

DISASTER GENTRIFICATION IN KING COUNTY

AND HOW TO STOP IT FROM HAPPENING AGAIN

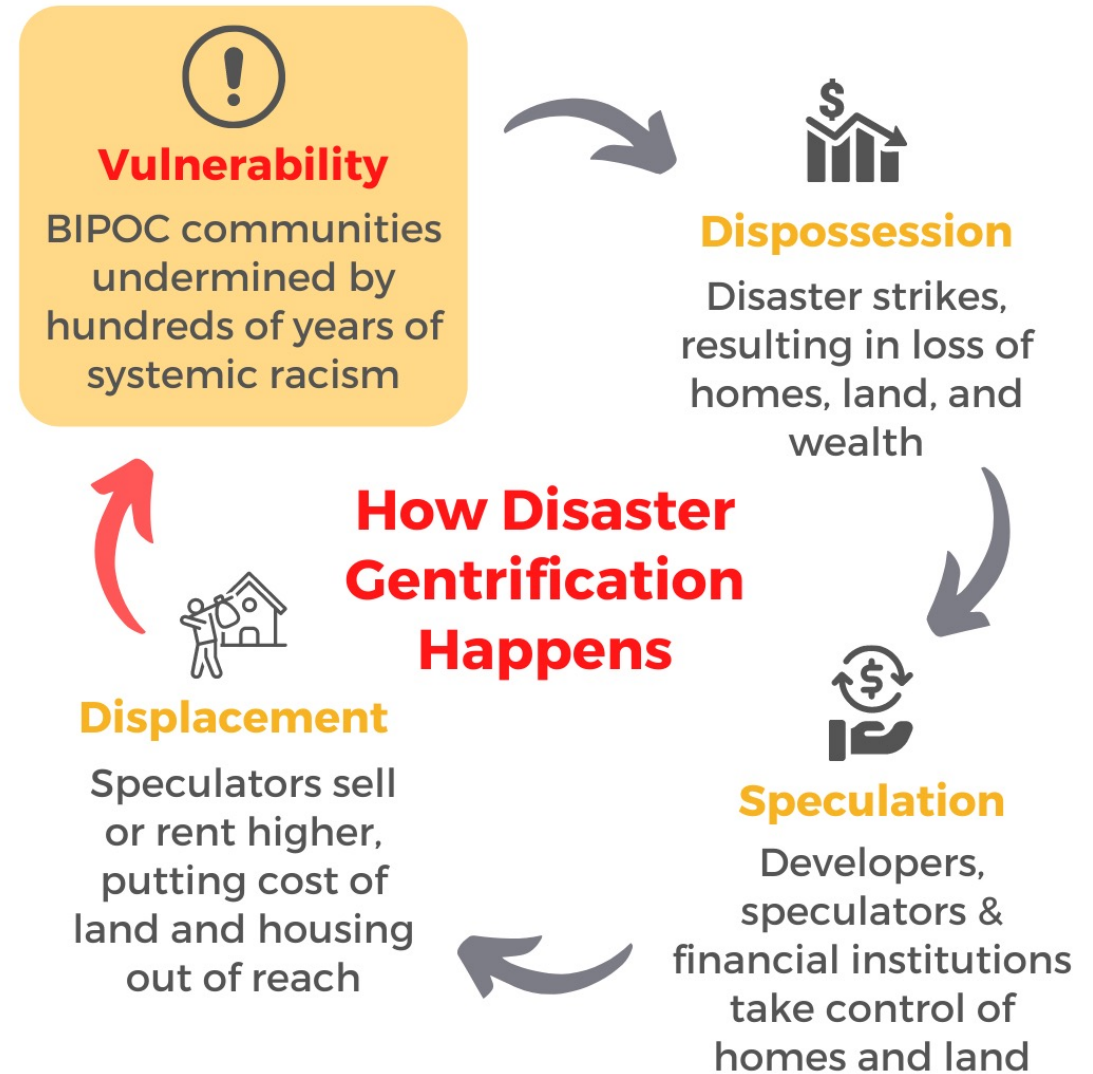
MULTICULTURAL COMMUNITY COALITION
RAINIER BEACH ACTION COALITION
PUGET SOUND SAGE

