement it. See the next section for a discussion of tools and their potential effects on directing growth. The strategy is politically feasible, although some residents may not welcome low-income housing in their community.

Tradeoffs. This policy could direct growth away from other areas towards transit communities. This outcome should be acceptable to policymakers as they have expressed an interest in prioritizing growth in transit communities. However, some landowners outside of transit communities may not be happy with this policy.

Potential to Direct Growth Away from Transit Communities. This strategy incorporates many types of development, incentives, and regulations. Tools used to incentivize development would direct growth towards transit communities, while some regulations could direct growth away from transit communities. The next section discusses tools and their potential effects on directing growth.

Measurement. Census data and housing subsidy data can be used to measure the extent to which the community contains residents with a range of incomes.

Prioritize the Preservation of Affordable Housing Near Transit

Seattle already has a substantial amount of affordable housing near transit. As discussed earlier, preserving its affordability and quality is an equitable development strategy, as housing and transit can help people to access opportunities. However, affordable housing near transit is increasingly at risk as demand increases for shorter commutes and living in transit communities becomes more desirable. Nationwide, the number of affordable apartments declined by 1.5 million

between 1995 and 2005, primarily due to their conversion to market-rate housing (Bodaken 2012).

In a study called *Preserving Affordability and Access in Livable Communities: Subsidized Housing Opportunities Near Transit and the 50+ Population*, the National Housing Trust found that cities in the United States are losing affordable housing near transit every year. In Seattle, the study found that of approximately 6,100 privately owned apartments with federal rental subsidies near transit, 94 percent have federal housing contracts expiring by 2015 (American Association of Retired Persons 2009). When a privately owned, subsidized rental property is preserved, the owner agrees to keep the property affordable. This is usually combined with raising new capital to repair the property. Often the property is transferred to a new owner committed to the long-term affordability of the property, such as a nonprofit organization (Quigley 2010). In Seattle, half of all households rent (Seattle Planning Commission 2011b, 8). Studies have found that stable housing, rather than tenure, is key to improving quality of life (Bodaken 2012).

The Morrison Hotel was preserved for affordable housing using Seattle Housing Levy funds.
Source: City of Seattle Office of Housing.

The City of Seattle is committed to affordable housing. According to the City's Housing Preservation Guide, much of Seattle's affordable housing is located on very desirable sites close to transit and other amenities (City of Seattle Office of Housing 2012b). Seattle's affordable housing stock is unique because most of the properties are owned or sponsored by nonprofit organizations and the Seattle Levy program requires a minimum affordability period of 50 years. Community land trusts are one form of nonprofit organization that can help preserve affordable housing. The following section has some suggestions on working with community land trusts and discusses other tools to preserve affordability and fund renovations.

Potential for Effectiveness. Policies that prioritize the preservation of affordable housing are an effective and efficient way to maintain affordable housing stock. Atlanta, Washington D.C., San Francisco, Denver, and many other cities have effectively preserved affordable housing near transit by providing a variety of resources for preservation. While Seattle also provides resources to preserve affordable housing near transit, best practices from these other cities can increase the effectiveness of Seattle's efforts (see tools below). Market readiness is not a major factor in preservation. To the contrary, an active market can make the preservation of affordable housing more expensive.

Cost and Ease of Implementation. As previously mentioned, Seattle already has programs to rehabilitate and preserve affordable housing, indicating that this policy is politically feasible. While this positions the City well for taking on the challenge of preserving affordable housing near transit, additional funds will be needed to meet the demand. Fortunately, historic buildings are eligible for additional funds for building rehabilitation.

Preserving existing housing is more efficient than new construction because it produces less waste and uses less new materials than new construction. This efficiency also makes most preservation projects more cost effective than building new housing. Studies have found that it costs about one-third less to preserve existing rental housing than to construct new units (National Housing Trust 2012a).

Tradeoffs. Depending on the readiness of the market, the condition and quality of the existing building, and the cost to preserve the existing building, constructing a new higher-density, mixed-income building may be the best use of the land and public funds. This is particularly true with low-density structures, as increasing the supply of units can help with overall housing affordability. Therefore it is necessary to consider whether the existing building meets density, aesthetic, and other goals. However, maintaining an existing building can preserve the opportunity to construct more dense, affordable housing at a later date.

Potential to Direct Growth Away from Transit Communities. If land available for development is severely constrained, this policy, because it may prevent demolition of affordable housing structures, could direct new construction to other communities with more available land. In the case of constrained land supply, preserving affordable housing in the community is even more critical, as pressure for displacement would likely increase.

Measurement. Progress for this policy can be measured by tracking the amount of affordable housing preserved and lost. The ability to identify affordable housing at risk for converting will be critical to the success of the program. The next section recommends a tool to address this issue.

5.3 What tools can the City of Seattle use to promote social equity in transit communities?

Tools that promote equitable development help prevent the displacement of residents, businesses, and community gathering spaces by assisting with the planning, production, and preservation of affordable housing and commercial spaces and community gathering spaces. They also strengthen the community's social and economic systems. Seattle is often cited for promoting best practices in many areas of equitable development. These best practices used in Seattle include the housing levy, transferable development rights, the elimination of minimum parking requirements, expedited reviews, and renovation funds. While these innovative approaches should be appreciated and continued, there is room to improve upon and add to these practices. Some currently available tools could be more keenly focused on promoting equitable development in priority areas such as transit communities, as recommended in Section 5.3.2. A few tools considered best practices exist that Seattle does not use. A description of those tools is provided in the following section. Exhibit 1-1 summarizes the many tools that can be used to promote equitable development.

5.3.1 Tools New to Seattle

This section evaluates three equitable development tools that Seattle does not currently use. Further evaluation at the neighborhood level may be needed for implementation of these tools.

Early Warning System for Affordable Housing at Risk of Converting

Many jurisdictions and regions have task forces with real estate, finance, philanthropic, nonprofit, and governmental leaders that identify and share information about properties

near transit that are at risk for converting from affordable housing (National Housing Trust 2012b). Studies for HUD have found the following to be indicators for properties at-risk for converting from affordable housing:

- properties with rents below market rate
- properties in locations with relatively low poverty rates and relatively high median incomes
- properties owned by for-profits
- older assisted properties
- properties with relatively low vacancy rates
- family-designated properties with two or three bedroom units

The National Housing Trust has information on HUD-assisted properties, including ownership status, contract term, property's contact rents in relation to fair market rents, and other information. Denver's early warning tracking system combines mandated notices of owner intent to "opt out" of subsidy contracts, inventories of subsidized housing developments, and unsubsidized multifamily properties with transit access (Quigley 2010, 11).

Seattle's Office of Housing already tracks subsidized housing funded by the Seattle Housing Authority, Washington State Housing and Finance Commission, and the Office of Housing. Some properties funded by those agencies also received HUD funding; those properties are also in the database. Properties funded only by HUD programs (Section 8 and Section 202) and other organizations are not in the database; those properties need to be added to make the database complete.

According to some housing experts, the most effective affordable housing inventories are region- or state-wide, made publicly available, and managed by a multi-agency team of housing experts (HousingPolicy.org 2009). These teams provide technical assistance to property owners and prospective purchasers on renewing long-term funding subsidy contracts with the federal government or transferring ownership of properties. To reduce the volume of properties needing tracking, the effort could start with affordable housing within transit communities, as those are likely to provide the greatest benefits to low-income persons. Ideally, this effort would be at the regional level so that affordable housing is preserved region-wide. Funding to complete and manage the inventory and coordinate a team of housing experts would be needed to make this tool most effective.

Potential for Effectiveness. Early warning systems for affordable housing at risk of converting are effective in preserving affordable housing. Cook County (Chicago), Washington D.C., the State of Oregon, the State of Florida, and cities of New York and Denver convene task forces to inventory and preserve affordable housing.

