

# **Displacement Mitigation Transit Investment Use Case**

**Office of Innovation  
February 2020**



# Roadmap

1. Problems and Opportunities
2. Framing the solution
3. To do's
4. Strategy chat

# ／ Framing the Problem

# The Problem-Transit Driven Displacement



# The Problem-Magnitude

Property values anywhere from 3-90%



Rents up from 42-150%



Population shrink of up to 12% of original residents



Cost of Food and Childcare, critical services




Foreclosures and mortgage defaults



# The Problem - Magnitude

## ALICE HOUSEHOLD SURVIVAL BUDGET



	Single Adult	Married Couple	1 Adult, 1 School-Age Child	1 Adult, 1 Infant	2 Adult, 2 School-Age Children	2 Adults, 1 Infant, 1 Preschooler
Housing	\$740	\$902	\$902	\$902	\$1,126	\$1,126
Child Care	\$—	\$—	\$223	\$720	\$446	\$1,377
Food	\$158	\$360	\$299	\$250	\$602	\$525
Transportation	\$322	\$403	\$403	\$403	\$644	\$644
Health Care	\$196	\$392	\$461	\$345	\$726	\$726
Miscellaneous	\$172	\$246	\$256	\$315	\$386	\$498
Technology	\$55	\$75	\$55	\$55	\$75	\$75
Taxes	\$244	\$333	\$218	\$355	\$243	\$503
Monthly Total	\$1,887	\$2,711	\$2,817	\$3,345	\$4,248	\$5,474
Annual Total	\$22,644	\$32,532	\$33,804	\$40,140	\$50,976	\$65,688
Hourly Wage	\$11.32	\$16.27	\$16.90	\$20.07	\$25.49	\$32.84

*Note: The budgets reflect different costs based on the age of children in the household; full-day care for infants and preschoolers (4-year-old) and after school care for school-age children. To create budgets for additional family types: For an additional infant, increase the total budget by 16 percent; for an additional 4-year-old, by 14 percent; and for a school-age child, by 6 percent.*

*Source: U.S. Department of Housing and Urban Development; U.S. Department of Agriculture; Bureau of Labor Statistics; Internal Revenue Service; Tax Foundation; and Texas Workforce Commission, 2016.*

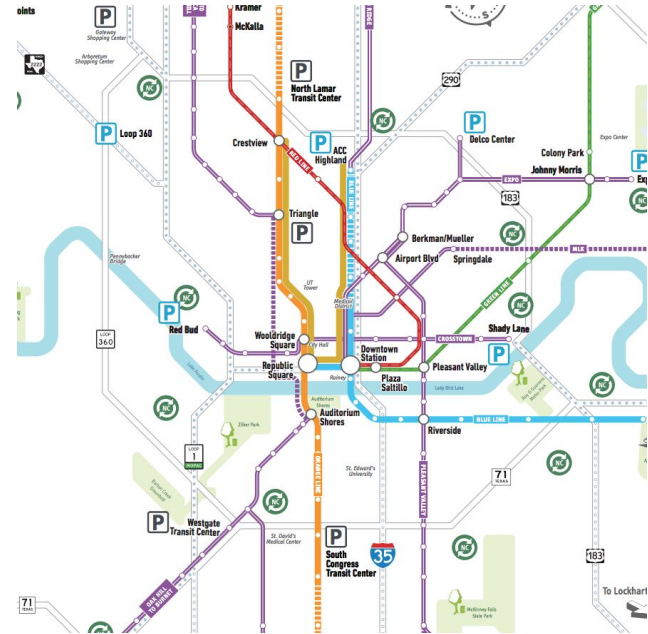
# ／ Framing the Solution

# Neighborhood Stabilization Packages

Lower the cost of a critical service;