MAY 2021



Disaster Gentrification

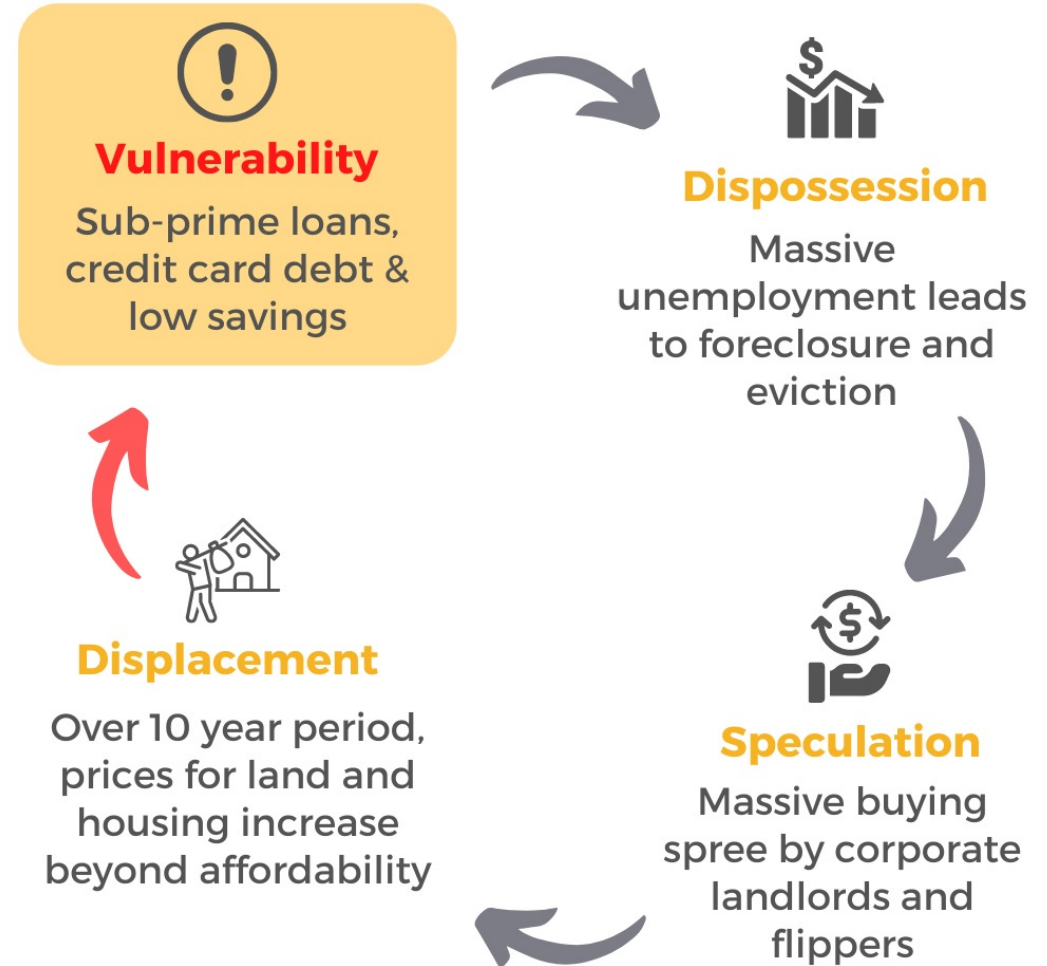
When people with wealth take advantage of a disaster to buy and/or take land and housing for cheap from lower-income people, and then sell or rent to higher-income people for a profit.



The 2007-2008 Mortgage Crisis and 'Recovery'

- Foreclosures occurred disproportionately in BIPOC neighborhoods in Seattle and South King County.
- In all of 2013, major investors bought about 3,100 single-family homes, five times more than in 2012.
- One in 11 Black adults was evicted between 2013 and 2017

Disaster Gentrification During the Great Recession



A Recipe for COVID-19 Disaster Gentrification



As of April 2021 in Washington State

239,000

people are behind on rent.