Cost and Ease of Implementation. This well-established tool is not likely to be controversial. Affordable housing advocates in the region are well connected and would likely welcome the opportunity to collaborate on a regional affordable housing inventory. Research institutions or public agencies that have housing affordability and preservation as part of their mission are typically the managers of preservation inventories (Center for Housing Policy 2012).

Tradeoffs. The main tradeoff is the cost of staff time in the coordination and maintenance of the inventory. Coordination among affordable housing advocates also takes time.

Potential to Direct Growth Away from Transit Community. As discussed previously, this tool is only likely to direct growth away from those transit communities that have limited land to develop (by preventing the demolition of affordable housing structures). Any preservation efforts would likely require funds to improve the quality of housing needing renovation.

Measurement. The inventory itself can help measure the success of this tool. It will allow affordable housing advocates to recognize progress towards affordable housing preservation, as well as losses of affordable housing.

Inclusionary Zoning

Inclusionary zoning requires developers to make a percentage of housing units in new residential developments available to low- and moderate-income households (PolicyLink 2012). In return, developers typically receive density bonuses, zoning variances, or expedited project reviews that reduce construction costs. By linking the production of affordable housing to private market development, it expands the supply of affordable housing while dispersing affordable units throughout a city or county to broaden opportunity and foster mixed-income communities. Incentive zoning, discussed in the next section, provides incentives for but does not require the inclusion of affordable housing.

Inclusionary zoning, as it is practiced in many other states, is not legal in Washington State, although a form of incentive zoning could be legally applied to residential development in newly rezoned areas under certain conditions. The Department of Planning and Development is currently evaluating this possibility. In the context of transit communities, inclusionary zoning is intended to recapture a portion of the increased value of development sites close to transit hubs and other public investments. One strategy is to tie the initiation of an inclusionary zoning program to indicators of lack of affordable housing and improved housing market conditions, such as increased property values or lower vacancy rates. The Chicago region is developing an alternative approach that would collect a portion of the growth in commercial and industrial tax base from municipalities with insufficient affordable housing, rather than imposing a fee directly on developers (PolicyLink 2012).

Potential for Effectiveness. Inclusionary zoning can be effective in producing affordable housing. Many states, counties, and cities have inclusionary zoning policies, including the state of Massachusetts, five counties around Washington D.C., and seven counties (and 48 cities) around San Francisco. A study by the Center for Housing Policy found the longer inclusionary zoning programs have been in place, the more affordable units they have produced. The program in Washington D.C. area has produced over 15,000 units of affordable housing since 2003 and the program in San Francisco has produced over 9,000 units of affordable housing since 2004, while the program in suburban Boston area has produced relatively few units of affordable housing. The Center for Housing Policy study also looked at the effect of inclusionary zoning on housing prices and production (2008, 8). For the San Francisco area, the study did not find any evidence that inclusionary zoning impacted either the prices or production of single-family houses. For the suburban Boston area, the study found that inclusionary zoning resulted in small decreases in production and slight increases in the prices of single-family houses. The mixed findings of the study are likely due to the varied policies and implementation practices of the different areas. A few of the lessons learned from the study for policymakers to consider in structuring inclusionary zoning policies are listed below (10-11). These lessons from other cities with inclusionary zoning policies can help the City of Seattle create an effective inclusionary zoning policy.

- More flexible inclusionary zoning policies may lead to greater production of affordable units.
- Different cost offsets may be needed in different communities and in different market cycles.
- Broad-based consultations with stakeholders may be helpful in designing effective policies and monitoring their implementation.

- Inclusionary zoning policies that provide meaningful and achievable density bonuses or other benefits to offset the profits lost on affordable units should be less likely to adversely impact the price and supply of market-rate housing.

Cost and Ease of Implementation. Inclusionary zoning can be controversial. Due to its legal status, implementing a form of inclusionary zoning in Seattle would likely be a complex and controversial process.

Tradeoffs. Potential tradeoffs are the possibility that inclusionary zoning could drive up housing prices or decrease housing construction in the area. As discussed above, a study on housing market effects of inclusionary zoning did not find any evidence that inclusionary zoning in San Francisco impacted either the prices or production of single-family houses. However for the suburban Boston area, the same study found that inclusionary zoning resulted in small decreases in production and slight increases in the prices of single-family houses.

Potential to Direct Growth Away from Transit Community. If developers estimate that inclusionary zoning makes a development unprofitable, they may seek development opportunities elsewhere. The more cities in the region that have inclusionary zoning policies, the more effective the policies.

Measurement. The City could track developments and the number of affordable units created through its permit tracking system. This would be similar to the way that the City tracks affordable units created through the incentive zoning program.

Tenant Right of First Refusal

This tool helps preserve affordable housing by requiring that landlords provide tenants with notice of sale and opportunity to arrange purchase of the property. The Tenant Opportunity to Purchase Act in Washington D.C. requires that an owner provide the tenants with an opportunity to purchase the property at the same price as a third-party buyer (Quigley 2010, 11).

A court case in Washington State found that the granting of rights of first refusal to tenants violates the Washington State Constitution. In the case, the court held that taking the right of first refusal from the owners and granting it to the tenants for their private use violates article I, section 16 of the Washington State Constitution, which states "No private property shall be taken...for public or private use without just compensation having first been made..." Specifically, granting rights of first refusal to tenants destroyed the owner's right to freely dispose of their property, exclude others, and immediately close the sale of their property (City of Seattle City Clerk 2004). However, State law entitles tenants to 120 days' notice in the case of a condo conversion, and gives renters the right of first refusal to purchase the unit (Tenants Union of Washington State 2012). This tool was not further analyzed due to its legal status.

5.3.1 Tools to Optimize for Transit Communities

The tools listed below are ones that Seattle is already using to incentivize development. The application and funding of most of these tools could be prioritized to direct resources towards transit communities. A description

and recommendation for each of these tools is below. Some tools that have the potential to be very effective, such as the Housing Trust Fund, are implemented by agencies or organizations other than the City of Seattle. While those are valuable resources, they are not discussed below, as the City does not control those tools.

Incentive Zoning

Incentive zoning is a voluntary provision available in certain areas of Seattle that provides additional development potential beyond the zoning for the area in exchange for certain public benefits, which may include affordable housing, on-site public amenities, open space, green streets, or historic preservation (City of Seattle Department of Planning and Development 2012a). Programs include (City of Seattle Office of Housing 2012c):

- Residential Bonus: Residential developments may receive extra floor area above the base height limit in exchange for affordable housing. Developers can build affordable housing as part of their development or, in certain zones, make a payment in lieu of building the affordable housing.
- Non-Residential Bonus: Developers receive additional floor area in exchange for housing and childcare affordable to lower-wage workers. The developer can provide the housing and/or childcare or make a payment in lieu of providing it.
- Transferable Development Rights (TDR): Excess development rights from a certified TDR site can be sold to developers needing extra non-residential floor area. The proceeds of TDR sales are used for preservation of priority uses such as open spaces, landmark buildings, arts facilities, or affordable housing.
- Transferable Development Rights Potential (TDP): Excess development rights from a certified TDP site can be sold to developers needing extra residential floor area. The proceeds of TDP sales are used for preservation of priority uses such as open spaces, landmarks, and affordable housing.

The incentive zoning program may be used in conjunction with other programs such as the Multifamily Tax Exemption program (Amy Gray, personal communication).

Most for-profit developers that take advantage of incentive zoning choose the payment option rather than provide affordable units in their development (City of Seattle Office of Housing 2010). The payment goes into a pool of funds for affordable housing developers to build more affordable housing. When the affordable housing is built in a lower income area, the program is not helping to provide a mix of incomes. Since 2007, program funds have contributed towards affordable housing in Capitol Hill, Denny Triangle, Columbia City, Chinatown/International District, and Belltown. The City should continue to monitor where funds from the incentive zoning program are being used and consider ways to encourage the development of affordable housing in areas of high opportunity.

