

Community Resident Preference Policy as an Anti-Displacement Strategy

Seattle City Council

Civil Rights, Utilities, Economic
Development & Arts Committee

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Seattle Office of Housing

Seattle Office for Civil Rights



TOPICS

1. Introduction
2. Seattle's History of Racial Discrimination
 - Discriminatory policies and impact
 - Fair housing history
 - Housing strategies to affirmatively further fair housing
3. Affirmative Marketing
4. Community Resident Preference
 - National examples and initial take-aways
5. Next Steps
 - Demographic and displacement data; legal research
 - Community engagement and input
 - National policy dialogue

1. Introduction

Tailor affordable rental and ownership housing leasing/sales to further specific policy goals

Policy Goals:

- Provide affordable housing opportunities for local communities
- Anti-Displacement: Support at-risk communities and/or assist affected individuals
- Address history of racial discrimination and advance racial equity

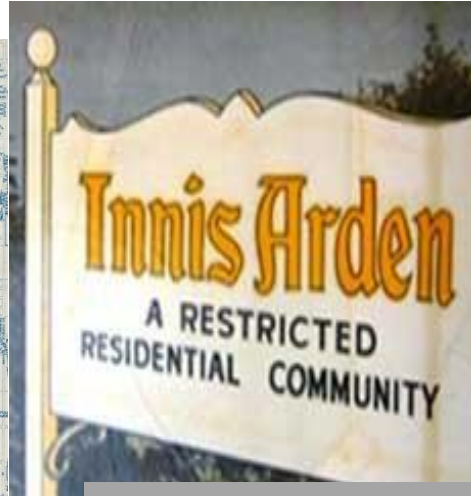
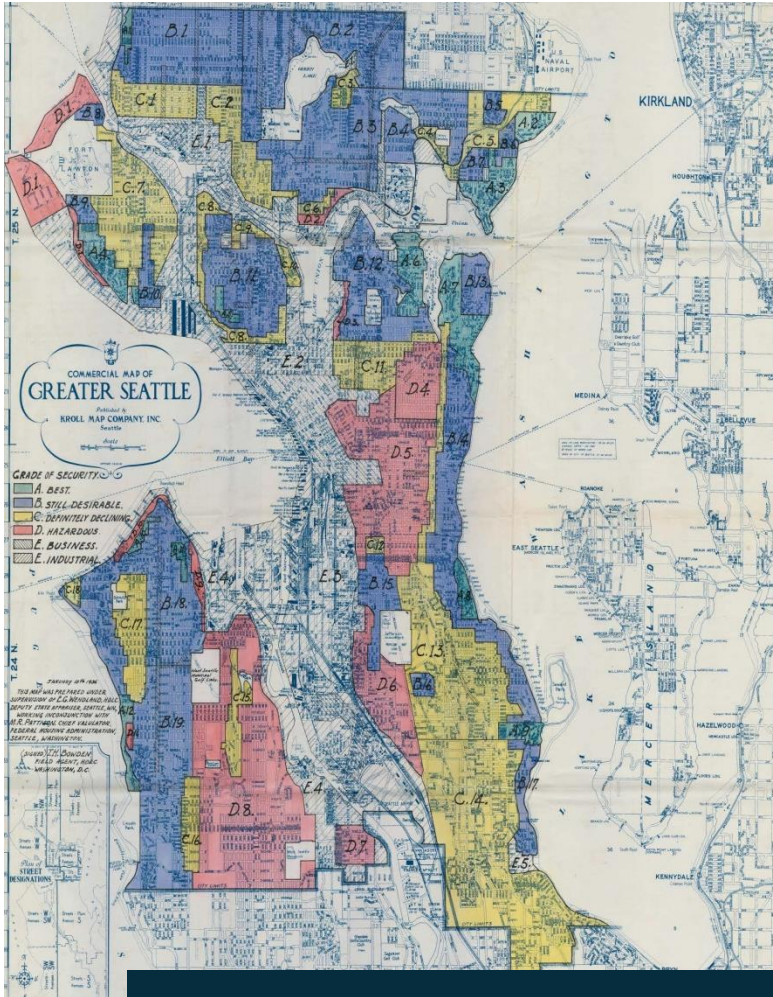
Community Resident Preference – Common approaches:

- A portion of rental or ownership units in affordable development are set-aside
- Preferred applicants may be local residents, workers, former residents, people who have been displaced
- Lottery used to select affordable housing residents / buyers
- Policy must affirmatively further fair housing – explicit analysis of racial impact

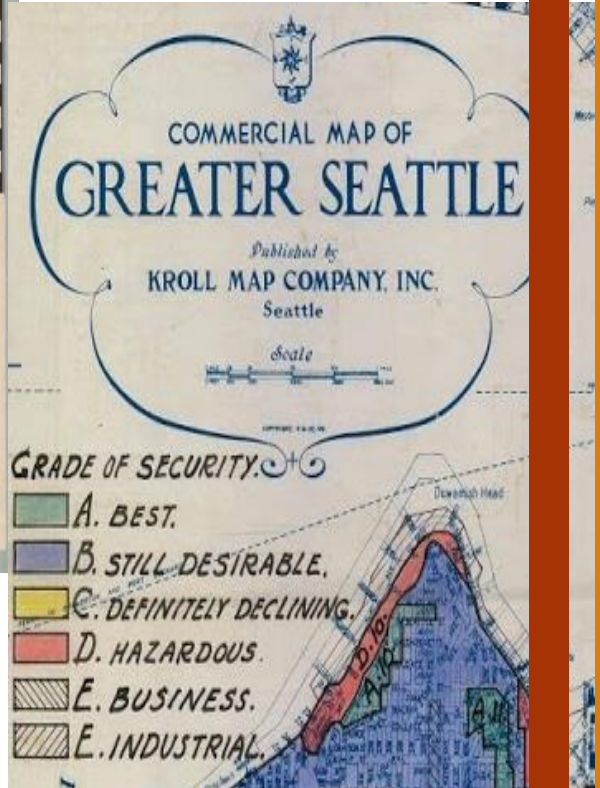
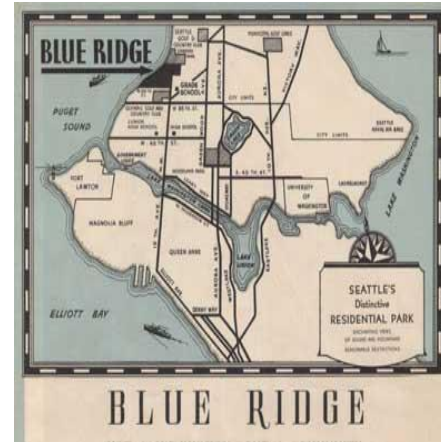
2. History of Seattle: Structural Racism and Discrimination

- 1800s – Colonization of Native American land
- 1870-1920s – Segregation of Asian Immigrants
- 1920s – Racial Covenants exclude people of color
- 1930s – Redlining blocks investment and wealth building
- 1940s – Internment of Japanese Americans
- 1960-1980 – White flight; Black and Brown concentration in cities