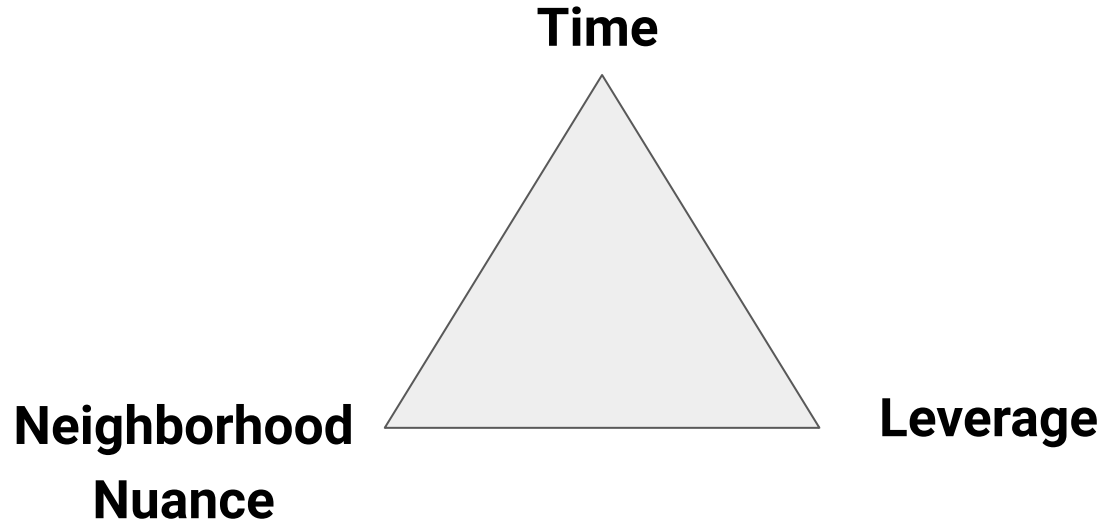
Mitigate for negative halo effects;

Create opportunities to thrive.