The developer of the Gilmore Apartments in Downtown Seattle used funds from the incentive zoning program to pay for affordable housing. Source: Housing Resources Group.

Multifamily Tax Exemption Program

The Multifamily Property Tax Exemption (MFTE) program provides a tax exemption on the residential improvements of multifamily projects in exchange for setting aside 20 percent of the units for moderate-wage workers (Seattle Office of Housing 2012d). The Office of Housing manages compliance with the affordability and other requirements of the program, and the tax exemption can be maintained for up to 12 years. Projects must be located in a residential targeted area, generally in urban villages and urban centers, where the City is focusing growth. Applications must be submitted prior to the issuance of a project's first building permit, and all applicants that meet the program's requirements are eligible to receive the tax exemption.

The program has encouraged the development of multifamily housing in targeted growth areas with some degree of affordability. Critics of the program question the public value received. The program could be used to focus growth in transit communities by limiting the targeted areas to within one mile or less of a transit community. The targeted areas do not automatically update as urban village or urban center boundaries change. If the goal of the City is to have transit communities benefit from the program, then close and early coordination between the Office of Housing and Department of Planning and Development is needed to ensure that transit communities benefit from this program (Amy Gray, personal communication).

The Low-Income Housing Tax Credit (LIHTC) program, a federal program administered by the Washington State Housing and Finance Commission, is similar to the MFTE program. It is one of the largest resources for affordable housing in Washington. Like the MFTE program, the LIHTC program could prioritize projects in transit communities. Other tax incentive programs managed by the City that could be used to incentivize development in transit communities include the New Markets Tax Credits program for commercial development and the Special Tax Valuation program for historic buildings.

Housing Levy

Seattle's housing levy has successfully created affordable housing for many Seattle residents. The programs supported by the Housing Levy include:

- Rental production and preservation
- Operating and maintenance fund
- Rental assistance
- Homebuyer assistance
- Acquisition and opportunity loan fund

Continued success depends on the passage of future levies and prioritizing housing where residents can get the most benefit. The Office of Housing, who manages the levy, emphasizes the over-arching goal of contributing to City efforts to create sustainable transit-oriented communities by creating or preserving affordable housing opportunities in areas with high capacity transit stations or frequent transit service (Seattle Office of Housing 2011, 9). The Office of Housing provides maps showing these areas in the Notice of Funding Availability documents. Aligning these prioritized areas with transit community boundaries would help focus affordable housing creation and preservation in transit communities.

Stewart Court, built with Seattle Housing Levy funds.
Source: City of Seattle Office of Housing.

Expedited Review

The City of Seattle provides expedited review for single-family, multifamily, and commercial projects that meet typical green building standards through its Priority Green program (City of Seattle Department of Planning and Development 2012b). The City could increase equitable development by providing expedited review for targeted infill areas. In particular, affordable commercial space and community priorities such as cultural centers and grocery stores, would be valuable projects to fast track.

Expedited review is a particularly effective incentive because developers and investors place a high value on time savings and regulatory certainty. This is because developers face holding costs during the development review process, and long delays jeopardize the financial viability of a project (PolicyLink 2012). A Transit Cooperative Research Board study found that while transit operators, planners, and agencies thought financial incentives were the most important incentives for transit oriented development, developers and investors stated that time savings, regulatory certainty, and streamlining were more important (Cervero et al 2004, 112).

Economic Development Programs

The Office of Economic Development designs economic development and job training programs to keep workers in the community employed with family-wage jobs. Prioritizing these programs in transit communities is particularly important because, as discussed above, displacement is likely to occur in transit communities without intervention to prevent it. Moreover, transit communities are highly accessible areas. The invested transit, pedestrian, and bicycle infrastructure give workers many choices for traveling to work and training sites. Several economic development strategies that are considered best practices are listed below. Prioritizing funding for these programs in transit communities at risk for displacement, as indicated by rapidly increasing rents or an influx of residents and outside businesses, can help these communities stay resilient and thrive.

Support for Business Districts

"Neighborhood business districts are the places where small businesses thrive, communities engage, and jobs are created. Successful small businesses are the key to creating and preserving vibrant, safe, sustainable districts and businesses are most successful when they are located in neighborhoods with an active street life and healthy sense of community." (City of Seattle Office of Economic Development 2012b) The Office of Economic Development's *Only in Seattle* initiative builds on the following strategy areas:

- Business Organization. Neighborhood organizations, residents, property owners, and business owners work together toward a common vision for the neighborhood.
- Business and Retail Development. Well-organized businesses thrive because the community and other resources support them. New businesses move into the district that complement and improve the business mix.
- Safety and Cleanliness. The district is clean, safe, and welcoming.
- Marketing and Promotion. The district has a positive, consistent image that draws current and new customers.
- Appearance and Pedestrian Environment. The district is attractive, inviting, and easily accessed by multiple transportation modes. New projects revitalize or replace vacant or underutilized spaces.

The following best practices for strengthening neighborhood businesses are supported by the *Only in Seattle* initiative.

Business Improvement Districts. A Business Improvement District is a special tax district in which business and property owners in a specific area have agreed to pay an additional fee to fund additional services and projects. Examples

of services include safety patrols and street cleaning. The Office of Economic Development can help support the formation of a Business Improvement District.

Streetscape Improvements. Improving the condition of streets and sidewalks between stores can help improve customers' experiences in neighborhood business districts. Common streetscape improvement projects include trash cans, banners, benches, trees, bus stops, signs, new street lights, traffic calming, pocket parks, green stormwater infrastructure, and street repaving. Involvement of the community in choosing the projects is key to ensuring that the improvements reflect the character and meet the needs of the neighborhood business district. Many of these improvements are costly and must be prioritized to leverage the greatest benefit.

Storefront (façade) Improvement. Improving the exterior of storefronts can be a relatively inexpensive way to improve the appearance of a business or entire business district.

Banners, benches, and other streetscape improvements.
Source: Javacolleen, Flickr Creative Commons.

Commercial Stabilization
The NET Initiative's commercial stability strategy will help stabilize commercial businesses in the multicultural business district around the Othello light rail station. The program will provide an array of technical assistance such as product marketing, lease negotiations, and bookkeeping for approximately 30 businesses each year. Building owners could also receive technical assistance to create affordable commercial space. If this strategy proves to be successful, it could be incorporated into the *Only In Seattle* initiative, which could provide ongoing funding and possibly expansion of the strategy.

Business Assistance
The Office of Economic Development's business services team offers many programs such as assistance with starting a business, financial assistance, environmental programs and information, economic data reporting, and other technical assistance. To further help local businesses, the Office of Economic Development developed the following package of regulatory reforms (City of Seattle Office of Economic Development 2011c):

- Encourage home-based businesses
- Expand options for accessory dwelling units
- Concentrate street-level commercial uses in pedestrian zones
- Allow small commercial uses in certain multifamily zones
- Expand temporary uses
- Reduce and eliminate some parking requirements
- Allow more flexibility in height measurement
- Change environmental review thresholds

These reforms are intended to stimulate new development, while being consistent with local environmental values.

Workforce Development and Job Training
Seattle has several programs that work with nonprofit community-based organizations, community colleges, and employers to recruit, train, place, and retain low-income residents in living-wage jobs.

Affordable Commercial Space

Maintaining affordable commercial spaces can help small local businesses grow into thriving businesses. Because chain stores generally have more available capital, financing capacity, and shared backroom expenses, they can absorb a higher rent. This places a burden on smaller neighborhood businesses that have more trouble absorbing these increases, further increasing the likelihood of displacement (Ritter 2009, 25).

