

## A “DEVELOPMENT WITHOUT DISPLACEMENT” POLICY PLATFORM FOR THE CITY OF SAN ANTONIO

We are a loose-knit alliance of organizations, neighborhood-based groups, and individuals who for the past few years have lived with and organized around the many impacts of downtown redevelopment on our inner city neighborhoods. We have witnessed the privatization of our public spaces, the encroachment of commercial development in our residential areas, the use of code compliance to target of our neighbors' homes for demolition when they could not afford to maintain them. We have seen our historic buildings and sacred spaces demolished and paved over to create space for high-end housing where we can't afford to live. We have worked with the children of families displaced from public housing in its conversion to mixed-income market rate housing. We have seen the subtle exclusion of poor people from city parks and other public spaces as they are remade to entice more affluent residents. And in February of 2014, we went in person to Mission Trails Mobile Home Community to learn more about what was happening and ask how we could assist. Since then we have stood beside Mission Trails residents as they fought first to stay in their homes and then to figure out where they would go and how they would survive. In our own communities or alongside other neighbors, we are the ones who have witnessed or felt and lived all of these changes, in our bodies and minds and hearts.

Following the scholarly literature on gentrification, we understand displacement not merely as a single, decisive moment of physical removal, but as ongoing pressure created over time by the wider dynamics of urban land use decisions, in which land and housing are primarily commodities to exchange on the market and only secondarily the places we live and call home. To that extent, we feel that any set of policies the city develops to address the issue of displacement must look upstream, helping people stay in their homes rather than mitigating displacement after the fact, as though it were an inevitable cost of development. From where we stand, this is the most important opportunity that the city's task force presents, and we appreciate the public format of the meetings which has allowed us to observe, participate, and offer our own recommendations.

In what we present below, we make suggestions in two categories:

1. Ways the task force can strengthen the existing draft to be more protective of renters and vulnerable homeowners; and
2. Additional policy protections the task force can consider beyond what is included in the existing draft.

We have modeled these additional recommendations on the Renters' Bill of Rights formulated by the Right to the City Alliance in its “Rise of the Renter Nation” report, circulated by Maria A. Berriozabal at the beginning of the task force process. We have attached the full range of policy recommendations, including examples from other cities, at the end of this document. We endorse Right to the City's “five pillars” framework for thinking about housing in terms of *security* rather than affordability narrowly. In San Antonio, we who live in and work with communities that are most impacted by displacement pressure due to redevelopment want to highlight two of these pillars as particularly important for our city:

1. Stability and Protection from Displacement, and
2. Community Control over Land and Housing.

Beyond these protections, we also highlight Right to the City's policy suggestions on how to ensure an adequate supply of housing options that are actually affordable for the most vulnerable residents of the city. By "actually affordable," we mean housing that costs no more than 30% of household monthly income, especially among workers in low-wage service industries—families living at 0-50% Area Median Income (approximately 125% of the Federal Poverty Level). For instance, a family of 4 at 50% AMI (\$30,400 annually or \$2,533/month) could afford rent or a mortgage up to \$760/mo. For a single parent of one at 30% AMI (\$14,600/year or \$1217/mo), an affordable rent or mortgage would be \$365/mo.

First, we want to recognize some of the strengths of the existing draft:

- requiring that developers take responsibility for the costs of relocation in cases of city incentivized projects;
- advocating the coordination and strengthening of services among agencies (foreclosure prevention, predatory lending education, tenants' rights, displacement prevention) so that people at risk of losing their home know where to go to get help;
- creating a standing committee to make sure the task force's recommendations have teeth and to collect data on where gentrification is occurring and where it is likely to occur; and
- recognizing the need to seek additional sources of funding to help keep people in their homes and increase the supply of affordable housing; and
- revising the zoning notification process to include all residents within 200 ft, not just property owners.