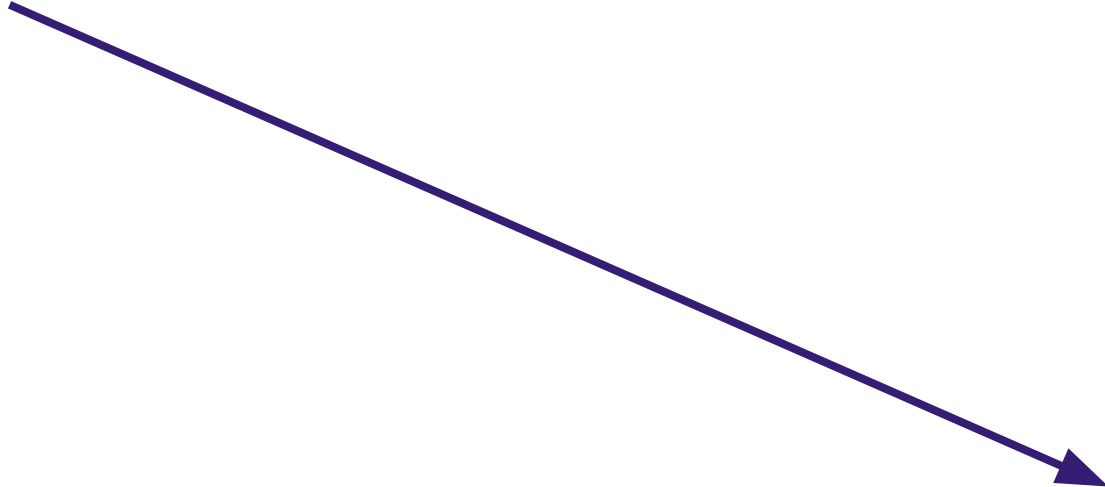


# Packages Framework: Trinity of Success



# Time

Preventative  
Strategies



Homelessness  
Displacement  
Cost

Today

Tomorrow

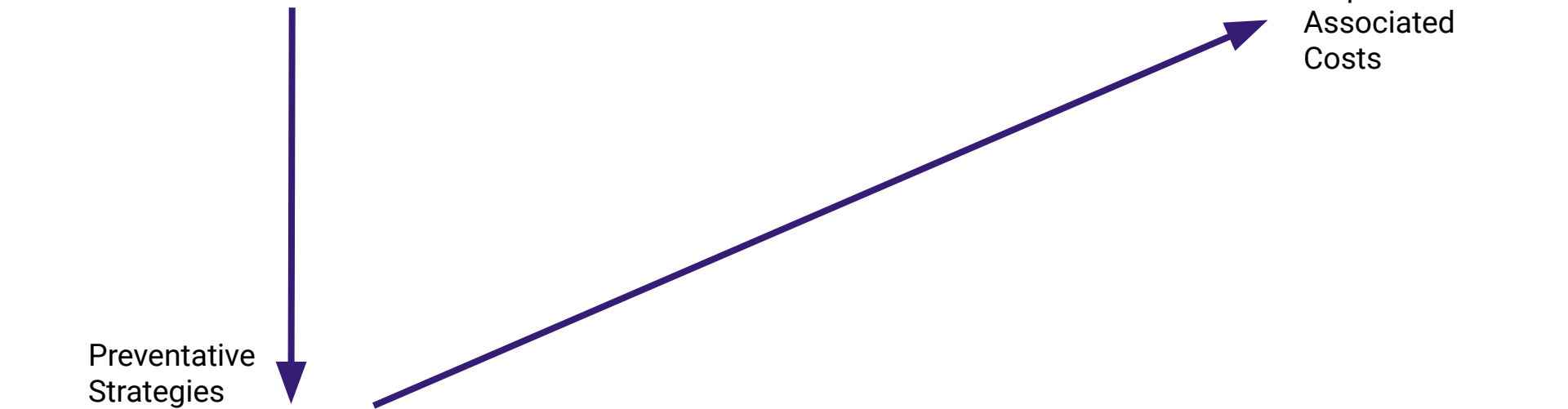
# Time

Preventative  
Strategies

Today

Tomorrow

Homelessness  
Displacement  
Associated  
Costs



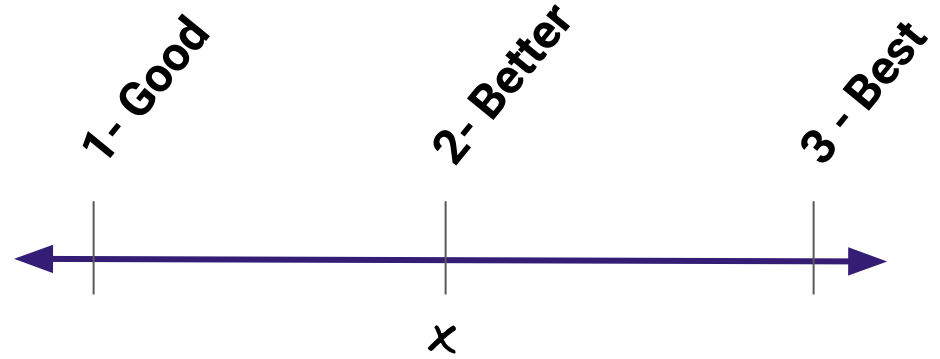
# Time

Preventive	Responsive
Landlord antiharassment protections	Relocation benefits
Just cause for eviction ordinances	Right to return policies
Rental/foreclosure assistance	Evictee or neighborhood preference policies in housing subsidies
Tenant counseling	
Condominium conversion restrictions	Vacancy control in rent regulations
Rent regulation	No-net-loss or one-for-one replacement
Right of first refusal	
Community land trusts	
Proactive code enforcement	

# Leverage

## Factors

Cost  
Reach  
Frequency  
Duration of Impact  
Immediacy of Impact  
Feasibility  
Funding scalability  
Negative halo effect