The most promising opportunities for creating affordable commercial space can be facilitated by the City of Seattle and nonprofit organizations. Nonprofit organizations often have the financial capacity to take over leases of distressed properties. These organizations can remove the profit motive and pass those savings to local business tenants in the form of reasonable and long-term stable rents. This helps achieve commercial affordability and increased control over the neighborhood business mix (29). The City, through its allocation of federal community development block grants, low interest loans, tax credits, and technical expertise, can help by partnering with local community development agencies and other organizations to acquire under-performing commercial properties. Once the properties are acquired, the City can transfer ownership to other organizations using a variety of models such as community land trusts, commercial land trusts, commercial condominiums, or organization with lease controls (29-34). As mentioned above, the NET Initiative is piloting an affordable commercial space project.

Planned Actions

A planned action is a development project whose impacts have been addressed by an Environmental Impact Statement (EIS) associated with a plan for a specific geographic area before individual projects are proposed (Municipal Research and Services Center of Washington 2011). The intent of a planned action is to provide a more streamlined environmental review process at the project stage by conducting a more detailed environmental analysis during the planning stage. Early environmental review provides more certainty to permit applicants and to the public. However, because the environmental review is up front, the jurisdiction may have to pay for studies and processes that would normally be paid for by private applicants.

Site plan for Yesler Terrace, Seattle's first planned action.
Source: City of Seattle Department of Planning and Development.

Planned action projects are most appropriate for (Washington State Department of Ecology 2012):

- Smaller geographic areas, but large enough that a planned action is cost effective (several blocks or more);

- Limited number of property owners who have a good idea of what they want to develop;
- Relatively homogenous geographic areas where future development types, site-specific conditions, and impacts can be more easily forecast;
- Development sites with significant overlapping regulatory requirements; or
- Routine types of development with few impacts.

A subarea or neighborhood plan with a limited number of development types would be an appropriate planned action project. Other examples would be a university campus, large manufacturing complex, or other large parcel under single ownership where project construction will be done in phases.

Seattle is currently using the planned action review option provided under the State Environmental Policy Act for the first time with Seattle Housing Authority's Yesler Terrace project (City of Seattle Department of Planning and Development 2012c). The planned action requires parameters for the planned action (number of units, square footage, etc.) and an accompanying mitigation document, which lay out the requirements for coverage under the planned action. When developers apply to be covered under the planned action, they must provide documentation through their Master Use Permit application that they meet the requirements in the planned action ordinance and mitigation document. If a project meets the requirements, it is not appealable. This process can take almost as much time as a traditional environmental documentation process, however it removes the uncertainty of an appeal. The Yesler Terrace project will help show how much benefit a planned action process can provide over the traditional process, however it will take a few years for the process to unfold.

In addition to reducing uncertainty for developers, planned actions can provide greater community benefits, such as green building and mitigation of cumulative impacts, through the mitigation document. On the other hand, some project critics may want to be able to appeal later in the process but will be unable to do so because the public involvement period occurs early in the process, while the planned action EIS is being prepared (Dave LaClergue, personal communication).

Housing Renovation and Weatherization Funds

Low-income Seattle homeowners and rental property owners who have low-income tenants can get free weatherization services if they meet income qualifications. Low-interest home improvement loans may also be available to homeowners for additional needed repairs (City of Seattle Office of Housing 2012e). The Home Repair Loan Program is designed to address immediate health, safety and structural deficiencies (City of Seattle Office of Housing 2012f). These programs can be used to preserve affordable housing. When lack of funds limit the loans available, affordable housing in transit communities could be prioritized.

Public Art

Public art can make public spaces in communities more welcoming and attractive. Public art installations are part of the Office of Economic Development's Only in Seattle initiative and many other City programs.

Funds for Acquiring Land and Existing Affordable Housing

Many cities have acquisition funds for development and preservation of affordable housing in transit communities. These funds help nonprofit developers quickly access equity and predevelopment money to hold at-risk properties while they pursue permanent financing.

Waiting for the Interurban in Fremont.
Source: Alexabboud, Flickr Creative Commons.

The NET Initiative's Transit Oriented Development Acquisition Loan Program provides funds for acquiring land. It will help housing developers acquire three to four vacant parcels near light rail stations in the Rainier Valley. The parcels will be developed into mixed-use projects that include affordable and market rate residential and dedicated small business and community space. The program will likely begin making loans by 2013. The mixed-use projects will provide approximately 200 units of affordable rental housing. As mentioned above, the Housing Levy also provides funds for acquisition of land and buildings. Neither of these programs is permanent; the City, Community Development Corporations, and other organizations could consider developing a similar but permanent transit oriented development acquisition loan program.

The Washington State Housing and Finance Commission has a similar program, the Rapid Response Program, that assists Washington organizations in purchasing land, buildings, or mobile home parks for the preservation or development of affordable housing and community facilities through loans (Washington State Housing and Finance Commission 2012). The properties must be located in rapidly redeveloping areas, or in communities with a substantial low-income population that is threatened with displacement. Unfortunately, no funds have been available for the program since 2009. While not a City program, the City should encourage funding the program as it could be a valuable source of funds for preventing displacement.

Public Private Partnerships

"Public private partnerships have proven a successful manner in which to structure finance and develop plans that balance the public sector's public policy objectives while maintaining a market driven approach, which is essential to achieve the required returns by debt and equity investors and a key element to any successful partnership." (Stainback and Simril 2012, 3-4) In transit community public private partnerships, the public partner often provides assembled land on a long-term lease or outright sale, assistance with environmental review (minimizes the risks associated with costly and time-consuming pre-development activities), commitment for public investments such as infrastructure, and access to available federal, state, and local funding. The private partner often provides technical work such as planning and design, financing, construction, operations, and maintenance. Typical public private partnership projects include affordable housing, transit station improvements, vertical and horizontal pedestrian connections, traffic calming features, streetscape enhancements, and public services such as daycare and healthcare facilities. A successful public private partnership balances the sharing of costs, risks, and responsibilities associated with the development.

Public private partnerships can help build affordable housing, mixed-use buildings, recreational facilities, and other community resources in transit communities. The NET Initiative will strengthen Rainier Valley communities by planning for a shared cultural center (City of Seattle 2011). Community meetings will occur throughout 2012, with the goal of engaging 200 participants from traditionally marginalized communities. A

feasibility analysis will address programming and finance issues, and by the third year of the program, a governance structure will be identified to lead the development process. The analysis could determine that the best structure for this project is a public private partnership.

Reduced Parking Requirements

High parking requirements can make housing prohibitively expensive to build, as each parking space adds $20,000 to $40,000 per space to the project's total development costs (Reconnecting America 2012a). Cities such as Seattle have lowered the cost of housing near transit by adopting parking standards that reflect the greater likelihood that residents in transit communities will use transit. In commercial and multifamily zones of urban centers and Station Area Overlay Districts, no parking for motor vehicles is required (City of Seattle Clerk 2012). This allows developers to base parking on the needs of their target customers.

Pressure from lenders or residents in surrounding neighborhoods can sometimes lead developers to provide higher levels of parking than necessary. Maximum parking standards help prevent the oversupply of parking. In downtown Seattle, the City allows a maximum of one parking space per 1,000 square feet of downtown office space (City of Seattle Department of Transportation 2012). A related parking strategy that can influence travel behavior and decrease the cost of development and housing is encouraging or requiring the unbundling of parking charges from space leases in agreements for residential and office developments (Willson 2005, 90).