BIPOC tenants are **twice as likely** to have fallen behind on rent.

Sources: U.S. Census Bureau, American Enterprise Institute, Bargaining For the Common Good



By February 2021, FHA loans in Washington State

16% were delinquent

12% were seriously delinquent

Nationally, FHA delinquencies have been at their **highest rate since 1979.**

Sources: U.S. Census Bureau, American Enterprise Institute, Bargaining For the Common Good



The **top twenty corporate landlords** in the United States have amassed

\$245 billion

to purchase properties across the country

Sources: U.S. Census Bureau, American Enterprise Institute, Bargaining For the Common Good

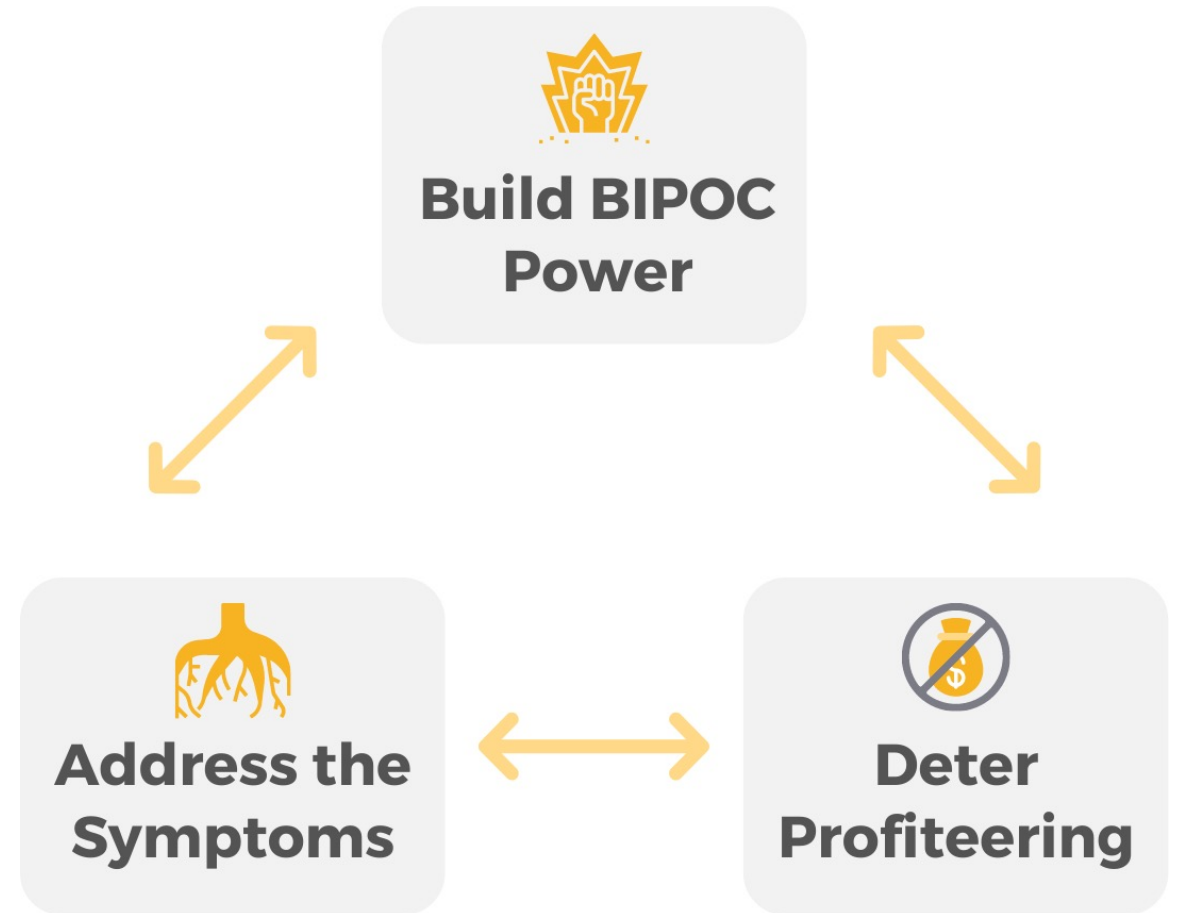
Vulnerability

Speculation

Our local governments need to act NOW to prevent dispossession and displacement of BIPOC communities.



