

Anti-Displacement & Preservation Toolkit

**Presentation to Affordable Housing,
Neighborhoods and Finance Committee**

Office of Housing

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Oleta Apartments, Capitol Hill, 2001

Anti-Displacement Strategy

Prevent and mitigate displacement of low-income people, particularly people of color

Tenant Protections

Preservation of Affordable Housing

Development of New Affordable Housing

Equitable Development, Planning and Investments

Capital Investments

Affordable Commercial Space

Cultural Assets

Preservation of Affordable Housing

Outreach &
Technical
Assistance

Data &
Monitoring

Research

ACQUISITION

Acquisition of Existing
Housing by
Nonprofits/Affordable
Housing
Developers/CBOs/Tenants

INCENTIVES

Rent/Income Restrictions
on Existing Housing in the
Private Market

SUSTAINABLE HOMEOWNERSHIP

Preservation for Low-
Income Homeowners

Outreach and Technical Assistance

- Roundtable with Private Market Property Owners
- Charrette with Affordable Housing Developers
- Online Public Survey

Next Step:

- Consider targeted outreach in particular communities to deploy preservation strategies.



Research

Take-Aways and Best Practices*

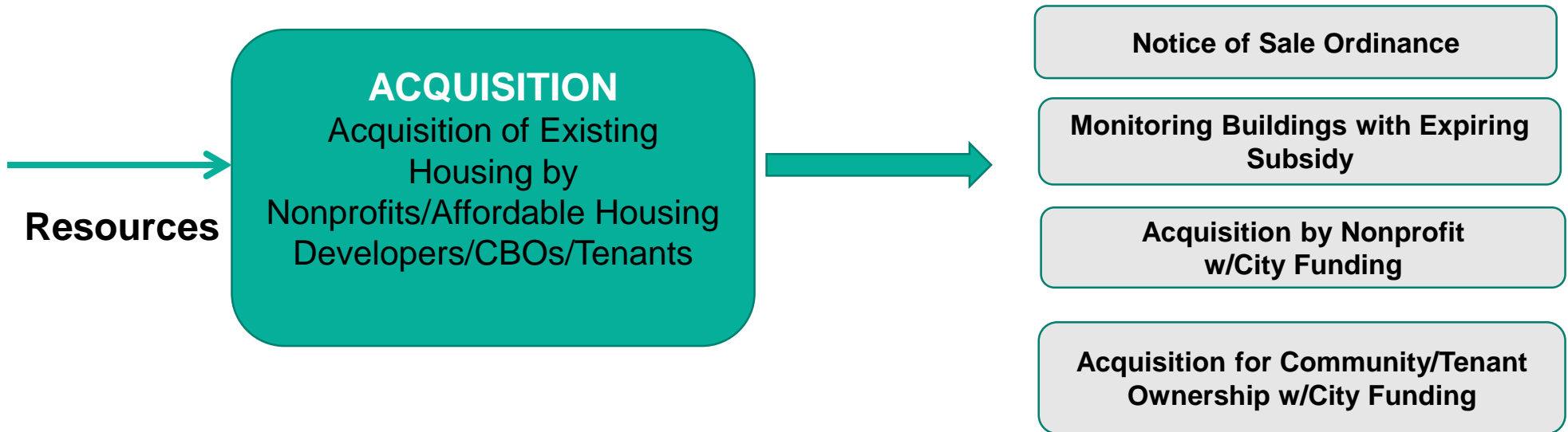
- Tailor to local policy context and market.
- Pair preservation approach with new construction.
- Preservation opportunities are more ripe in some cities:
 - Softer market
 - Vacant buildings
 - Regulatory environment
- Collaborative partnerships between sellers and buyers are essential.
- Logistics of acquisition and rehabilitation present displacement challenges.

Next Step:

- High-Cost Housing Forum to engage with policy network to learn and share effective strategies.

* Urban Institute. (August 2016). *Anatomy of a Preservation Deal*.

Enterprise Community Partners. (March 2016). *Strategies to Preserve Naturally Occurring Affordable Housing*.