Shared Equity Housing Programs

Under shared equity homeownership, a government or nonprofit agency acts as a co-investor with a new homebuyer, investing funds to reduce homeownership costs to an affordable level (NCB Capital Impact 2012). In return, homebuyers agree to limit their equity appreciation to preserve affordability for future lower income buyers. Shared equity homeowners make stable, affordable housing payments while building equity and having control over their home. Shared equity homeownership also provides families with protection against drops in home values and preserves the buying power of public subsidies over time to help many generations of homeowners. In most cases, a new buyer in the same income category can be served without any new subsidy. Shared equity affordability restrictions can be imposed through a deed restriction or covenant, a Community Land Trust ground lease, a shared appreciation loan, or a Limited Equity Cooperative structure. The City does support, and can provide increased support, to the various non-profit agencies in Seattle that provide shared equity homeownership opportunities.

Community Land Trusts

Like shared equity homeownership, community land trusts are set up to preserve the long-term affordability of rental and ownership housing. Community land trusts do this by retaining ownership of the land beneath houses and multifamily buildings which permanently removes the price of land from the home's cost, thereby reducing the effect of rising land prices (Reconnecting America 2012b). Community land trusts require that homes are rented at affordable rates or sold at affordable prices based on agreed-upon resale formulas. Some states and municipalities allocate Community Development Block Grant and other available resources to community land trust programs, while others allocate city-owned land. Twenty-one community land trusts exist in Washington State, with Homestead Community Land Trust serving Seattle and parts of King County. The City can continue to collaborate with Homestead Community Land Trust to permanently preserve affordable housing, particularly in places where increasing homeownership is a goal or places where property values are expected to increase.

Nova Townhomes, community land trust affordable housing near the International District.
Source: Low Income Housing Institute.

Community Benefits Agreements

Community benefits agreements are deals between developers and coalitions of community organizations that address community needs and ensure that affected residents share in the benefits of major developments (Gross, LeRoy and Janis-Aparicio 2005, 3). They can allow community groups to have a voice in shaping a project and add community benefits such as affordability, local hire provisions, or job training to a development project in exchange for agreements or subsidies. Benefits that have been negotiated as part of community benefits agreements include (10):

- A living wage requirement for workers employed in the development
- A first source hiring system targeting residents of low-income neighborhoods
- Space for a neighborhood childcare center
- Construction of parks and recreational facilities
- Construction of affordable housing

When large projects are proposed, the City can provide support to community groups that might broker community benefits agreements with developers.

A study of 25 transit communities found that certain types of projects were more likely to address the economic needs of low and moderate-income people (Grady and LeRoy 2006, 1). These were:

- Projects in which a community coalition negotiated for a community benefits agreement with a private developer for guaranteed concessions such as local hiring, living wages, and affordable housing set-asides
- Those in which a community development corporation initiated the project and made it integral to the organization's neighborhood improvement mission
- Cases in which an exceptional private developer intentionally designed a project for the benefit of low-income people and the community

Tax Increment Financing

Tax increment financing (TIF) is a development tool that dedicates a share of increased tax revenues from designated improvement areas to repay investments in infrastructure, transit, and development. Like inclusionary zoning, TIF as practiced in many other states, is prohibited by Washington State law. TIF has been successfully used to develop transit communities in many other cities, which has led local organizations to lobby for legal alternatives. Several "TIF-lite" tools have been developed in Washington, including Local Infrastructure Financing Tool, Local Revitalization Financing, and Community Revitalization Financing, however they are complicated and limited in usefulness. "For TIF to become a truly viable financial mechanism, the constitutional limitations need to be addressed by the Legislature and the state's 101 percent property tax levy limit must be lifted." (Wolfe and Symington 2009, 34-36). While not under the City of Seattle's control, the City can support legislation to enable TIF to be used to its full potential.

6. Additional Research Needed and Next Steps

This project focuses on the City of Seattle and the policies and tools that can be implemented at the City level. The City has almost 50 offices, departments, and divisions. This project identifies 12 departments (see Section 5.2) that are critical in promoting social equity in transit communities. Further research would likely uncover additional ways that these and other department can contribute to equitable development. In addition, each City department has many nonprofit and regional- state-, and federal-level partners that can help provide knowledge and resources for promoting social equity in transit communities. Further research into these partnership opportunities can help identify additional equity strategies.

A key factor for social equity in any community is school quality. Successful local economic development requires a successful local educational system as a foundation (Blakely and Leigh 2010, 12). Economic studies have found that investments in early childhood education programs bring up to a 16 percent return on investment (314). This project does not attempt to identify strategies to improve underperforming schools. Education is a critical factor needing further research and investment.

As City staff identify potential transit community boundaries, the equity analysis described in Section 4.2 will help identify transit communities that have residents with the greatest needs. City departments can then prioritize funding for investments. The City may also want to evaluate the adequacy of the transit system serving each transit community, as this project does not assess the quality of transit service.

The Planning Commission will be providing direction to the City on Comprehensive Plan updates and transit communities policy. This project can provide a social equity perspective for policy discussions. If the Planning Commission agrees that the policies and tools recommended in this project are promising, it may want to conduct further research and make formal recommendations to City departments, the City Council, and the Mayor.

7. Conclusion

Equitable transit communities are "…about creating attractive, walkable, sustainable communities that allow residents to have housing and transportation choices and to live convenient, affordable, pleasant lives -- with places for kids to play and for older people to grow old comfortably." (Center for Transit Oriented Development 2012a) In addition to those who are too young and old to work, equitable transit communities need artists, teachers, restaurant staff, and other workers who do not typically earn high wages.

The San Francisco Guardian recently reported that San Francisco is increasingly losing its working and creative classes and diversity to other jurisdictions. The reporter blames policy decisions that favor expensive, market-rate housing over the City of San Francisco's own affordable housing goals. One housing activist stated: "It's definitely changing the character of the city. It drains a big part of the creative energy of the city, which is why folks came here in the first place." (San Francisco Bay Guardian 2012)

The Seattle Planning Commission would like to recommend policies that help to prevent further displacement and migration from Seattle. This paper recommends policies and tools to develop Seattle's transit communities into places where a diverse mix of people can live, work, learn, shop, and play. City policy can help stabilize diverse communities by:

- Engaging communities and helping individuals and organizations take leadership roles in their communities
- Coordinating on a regional level for equitable development
- Providing comprehensive, coordinated City resources to strengthen communities and prevent displacement
- Supporting mixed-income communities and the preservation of affordable housing

The City can track progress towards social equity goals, which will help inform future policy direction. The City of Seattle is already a leader in best practices for many areas of equitable development. Through further coordination, monitoring, and policymaking, Seattle can equitably and sustainably grow with shared prosperity for all people.

8. References

American Association of Retired Persons. 2009. *Preserving Affordability and Access in Livable Communities: Subsidized Housing Opportunities Near Transit and the 50+ Population.* http://www.aarp.org/home-garden/housing/info-09-2009/2009-15.html.

American Planning Association. 2002. "Policy Guide on Smart Growth." http://www.planning.org/policy/guides/adopted/smartgrowth.htm.

American Public Transport Association. 2012. "Public Transit Riders Continue to Save As Gas Prices Remain High." http://www.apta.com/mediacenter/pressreleases/2012/Pages/120418_AprilTransitSavings.aspx.

Blakely, Edward and Nancy Leigh. 2010. *Planning Local Economic Development: Theory and Practice.* Fourth Edition. Sage Publications: Los Angeles.

Bodaken. 2012. "Preserving Opportunities: Transit Oriented Development and Social Equity." http://communityinnovation.berkeley.edu/presentations/Bodaken_NHT.pdf.

Bullard, ed. 2007. *Growing Smarter: Achieving Livable Communities, Environmental Justice, and Regional Equity.* February 2007. MIT Press.

Canzoneri, Diana. 2012. "Demographic Trends in Seattle: What the New Decennial Data Tell Us." Presentation to the Seattle Planning Commission Executive Committee. March 12, 2012.

Center for Housing Policy. 2008. "The Effects of Inclusionary Zoning on Local Housing Markets: Lessons from the San Francisco, Washington DC and Suburban Boston Areas." http://www.nhc.org/media/documents/IZ_in_SF,_DC,_Boston.pdf.

