

Precedents and Elements of a Comprehensive Displacement Risk Assessment applied first to the UDistrict Upzone: “Nothing that’s not been done before”

Seattle Displacement Coalition Recommendations - November 2015

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What we are seeking prior to moving forward with further consideration of the rezone to bring the city into compliance with state statutes:

Here is a review of precedents, i.e, what other cities have done or are doing to address displacement including assessing and responding to it. Following that is a draft of what a comprehensive displacement risk assessment would look like and would precede approval of future upzones especially those we are facing accompanying HALA and the UDistrict Upzone.

While we believe it's something the state SEPA law requires, regardless, its a policy the Council could adopt in very short order if it chose politically to do so... this is a policy question not a legal one. Does the Council believe it's important to undertake such an assessment and adopt measures if possible to mitigate or prevent displacement before proceeding with each geographically specific or city-wide upzone or code amendment and other nonproject action that would impact our existing low cost housing stock? It's simply good policy to do this.

The policy we are seeking could easily be added to the city's SEPA policies and included in the Housing Section (I) SMC 25.05.675. There already are limited policies there dealing with displacement. This could expand on those. They may also serve as the basis for conditioning permits under SEPA, SMC 25.05.675 - Specif Environmental Policies once located there.

The policy would require a displacement risk analysis prior to any nonproject action such as an upzone and include the following elements (see what follows section on precedents below). The assessment also would outline possible mitigation measures that the Council could impose - and just about any mitigation drawn from that assessment the Council chose to impose (short of what could be ruled a 'taking') and that is included in this SEPA policy - is authorized under the statute.

Precedents:

There is nothing particularly unprecedented either in Seattle, regionally, or nationally with the idea of cities and other governmental agencies conducting a “displacement risk analysis or study” and utilizing that analysis prior to approval of project specific developments, non-project actions such as the UDistrict upzone, or as a basis for subsequent city-wide legislation.

Seattle planners commissioned what may be one of the nation’s first Displacement Studies as far back as 1979. It was a comprehensive study of amounts of housing the city was losing to demolition, speculation, condo conversion, and other market forces, as well as random interviews to survey Seattle residents. The data indicated that one in five Seattle households were forced to move over an 18 month period due to redevelopment and these market forces. The results led to a moratorium on condominium conversions, and passage of an anti abandonment law, and the nation’s first demolition control law.

https://seattle.bibliocommons.com/item/show/724943030_seattle_displacement_study#bib_info

In 1983, the City undertook another Displacement Assessment entitled “Displacement, Relocation, and Neighborhood Impacts” that became an important basis for development of future neighborhood plans, city-wide legislation, and often cited in project and nonproject specific assessments referenced here. The cities Comp Plan, as far back as the late 70’s has referenced the need “to prevent loss of existing low income housing in neighborhoods where those opportunities currently exist”:

https://seattle.bibliocommons.com/search?commit=Search&page=2&q=displacement&search_category=keyword&t=keyword&utf8=%E2%9C%93

That year, 1983, the EIS for the new downtown plan included a comprehensive displacement analysis, identifying exactly 7311 remaining low cost units within the area of the upzone and projecting the effect of the various zoning alternatives under study on the existing stock of low income units. *(source: Vol 1 Oct 1983 DEIS Draft Downtown Land Use and Transportation Plan, especially see pages 186 thru p 213 which includes charts 33, 36, and 37 specifically identifying housing losses likely under each alternative with sections following reviewing and recommending courses of action to stem housing losses accompanying each alternative)*

Numerous EIS's for projects and non project actions, since then, such as for the Washington State Convention Center and numerous upzones that have followed, also included such analysis with varying degrees of thoroughness. One need only examine some of these for guidance as well.

More current guides of how to undertake a comprehensive displacement risk analysis:

We need not look too far to understand where and how to do the prescribed displacement risk analysis - where we can also view and understand the panoply of possible solutions to ensure “no net loss”.

In 2014, the Seattle City Council directed DPD to complete a citywide “2035 Growth and Equity Analysis” to accompany/precede adoption of the 2035 Comprehensive Plan. This study included mapping and thorough assessment of areas of the city placed at ‘high risk’ of displacement under each of the alternatives under study and was subtitled, “Analyzing Impacts on Displacement and Opportunity Related to Seattle’s Growth Strategy” found here:

http://www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web_informational/p2273984.pdf

The Puget Sound Regional Council (PSRC) also has provided some useful direction and impetus towards adoption of an effective anti-displacement policy through it’s subarea work aimed at concentrating growth around rail stops. This has been going on under their banner of “Growing Transit Communities” effort since at least 2012. The PSRC takes some real leadership here.

Unfortunately to date, it does not appear that any of the local jurisdictions including Seattle and other cities participating directly in the process have followed up or implemented the level of analysis and set recommendations they have made. Note Councilmember Michael OBrien was a active member of the regional subcommittee making these recommendations and calling for the risk assessment and measures to mitigate displacement.

Here and now with the UDistrict Upzone, we can begin to apply the PSRC’s recommendations while fulfilling requirements in the SEPA statute.

This is taken from Recommendation #12 of PSRC’s “Growing Transit Communities Strategy Report” 2013 entitled “Minimize Displacement through Affordable Housing Preservation and Replacement” that is accessible here

<http://www.psrc.org/assets/9539/GTCStrategy.pdf?processed=true> . To quote:

Among the many challenges communities face in pursuing mutually supportive economic development and social equity objectives, the risk of displacement looms large. Many transit communities are home to existing low- and moderate-income households at potential risk of displacement due to increased market strength and gentrification that may accompany transit system development. Strategies to preserve the existing affordable housing stock in good condition or to replace affordable housing demolished due to new development can help minimize these displacement risks while accommodating new market-rate investment. Although preservation and replacement strategies were not a central component of the GTC Partnership work program, they are critical to the long-term success of these communities and should be a focus area for future work. The goal guiding this strategy is to ensure a “no net loss” of existing affordable housing units in transit communities.

