# Seattle Planning Commission

Issue-specific thoughts on the major update to the Comprehensive Plan

# Addressing Displacement in Seattle's Comprehensive Plan

March 2022

The Seattle Planning Commission advises City of Seattle elected officials and staff on policies and programs related to land use, housing, transportation and related issues. As stewards of the Comprehensive Plan, the Commission actively engages in the annual review of amendments to the Plan and a robust and iterative review of the major updates to the Plan that occur every seven or so years.

Last summer, the Commission offered <u>recommended overarching themes to guide the</u> <u>next major update</u>. As a follow up to those recommendations, we are preparing a series of issue-specific briefs. The following brief is the second in the series and focuses on how to include anti-displacement policies and strategies as a central component of the Comprehensive Plan major update.

### **Summary of Recommendations**

- Make anti-displacement policies a focus of the Comprehensive Plan To disrupt decades of inequitable growth patterns that led to the disproportionate displacement of BIPOC and low-income communities, the major update to the Comprehensive Plan expected in 2024 needs to include anti-displacement policies as a central focus of the plan.
- Evaluate displacement during the EIS process The EIS process for Seattle's Comprehensive Plan major update should evaluate the proposed growth strategy alternatives through consideration of impacts to displacement and housing affordability and identify mitigation strategies.
- Include anti-displacement policies in multiple Comprehensive Plan elements Anti-displacement policies belong throughout the comprehensive plan in a variety of elements from economic development to arts and culture, not only in the growth strategy and land use elements.
- Advance community-led policy and investments in anti-displacement The City should expand existing efforts, such as the Equitable Development Initiative, to invest in community-driven and community-owned development by affected BIPOC and low-income communities.
- <u>Create and preserve affordable housing, commercial, and non-profit spaces</u> Seattle needs more affordable space options for households and community-serving entities which requires both creating new affordable options and preserving existing affordable options through intentional growth patterns and land use policy.
- Support anti-displacement policies through adequate resourcing and technical assistance – To be successful, anti-displacement policies require on-going support in the form of funding and technical assistance to communities to help them utilize existing tools and stay in place in the face of growth pressures.
- <u>Continue to evaluate and monitor displacement</u> Successful policies will be adaptable and responsive to community needs. The City should supplement knowledge shared by communities affected by displacement with improved data tracking of high displacement risk areas and the outcomes of policy actions.

# Introduction

As Seattle prepares to produce a major update to the City's Comprehensive Plan in partnership with communities, the Planning Commission will write a series of issue briefs offering to help inform the scope, policy direction, and update process. In this brief we focus on the issue of displacement and how anti-displacement policies should be a central component to the Comprehensive Plan update, informing policies across the plan. The brief aims to frame the role of anti-displacement policies in the Comprehensive Plan and set the stage for additional exploration into strategies and recommendations. The City's anti-displacement policies will need to be fully integrated using racial equity and social justice principles and aligned closely with the City's growth strategy. The Commission wrote a letter outlining major themes to address in the Comprehensive Plan major update last summer which can be found on the Commission's website. We hope this brief can serve as a start to future conversations with City leadership, City staff, and Seattle communities.

Fundamental to a strategy for building anti-displacement policies into the Comprehensive Plan are the following points:

- Displacement is a multi-layered issue that can come in different forms, from physical displacement to economic and cultural displacement, and it can impact not only households but also businesses and organizations.
- Black, Indigenous, and People of Color (BIPOC) communities as well as low-income households are disproportionately impacted by displacement. Strategies to reduce displacement must focus on outcomes for these communities and on solutions built in collaboration with those who have lived experience of displacement.
- Seattle's lack of housing supply in general and affordable housing options in particular are the greatest drivers of residential displacement in the city. Increasing the supply of housing overall and increasing access to affordable homes will be critical to reducing displacement pressures.
- The intensity of Seattle's real estate market is one of the main causes of displacement for small businesses and cultural spaces, many of which are located in older, small-scale buildings that are susceptible to redevelopment.<sup>1</sup> The displacement risk is even greater for BIPOC-owned small businesses and services due to systemic barriers such as lending discrimination.<sup>2</sup>
- Growth alone does not lead to displacement when balanced with adequate mitigation strategies. Such strategies are necessary to have in place **now**, as Seattle continues to grow, to ensure our neighbors can stay in place and thrive while providing greater opportunities for displaced Seattleites to return.
- In the city's current context of tremendous economic growth for some, and escalating space and land prices across the board, market forces alone will not produce equitable growth. Without proactive action from government to create and foster the conditions for community stability

<sup>1</sup> Framework for City of Seattle. "The CAP Report." City of Seattle, 2017. https://www.seattle.gov/Documents/ Departments/Arts/Downloads/Space/CULTURAL%20SPACE%20REPORT.pdf.