# Leverage

**Cost**

Overall cost of the strategy

**Reach**

Number of people it reaches 10s, 100s, 1,000s

**Frequency**

# of times the resident have to access the intervention

**Duration of Impact**

How permanent the solution is

**Immediacy of Impact**

How quickly the resident gets to access the assistance

**Feasibility**

Current capacity and ability

**Funding Scalability**

Cost to serve people over time, renewability of funding

**Negative Halo Effect**

Additional disparate impact that must be mitigated

# Leverage - Composite Score

10											
11											
12											
		Cost	Reach	Frequency	Duration of I	Immediacy o	Feasibility	Funding Scal	Unintended C	Total Score	
13	Affordable Housing Development -Mixed income	1	2	3	5	1	2	2	2	18	
14	Eviction Services	2	3	1	3	3	3	1	3	19	
15	Low to no cost Childcare	2	2	3	2	3	1	1	3	17	
16	Certificates or Training in Trades (yield a living wage and have staying power)	2	2	3	3	2	2	1	1	16	
17	Density Bonuses	3	1	2	4	1	3	2	2	18	
18	Affordable Housing Development-debt tool for private development of aff. units	3	3	3	3	1	1	3	2	19	
19	Rental assistance	3	2	1	1	3	3	1	3	17	
20	Bachelors Degrees-that yield a living wage and have staying power	1	2	2	3	1	2	1	3	15	
21	Entrepreneurial Capacity Building/Business Incubators	1	2	2	2	2	2	1	2	14	
22	Micro enterprise loan programs	2	3	3	2	3	3	3	1	20	
23	Tenant Organizing	2	3	2	3	1	2	2	3	18	
24	Home buying assistance (education and down payment assistance)	2	2							5	

# Neighborhood Nuance- The NSST

[Click here to go back to the dashboard](#)

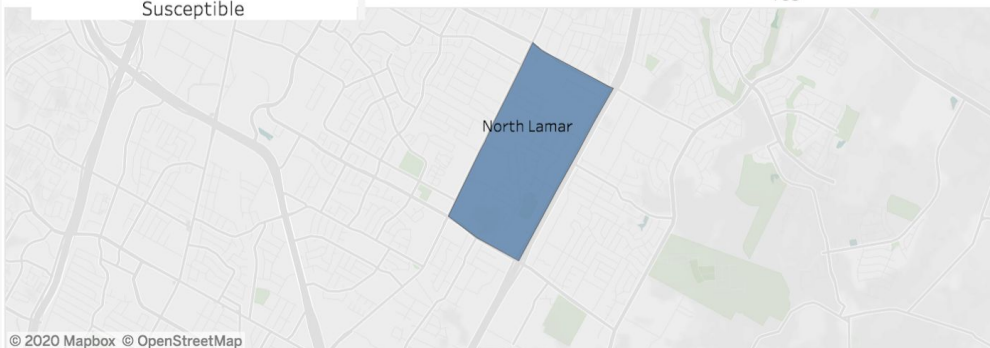


### Gentrification Stage

Susceptible

## Corridor Plan Investment?

Yes

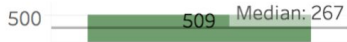


Green = Low Concentration  
of factor compared to city

Yellow = Above

Orange = Far Above

### # of Renter Households Living in Large Apts (20 units+)



### Change in Rent Price 2012-2017



### Renter vs. Homeowner %

% Homeowner Oc.. 23%

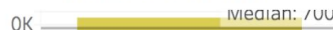
% Renter Occupie.. 77%

Race/Ethnicity of Householder (# of units)

African American/Black Renter	375
Asian Renter	0
Hispanic Renter	1,024
Native American Renter	0

The number of people/units in the neighborhood for each factor is in the corner of each chart, below each title.

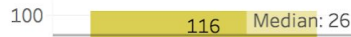
### # of Renter Households with Income Below \$75,000