See PSRC site and its discussion here that also includes many helpful links to what other cities are doing around the country:

<http://www.psrc.org/growth/housing/hip/alltools/displacement>

See especially the City of Portland's displacement tool kit here that offers very specific direction on how to do a displacement risk analysis, and what should be included in that assessment: <https://www.portlandoregon.gov/bps/article/454027>

Other precedents and useful guides around the country towards undertaking a displacement risk analysis:

DC Fiscal Policy Institute: [Right of First Refusal Purchase Program in Washington DC](#)

Journal of Race, Poverty, and the Environment: [Combating Gentrification through Equitable Development](#)

Metropolitan Area Planning Council: [Anti-Displacement Literature Review](#)

National Housing Institute: [Managing Neighborhood Change](#)

National Housing Law Project: [State and Local Regulatory Initiatives to Preserve Threatened Affordable Housing](#)

Mitigating Displacement Due to Gentrification: [Tools for Portland Oregon](#)

Seattle Housing Authority: [Replacement Resources](#)

Texas Housers: [Recommendations for State Action to Prevent Displacement](#)

US Dept. of Housing and Urban Development (HUD): [Relocation Assistance to Tenants Displaced from their Homes](#)

Washington State Dept. of Commerce: [Mobile Home Park Resources](#)

Key elements of a thorough displacement risk assessment common to studies previously done here, around the region, and nation-wide:

There are a number of key elements common to most of these studies which we'll identify below. In point of fact, there's nothing unusual or unprecedented here about doing these kinds of studies as the above referenced material and Seattle's own planning history indicates.

(Below we're referencing specifically the analysis that's needed to assess risk of displacement for existing low cost and affordable units and people who live in these units. Some level of similar analysis should also be done for small businesses potentially impacted. Even though there are fewer models showing/identifying the situation for small businesses, at least a general overview of the mix of small businesses w/in the area of the upzone and how they would be affected due to upzoning also should be done as prescribed by the statute and paralleling the assessment we identify below for existing low income and affordable housing should also be done)

Specific Study Elements of a thorough Risk Assessment:

1. The study would contain a clear look at existing conditions including providing a complete inventory of existing low income and affordable units both subsidized and unsubsidized with the areas of the proposed upzones. This would include breaking out units from 0-30 percent of median, 30-50 percent of median and 50-80 percent of median. Some demographics should also be provided here of the population and their incomes, race, gender, size of household etc living in these units in order to get a sense of the number of 'cost burdened' households in the subject

area. This should be shown over time as well reaching back at least over the last decade drawing from existing benchmarks and data already compiled.

An overview and summary of past studies such as the PSRC TOD study, prior EIS's for the area, and the 2035 Growth and Equity Report, any other studies containing or referencing/studying/identifying potential for displacement in the UDistrict, and what they show vis a vis the risk of displacement also should be provided in the assessment of existing conditions

2. Some history of conditions prevailing under existing zoning should be provided, including a review of demolitions, loss of units to speculative sale (sales activity of existing apartments broken down by age of building), condominium conversions, rent increases, etc occurring in the recent past in order to identify existing trends. Data is readily available to identify these trends.

3. An identification of properties susceptible to direct redevelopment now and over the planning period in the event of the planned upzoning. (The Heartland Report and DPD have already undertaken such an analysis with mapping of the district and properties identified). This analysis and mapping stopped however at the level of mapping the properties. The amounts (with unit counts included) of existing housing on these sites and price of units and a look at the demographics of those and who lives there should be identified with charts and mapping. (Small businesses on these sites also should be identified). This would show potential for direct displacement.

4. An an assessment of the potential for indirect displacement occurring in short term and over the planning period - i.e., an analysis of how the proposed upzone would affect property values, tax assessments, speculative turnover, land values, and rents of the existing properties with existing housing on those sites and that are not necessarily located on sites subject to shorter term or immediate redevelopment. Estimates of the number of units likely to be lost to indirect speculative forces identified herein should be included here as well

5. In light of the displacement impacts identified in the analysis, a specific list of legislative strategies should be included as part of the study - that together or singularly could mitigate these impacts on existing housing and guarantee “no net loss” of these units. This

would include strategies and measures that could be implemented and precede or accompany the rezone specifically designed to ensure no losses of units, not just partial replacement of lost units.

The point here is to inform decision-makers before they take action on the upzone of the range of strategies available to them. A full list of preservation strategies, tenant rights, and housing production strategies should be included, and specifically designed to serve each affected income group, from 0 to 30, 30-50, and 50 to 80 percent of median respectively.

Tools should be provided and listed herein “such as” developer compliance with 1 for 1 replacement requirements” upping the linkage fees to ensure no net loss, a special allocation of levy funds or some other new source of revenue to enable purchase of existing housing before units are lost to speculation and redevelopment, expanded and aggressive use of right of first purchase of existing low cost housing by the city, use of conservation or special review districts, etc. should be listed so that decision-makers have this before them and before they consider the upzone.

The lead agency here need not include or offer it’s own recommendations, but providing at least a full list of options available to decision makers that would enable the city to realize no net loss should be included.

6. At least one public hearing must precede completion of a final draft of this risk assessment and these comments attached as an appendix to the final document