<sup>2</sup> Alvarez, Nohely, Bi'Anncha Andrews, and Willow Lung-Amam. "Small Business Anti-Displacement Toolkit." Small Business Anti-Displacement Network, August 2021. https://antidisplacement.org/wp-content/uploads/2021/09/Toolkit\_ FINAL.pdf, 9.

and economic mobility, vulnerable populations and culturally relevant businesses and services will continue to be increasingly at risk of being displaced.

Each of these points are discussed in greater detail in the sections below.

# **Displacement Context**

Most people move multiple times over the course of their lifetime. While moving to the neighborhood of one's choice can be a positive experience, sometimes households are forced to relocate due to increased housing costs, evictions, or the loss of neighborhood community connections. For the purposes of this brief, displacement refers to instances where the existing residents of a neighborhood are involuntarily forced to relocate. We use the term residents broadly to refer to households as well as small businesses, non-profit organizations, and community and cultural anchors, particularly BIPOC-owned and culturally relevant services. We refer to this collection of services as community-serving entities.<sup>3</sup>

Displacement can take a variety of forms:

- Direct economic displacement occurs when residents move because they can no longer afford to stay in an area due to rising rent and ownership costs.
- Indirect economic displacement results when existing residents move out, and higher rents and home prices preclude comparable households and community-serving entities from moving in.
- Cultural displacement takes place when existing residents move from a neighborhood because their social and cultural connections within the area have declined from widespread displacement of their community and community-serving entities.
- Physical displacement occurs when existing housing units and commercial/service spaces are lost due to property rehabilitation, redevelopment, or demolition.<sup>4</sup>

As families are forced to move, often multiple times, displacement can increase the risk of homelessness and have lasting negative impacts on health, education, and earnings.<sup>5</sup> Displacement also disrupts people's lives and weakens the cultural fabric of a community. Residential displacement is just one piece of the puzzle; displacement also impacts commercial and industrial areas. The rising cost of space in a neighborhood can put pressure on community-serving entities, such as small businesses, community organizations, arts spaces, barber shops, and religious institutions.

4 Although physical displacement may be the most obvious reason households and community-serving entities are forced to move, it is likely not the most frequent driver of displacement. In fact, a regional survey conducted by the Puget Sound Regional Council in 2019 found that cost of housing was the top displacement factor for households that moved in the last five years. For this reason, we listed physical displacement last when listing types of displacement. Puget Sound Regional Council. "Cost of Housing Top Reason for Displacement." Household Travel Survey, 2019. https:// www.psrc.org/sites/default/files/travel-story-2019-displacement.pdf

<sup>3</sup> Federal Reserve Bank of San Francisco. "Gentrification and Displacement." Accessed March 1, 2022. https://www. frbsf.org/community-development/initiatives/gentrification-and-displacement/.

<sup>5</sup> UC Berkeley Urban Displacement Project. Pushed Out: Displacement Today and Lasting Impacts. MP4. What Are Gentrification and Displacement, 2017. https://www.urbandisplacement.org/about/what-are-gentrification-and-displacement/.

The combined impact of these types of displacement can distance households from their social and cultural networks that bring neighbors together and provide direct support or connect people to support systems. The undermining of these systems is particularly apparent with the displacement of historically underserved BIPOC communities. When displacement happens on a large scale, it can alter the demographic, cultural, political, and economic composition of neighborhoods and even entire cities and regions.<sup>6</sup> Affected communities need tools that can help stabilize housing and community-serving entities. The City can help build support systems that create communities that are more resilient to change and growth.