The following are ways this task force can further strengthen these recommendations:

- At the city/county housing summits, proactively solicit panels and workshops from impacted residents and community groups working with residents affected by gentrification.
- In the standing committee that forms at the conclusion of the task force, ensure that displaced residents, low income renters, and long time residents in gentrifying neighborhoods are members of this committee.
- Several points in the recommendations on relocation policy need to be clarified and/or strengthened. First, does the developer-provided relocation assistance include moving costs, or just the difference between old rent and new for 12 months? Would all moving costs be covered, or only some? Second, what is the city's policy in cases where a developer elects to forego incentives so as to avoid giving relocation assistance? Third, what is the city's policy on relocation assistance if a developer does not *directly* receive city incentives (as in the case of Mission Trails)? And lastly, what is the city's policy on relocation assistance in cases where residents are displaced due to code compliance violations or commercial encroachment?
- We urge that, in addition to city incentives, any zoning change authorized by the city (i.e., residential to commercial, mobile home to mixed use) should be a trigger for developer assistance, as discussed in multiple task force meetings. Furthermore, in cases where developer

assistance is not sufficient to meet the total costs of relocation we believe that the city has a responsibility above and beyond the developer to meet these needs, as it does where displacement occurs due to code enforcement or commercial development. If the city is not prepared to cover assistance not provided by the developer, it should not authorize development projects where developer assistance is insufficient. As suggested by Susan Sheeran, one possible solution can be to set up a fund for this purpose, using monies from city, state, and federal sources, banks, nonprofit organizations, and private donations. The example she referenced was from Denver.

- Clarify where money from opt-out fees would go if developers elect not to set aside affordable units in their projects. We suggest that this become a funding stream for a displacement fund or for community-controlled housing options like community land trusts and housing cooperatives.
- Alternately, we suggest that opt-out fees be used to create housing that is affordable to residents at 0-50% AMI in their existing neighborhoods, given that the aim of the inclusionary housing policy proposed is not to meet the needs of the most vulnerable residents but rather to create mixed income areas. This policy does not remediate poverty so much as disperse poor people, creating displacement pressure in poor areas through the construction of market rate housing while at the same time moving affordable housing to wealthy areas, away from existing communities of need.
- In addition to financing the preservation and production of affordable housing via bonds, we suggest using developer exactions via community benefit agreements. For instance, a development project that costs over a certain amount might be required via community benefit agreement to provide funds for community-controlled and/or affordable housing in order to receive subsidies from the city.
- Additionally, we recommend that the 2017 bond prioritize community land trusts (CLTs) and coop development in addition to the activities listed.
- If trailer-mounted ADUS ("tiny homes") are to be promoted via changes to the Unified Development Code, we suggest allowing rezoning of residential lots for mobile homes too.
- Lastly, we strongly suggest that the final report include a prologue that makes mention of Mission Trails both as the impetus for the task force and as a human rights crisis as yet unresolved even as the task force makes its final recommendations.

In addition to strengthening existing recommendations in these ways, we would like to press the task force to go further in its protections, in the following areas:

### **1) Housing Stability and Protection from Displacement**

Affordable housing must be protected from market swings, speculation, rising property values, and other forces that currently threaten affordable housing. The City of San Antonio (COSA) might achieve this by:

- Instituting a "right of first refusal" policy for any city-incentivized development project, so that housing units can be offered to tenants first, before being sold or re-rented on the private market;
- Enacting "just cause" eviction similar to that passed in Seattle, WA;
- Implementing a right to return and reparations, to prioritize a certain percentage of new affordable housing units for residents and families who were displaced due to publicly funded redevelopment projects;
- Creating and/or supporting existing homeowner and renter protection programs to assist low-income, longtime, and/or elderly renters and homeowners to stay in their homes and maintain

habitable living conditions. These protections should be strategized by the most impacted community members in conjunction with appropriate professionals, but might include property tax or rent controls for households in neighborhoods where property values are increasing due to development or land speculation.

- Seeking increased funding for anti-displacement and anti-eviction support and/or legal services to help many more low-income residents (along with veterans, immigrants, and monolingual Spanish speakers). Ideally, the city itself should provide these legal services, as free legal services for low income people, especially those who are immigrants, are inadequate or inaccessible;
- Preventing landlords from coercing tenants into leaving their homes by intimidation or lack of maintenance;
- Preventing real estate interests and cash buyer companies from harassing homeowners through code enforcement and buyout offers;
- Requiring landlords to post and adequately inform tenants about their rights;
- Tracking public investment at the neighborhood level, and using this information to improve equity in budgeting decisions.