### # of Renter Householders Over 65



### # of Eviction Filings 2018



### # of Structure Code Complaints in Apts 5-Units+ 2018



### # of People with a Disability living Below Poverty



# of Renter Households Which Are Rent Burdened



# of Lots Zoned For an ADU (Draft  
Land Development Code Update)

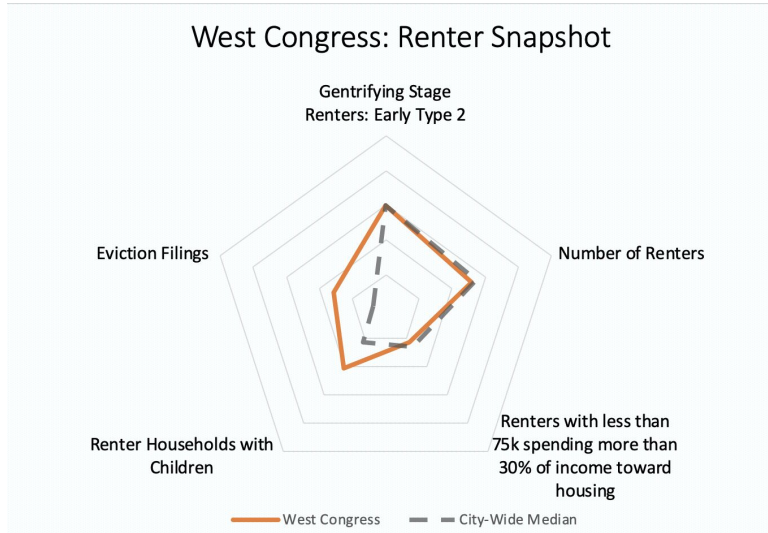


### # of Renter Householders with no Bachelors Degree





# Neighborhood Nuance -Vulnerability



**Eviction Filings:** 106  
**Renter HH w/children:** 251

**Gentrifying Stage:** Early Type 2  
**Renters:** 52%  
**Renters with <75k spending >30% of income on housing:** 375

**If we do:** If you announce the transit infrastructure,

**Then we will affect:** speculation will begin,

**Because:** because speculators are at the ready with resources (cash and time),

**If we create these outcomes, then we can expect to have the following impact on one or more key dynamics:** land near transit lines will be bought up or converted into higher revenue yielding developments, formal and informal evictions will rise, and rent will go up near the proposed line

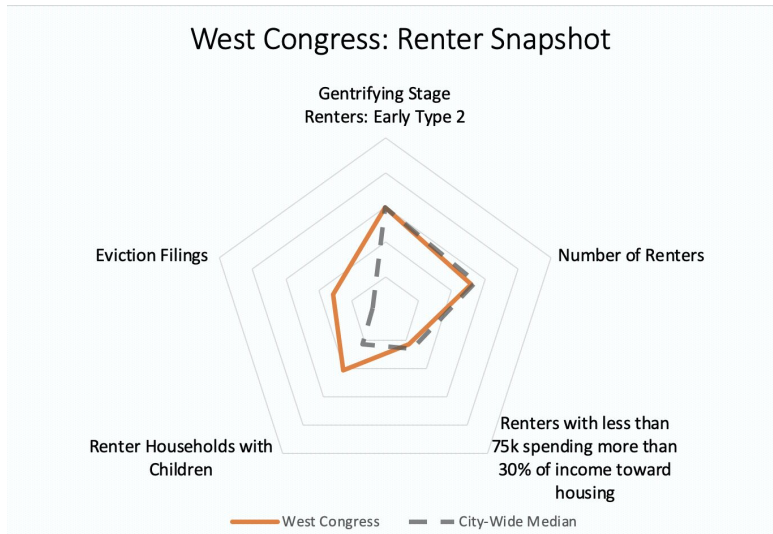
**Because:** for profit landlords prefer higher profit yielding tenants and have many tenants to choose from in a high vacancy market residents have a disadvantage on adaptability

**If we have these outcomes and dynamic impacts, then we can expect to see these desired second and third order impacts in other places in the system:** If we address neighborhood specific vulnerabilities-evictions, services for families, access to income generation; while fortifying resilience citywide, we can create opportunities to thrive.

**Because...**we will have shored up adaptability.

**If we have these dynamic impacts and ripple effects, then we can expect to see these fundamental changes in the system...**Residents will be able to choose to stay and realize the benefits of transit investments.