# **Changing Seattle's Growth Pattern – Growth Without Displacement**

Seattle has a history of growth at the expense of BIPOC communities. From the city's founding on the unceded territories of the Coast Salish peoples, to the splintering of the Chinatown/International District community for the placement of I-5, to the displacement of Seattle's Black community from the Central District, the City of Seattle must be accountable to its legacy of inequitable growth. The COVID-19 pandemic has deepened existing wealth gaps and pushed additional communities into a place of instability. Anti-displacement policies are crucial to the development of a comprehensive plan that lives up to the values of the City's Race and Social Justice Initiative, which aims to "change the underlying system that creates race-based disparities in our community and to achieve racial equity."<sup>7</sup> The City has a responsibility to act quickly and boldly to reverse displacement trends.

Growth does not need to lead to community instability but, as Seattle's recent history demonstrates, concentrated growth without proactive mechanisms to relieve development pressure and stabilize communities is a recipe for inequitable development and displacement. Anti-displacement strategies can help center people and communities in a way that allows communities to stay in place amidst the growth pressures we have been experiencing and expect to continue.

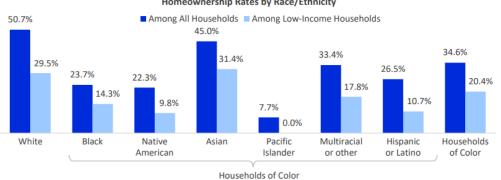
The City's current approach to managing growth, which focuses growth into urban centers and residential villages, has contributed to displacement and inequitable development in several ways:

 Continuing to restrict housing types to single family dwellings in a significant portion of the city (sometimes referred to as single family neighborhoods) while concentrating growth in small areas (Urban Villages and Centers) placed a disproportionate amount of growth pressure on a comparatively small area of the city. Single-family neighborhoods are inherently exclusionary as they prioritize a small number of higher-income homeowners over renters and low-income households. The concept of a single-family zone was created along with other exclusionary policies, like racially restrictive covenants and redlining, to keep BIPOC communities and lowincome households out of certain neighborhoods.

<sup>6</sup> Federal Reserve Bank of San Francisco. "Gentrification and Displacement." Accessed January 26, 2022. https://www. frbsf.org/community-development/initiatives/gentrification-and-displacement/.

<sup>7</sup> City of Seattle. "About RSJI." Seattle.gov. Accessed January 26, 2022. https://www.seattle.gov/rsji/about.

- The strategy disproportionately impacted people of color and low-income households.<sup>8</sup> For example, as of 2018, 44 percent of Seattle renter households were housing costburdened, which means they were spending 30 percent or more of their household income on housing. For Black renter households, that number was 58 percent, higher by far than any other racial group in Seattle.<sup>9</sup> Households that are housing cost burdened are more likely to be impacted by displacement pressures.
- The Racial Equity Analysis on the City's Comprehensive Plan states that "the current plan has failed to provide sufficient housing supply, choice, and affordability, and this has harmed BIPOC communities. Looking forward, in the major Comprehensive Plan update to be, all neighborhoods should offer more affordable housing choices to ease displacement pressures and provide access to opportunity."<sup>10</sup>
- The constrained growth has led to skyrocketing home purchase prices, which also disproportionately impacts BIPOC households.
  - Around 51 percent of white households in Seattle are homeowners compared to only 24 percent for Black households, 22 percent for Native American households, 8 percent for Pacific Islander households, 27 percent for Hispanic or Latino households, and 45 percent for Asian households.<sup>11</sup> The racial equity gap in homeownership becomes even more stark and persistent when we disaggregate the data and examine the differences within each racial group.<sup>12</sup>
  - Households that cannot afford to own a home or are forced to sell their homes due to displacement pressures miss out on the opportunity to build multi-generational wealth through the real estate market.
  - Homeownership can provide additional stability and protection from displacement pressures. Addressing the racial equity gap in homeownership is an important part of moving toward more equitable growth.



#### Homeownership Rates by Race/Ethnicity

Source: Community Indicators Report, City of Seattle OPCD, 2020, pg 23. Data source: 2011-2015 ACS 5-Year estimates, U.S. Census Bureau and HUD.

PolicyLink for City of Seattle. "Advancing Racial Equity as Part of the 2024 Update to the Seattle 2035 Comprehensive 8 Plan and Urban Village Strategy." City of Seattle, April 2021. https://www.seattle.gov/a/127266, 6.