## **2) Community Control over Land and Housing**

One of the most important things the city can do is to transition existing affordable housing to community control, and emphasize this from the start in the case of new housing. While this may sound unrealistic, there are various concrete things COSA can do to realize this:

- Change the city charter to support council pay and to ensure that those who carry out day-to-day policy decisions are accountable to public vote;
- Set strong standards for public engagement in land-use planning and development decision-making, and support community-based trainings for residents to participate in planning and development processes;
- Strengthen ethics rules so that former city staff or elected officials cannot work as lobbyists for development companies;
- Revise the Vacant Properties Ordinance to tax absentee landlords and corporate owners rather than punishing local owners who cannot afford to maintain their property or who may be in the process of securing the funds to maintain it;
- Prioritize community land trusts and cooperative housing options by providing funding, land, and technical assistance;
- Create “first look” programs that ensure that, after owner-occupants, community land trusts and non-profits have the first opportunity to purchase land or property that has received some form of government funding or subsidy;
- Exact penalties, including taxes and fees, for development or investment activity that focuses on profit generation without benefits to existing residents. Funds generated should go to community land trusts and non profits to create or preserve affordable housing;
- Establish a land bank as a public authority created to efficiently handle acquisition, maintenance, and sale of vacant properties. Land banks should have clear, streamlined procedures to clear titles and acquire tax-delinquent properties without risking their sale to speculators, and transfer properties primarily to non-profits and community land trusts to create affordable housing.

- Promote access to information about tenants' rights and the process to follow if these rights have been violated. This includes language access, access for those without computers or internet, and access for those who may not be literate. The same should be done for housing maintenance—how to document and report housing code violations, what landlords have to do in response, and in what time frame.

### **3) Preserving and Expanding Supply of Actually Affordable Housing**

- Fund San Antonio's existing housing trust so as to have dedicated streams of funding for low income affordable rentals and for home repair/maintenance, with priority for households between 0-50% AMI. Funding should also prioritize non-profit, community land trust, cooperative, and resident ownership models that create permanently affordable housing.
- Enact a one-for-one replacement policy: If any affordable units at between 0-80% AMI are eliminated, equally affordable units should be created as close as possible to the original units;
- Ensure that large corporations and investors pay their fair share by exacting fees and taxes including:

Transfer tax/flip tax: Establish transfer taxes, increase existing ones, and/or add incremental increases to those of high-end residential properties. Revenue from this source would be earmarked specifically for affordable housing to reach 0-50% AMI.

Property tax reform: Reform the property tax system and create a more equitable system so that large commercial property owners are paying their fair share of property taxes. Relevant agencies can also tax vacant land to incentivize affordable housing development or other community benefits (gardens, parks, etc) and disincentivize land speculation (holding or buying low and selling high).

- Use eminent domain, land banking, and donations from city/county government, San Antonio Housing Authority, banks, and other housing organizations to acquire vacant properties to then be transferred to community land trusts and non-profit organizations.
- Ensure that displaced residents, public housing residents, low income renters, and long-time homeowners/residents in gentrifying neighborhoods have a place at the table for any standing committees or housing summits that emerge from the present COSA task force on gentrification.
- Prevent utility rates from becoming a regressive tax by aggressively expanding low-income weatherization programs with the use of neighborhood-based promotoras, and by refusing to authorize any new utility rate hikes without a fair rate structure for electricity and water;
- Providing home repair resources so that older homes can become eligible for weatherization, and offering rebates, vouchers, and other incentives for increasing energy efficiency, conservation, and carbon reduction in existing homes.

Our communities have deep roots in San Antonio, yet we are the ones who have most directly seen, felt and lived the displacements that have accompanied downtown redevelopment. We urge COSA to consider our proposals so as to avoid increasing social inequality and instead to nurture the sustainability and

wellbeing of the communities and environments where we live, work, and play. We thank you for this opportunity to contribute, and we hope it can be helpful.

Signed,

Right to the City San Antonio, an alliance of residents in gentrifying neighborhoods, supporting individuals and social justice organizations, and concerned residents who have attended task force meetings