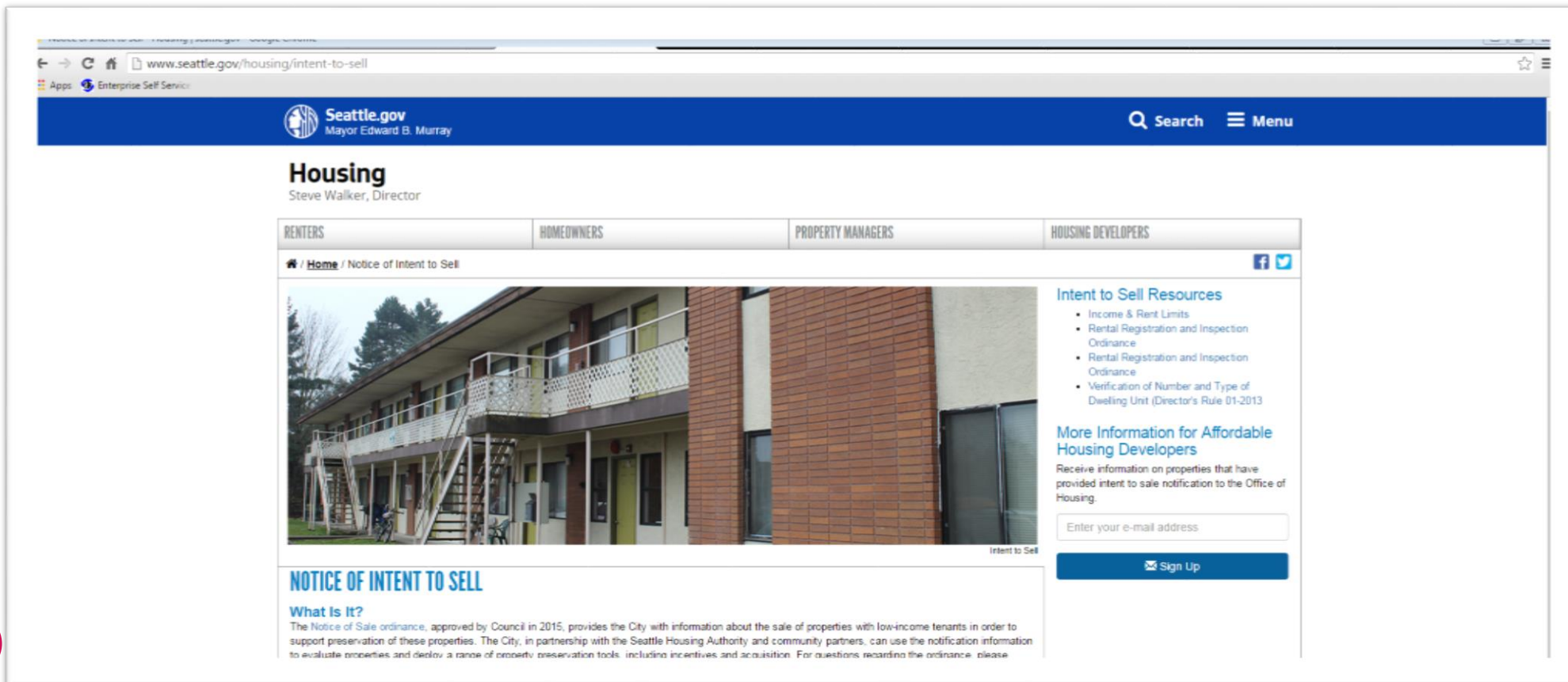
- Limited by available resources.
- Growing relationships with sellers.
- Improved monitoring tools may yield more acquisition opportunities.

Notice of Sale Ordinance

- Letter sent to all Seattle multifamily property owners.
- Monitoring System in place, with list serve to share opportunities.
- Response rate remains low.
- Hot market is a challenge, many buildings sold without listing.

Next step:

- Continued focus on education and awareness for property owners.



The screenshot shows the Seattle.gov website at the URL www.seattle.gov/housing/intent-to-sell. The page is titled "Housing" and is managed by Steve Walker, Director. It features a navigation menu with categories: RENTERS, HOMEOWNERS, PROPERTY MANAGERS, and HOUSING DEVELOPERS. The main content area includes a breadcrumb trail "Home / Notice of Intent to Sell" and a large photograph of a brick building. Below the photo is the heading "NOTICE OF INTENT TO SELL" and a sub-heading "What Is It?". The text explains that the ordinance, approved by Council in 2015, provides information about the sale of properties with low-income tenants to support preservation. On the right side, there is a section titled "Intent to Sell Resources" with links to "Income & Rent Limits", "Rental Registration and Inspection Ordinance", and "Verification of Number and Type of Dwelling Unit (Director's Rule 01-2013)". Below this is a section for "More Information for Affordable Housing Developers" with a text box for entering an email address and a "Sign Up" button.

Monitoring Buildings with Expiring Subsidy

- Majority of HUD and Tax Credit properties are owned by non-profits, considered low risk for loss of affordability.
- Property owners required to notify HUD if they plan to opt out one year before and then 120 days before opt out – OH receives and follows up on notices.

Next Steps:

- Expand and deepen relationships with private property owners.
- New annual outreach to property owners.