Policy Solutions



1. COMMUNITY ACQUISITION AND PRESERVATION FUNDS

“Community Stewardship of Land”

- Preserve Existing Housing and Commercial Property Serving Low-Income, BIPOC communities
- Invest in Community-Driven, Equitable Development

Examples:

Washington D.C. Affordable Housing Preservation Fund ; Equitable Development Initiative; Dudley Street Neighborhood Initiative; Community Investment Trusts



Community Stewardship of Land

transforms land from something that creates individual and corporate wealth into a shared resource that generates community prosperity.

- Values Driven
- Collective ownership and self Determination
- Democratic decision making and governance
- Permanent or long-term use
- Builds community power



2. TENANT/COMMUNITY OPPORTUNITY TO PURCHASE ACT



Examples:

- Washington D.C. Tenant Opportunity to Purchase Act
- San Francisco Community Opportunity to Purchase
- California SB 1079 (foreclosure focused)

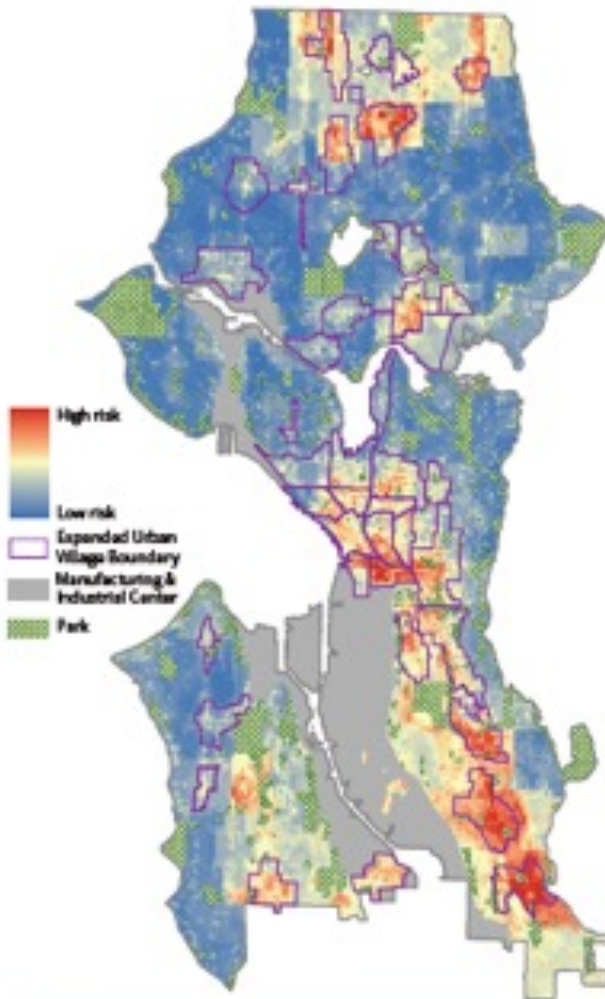
3. EQUITABLE DEVELOPMENT ZONES

Designate Areas with high risk of displacement and/or low access to opportunity as equitable development zones.

- Community Planning Power
- Community Development Review
- Community-Led Public Development Authority