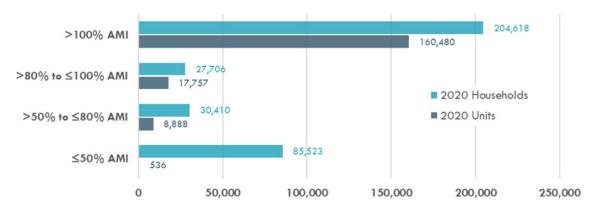
<sup>9</sup> City of Seattle. "Displacement Risk Indicators." Accessed December 23, 2021. https://population-and-demographicsseattlecitygis.hub.arcgis.com/pages/displacement-risk.

Office of Planning and Community Development. "Racial Equity Analysis - Community Engagement 10 Summary." Seattle 2035 Comprehensive Plan and Urban Village Strategy. City of Seattle, May 2021. https:// www.seattle.gov/Documents/Departments/OPCD/OngoingInitiatives/Seattle'sComprehensivePlan/ ComprehensivePlanRacialEquityAnalysisEngagementSummary.pdf, 6.

Office of Planning and Community Development. "Equitable Development Community Indicators Report." Equitable 11 Development Monitoring Program. City of Seattle, September 2020. https://www.seattle.gov/Documents/Departments/ OPCD/Demographics/communityindicatorsreport2020.pdf, 23.

<sup>12</sup> Ibid

- Even with Seattle's high volume of new construction, the housing supply cannot keep up with demand.
- Although the market is producing more housing than it has in the past few decades, Seattle is also gaining new jobs at an increasingly high rate. When the increase in jobs outpaces the increase in housing supply it leads to a shortfall and causes more competition for the existing housing supply, which in turn forces increased rents and housing prices.<sup>13</sup>
  - Seattle's growth has created a market that is inaccessible for low-income households. The rise in number of rental units in Seattle has not kept pace with the rise in the number of renters and there has been an overall decline in the number of units affordable to households at or below 50 percent Area Median Income (AMI).<sup>14</sup> The lack of affordable homes means that low-income households in Seattle cannot afford to stay in their neighborhood of choice and new low-income families cannot afford to move into the city. Rising rents impact community-serving entities in a similar way.
  - The city's recent Housing Needs and Supply Analysis noted: "During the past decade, Seattle has also experienced a rapid increase in higher income households. However, the city did not add significantly to its supply of ownership housing products. Much of the production of new single-family homes simply replaced existing older units, resulting in no net gain in supply. There has been very little condominium production, and townhome construction has not kept up with demand. The resulting competition for ownership housing has been intense, driving up housing prices, and the City needs proactive strategies to support the creation of homeownership opportunities that are inclusive of low-income households." <sup>15</sup>



# All Households by Income Level Compared to Housing Units That Can Support Homeownership by Affordability Level, 2020

Source: BERK, "Market Rate Housing Needs and Supply Analysis," 2021.

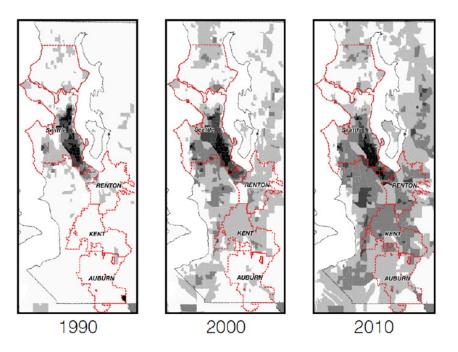
<sup>13</sup> BERK for City of Seattle. "Market Rate Housing Needs and Supply Analysis." City of Seattle, April 2021. https://www.seattle.gov/Documents/Departments/OPCD/OngoingInitiatives/HousingChoices/ SeattleMarketRateHousingNeedsAndSupplyAnalysis2021.pdf, i.

<sup>14</sup> City of Seattle, Displacement Risk Indicators.

<sup>15</sup> BERK, Housing Needs and Supply, ii.

- Recent growth patterns have increased displacement pressures on community-serving entities. The impacts of the COVID-19 pandemic have accelerated this trajectory, particularly within BIPOC communities.
  - A 2016 Commercial Affordability Report conducted by the City indicated that commercial and industrial spaces in Seattle are becoming more expensive, harder to find, and larger in size which makes the available spaces less compatible for small businesses.<sup>16</sup> Community organizations such as Puget Sound Sage, Africatown, Friends of Little Saigon, El Centro de la Raza, Nehemiah Initiative, and the Rainier Beach Action Coalition among many others have shared stories and examples of how displacement pressures have increased over the last decade, leading community-serving entities to close or relocate to other areas in the region.

