King County DCHS & DLS

# Strategies to Mitigate Displacement When Development Happens

Anti-Displacement Strategies Toolkit

# COMMUNITY PREFERENCE AND RIGHT TO RETURN POLICIES

# Community Preference and Right to Return Policies provide priority access to affordable housing to people with a current or past connection to the neighborhood.

## **Description:**

A Community Preference Policy sets aside a percentage, typically 20-40%, of units in a publicly-supported affordable housing project for people with a current or past connection to the neighborhood. These are perhaps the most direct anti-displacement policies because they give an explicit preference for people with connections to their neighborhood. Example criteria from existing Community Preference policies include:

- are current or former residents of the neighborhood,
- use or participate in community-specific services in the neighborhood, and
- have a historical connection, such as attending school or having an ancestor who lived in the neighborhood.

A Right to Return Policy prioritizes eligible residents displaced by a government-funded project for affordable housing in their neighborhood. A resident could be eligible if a County-funded affordable housing, transportation, or other infrastructure project displaces them.

#### Goal:

- 1. Ensure existing residents of Skyway-West Hill and North Highline benefit from the new housing investments in their neighborhoods.
- 2. Minimize displacement caused by government-funded projects.

## Challenges, Risks, and Limitations:

- 1. Policies affect who has access to affordable housing, but not the overall amount of affordable housing available.
- 2. Requiring community preference for ongoing vacancies in existing affordable housing and for private market housing is likely not feasible.
- 3. The County must balance the needs to prevent displacement and to undo historical patterns of segregation.
- 4. The County is not able to guarantee a right to return for residents who are economically displaced or displaced by a project that isn't funded or controlled by the County.

## TENANT RELOCATION ASSISTANCE

Tenant relocation assistance ordinance would require either landlords, the jurisdiction, or a combination of the two to provide tenants relocation assistance when they are involuntarily displaced for reasons outside of the tenant's control.

## **Description:**

A relocation assistance ordinance would require payment to tenants who are involuntarily displaced for reasons ranging from development to rent increases. In WA, local cities and counties may adopt a relocation assistance ordinance with certain restrictions, as authorized under RCW 59.18.440. This state law applies to relocation assistance for displacement caused by a rental being torn down or substantially renovated, change of use or removal of certain use restrictions. This law requires a city/county to split the cost of relocation assistance equally between the city/county and landlord and the amount of relocation assistance must start at \$2,000 when the city/county adopts the relocation assistance ordinance, but the amount can be increased annually.

Cities/counties may create a relocation assistance program for reasons not outlined in RCW 59.18.440 and no explicit state restrictions on program design, relocation assistance amount, or who pays the relocation assistance. While there are no explicit state restrictions on a policy covering many reasons for displacement; there still may be legal challenges.

**Goal:** Provide tenants enough resources to move if they are involuntarily displaced.

## **Challenges, Risks, and Limitations:**

- 1. Will require some level of new staffing and potentially a fund source for the relocation assistance, depending on the reasons for relocation assistance
- 2. If policy adopts relocation assistance for reasons other than those listed in state law, there will likely be a legal challenge

#### **Resources:**

- RCW 59.18.440
- Seattle Municipal Code 22.210
- Portland City Code 30.01.085
- Municipal Code of Chicago, Chapter 5-14
- San Francisco Administrative Code Section 37.9C

## PRIORITY HIRE

Priority Hire is a policy that requires developers to hire local workers and businesses when their development projects are above a certain budget threshold and receive public funding.

## **Description:**

A Priority Hire policy creates living-wage employment opportunities for targeted communities and populations. Typically, priority hire programs target residents in economically distressed areas, heavily focused on recruiting Black, Indigenous, and people of color (BIPOC) and women. Priority hire policies often are a community benefit demanded in community organizing campaigns. Job training and apprenticeships are often a part of priority hire programs. Livingwages increase likelihood of housing stability and reduce vulnerability to displacement.

Both King County and Seattle have Priority Hire programs that largely cover North Highline & Skyway-West Hill zip codes. Priority Hire programs can be strengthened by expanding and sustaining the support and training provided to participants. King County's Priority Hire program only applies to capital projects with a budget of \$15,000,000 or more. If this minimum budget requirement was lowered, more capital projects would be covered by the Priority Hire policy, increasing the number of workers participating.

## **Goals:**

- 1. Create living wage jobs & career training for community members from economically distressed areas,
- 2. Improve economic and housing stability for community

## Challenges, Risks, and Limitations:

 Reducing the minimum budget requirement that triggers Priority Hire requirements likely would involve conversation with the building trades unions because of labor agreements

## **Resources:**

- Memorandum from Dow Constantine, King County Executive. "Priority Hire Policy at King County". May 10, 2016.
- Master Community Workforce Agreement between King County and Seattle/King County Building and Construction Trades Council and Northwest National Construction Alliance II
- King County Department of Executive Services "Annual Apprenticeship & Priority Hire Report 2018". April 30, 2019.

## COMMUNITY BENEFIT AGREEMENTS

Community Benefit Agreements (CBAs) are legally-enforced contracts between community organizations and a developer, detailing the community benefits created by a single development, typically signaling community buy-in for the development

## **Description:**

CBAs are intended to off-set negative impacts of development such as but not limited to displacement and loss of small businesses, by requiring certain community benefits, such as affordable housing and investment in small businesses. CBAs are typically negotiated by private parties: a coalition of community groups and the developer. Due to both federal and state legal constraints, local governments are severely limited in what can legally be required of a developer, so many common CBA demands of developers (living wages, small business investment, etc) cannot be made *mandatory* by a government body.

Governments however can provide "bonuses" such as allowing a bigger development than would typically be allowed under the zoning rules in exchange for community benefits, such as affordable housing or a environmentally-friendly construction. Governments could also require developers to create Community Impact Reports which details all the ways the development can both positively and negatively impact the surrounding community.

## Goals:

- Mitigate negative development impacts, such as displacement of residents and small businesses
- 2. Create positive impacts on the community, such as new affordable housing or environmentally-friendly construction

## **Challenges, Risks, and Limitations:**

1. Law significantly limits what a government can require of a private developer, but governments can create incentive programs to entice developers to include community benefits in developments

#### **Resources:**

1. Partnership for Working Families: Community Benefits Toolkits