Examples: Seattle Historic and Special Review Districts; Cultural Spaces PDA

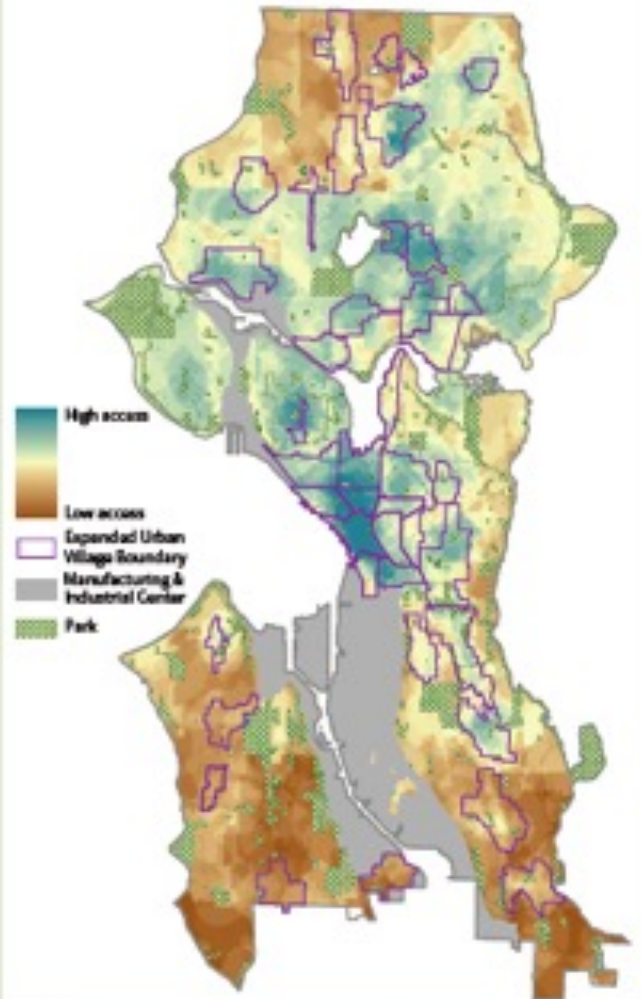
Displacement Risk Index



Criteria:

- Communities of color
- Low English-speaking ability
- Low educational attainment
- Renter households
- Housing cost-burdened households
- Low household income
- Proximity to core businesses
- Proximity to school, park, community center, or library
- Proximity to high-income neighborhood
- Travel time to regional job center
- Proximity to transit

Access to Opportunity Index



Criteria:

- High-performing elementary and middle schools
- Above-average high school graduation rate
- Number of jobs within two-mile radius
- Increase in median home value
- Access to light rail / streetcar
- Proximity to a library
- Proximity to a community center
- Proximity to a park
- Proximity to a public health facility
- Access to fresh produce

Cease and Desist Zone Registration

Search DOS Website

Search

Please note that you may only register your name(s) and address on this list if you are the actual homeowner.

Name 1:	<input type="text"/>
Name 2: (if applicable)	<input type="text"/>
Street Address:	<input type="text"/>
City:	<input type="text"/>
State:	<input type="text" value="New York"/>
	<input type="text"/>

News

- Cease and Desist Zones
- Real Estate CE Update
- Informational Session on Proposed Ventilation Requirements (nails)
- Governor's Message on Worker Exploitation
- Public Hearings for Cease and Desist Zones
- Trainee Regulations Proposal
- Real Estate Board Approves Regs to Strengthen Fair Housing Enforcement Efforts
- Wage Bond Calculator
- Nail Specialty Trainee Registration
- Wage Bond Form
- Notice of Adoption of Emergency Regulations for Appearance Enhancement

4. NON-SOLICITATION/CEASE AND DESIST ZONES

- Prevents vulnerable communities from receiving Real Estate canvassing, flyering, contacting
- Non-solicitation zone: a designated area where real estate solicitation practices are banned outright.
- Cease and desist zones: an opt-in system where residents would register with a city agency who would add them to a 'no knock' list disseminated to all real estate agents

Examples: New York Non-Solicitation/Cease and Desist Zones; New Jersey No Knock Ordinance