If Seattle fails to act, we will end up with a city that is less racially and economically diverse and we will lose critical cultural anchors. Seattle needs a growth strategy that can reduce and reverse the disproportionate impact of displacement on BIPOC and low-income communities. PolicyLink suggests the way forward is to increase the housing density allowed in more areas of the city and to apply that new zoning alongside anti-displacement strategies that can support equitable growth.<sup>17</sup> The Commission agrees that the City needs to embrace growth with a focus on how to make future growth more equitable. We believe the Comprehensive Plan major update is the ideal place to begin this work of weaving growth and anti-displacement policies together.



The maps to the left show the share of the population in different areas of the region who are BIPOC based on census data from 1990-2010. While the patterns cannot be directly tied to displacement, the maps suggest that areas to the South and Southeast of Seattle are diversifying and adding BIPOC residents while some areas of Seattle have seen a decline in the proportion of residents who are BIPOC.

Source: Seattle OPCD Equitable Development Monitoring Program Website, 2022; U.S. Census data mapped by Tim Thomas

<sup>16</sup> Seattle Commercial Affordability Advisory Committee. "Commercial Affordability Advisory Committee Recommendations Report." City of Seattle, 2016. http://www.seattle.gov/Documents/Departments/ economicDevelopment/commercial\_affordability\_advisory\_committee\_report\_lo\_res.pdf.

<sup>17</sup> PolicyLink, Advancing Racial Equity, 9.

# Addressing Displacement via the Comprehensive Plan

To disrupt decades of inequitable growth patterns that led to the disproportionate displacement of BIPOC and low-income communities, the major update to the Comprehensive Plan expected in 2024 needs to include anti-displacement policies as a central focus of the plan. Seattle will need to include anti-displacement strategies in the housing element of the plan to comply with new state legislation,<sup>18</sup> but the City has an opportunity to go beyond the minimum requirements of the legislation and set the standard for the region. Strategies to address displacement need to be included in the planning process (such as checking for displacement outcomes in the Environmental Impact Statement (EIS) and asking about displacement concerns during community engagement) and then woven throughout the plan through clear and specific goals and policies.

#### **Consider displacement during the EIS process**

One way to test the balance between growth pressures and anti-displacement strategies in the Comprehensive Plan is through the EIS process. The Comprehensive Plan has the power to guide where and how major investments of resources are directed within the city, and those investments can lead to indirect displacement. Displacement can be seen as an environmental justice issue that impacts both individual households and entire communities. Displacement fueled by City investments can result in significant changes to the human environment and an argument can be made for including it as a potential outcome for consideration within the EIS and seeking mitigation strategies for areas where displacement impacts are identified.<sup>19</sup>

Seattle's Displacement Risk Index was originally developed to help inform the EIS for the Seattle 2035 Comprehensive Plan. Given the advances in the understanding of displacement, as well as over a decade of new data, Seattle has the tools to study displacement risk even more extensively during the latest major update – we commend that effort which we know is underway. Updates to the methodology as well as the ability to view changes in the data over time will allow the City to make adjustments to the growth strategy that are informed by displacement patterns and can shape anti-displacement policy that is tailored to the needs of vulnerable communities.

Other jurisdictions have also used the EIS process to explore displacement pressures and identify potential solutions. For example, the Puget Sound Regional Council included a detailed examination of displacement in the EIS for the Vision 2050 plan. The EIS for Vision 2050 includes an assessment of increased displacement risk for each of the studied growth alternatives and proposes mitigation measures to prevent displacement.<sup>20</sup> The EIS process for Seattle's Comprehensive Plan major update should evaluate the proposed growth strategy alternatives through consideration of impacts to displacement and housing affordability and identify mitigation strategies.

<sup>18</sup> Emergency Shelters and Housing - Local Planning and Development, House Bill 1220 §. Accessed December 10, 2021. https://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/House/1220-S2.SL.pdf#page=1.

<sup>19</sup> Hevia, Jesse. "NEPA and Gentrification: Using Federal Environmental Review to Combat Urban Displacement." Emory Law Journal 70, no. 3 (2021). https://scholarlycommons.law.emory.edu/elj/vol70/iss3/4.