Center for Housing Policy. 2012. "Taking Stock: The Role of Preservation Inventories in Preserving Affordable Rental Housing." http://www.nhc.org/media/documents/takingstock.pdf.

Center for Neighborhood Technology. 2012. "H+T Affordability Index." http://htaindex.cnt.org/.

Center for Transit Oriented Development. 2004. "Hidden in Plain Sight: Capturing the Demand for Housing Near Transit." September 2004. http://www.reconnectingamerica.org/resource-center/books-and-reports/2004/hidden-in-plain-sight-capturing-the-demand-for-housing-near-transit/.

Center for Transit Oriented Development. 2009. "Mixed-Income Housing Near Transit: Increasing Affordability With Location Efficiency." http://www.ctod.org/portal/node/2165.

Center for Transit Oriented Development. 2012a. "Welcome." http://ctod.org/portal/.

Center for Transit Oriented Development. 2012b. "What is MITOD?" http://www.mitod.org/whatisTOD.php.

Chapple, Karen. 2009. "Mapping Susceptibility to Gentrification: The Early Warning Toolkit." Center for Community Innovation at the University of California at Berkeley. http://communityinnovation.berkeley.edu/reports/Gentrification-Report.pdf.

Chapple, Karen, Robert Hickey, and Aditi Rao. 2007. "Transit Oriented for All: Mixed-Income Transit-Oriented Communities in the Bay Area." http://communityinnovation.berkeley.edu/publications/GCC_ExecSummary.pdf.

Cervero, Robert, Steven Murphy, Christopher Ferrell, Natasha Goguts, Yu-Hsin Tsai, G. B. Arrington, John Boroski, Janet Smith-Heimer, Ron Golem, Paul Peninger, Eric Nakajima, Ener Chui, Robert Dunphy, Mel Myers, Shannon McKay, and Nicole Witenstein. 2004. "Transit Oriented Development in America: Experiences, Challenges, and Prospects." Washington, D.C.: Transit Cooperative Research Program, Report 102. http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_rpt_102.pdf.

City of Seattle. 2009. "Comprehensive Plan." http://www.seattle.gov/DPD/Planning/Seattle_s_Comprehensive_Plan/ComprehensivePlan/default.asp.

City of Seattle. 2011. "City of Seattle HUD Community Challenge Grant Application Abstract: City of Seattle Neighborhood Equitable Transit Oriented Development Initiative." Seattle, Washington.

City of Seattle City Clerk. 2004. "Council Bill Number: 113738: An ordinance relating to rights of first refusal." City of Seattle Legislative Information Service. April 5, 2004. http://clerk.seattle.gov/~scripts/nph-brs.exe?s1=rental&s3=&s4=&s2=&s5=&Sect4=AND&l=20&Sect2=THESON&Sect3=PLURON&Sect5=CBORY&Sect6=HITOFF&d=ORDF&p=1&u=%2F~public%2Fcbory.htm&r=13&f=G.

City of Seattle City Clerk. 2012. "Seattle Municipal Code 23.54.020: Parking quantity exceptions." http://clerk.ci.seattle.wa.us/~scripts/nph-brs.exe?d=CODE&s1=23.54.020.snum.&Sect5=CODE1&Sect6=HITOFF&l=20&p=1&u=/~public/code1.htm&r=1&f=G.

City of Seattle Department of Planning and Development. 2009. "Neighborhood Planning Outreach Liaison Workshop Themes." http://www.seattle.gov/dpd/cms/groups/pan/@pan/@plan/@neighborplanning/documents/web_informational/dpdp017744.pdf.

City of Seattle Department of Planning and Development. 2011. "About DPD." http://www.seattle.gov/dpd/about/Overview/.

City of Seattle Department of Planning and Development. 2012a. "Priority Green Incentive Zoning." http://www.seattle.gov/dpd/permits/greenpermitting/incentivezoning/default.asp.

City of Seattle Department of Planning and Development. 2012b. "Priority Green Expedited." http://www.seattle.gov/dpd/Permits/GreenPermitting/Expedited/default.asp.

City of Seattle Department of Planning and Development. 2012c. "DPD Yesler Planned Action Ordinance." http://www.seattle.gov/dpd/cms/groups/pan/@pan/@plan/@yeslerterrace/documents/web_informational/dpdp021805.pdf.

City of Seattle Department of Transportation. 2009. "Technical Appendix: Detailed GIS Methodology for Project Prioritization, Seattle Pedestrian Master Plan." November 2009. Seattle, Washington.

City of Seattle Department of Transportation. 2012. "Parking Minimums and Maximums." http://www.seattle.gov/transportation/pedestrian_masterplan/pedestrian_toolbox/tools_pluz_parking.htm.

City of Seattle Office of Economic Development. 2012a. Memo to Seattle City Council members on the Neighborhood Equitable Transit Oriented Development (NET) Initiative – Commercial Stability. March 6, 2010. http://clerk.seattle.gov/~public/meetingrecords/2012/economic20120306_1a.pdf.

City of Seattle Office of Economic Development. 2012b. "Only In Seattle Initiative Program Description." http://www9.seattle.gov/economicdevelopment/pdf_files/2011%20Only%20in%20Seattle%20Initiative%20Program%20Description%20FINAL.pdf

City of Seattle Office of Economic Development. 2011c. "Seattle Jobs Plan." http://www.seattle.gov/economicdevelopment/jobsPlan/documents/OED_JOBS%20PLAN%208-25-2011%20FINAL.pdf.

City of Seattle Office of Housing. 2010. "Incentive Zoning Development: Office of Housing Report to City Council." July 1, 2010.

City of Seattle Office of Housing. 2011. "City of Seattle 2009 Housing Levy Administrative & Financial Plan Program Years: 2012-2013." http://www.seattle.gov/housing/levy/docs/Levy_A+F_Plan_2012-2013.pdf.

City of Seattle Office of Housing. 2012a. "Incomes and Rents: Multifamily Rental Program." http://www.seattle.gov/housing/development/limits_Multifamily.htm.

City of Seattle Office of Housing. 2012b. "Housing Preservation Guide: A Guide to Preserving and Restructuring Affordable Housing." http://www.seattle.gov/housing/management/docs/preservation_guide.pdf.

City of Seattle Office of Housing. 2012c. "Incentive Programs." http://www.seattle.gov/housing/incentives/default.htm.

City of Seattle Office of Housing. 2012d. "Multifamily Property Tax Exemption Program." http://www.seattle.gov/housing/incentives/mfte.htm.

City of Seattle Office of Housing. 2012e. "Weatherization Services." http://www.seattle.gov/housing/HomeWise/default.htm.

City of Seattle Office of Housing. 2012f. "Home Repair Loan Program." http://www.seattle.gov/housing/buying/repair_loans.htm.

City of Seattle Race and Social Justice Initiative. 2012. "Racial Equity Toolkit For Policies, Programs, and Budget." http://www.seattle.gov/rsji/docs/Racial%20Equity%20Toolkit_3-10.pdf.

Civic Economics. 2004. *The Andersonville Study of Retail Economics*. October 2004. (Modified February 2005). Chicago. http://www.andersonvillestudy.com/.

Cravens, Marisa, Miriam Chion, Michael Reilly, Gillian Adams, Sailaja Kurella, Lauren Baranco, and Sarah Truehaft. 2009. *Development Without Displacement: Development With Diversity.* Association of Bay Area Governments. December 2009.

Denver Regional Transportation District. 2010. "Lessons Learned Report." http://www.rtd-fastracks.com/media/uploads/main/Master_Lessons_Learned_ReportFINAL.pdf.