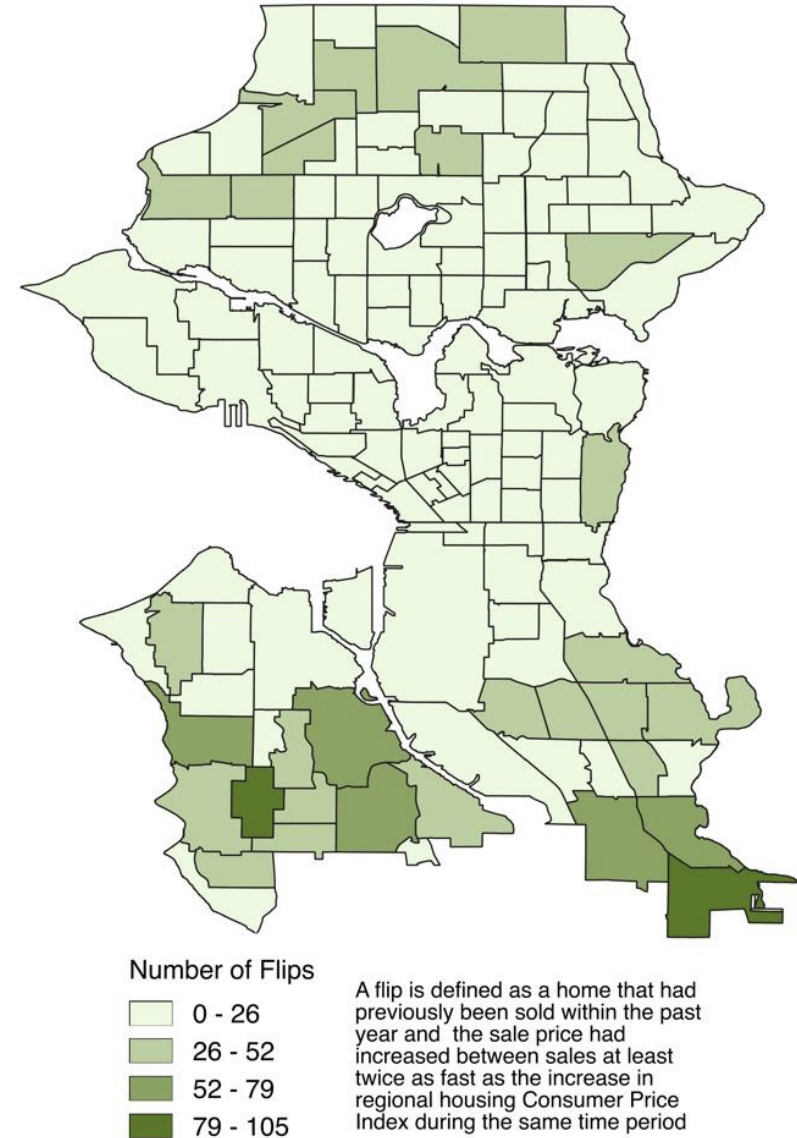
5. FLIPPING TAX (WA legislature)

- A sales tax on homes sold within a specific time frame from the last purchase.
- The best policies have graduated rates.
- A successful policy will set the tax rate at a rate that is high enough to actually deter flipping activity.

Examples: 2014 San Fransisco Initiative;
NY Senate Bill S5376:

Seattle Single Family Home Flips by Census Tract 2015-2019

Data from: Seattle Open Data, which used King
County Assessor Data





Cancel Rent Debt; Extend Eviction Moratoria; Prevent Foreclosures

- Advocate at Federal and State levels for rent debt cancellation
- Extend Eviction Moratorium
- Create a defense to eviction if a tenant's failure to pay rent is due to the pandemic;
- Continue to make rent Relief contingent on some level of debt cancellation and increased tenant protections... for longer period
- Aggressively prevent foreclosures and stabilize BIPOC homeowners

Top Priorities:

BUDGET: Community Acquisition Fund

- Need the city to earmark money to buy, vulnerable properties, through community accountable process, now!
- Seed money for Community Investment Fund and additional funding for Community Stewardship of Land Infrastructure

LEGISLATIVE: Tenant/Community Opportunity to Purchase Act

- Give additional rights to tenants, community organizations and the city to be able to purchase vulnerable properties and properties that will go through foreclosure

Learn More:

Report and learning tool available at:

<https://www.pugetsoundsage.org/disaster-gentrification/>



www.mcc-othello.org



www.pugetsoundsage.org



www.rbcoalition.org