<sup>20</sup> Puget Sound Regional Council. "Vision 2050 Final Supplemental Environmental Impact Statement," March 2020. https://www.psrc.org/sites/default/files/v2050finalseis-march2020.pdf, ES-23.

#### Anti-Displacement policies belong in multiple Comprehensive Plan elements

As described above, displacement is about more than just housing development and growth. Clear and specific goals addressing displacement should be included in all relevant sections of the plan in such a way that subsequent city planning efforts can carry the strategies forward. Naturally, the growth strategy and land use elements should incorporate anti-displacement strategies but so too should the transportation and economic development elements, as they all impact where growth and opportunity are directed in the city. Similarly, the arts and culture element can include polices to support the preservation of cultural anchors and other cultural amenities that keep a community whole. At a minimum, each of the elements listed below should be reviewed for opportunities to weave in anti-displacement policies.

Growth Strategy	Community Engagement
Land Use	Economic Development
Housing	Capital Facilities
Transportation	Parks and Open Space
Community Well-Being	Arts and Culture

#### Goals for anti-displacement in the Comprehensive Plan

Displacement is a layered issue, caused by a variety of factors that are often place-specific and community-specific.<sup>21</sup> The solutions proposed to address displacement must also be multi-faceted and flexible enough to be applied in a meaningful way for each impacted community. Seattle needs an array of resourced anti-displacement tools that can be deployed to best support and stabilize communities based on their unique needs. For those tools to be effective, they need to be prioritized in both the Comprehensive Plan and the City's budget.

Seattle already has several promising tools in operation or in development to help turn the tides of displacement, but many of the existing tools would benefit from more predictable and stable funding and substantial program expansion. The following section outlines goals for addressing antidisplacement in the Comprehensive Plan and highlights a few existing tools that the City can build on to achieve those goals.

#### Community-led policy and investments

 Work closely with affected BIPOC and low-income communities to better understand communityspecific displacement pressures and goals around anti-displacement. Listen to and advance community-driven solutions by disproportionately impacted groups, such as the Disaster Gentrification report by Puget Sound Sage and their community partners.<sup>22</sup>

<sup>21</sup> City of Seattle. "Housing Affordability - RSJI." Accessed December 23, 2021. https://www.seattle.gov/rsji/racial-equity-research/housing-affordability.

<sup>22</sup> Puget Sound Sage, Multicultural Community Coalition, and Rainier Beach Action Coalition. "Disaster Gentrification in King County," May 2021. https://www.pugetsoundsage.org/wp-content/uploads/2021/06/Community-Policy-Briefv.5.0.pdf.

- Invest in community-owned and community-driven development by communities that are at high risk of displacement.
- Build capacity within affected communities to utilize anti-displacement resources and ensure the City is prepared to support where needed through technical assistance.
- Build flexibility into policies so they can meet community-specific needs.

Seattle has recognized the importance of investing in community-led anti-displacement projects through efforts such as the Equitable Development Initiative (EDI) and the Cultural Space Public Development Authority. These programs provide a structure and funds for community organizations and non-profits to create community-owned assets such as affordable housing developments, community space preservation projects, and small-business support projects. While an excellent start, the programs only scratch the surface of community need. Even with a total of \$9.8 million of grant funds in 2021, the EDI was only able to fund 21 projects out of 78 applications.<sup>23</sup>

There are also several community-based non-profit organizations in the Seattle area that operate community land trusts (CLTs), such as Africatown and Homestead, which are an important antidisplacement tool for removing land from the speculative real estate market. CLTs help to preserve land and buildings for long-term affordable use by communities. Seattle would benefit from expanding funds and technical assistance to build the capacity of local organizations and groups for creating and operating CLTs.

#### Affordable housing, commercial, service, and non-profit space production

- Preserve the affordable units already in the city and the communities they house.
- Create more affordable housing for both renters and potential homeowners.
- Create more affordable commercial spaces.
- Plan for intentional housing growth.
  - Seek growth patterns that decrease market pressure and stabilize rents and housing costs over time, especially in neighborhoods identified as at a high risk of displacement.
  - Plan for growth that includes more housing overall with greater diversity in housing choices in areas of high opportunity and low displacement risk.
  - Avoid growth in environmentally critical areas like wetlands or in industrial and manufacturing areas.
  - Avoid growth patterns that focus multifamily housing and affordable housing along busy arterials or highways to serve as a buffer for single-family areas.