Eberts, Randall, George Erickcek, and Jack Kleinhenz. 2006. "Dashboard Indicators for the Northeast Ohio Economy." Prepared for the Federal Reserve Bank of Cleveland. April 2006. http://www.clevelandfed.org/Research/workpaper/2006/wp06-05.pdf.

Grady, Sarah and Greg LeRoy. 2006. "Making The Connection: Transit-Oriented Development and Jobs." http://www.hud.gov/offices/cpd/about/conplan/pdf/todjobs.pdf.

Gross, Julian, Greg LeRoy, and Madeline Janis-Aparicio. 2005. "Community Benefits Agreements: Making Development Projects Accountable." http://www.goodjobsfirst.org/sites/default/files/docs/pdf/cba2005final.pdf.

Hanleybrown, Fay, John Kania, and Mark Kramer. 2012. "Channeling Change: Making Collective Impact Work." http://www.ssireview.org/blog/entry/channeling_change_making_collective_impact_work.

Hatry, Harry. 2006. *Performance Measurement: Getting Results.* Washington D.C.: Urban Institute Press.

HousingPolicy.org. 2009. "States-Localities/At-Risk Housing/Data Collection." http://forum.housingpolicy.org/group/rentalhousingpreservation/forum/topics/stateslocalitiesatrisk-1?commentId=2423778%3AComment%3A1402&groupId=2423778%3AGroup%3A74.

Kania, John and Mark Kramer. "Collective Impact." http://www.ssireview.org/articles/entry/collective_impact.

King County. 2012. "King County Equity and Social Justice." http://www.kingcounty.gov/exec/equity/vision.aspx.

Lerman, Sharon. 2011. "Seattle Healthy Living Assessment: Pilot Implementation Report." http://www.seattle.gov/dpd/cms/groups/pan/@pan/@plan/@neighborplanning/documents/web_informational/dpdp021872.pdf.

Leinberger, Christopher. 2010. "The Next Real Estate Boom." The Brookings Institute. November 2010. http://www.brookings.edu/articles/2010/11_real_estate_leinberger.aspx.

Litman, Todd and Marc Brenman. 2012. "A New Social Equity Agenda For Sustainable Transportation." March 8, 2012. Victoria Transport Policy Institute. http://www.vtpi.org/equityagenda.pdf.

Lund, Hollie. 2002. "Pedestrian Environments and Sense of Community." Journal of Planning Education and Research. 21, No. 3. DOI: 10.1177/0739456X0202100307.

Malekafzali, Shireen, and Danielle Bergstrom. 2011. "Healthy Corridor for All: A Community Health Impact Assessment of Transit-Oriented Development Policy in Saint Paul, Minnesota – Summary." PolicyLink. http://www.policylink.org/site/c.lkIXLbMNJrE/b.7841971/k.7BB/The_Healthy_Corridor_for_All_Health_Impact_Assessment.htm.

McGee, Henry. 2007. "Seattle's Central District, 1990-2006: Integration or Displacement?" Urban Lawyer, Vol. 39, p. 2, Spring 2007.

Morrill. 2012. "Seattle is shedding diversity; the state's minority populations grow." Crosscut. April 29, 2011. http://crosscut.com/2011/04/29/seattle/20804/Seattle-is-shedding-diversity%3B-the-state-s-minority-populations-grow-/

Municipal Research and Services Center of Washington. 2011. "Planned Action." http://www.mrsc.org/subjects/planning/plannedaction.aspx.

National Housing Trust. 2012a. "Affordable Housing Preservation FAQs." http://www.nhtinc.org/preservation_faq.php.

National Housing Trust. 2012b. "Developing an Early Warning System to Save At Risk Affordable Housing." http://www.reconnectingamerica.org/assets/Uploads/preservingaffordablehousingneartransit2010.pdf.

NCB Capital Impact. 2012. "Shared Equity Homeownership." http://www.homesthatlast.org/introduction/.

Nelson. 2006. "Leadership in a New Era." Journal of the American Planning Association, Vol. 72, No. 4, Autumn 2006. Chicago. http://law.du.edu/images/uploads/rmlui/conferencematerials/2007/Thursday/DrNelsonLunchPresentation/NelsonJAPA2006.pdf.

Pastor, Manuel and Chris Benner. 2008. "Been Down so Long: Weak-Market Cities and Social Equity." *Retooling for Growth: Building a 21st Century Economy in America*. The American Assembly, Columbia University. New York.

PolicyLink. 2002. "Promoting Regional Equity: A Framing Paper." http://www.policylink.org/atf/cf/%7B97C6D565-BB43-406D-A6D5-ECA3BBF35AF0%7D/RegionalEquityFramingPaper_final.pdf.

PolicyLink. 2012. "Equitable Development Toolkit." http://www.policylink.org/site/c.lkIXLbMNJrE/b.5136575/k.39A1/Equitable_Development_Toolkit.htm.

Pollack, Stephanie, Barry Bluestone, and Chase Billingham. 2010. "Maintaining Diversity In America's Transit-Rich Neighborhoods: Tools for Equitable Neighborhood Change." Dukakis Center for Urban Regional Policy. http://www.dukakiscenter.org/storage/TRNEquityFull.pdf.

powell, John, Jason Reece, Samir Gambhir, Craig Ratchford, Mathew Martin, Jillian Olinger, and Andrew Grant-Thomas. 2010. "The Geography of Opportunity: Mapping to Promote Equitable Community Development and Fair Housing in King County, WA." The Kirwan Institute. http://research.kirwaninstitute.org/publications/king_county_wa_opportunity_mapping_apr_2010.pdf.

PSRC. 2009. *Vision 2040*. http://psrc.org/assets/366/7293-V2040.pdf.

PSRC. 2011. "Regional Equity Network, Growing Transit Communities: Equity Framework." October 7, 2011. PSRC.

PSRC. 2012. "Land Acquisition Fund for Equitable Transit Oriented Development." Growing Transit Communities Presentation. http://www.psrc.org/assets/6927/Case_for_a_TOD_Fund.pdf.

Quigley, Leo, ed. 2010. "Preserving Affordable Housing Near Transit." http://www.reconnectingamerica.org/assets/Uploads/preservingaffordablehousingneartransit2010.pdf.

Reconnecting America. 2012a. "Transit Oriented Development-Targeted Parking Regulations." http://www.mitod.org/todtargetedparkingregulations.php.

Reconnecting America. 2012b. "Community Land Trusts." http://www.mitod.org/communitylandtrusts.php?tab=1&return=listpos3.

Ritter, Brad. 2009. *Creation and Preservation of Affordable Commercial Space in Seattle's Neighborhood Business Districts.* Degree Project for Evans School of Public Affairs. University of Washington. Spring 2009.

San Francisco Bay Guardian. 2012. "San Francisco's loss-Heading East: San Francisco is losing much of its diversity, cultural edge, and working class to the East Bay -- can anything be done?" April 10, 2012. http://www.sfbg.com/2012/04/10/san-franciscos-loss?page=0,0

Seattle City Council. 2012. "Council Sets 2012 Priorities." http://council.seattle.gov/2012/02/24/council-sets-2012-priorities/.

Seattle Planning Commission. 2009. *Status Check: Seattle Citizens Assess their Communities and Neighborhood Plans.* Prepared by the Seattle Planning Commission. October 2009.

Seattle Planning Commission. 2010. *Seattle Transit Communities.* http://www.seattle.gov/planningcommission/docs/STCFinalLayout.pdf.

Seattle Planning Commission. 2011a. "About Us: The Mission." http://www.seattle.gov/planningcommission/about.htm.

Seattle Planning Commission. 2011b. *Housing Seattle.* http://www.seattle.gov/planningcommission/docs/HousingSeattle.pdf.

Singer, Audrey. 2007. "Refugee Resettlement in Metropolitan America." http://www.migrationinformation.org/feature/display.cfm?id=585.