# Neighborhood Nuance



**Eviction Filings:** 106

**Gentrifying Stage:** Early Type 2

**Renter HH w/children:** 251

**Renters:** 52%

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## City Wide Strategies

Land set asides (multiple types)

Affordable unit development

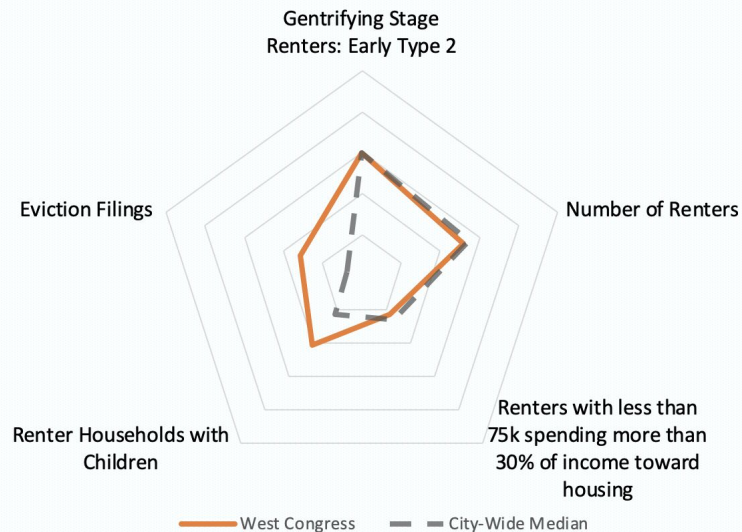
Landlord Anti-harassment Protections

## Neighborhood Specific Strategies

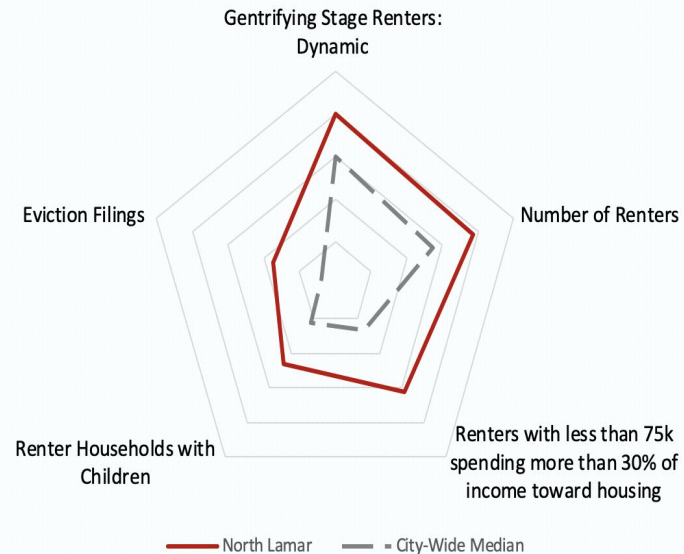
Rental assistance for families

# Neighborhood Nuance

## West Congress: Renter Snapshot



## North Lamar: Renter Snapshot



# Package

A combination of policies and services informed by Leverage Score and whether they are preventative or responsive, and expected magnitude of negative multipliers.

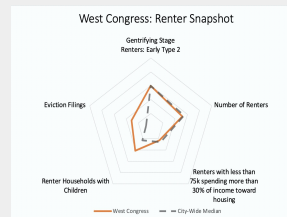
A neighborhood thumb print & share of city wide strategies informed by neighborhood nuance and neighborhood vulnerability score, and expected magnitude of negative multipliers.

Neighborhood specific strategies informed by thumbprint, leverage analysis, and expected magnitude of negative multipliers.

(Also available- timeline for implementation and detailed cost per strategy.)



## City Wide Strategies



## Share of City-Wide Strategies

## Neighborhood Specific Strategies

## Cost Estimate for Neighborhood Package

 **To Do's**

# Next Five Steps

1. Create a vulnerability score to help assign volume of a city-wide strategy to a specific neighborhood (for services, not policies)
2. Cost out city-wide strategies (services and policies)
3. Cost out neighborhood specific strategies by neighborhood across the two transit lines
4. Assist with ballot language/other materials
5. Refine LGC-accelerator capacity framework (and cost structure) to serve new and resident informed capacities that will need to be simulated in real time.

 **Strategy Chat**

# Strategy Chat

- Timeline?
- What other context do we need in order to be even more helpful?
  - Budget?
  - Other constraints and pressures?
  - Mousetraps?