• Use Seattle's influence as a regional leader to push for change on a regional and statewide level.

One of the reasons over 30 percent of households in Seattle are housing cost-burdened<sup>24</sup> is that the

<sup>23</sup> City of Seattle. "Equitable Development Initiative." Seattle.gov. Accessed December 24, 2021. https://www.seattle.gov/opcd/ongoing-initiatives/equitable-development-initiative.

<sup>24</sup> City of Seattle, Housing Affordability.

City has vastly under-resourced the creation of long-term or permanent affordable housing. The City is now working to fill in a deficit that has built up over decades which, when paired with a housing market that has not kept pace with population growth,<sup>25</sup> will require a massive boost in the order of billions in funding to overcome.<sup>26</sup>

Seattle's affordable housing situation would be even more dire if not for the work of the Office of Housing and funds made available by the Seattle Housing Levy and the Mandatory Housing Affordability (MHA) program. Since 1981, the levy has supported the production, preservation, and acquisition of over 13,000 affordable rental and for-sale homes throughout the city and provided emergency rental assistance and other housing stability services to over 6,500 low-income households at risk of eviction and homelessness.<sup>27</sup> In addition, MHA appears on track with the goal to produce 6,000 affordable homes over ten years after the program's expansion in 2019.<sup>28</sup> Despite these efforts, the city has an estimated shortage of 21,000 rental units affordable to households at or below 80 percent AMI.<sup>29</sup> Affordable homeownership opportunities continue to be out of reach for most low-income households.<sup>30</sup> The City needs to renew and expand the Housing Levy in 2023 and reach beyond to new sources like the Jumpstart Tax for affordable housing production and preservation to meet demonstrated needs. The current level of funding, while impressive, is still insufficient to meet the housing needs of low-income people in our city as the pace of growth and demand for housing are far outstripping the available resources. The City must also support increased federal, state, and countywide investments to ensure their investments grow proportionally with the City's.

#### Housing stabilization and community resilience

- Adequately resource and invest in anti-displacement strategies on an ongoing basis.
- Protect tenants and community-serving entities that are unstable through policies that direct funding support and technical assistance toward affected communities to help them stay in place in the face of growth pressures.

Seattle has implemented several new tenant protection ordinances in recent years that help to reduce the power imbalance between property owners and tenants and increase the stability of housing for renters. While a step in the right direction, some of the policies need adjustments to be more effective against displacement. For example, Seattle implemented the current Notice of Intent to Sell Ordinance in 2019, which requires multi-family property owners to notify tenants and the City

28 Trumm, Doug. "Seattle's Mandatory Housing Affordability Program Is on Course So Far." The Urbanist, April 28, 2021. https://www.theurbanist.org/2021/04/28/seattles-mandatory-housing-affordability-program-is-on-course-so-far/.

29 BERK, Housing Needs and Supply, ii.

<sup>25</sup> BERK, Housing Needs and Supply, 49.

<sup>26</sup> King County Affordable Housing Committee, "Draft Shared Principles to Guide Future Affordable Housing Revenue Decisions," https://kingcounty.gov/~/media/depts/community-human-services/housing-homelessness-community-development/documents/affordable-housing-committee/Meeting\_09-30-2020/Draft\_AHC\_Shared\_Revenue\_Principles\_ memo.ashx?la=en,5.

<sup>27</sup> City of Seattle. "Seattle Housing Levy." Accessed December 23, 2021. http://www.seattle.gov/housing/programsand-initiatives/levy.

<sup>30</sup> Regional Affordable Housing Task Force. "Final Report and Recommendations for King County, WA." King County, Washington: King County, December 2018. https://kingcounty.gov/~/media/initiatives/affordablehousing/documents/ report/RAH\_Report\_Final.ashx?la=en, 12.

of plans to sell a property that includes units affordable to low-income households.<sup>31</sup> The intention of the ordinance is to allow tenants the opportunity to purchase their units before the property is sold to secure their housing, but an evaluation by the City Auditor in 2021 found several challenges to the ordinance operating effectively.<sup>32</sup> The City Auditor's evaluation indicates that the ordinance does not provide sufficient incentive for multi-family building owners to comply and the City lacks the resources to monitor compliance. It also points out that tenants often do not have the resources to organize with their neighbors and pull together a purchase offer in a limited time frame. Additional education, technical assistance, and funds are necessary to make the ordinance a tool tenants and affordable housing developers can use.