Stainback, John and Renata Simril. 2012. "Public/Private Partnerships are Key to Successful Transit Oriented Development." http://ncppp.org/resources/papers/stainback_tod.pdf.

Tenants Union of Washington State. 2012. "Seattle Laws FAQ." http://www.tenantsunion.org/rights/faq/seattle-laws/.

U.S. Environmental Protection Agency. 2010. "Partnership for Sustainable Communities: A Year Of Progress For American Communities." http://www.epa.gov/smartgrowth/pdf/partnership_year1.pdf.

Walkonomics. 2012. "How Walkable Streets Can Reduce Crime." This Big City. http://thisbigcity.net/how-walkable-streets-can-reduce-crime/.

Washington State Department of Ecology. 2012. "SEPA Online Handbook; SEPA and the Growth Management Act." http://www.ecy.wa.gov/programs/sea/sepa/handbk/hbch07.html#7.4.

Washington State Housing and Finance Commission. 2012. "Rapid Response Program Description." http://www.wshfc.org/rrp/description.pdf.

Willson, Richard. 2005. "Parking Policy for Transit-Oriented Development: Lessons for Cities, Transit Agencies, and Developers." Journal of Public Transportation. Vol. 8, No. 5. http://www.nctr.usf.edu/jpt/pdf/JPT%208-5%20Willson.pdf.

Wolfe, Charles and Paul Symington. 2009. "From Barriers to Solutions and Best Practices: Urban Centers and Transit Oriented Development in Washington." http://www.reuw.washington.edu/research/download/biblio_revised_v6_merged.pdf.

Zimbabwe, Sam and Alia Anderson. 2011. "Planning for Transit Oriented Development at the Regional Scale." TOD 204. http://ctod.org/pdfs/tod204.pdf.

Appendix: Methodology

Literature Review

Many documents were reviewed to gather current information on transit oriented development, equitable development, affordable housing, community economic development, transportation planning, public health, and other related topics. The documents referred to in this report are listed in the reference section.

Interviews

From February 8, 2012 to May 14, 2012, the following people were interviewed to gather information on social equity issues related to transit communities:

- Emily Alvarado - Housing Development Consortium
- Theresa Barreras - City of Seattle Office of Economic Development
- Lyle Bicknell - City of Seattle Department of Planning and Development
- Diana Canzoneri - City of Seattle Planning Commission
- Dan Carlson - University of Washington Evans School of Public Affairs and Department of Urban Design and Planning
- Patrice Carroll - City of Seattle Department of Planning and Development
- Ryan Curren - City of Seattle Office of Housing
- Cindy Erickson - City of Seattle Office of Housing
- Chris Fiori - Heartland
- Darlene Flynn - City of Seattle Office of Civil Rights
- Barbara Gray - City of Seattle Department of Transportation
- David Goldberg - City of Seattle Department of Planning and Development
- Amy Gray - City of Seattle Office of Housing
- Heidi Hall - Puget Sound Regional Council, Impact Capital
- Esther Handy - Seattle City Council Staff
- Glenn Harris - City of Seattle Office of Civil Rights
- Scott Kirkpatrick - Sound Transit
- Rachel Kleit - University of Washington Evans School of Public Affairs and Urban Design and Planning
- Dave LaClergue - City of Seattle Department of Planning and Development
- Dan Landes - Puget Sound Regional Council
- Nora Liu - City of Seattle Department of Planning and Development
- Julie Nelson - City of Seattle Office of Civil Rights
- Chris Persons - Seattle Planning Commission, Capitol Hill Housing
- Mike Podowski - City of Seattle Department of Planning and Development
- Kristin Pula - Homesight
- Katie Sheehy - City of Seattle Planning Commission
- Brennon Staley - City of Seattle Department of Planning and Development
- Brian Surratt - City of Seattle Office of Economic Development
- Geoffrey Wentlandt - City of Seattle Department of Planning and Development

Draft Transit Communities Policy Equity Analysis Methodology

The equity analysis in the Pedestrian Master Plan was identified as an efficient way to identify communities with the greatest needs. The communities with the greatest needs often have the worst combined socioeconomic, health, and education outcomes. The following process was used to develop the Equity Map, which

illustrates the equity analysis in the Pedestrian Master Plan (City of Seattle Department of Transportation 2009, 7):

1. The first step in the development of the map was to gather the following data: automobile ownership, low-income population, disability population, diabetes rates, physical activity rates, and obesity rates. Census data were used at the block group level.
2. The next step was to sort this information to determine the regions with the highest rates of each factor (or lowest rates in the case of automobile ownership). Each of the six socioeconomic and health categories were divided into five quintiles (five groups with a relatively equal number of records in each group). The use of quintiles in this case was based on discussion with SDOT and planning judgment; however, an alternate method of categorization could easily be substituted.
3. After the top quintile for each component was established, this portion of the feature was exported and dissolved. Each new feature was given a new field which was populated with the value of five. A batch union was used to combine each of these components into one. In the final union feature, the score from each individual component field was summed to generate the total score.

The equity analysis is part of a larger analysis that will identify the nodes around which transit community boundaries will be drawn. The following factors may be considered for inclusion in this equity analysis:

- Ratio of income to poverty
- Median household income
- Population 65 or over
- Manageable housing cost (cost-burdened)
- Rent/own (tenure)
- Vehicle availability
- Educational attainment
- Unemployment

This data would be gathered from the 2010 Census or 2006-2010 American Community Survey data as appropriate. Exhibit A-1 lists data and sources that would be used. Commission staff recommends working with PSRC, Seattle-King County Public Health, and other organizations to identify whether or not additional data is available that would help inform the equity analysis. These factors will give a more complete picture of the areas that have residents with the greatest needs.

Development and evaluation of policies and tools

Criteria to evaluate policies and tools was first identified. Policies were then developed based on the literature review, interviews, and social equity goals identified in Section 4. These policies were then evaluated based on the criteria and information from the literature review and interviews. Similarly, tools to promote social equity (community land trusts, commercial stabilization, etc.) were then identified based on the literature review, interviews, equity goals, and policies. These tools were then evaluated based on the criteria. Tools that Seattle does not currently use were evaluated in depth. Tools that Seattle is already using were briefly reviewed, and opportunities to optimize the use of those tools to further promote social equity were identified.

Exhibit A-1. Data for the Equity Analysis

Table Number	Table Title	Priority
B01001	Sex By Age	Background
B03002	Hispanic Or Latino Origin By Race	Background
B09016	Household Type (Including Living Alone) By Relationship	Background
B11001	Household Type (Including Living Alone)	Background
B11002	Household Type By Relatives And Nonrelatives For Population In Households	Background
B19001	Household Income In The Past 12 Months	Essential
B17010	Poverty Status In The Past 12 Months Of Families By Family Type By Presence Of Related Children Under 18 Years By Age Of Related Children	optional
B17024	Age By Ratio Of Income To Poverty Level In The Past 12 Months	optional
B23001	Sex By Age By Employment Status For The Population 16 Years And Over	optional
B25001	Housing Units	Background
B25024	Units In Structure	Background
B25034	Year Structure Built	Background
B25045	Tenure By Vehicles Available By Age Of Householder	Very important
B08201	Household Size By Vehicles Available	optional
B08203	Number Of Workers In Household By Vehicles Available	optional
B08301	Means Of Transportation To Work	Important
C08134	Means Of Transportation To Work By Travel Time To Work	optional
C08136	Aggregate Travel Time To Work Of Workers By Means Of Transportation To Work	optional
B25063	Gross Rent	Background
B25064	Median Gross Rent	Background
B25070	Gross Rent As A Percentage Of Household Income In The Past 12 Months	Important
B25075	Value	Background
B25077	Median Value	Background
B25091	Mortgage Status By Selected Monthly Owner Costs As A Percentage Of Household Income In The Past 12 Months	Important