

MEMORANDUM

FROM: Darin Ranelletti, Manager of Land Use Planning, Link21 Program, BART
TO: Equity Advisory Council (EAC)
CC: Link21 Equity Team (Staff and Consultants)
DATE: June 9, 2023

SUBJECT: AGENDA ITEM E: LINK21 ANTI-DISPLACEMENT APPROACH MEMO PURPOSE

At the June 20, 2023, Equity Advisory Council (EAC) meeting there will be a discussion of the Link21 Program's (Program) approach to analyzing the potential risk of displacement associated with the implementation of the Program and our efforts to address potential displacement. This will be the first of at least two scheduled conversations on displacement.

The discussion will provide an opportunity for EAC members to share their perspectives on displacement and participate in a panel discussion with invited guests to explain the academic research related to displacement and the Program's strategy to identify and mitigate potential displacement.

We are providing the attached background materials to the EAC ahead of time so that members have an opportunity to prepare for the meeting. They provide technical details to inform the discussion at the meeting and *will not be presented* at the meeting to allow more time for dialogue among EAC members and the panelists. In case an EAC member is unable to review the attached slides prior to the meeting, the background information will be summarized at the meeting. We encourage EAC members to share questions, concerns, recommendations, and other feedback during the meeting on June 20.

ATTACHMENT

Agenda Item E: Link21 Anti-Displacement Approach Background Materials

DRAFT - DELIBERATIVE

Agenda Item E: Anti-Displacement Approach Background Materials

Equity Advisory Council
June 20, 2023



Table of Contents

- Background
 - Definitions and dimensions of displacement
 - Key takeaways from the research
- Outreach summary
 - Public engagement
 - Outreach to cities
- Business Case and Evaluating Displacement Risk
 - Approach to identifying displacement risk in Link21 concepts
- Anti-displacement Toolkit
 - Approach to Link21 Anti-displacement Toolkit