#### Evaluate and monitor displacement

• Supplement knowledge shared by affected communities with data that tracks high displacement risk areas and the outcomes of policy actions.

To better understand the patterns of displacement in Seattle, and to track the progress of equitable development efforts, the City created the Equitable Development Monitoring Project. The effort has been helpful in identifying areas of high opportunity and areas at risk of displacement. Yet the data required to monitor displacement, such as rental housing prices, has proved difficult to track and the delay of gathering and processing large amounts of data means the project often leads the City to react to displacement already in progress, rather than proactively preventing displacement. The City would need to invest considerably more resources into data collection and monitoring to allow the program to move out ahead of displacement trends.

Seattle needs to maintain and grow these anti-displacement tools while also creating a policy environment that supports and works with these efforts, rather than against them. Making antidisplacement goals and policies a central component of the Comprehensive Plan is an important way to boost the anti-displacement work that is already underway.

<sup>31</sup> Notice of Intent to Sell, Pub. L. No. 125873. Accessed January 11, 2022. https://library.municode.com/wa/seattle/ ordinances/municipal\_code?nodeld=972068.

Jones, David G., City Auditor, and Jane Dunkel Assistant City Auditor. "Evaluation of Compliance with Ordinance 125873: Notice of Intent to Sell (NOIS)." Memorandum. City of Seattle, September 21, 2021. https://www.seattle.gov/ Documents/Departments/CityAuditor/auditreports/NOISmemo.pdf

# **References/Toolkits for the City to learn from:**

Many organizations and cities have compiled toolkits and case studies to support anti-displacement work. To assist the City's work of exploring anti-displacement policies for the Comprehensive plan, we are including a non-exhaustive list of resources and organizations that Commissioners have found helpful.

- Puget Sound Sage Disaster Gentrification Report <a href="https://www.pugetsoundsage.org/research/">https://www.pugetsoundsage.org/research/</a> research-equitable-development/disaster-gentrification-king-county/
- King County Department of Community and Human Services Skyway-West Hill and North Highline Anti-Displacement Strategies Report <u>https://kingcounty.gov/~/media/depts/community-human-services/housing-homelessness-community-development/documents/Plans%20</u> and%20Reports/KC-SkywayWHill-NHIn-ant-dsplcmnt-stratrpt.ashx?la=en
- Nehemiah Initiative <a href="https://www.nehemiahinitiativeseattle.org/">https://www.nehemiahinitiativeseattle.org/</a>
- Portland Anti-Displacement Foundation Report <a href="https://www.portland.gov/sites/default/files/2021/final\_foundationreport\_main.pdf">https://www.portland.gov/sites/default/files/2021/final\_foundationreport\_main.pdf</a>
- Small Business Anti-Displacement Network Toolkit https://antidisplacement.org/toolkit/
- SPARCC Investment without Displacement <u>https://www.sparcchub.org/pathways-to-community-prosperity/displacement/iwd-2018/</u>
- National Coalition for Asian Pacific American Community Development & Council for Native Hawaiian Advancement – Asian American & Pacific Islander Anti-Displacement Strategies Report https://www.nationalcapacd.org/wp-content/uploads/2017/08/anti\_displacement\_strategies\_ report.pdf

### Conclusion

The Comprehensive Plan major update is an important opportunity to disrupt Seattle's long history of inequitable growth and disproportionate displacement of BIPOC and low-income communities. Ending and reversing displacement trends will be a long-term process that extends far beyond the scope of the Comprehensive Plan. The success of any anti-displacement strategies for Seattle is contingent on adequate funding and support from the City. Seeing displacement as a through-line that connects many elements of the plan is an important start to building a policy environment that fosters more equitable growth and stability for Seattle's communities. Seeking and supporting community-led solutions with BIPOC and low-income communities through the Comprehensive Plan engagement process will be critical to forming effective goals and policies. The Planning Commission will continue to explore strategies and tools to prevent displacement and will remain engaged throughout the Comprehensive Plan major update process. We look forward to future opportunities to connect with communities, organizations, and City staff to learn more about how to build a set of anti-displacement tools for Seattle.