The Meridian, Northgate, 2009

Acquisition with City Funding

- OH portfolio includes preservation projects.
- Priority focused on expiring subsidized housing:
 - Prevent loss of subsidized housing.
 - Anti-displacement focus
 - Existing tenants income qualify.

Next step:

Refine acquisition criteria:

- Cost
- Size of Building - efficiency
- Scope of Rehabilitation – Major systems, Hazardous materials, Unreinforced masonry
- Relocation considerations
- Building/Community Characteristics – location (TOD, high opportunity area), unit types, existing cultural community
- Redevelopment potential



Acquisition for Community/Tenant Ownership



Columbia 26, Columbia City, 2013

- Requires ongoing organizational capacity support.

Next Steps:

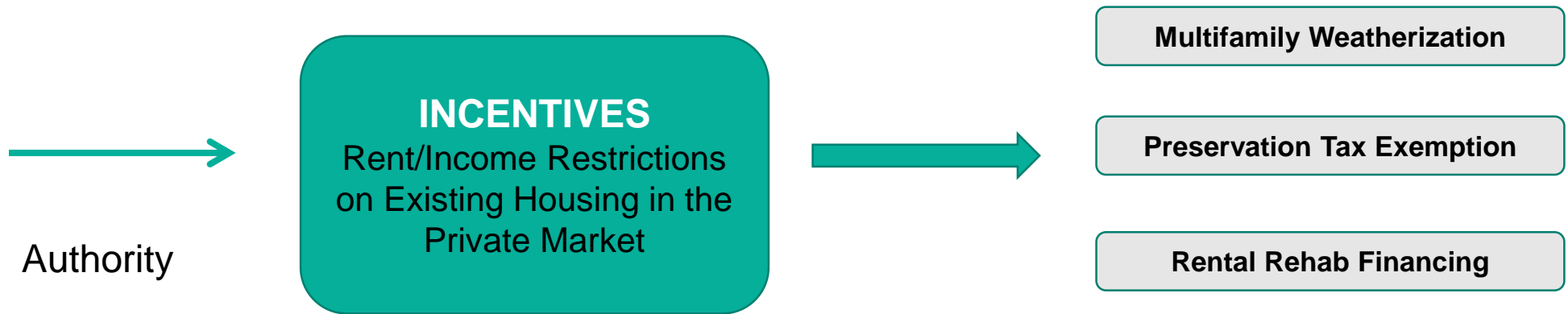
- Convene National experts to explore alternative ownership models.
- Research on applying models locally.

Resources

- 2016 Housing Levy:
 - Acquisition & Preservation Program
 - Up to \$30 million for short-term acquisition loans.
 - Priority on occupied buildings.
 - Take out financing needed.
 - Rental Production & Preservation Program
 - Targeted to $\leq 30\%$ AMI.
 - Eligible Use Rental Rehab Financing.
- Mandatory Housing Affordability payments.
- No additional dedicated fund source at this time. Existing resources not flexible.

Next Steps:

- Adopt Levy Administrative and Financial plan (Q1 2017).



- Bundling tools increases participation by property owners.
- Outreach and technical assistance required to identify willing property owners.
- Calibrate incentives relative to public benefit.

Multifamily Weatherization

Program Description:

- Retrofit buildings to improve energy efficiency.
- Property owner may not increase rents for 3 years.
- Funding from State Weatherization matchmaker program, several federal sources and locally from City Light.
- Existing partnerships with non-profits and Seattle Housing Authority.

Next Step:

- Grow and expand to market rate property owners with focus on smaller properties.



Preservation Tax Exemption

- State Legislative proposal for property tax exemption in exchange for reserving 25% of building as affordable to low-income renters (60% of Area Median Income in Seattle).
- Aimed at maintaining affordability, preventing displacement of longtime community members, and improving housing health and quality.

Next Steps:

- Include as key piece of City State Legislative Agenda.
- Interim outreach to build support.

Rental Rehab Financing

- Low interest financing for rehabilitation and refinancing in exchange for affordable rents in at least half of units in building.
- Loan amount dependent upon number of units rent restricted and the length of time units are regulated as affordable.
- Rents restricted to 30-80% of AMI depending on funding source for term of loan with only modest yearly increase allowed.
- Eligible use for levy funds, but all building residents must be earning $\leq 60\%$ of AMI.

Next Steps:

- Establish program rules for Levy A & F plan.
- Consider appropriate fund sources.

SUSTAINABLE HOMEOWNERSHIP

Preservation for Low-
Income Homeowners



Home Repair Loans and Grants

Single Family Weatherization

At-risk of Foreclosure



- In high cost market, stabilizing existing low income homeowners is key piece of strategy.
- Significant research and needs assessment necessary.

thank you.



HOUSING AFFORDABILITY
AND LIVABILITY AGENDA