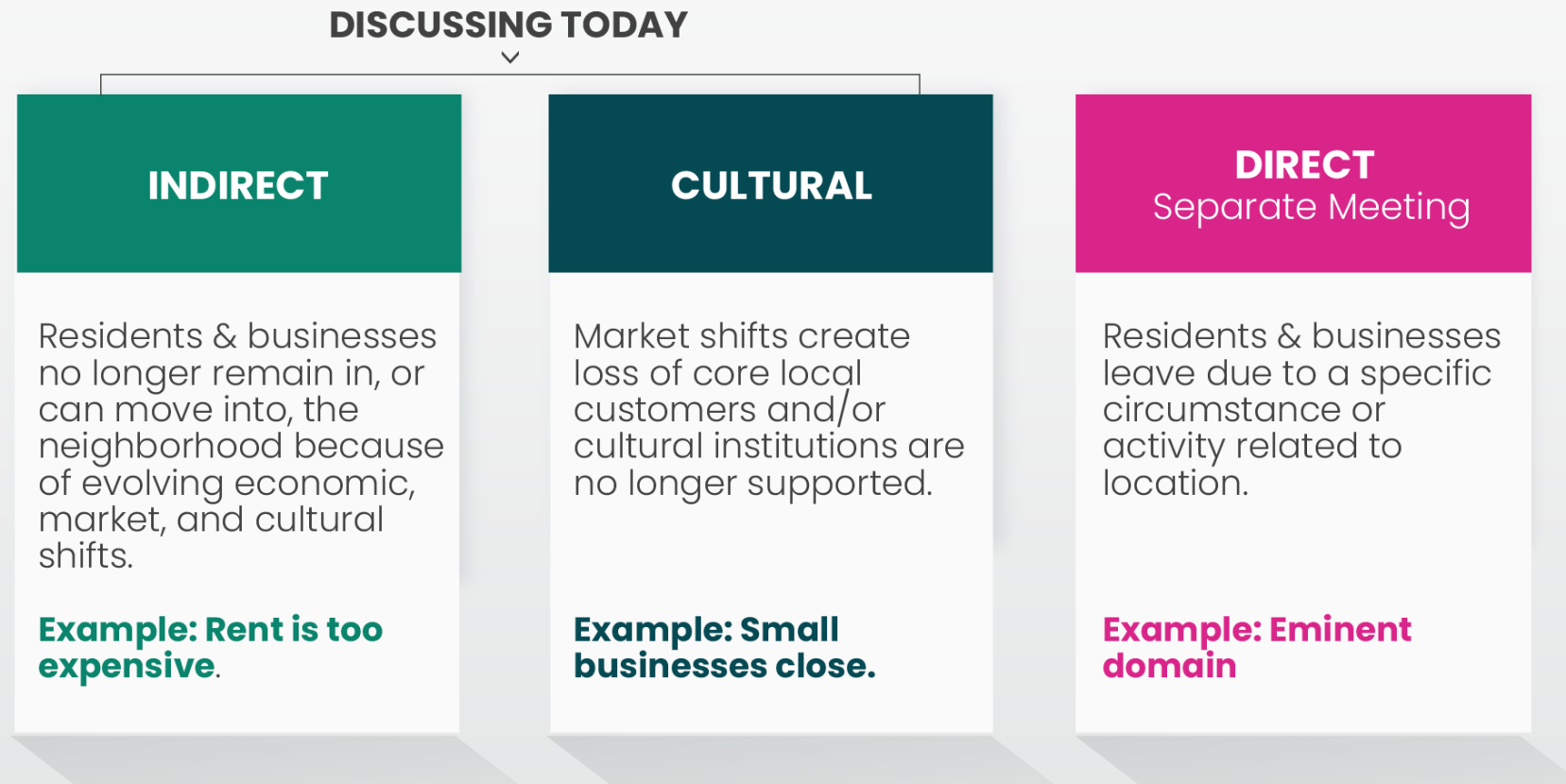
Background

Displacement is complex and multi-dimensional.

This section clarifies our working definitions of the different types of displacement that Link21 is focused on and captures key findings from research in the field.

Displacement Types

*Displacement is complex, multi-dimensional, and occurs in **both residential & non-residential** contexts.*



Displacement Occurring Globally & Locally

What's contributing to these trends?

Gentrification and displacement are happening at both a global and regional scale with different social, political, and economic pressures contributing to these trends.



Inequality & Affordability

Rise of income inequality and housing affordability crisis in global cities



Disproportion

Coastal high job growth cities and jobs/housing imbalances



Building Challenges

Challenges of building significant new housing



Historical Precedent

History of displacement and exclusion of communities of color

Predicting Displacement Challenges

There are several reasons that make it challenging to study and predict—and talk about—gentrification and displacement, stemming from data and modeling limitations.

Analytic Distinction Issues:

- Lack of distinction between gentrification and displacement (influx of capital and higher-income, higher-educated residents vs. forced moves and exclusion)

Modeling Issues:

- Lack of specific information or clarity in models regarding the factors contributing to gentrification, particularly the role of public investment.
- Models find little relationship between gentrification and displacement, due to poor proxies, limited timeframe, and units of analysis

Prediction Inconsistencies:

- Cognitive dissonance between quantitative models and lived experience

Transit and Displacement

The connection between transit investment and displacement is nuanced and depends on neighborhood context.

NATIONAL STUDIES

- Low-income people and people of color generally do not leave neighborhoods at higher rates than other groups after new transit lines have been built (Delmelle et al. 2021).
- Studies from Denver, Twin Cities, Los Angeles, and Charlotte all have the same findings.

CALIFORNIA STUDIES

- One study of transit investment in California shows mixed results, suggesting that there could be slight increases in out-migration (Chapple et al. 2022).



This research **does not address** the question as to whether people **leave neighborhoods at accelerated rates** where transit is **planned**, but before it is built (which is possible, given that property speculation in transit corridors is well documented.)

Effective Anti-displacement Strategies

The efficacy of anti-displacement strategies is challenging to measure and depends largely on local context. However, the research shows that the combination of protection, preservation, and production policies, especially deployed together can help to curb displacement.