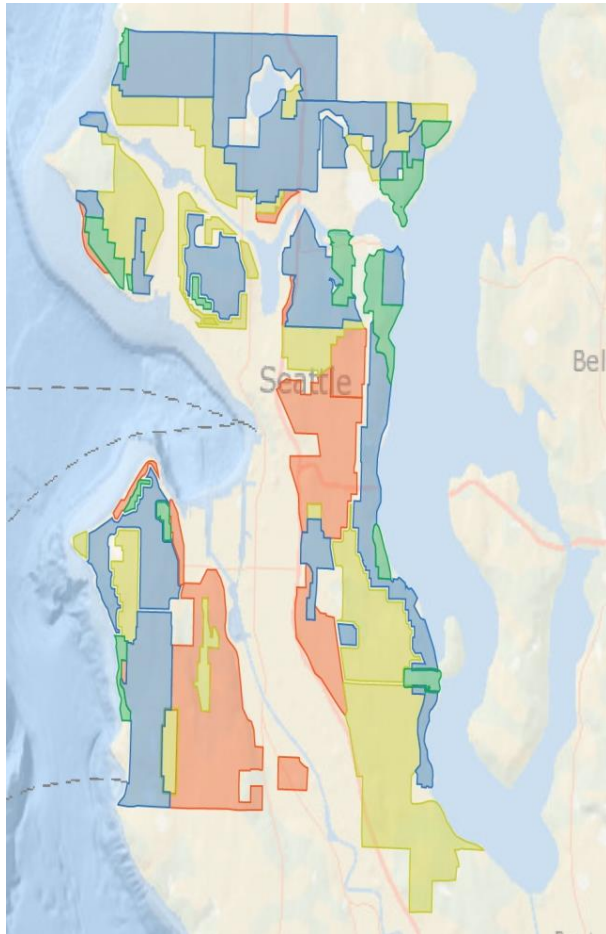
Seattle Racial Covenants and Redlining



Eastlake Deed: Said lot or lots shall not be sold, conveyed, or rented nor leased, in whole or in part, to any person not of the **White race**; nor shall any person not of the White race be permitted to occupy any portion of said lot or lots or of any building thereon, except a domestic servant actually employed by a White occupant of such building.



Impact of Racial Covenants and Redlining



**Home Owners' Loan Corporation
Grade of Desirability
1936**

**Current Racial
Segregation:
% People of Color**

A. Best (green)

15%

B. Still Desirable (blue)

22%

C. Definitely Declining
(yellow)

42%

D. Hazardous (red)

52%

Fair Housing History

- Role of the Civil Rights Movement and community organizing
- Fair Housing Act of 1964
- Seattle's Open Housing Ordinance – addressing discrimination
- 2015 HUD Rule – Affirmatively Furthering Fair Housing
- Disparate Impact – addressing barriers to housing
- Anti-Displacement

Housing Strategies to Affirmatively Further Fair Housing

- Significantly increase supply of affordable rental and ownership housing
- Location priorities to achieve balanced, citywide investments
 - Communities with a high risk of displacement
 - Communities with high access to opportunity
- Population priorities, serving range of populations

3. Affirmative Marketing

Goal: Provide equal access to housing choices regardless of race, national origin, familial status, disability, other protected class status

Applies to:

- City-funded housing: 6 buildings/600 units opening per year*
- City incentive programs: 30 buildings/600 units opening per year*

Examples: In addition to marketing to the general public:

- Early outreach to neighborhood and cultural community groups
- Advertisements in neighborhood and community publications
- Translated materials and language assistance

Impact: People unlikely to apply are aware of housing opportunity and are able to apply

*Based on recent trends for Rental Housing and MFTE programs

4. Community Resident Preference

Goal: Address historic and current displacement by providing preference for community residents during leasing or sales

Examples: New York City, San Francisco, Portland

- % of units set-aside for people who live near the housing development (or work nearby, or previously lived nearby)
- Lottery to select residents (or “tie-breaker” for ownership housing)
- Variety of approaches

Intended Impact: Housing residents include current community residents at risk of displacement and reflect the demographic mix of the area

Example: New York City

Community Preference Policy

- Since 1980s
- All funded projects, citywide
- 50% of units at lease-up
- Preference: neighborhood residents



Example: San Francisco

- Since 2016
- 40% of units, at lease up or initial sale

Neighborhood Preference Policy

- All funded projects except HUD-funded
- Preference: residents of district, or within ½ mile

Anti-Displacement Preference Policy

- Projects receiving City and HUD funding
- Preference: residents of six high displacement risk neighborhoods

Example: Portland, OR

Affordable Housing Preference Policy, N/NE Neighborhood

- Since 2015
- Funded projects in Urban Renewal areas of N/NE Portland
- 40% of units, initial lease up or sale
- Preferences:
 - First priority: residents with property taken by eminent domain, their descendants
 - Current or former residents

Initial Take-aways

Policy must affirmatively further fair housing, not perpetuate segregation

- Demographic data on geographic areas
- Data demonstrating displacement

Policy must not disadvantage members of a protected class

- Community preference area has diverse population
- Multiple preference points

Policy must recognize other fund source requirements

- Affirmative marketing and resident preference
- Admissions policies such as wait lists



5. Next Steps

- Community Input -- fit with community's racial equity and anti-displacement efforts
- Demographic and Displacement Data
- Legal Research; Federal Regulatory Actions
- National Dialogue
- Policy Recommendation

