Policies for Community Investment Without Displacement

ELIZABETH VAN HORN
GRADUATE STUDENT, PLANNER

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Neighborhood change where a previously low-income neighborhood experiences reinvestment and revitalization, accompanied by increasing home values and/or rents. **Gentrification can be good or bad for a neighborhood, depending on who benefits.**

- Pollack et al. 2010

Forced or responsive household relocation following, or in anticipation of, investment in transit and urban cores.

- Adapted from Zuk et al. 2018
The Benefits of Gentrification

How can we ensure current residents benefit from these changes?
Arizona’s Housing Affordability Crisis

Low wages, high rents, and a limited housing supply.

- 57
- $9.63
- 25,009
Arizona’s Housing Affordability Crisis

National Low Income Housing Coalition Calculations

Arizona’s Housing Cost Burden by Income Group in 2017

- Extremely Low-Income (0 - 30% of AMI): 90% Cost Burdened, 78% Severely Cost Burdened
- Very Low-Income (31% - 50% of AMI): 83% Cost Burdened, 52% Severely Cost Burdened
- Low-Income (51% - 80% of AMI): 38% Cost Burdened, 7% Severely Cost Burdened
- Middle Income (81% - 100% of AMI): 19% Cost Burdened, 2% Severely Cost Burdened

Affordable and Available Homes Per 100 Renter Households in Arizona in 2017

- At 30% of AMI: 25 Homes
- At 50% of AMI: 48 Homes
- At 80% of AMI: 97 Homes
- At 100% of AMI: 105 Homes

Arizona’s Legal Landscape

Legal and Political Trends

- Trend 1: Pro-landlord State
- Trend 2: Limited Taxation Tools
- Trend 3: Private Property Rights State
- Trend 4: Strict Policy Prohibitions
Methods

Interviews, literature search, and policy review.

<table>
<thead>
<tr>
<th>Category</th>
<th>Quantity</th>
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<tbody>
<tr>
<td>Academic</td>
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<tr>
<td>City Councilor</td>
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<tr>
<td>Community Advocate</td>
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</tr>
<tr>
<td>Developer</td>
<td>1</td>
</tr>
<tr>
<td>Local and State Government Staff</td>
<td>5</td>
</tr>
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<td>Lawyer</td>
<td>4</td>
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<tr>
<td>Non-Profit Leader</td>
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Anti-Displacement Policy Tools

Readers can elect to:

- Zone inclusively
- Empower:
  - Neighborhoods
  - Non-profits
  - Governments
  - The private sector
  - Multi-sector partnerships
- Prevent evictions, protect tenants
- Finance to increase affordability
- Regulate rent
- Monitor the affordable housing supply
- Maintain the affordable housing supply
- Educate and advocate
### Product: A Comprehensive Anti-Displacement Policy Table

| Feasibility Rankings for Anti-Displacement Policies |
|-----------------|-----------------|
| **Ranking** | **In AZ?** | **Could be?** |
| 1 | Y | — |
| 2 | N | Y |
| 3 | N | M |
| 4 | N | N |
| 5 | N | N |

- Description
- Feasibility Ranking
- Legal Determinations
- Viability/Improvements
- Challenges/Barriers
- Benefits
Low-Income Housing Tax Credits (LIHTC)

Policy Examples

- **Improvements:** Federal Affordable Housing Credit Improvement Act, a state low-income housing tax credit program
- **Barriers:** Federal requirements, limited funds
- **How:** Lobbying, reallocating funding, legislation

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<tr>
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<tr>
<td>Could exist in Arizona?</td>
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<tr>
<td>Feasibility Ranking</td>
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Legend:

- **Policy Information**
- **Exists in Arizona?** Yes
- **Could exist in Arizona?**
- **Feasibility Ranking** 1
Legal and Mediation Support Expansion for Evictions

Policy Examples

- **What:** All those facing eviction would receive legal support and mediation services, educates tenants
- **Barriers:** Limited local capacity, time, and funding
- **How:** No regulation required, local allocation of funds, direct tenants to existing services

“When tenants have legal representation, average eviction rates drop from 90 percent to 50 percent.” (All-In Cities, 2019)
90-Day Notification of Lease Non-Renewal

Policy Examples

- **What:** 90 days’ notice of intention to evict a tenant without a cause, raise rents more than 5%, or not to renew a lease
- **Barriers:** Arizona House Bill 2115
- **How:** Coupled services

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Mandatory Inclusionary Zoning

Policy Examples

- **What:**
  - 5 Stories - 58,000 square feet
    - 58 Market-Rate Units
    - No Affordable Units
  - 6 Stories - 66,000 square feet
    - 10% Inclusionary Requirement
      - 14% Density Bonus
      - 60 Market-Rate Units
      - 6 Affordable Units

- **Barriers:** A.R.S § 9-461.16
  - Residential housing; requirements; fees; prohibition
- **How:** Major political shift

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<td>Feasibility Ranking</td>
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Findings

Health & Equity

- Housing as healthcare
- Location matters
- Tenant protections provide stability and improve health and equity
- Diversify supply
- Equity in all policies
Findings

General Policy

- Developers prefer incentives
- Combinations are key
- Be innovative with financial strategies
- Capitalize on political will and collective energy
Implications for Arizona

Key Takeaways

- Focus on:
  - Solidify the State Housing Trust Fund
  - Stronger protections for tenants
  - Equitable engagement
- More optimism and policy options than expected
- Continue bringing partners together
- Unity is important

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<thead>
<tr>
<th>Feasibility Ranking</th>
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<td>13 (18%)</td>
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<td>N/A (Unknown)</td>
<td>4 (5%)</td>
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Thank you!

Elizabeth Van Horn
elizvanhorn@gmail.com