Protection:

- Tenant protection, whether counseling, cash assistance and just cause eviction, or in some cases rent stabilization

Production:

- Housing production, both market-rate and subsidized (inclusionary or 100%)

Preservation:

- Housing preservation, whether via condo conversion restrictions, community land trusts, or tenant opportunity to purchase



Outreach Summary

The following slides capture the feedback Link21 has received regarding displacement concerns during previous rounds of community engagement, as well as feedback from cities regarding their experience implementing anti-displacement strategies.

Key Takeaways from Public Engagement

Concerns about displacement have been prominently raised in Link21's engagement work. Common issues raised by community members are included below.

Current policies are not strong enough, or the government does not enforce them

- Controls do not keep rent affordable
- Not enough new affordable housing built
- Vacant spaces are not turned into housing

The needs of the community are not respected

- Investors buy houses and convert to rentals, decreasing supply for locals
- Housing is built with the needs of big companies in mind, not residents
- Even when there is affordable housing, many cultural institutions (e.g., churches) or neighbors have already moved, so the neighborhood feels different
- 'Improvements' can make the area more expensive and culturally change the community

Residents do not have good choices for housing

- Moving to new housing is difficult (e.g., showing income 3x the rent, good credit scores)
- Very hard to go from renting to owning
- Housing subsidy programs are difficult to use and only work for low-quality housing

Key Takeaways from Outreach to Cities

Link21 conducted interviews with 12 local jurisdictions in 2022 to better understand how anti-displacement strategies are currently employed in the region, their level of efficacy, and lessons learned.

Just cause eviction protections, rent control, relocation support, legal services, and affordable housing production policies were cited as most important.

Public outreach is important to ensure residents are aware of their rights and the services available to them.

Community-based/driven anti-displacement strategies are more successful.

Major limiting factor to producing affordable housing is funding; dissolution of redevelopment agencies in 2012 severely reduced local funding.

Anti-displacement programs can be difficult to enforce; limited funding; largely complaint-driven.

Rent control programs are successful and can be self-funding but are often politically challenging to achieve.



Business Case and Evaluating Displacement Risk

Among other metrics, the Link21 Business Case process evaluates the displacement risk associated with Link21 concepts to inform concept development and jurisdictional outreach.

Our Approach: Evaluating Displacement Risk

Link21 is analyzing program concepts to better understand the level of displacement risk around potential stations to inform concept development and engagement efforts moving forward.



Displacement Risk Analysis: Metrics

The displacement risk analysis is comprised of the following quantitative and qualitative metrics calculated using the methods described.

	Future Market Demand	Existing Displacement Risk		Existing Anti-displacement Policies				Affordable Housing Production	
Metrics and sources	Jobs accessibility <i>Source: Regional Demand Model</i>	Displacement risk (0-50% Area Median Income [AMI]) <i>Source: Urban Displacement Project (UDP), California Estimated Displacement Risk Model</i>	Displacement risk (50-80% Area Median Income [AMI]) <i>Source: Urban Displacement Project, California Estimated Displacement Risk Model</i>	Just cause eviction ordinance <i>Source: Urban Displacement Project</i>	Rent control <i>Source: Urban Displacement Project</i>	Inclusionary zoning <i>Source: Jurisdictional zoning plans</i>	Total anti-displacement policies <i>Source: Urban Displacement Project</i>	Very low-income housing production <i>Source: California Department of Housing and Community Development, Regional Housing Needs Allocation (RHNA)</i>	Low-income housing production <i>Source: California Department of Housing and Community Development, Regional Housing Needs Allocation (RHNA)</i>
Methods for calculation	Regional Demand Model output	Population weighted tract analysis using UDP data	Population weighted tract analysis using UDP data	Yes/No	Yes/No	Percent affordable housing units required	Total number of anti-displacement policies	Percent of very low income RHNA target achieved by jurisdiction; captured at 75% percent through cycle (Dec. 2022) and normalized to 75%	Percent of low income RHNA target achieved by jurisdiction; captured at 75% percent through cycle (Dec. 2022) and normalized to 75%

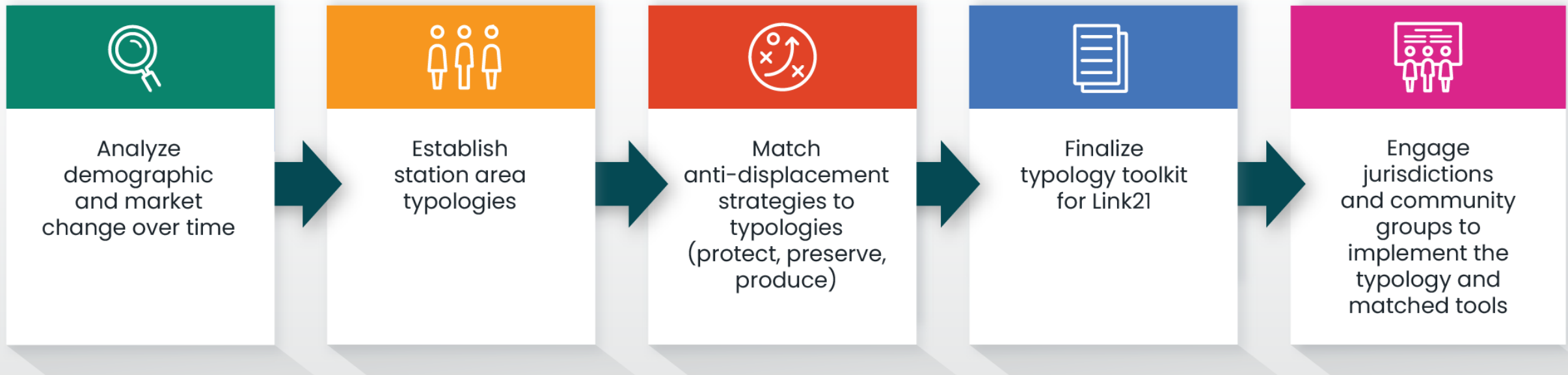
Anti-displacement Toolkit

Link21 is developing an Anti-displacement Toolkit.

The Anti-displacement Toolkit will guide jurisdictions toward specific and effective combinations of anti-displacement strategies for adoption based on typologies rooted in local context around potential station areas.

Anti-displacement Toolkit

Link21 is developing an Anti-displacement Toolkit informed by input from the EAC and a focus group comprised of local jurisdictional staff, policy experts and community-based organizations. The toolkit will contain strategies around potential stations and identify paths for implementation.



Anti-displacement Strategies

Examples of strategies that may be included in the Anti-displacement Toolkit are included below.

Protect	Preserve	Produce
<ul style="list-style-type: none"> • Just cause eviction protections • No net loss and right to return to demolished homes policy • Legal assistance for tenants • Foreclosure assistance for homeowners • Emergency rental assistance • Rent control/stabilization • Prevention of displacement from substandard conditions/code enforcement • Tenant relocation/compensation assistance • Mobile home rent control/stabilization • Fair housing enforcement • Tenant anti-harassment protections 	<ul style="list-style-type: none"> • Funding to preserve unsubsidized affordable housing • Opportunity to purchase policy • Single room occupancy (SRO) hotel preservation • Condo conversion restrictions • Community land trusts • Funding for preservation capacity • Mobile home preservation • Prevention of displacement from substandard conditions/code enforcement 	<ul style="list-style-type: none"> • Inclusionary zoning • Affordable housing funding • Housing overlay zones • Public land policy • Development approval streamlining • Community land trusts

The strategies above are provided here for illustrative purposes only. The Anti-displacement Toolkit will contain recommended strategies based on local conditions and contain more information about the strategies themselves. In the meantime, more information about some of the above example strategies may be found in this toolkit from the Association of Bay Area

Governments: https://abag.ca.gov/sites/default/files/documents/2022-08/ABAG_AFFH_Policies_Toolkit_Sept_2022.pdf